

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**May 12, 2015**

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

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: HB3298** by Larson (Relating to a study conducted by the Texas Water Development Board regarding the development of a market and conveyance network for water in this state.), **As Engrossed**

**Estimated Two-year Net Impact to General Revenue Related Funds** for HB3298, As Engrossed: a negative impact of (\$2,000,000) 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:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2016	(\$2,000,000)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Savings/(Cost) from General Revenue Fund</b>
2016	(\$2,000,000)
2017	\$0
2018	\$0
2019	\$0
2020	\$0

## **Fiscal Analysis**

The bill would require the Texas Water Development Board (TWDB) to conduct a study regarding the development of a market and conveyance network for water in Texas. Multiple factors would be evaluated, including opportunities for and barriers to the potential establishment of a statewide or regional water grid, including an integrated network of natural and constructed works. The study would be completed, including a 30-day public comment period on a draft report, and submitted to the Legislature by September 1, 2016.

## **Methodology**

According to TWDB, conducting the study would require contracting professional technical services. TWDB estimates the cost to complete the requirements of the bill would be \$2 million out of the General Revenue Fund. The bill would take effect immediately if it receives a vote of two-thirds of all members elected to each house. Otherwise, the bill would take effect September 1, 2015.

## **Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 580 Water Development Board

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