

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

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

**April 28, 2015**

**TO:** Honorable Jim Keffer, Chair, House Committee on Natural Resources

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

**IN RE: HB3837** by Lucio III (Relating to the licensing and regulation of certain rainwater harvesting; providing administrative penalties; authorizing fees; requiring an occupational license; creating a criminal offense.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend the Agriculture Code to direct the Texas Department of Agriculture (TDA) to establish a licensing program for persons installing or maintaining for compensation a rainwater harvesting system with a capacity of 500 gallons or more. The TDA license would require successful completion of a rain water harvesting training program, passing an examination, and payment of an application fee. The license would be valid for three years. Violations of the licensing requirement would be a criminal offense, punishable as a Class C misdemeanor and penalty of not more than \$5,000.

According to the Comptroller, there are between 40 and 60 individuals in Texas who may seek the TDA license. However, because TDA has not determined fee amounts, if any, for related licenses and inspections, this analysis does not include a revenue estimate for the 2016-17 biennium. Although TDA indicates there would be minimal costs associated with the bill, this analysis assumes that additional fee-generated revenue would be generated in sufficient amounts to cover all costs necessary to implement the provisions of the bill.

**Local Government Impact**

A Class C misdemeanor is punishable by a fine of not more than \$500. Costs associated with enforcement and prosecution could likely be absorbed within existing resources. Revenue gain from fines imposed and collected is not anticipated to have a significant fiscal impact. In addition to the fine, punishment can include up to 180 days of deferred disposition.

**Source Agencies:** 304 Comptroller of Public Accounts, 551 Department of Agriculture

**LBB Staff:** UP, SZ, MW, TB, KVe