

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 20, 2015

TO: Honorable Charles Perry, Chair, Senate Committee on Agriculture, Water & Rural Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB30 by Larson (Relating to the development of seawater and brackish groundwater.), As Engrossed

Estimated Two-year Net Impact to General Revenue Related Funds for HB30, As Engrossed: a negative impact of (\$789,010) through the biennium ending August 31, 2017.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2016	(\$603,015)
2017	(\$185,995)
2018	(\$185,995)
2019	(\$185,995)
2020	(\$185,995)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund 1	Change in Number of State Employees from FY 2015
2016	(\$603,015)	2.0
2017	(\$185,995)	2.0
2018	(\$185,995)	2.0
2019	(\$185,995)	2.0
2020	(\$185,995)	2.0

Fiscal Analysis

The bill amends the Texas Water Code relating to the development of seawater and brackish groundwater. The bill requires the Texas Water Development Board (TWDB) to confirm that regional water planning groups consider large-scale seawater and brackish groundwater desalination associated with brackish groundwater production zones when developing regional water plans. The bill requires TWDB to identify and designate brackish groundwater production zones that are separated by hydrologic barriers sufficient to prevent impact to water availability or water quality in any area of the same or other aquifers with total dissolved solids level of 1,000 milligrams per liter or less and which are not located in areas listed in the bill. The bill requires TWDB to determine and include in the designation description the amount of brackish groundwater that the zone is capable of producing over a 30-year and 50-year period without causing a significant impact to water availability or water quality. The bill requires TWDB to recommend reasonable monitoring to observe the effects of brackish groundwater production within the zone. The bill amends requirements for TWDB's biennial progress report on desalination studies and research to also to also identify and designate brackish groundwater production zones for certain aquifers listed in the bill, providing this report no later than December 1, 2016. Brackish groundwater production zones for other areas of the state would be required by December 1, 2022.

The bill would take effect immediately if it receives a vote of two-thirds of the members of each house; otherwise, it would take effect on September 1, 2015.

Methodology

TWDB estimates a cost of \$789,010 in the 2016-17 biennium, which is attributed to hiring two additional staff (1.0 Geoscientist II at \$54,761 per year and 1.0 Geoscientist IV at \$71,686 per year) for brackish groundwater production zone designations, as well as \$400,000 in General Revenue Funds to contract with external sources in fiscal year 2016 to research and report on study elements required by the bill. Equipment and operating costs excluding technology impact are \$31,340 in fiscal year 2016 and \$14,320 in fiscal year 2017 and subsequent years.

Technology

According to TWDB, there would be a cost of \$10,000 per year for State Data Center services for data storage.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board

LBB Staff: UP, SZ, JJ, PM