

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 30, 2015

TO: Honorable Dan Patrick, Lieutenant Governor, Senate
Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB928 by Guillen (Relating to the management of water, including the authority of certain entities to issue bonds to finance certain water resource projects.), **Conference Committee Report**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would, among other provisions, partially implement recommendations in the report "Improve State and Local Drought Planning to More Effectively Manage Water Resources" in the Legislative Budget Board's Government Effectiveness and Efficiency Report, submitted to the Eighty-fourth Texas Legislature, 2015.

The bill would increase membership of the Water Conservation Advisory Council (WCAC) from 23 to 25 members and amend provisions related to terms of service. The bill would require WCAC to monitor and recommend strategies to respond to drought and recommend methodologies for conducting drought contingency plan evaluations. The bill amends provisions in the Texas Water Code related to drought contingency plans, providing that entities may review and update their drought contingency plan and submit the plan to the Texas Commission on Environmental Quality (TCEQ), as well as include an evaluation of the effectiveness of previously implemented drought strategies. Wholesale or retail public water suppliers would notify TCEQ not later than 5 business days after the supplier implements changes or ceases to implement mandatory provisions in their plan. Additional drought-related information would be posted on the TCEQ website. The bill would require the Texas Water Development Board (TWDB), TCEQ, and WCAC to review and update the water conservation Best Management Practices Guide and to include best management practices for drought response.

The bill would authorize TCEQ to issue emergency authorizations when there are emergency conditions which present an imminent threat to the public health and safety and which override the necessity to comply with established statutory procedures, and there are no feasible practicable alternatives. Current statute allows the emergency authorization to be issued for 120 days, and to be renewed once for no more than 60 days. The bill would change the maximum term of the initial emergency authorization to 270 days. TCEQ does not expect passage of the bill to result in a significant impact to agency workload.

The bill would take effect September 1, 2015, except provisions related to emergency authorizations issued by TCEQ would take effect immediately upon enactment, should the bill receive a vote of two-thirds of all members elected to each house.

Local Government Impact

The bill could have positive fiscal implications for governmental entities that apply for an emergency authorization. There may be a cost savings for entities not having to file as many applications and pay the related application fees to keep the emergency authorization effective. These savings are not expected to be significant.

Source Agencies: 580 Water Development Board, 582 Commission on Environmental Quality

LBB Staff: UP, SD, TL, SZ, JJ, PM