

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

**FISCAL NOTE, 85TH LEGISLATURE 1st CALLED SESSION - 2017**

**July 25, 2017**

**TO:** Honorable Lyle Larson, Chair, House Committee on Natural Resources

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

**IN RE: HB228** by Larson (Relating to appropriations of water for use in aquifer storage and recovery projects.), **As Introduced**

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

The bill would amend portions of the Water Code relating to the use of surface water for aquifer storage and recovery projects. The bill would clarify that such projects could consist of multiple sources of water, including a new appropriation. The bill would allow the sources of water for aquifer storage and recovery projects to be from water that is not continuously available, be a diversion from a watercourse that would otherwise flow into the Gulf of Mexico, and would prohibit projects that would negatively affect existing water rights in the same river basin or applicable environmental flow standards. The bill would require the Texas Commission on Environmental Quality (TCEQ) to consider any international treaties concerning applications for aquifer storage and recovery projects from the Rio Grande basin, and prohibit TCEQ from approving applications that would violate such treaties.

The bill would authorize TCEQ to amend approved reservoir storage projects and convert them to aquifer storage and recovery projects. Under the provisions of the bill, applications for project amendments would not be subject to notice and hearing requirements if the amendment would not change the diversion point, amount, or rate. The bill would require TCEQ to include provisions to protect existing water rights and applicable environmental flow standards in approved project amendments. The bill would allow TCEQ to adopt rules for an expedited application process for water right applications and amendments.

Based upon information provided by TCEQ, this analysis assumes the duties and responsibilities of this bill could be accomplished by utilizing existing resources.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 582 Commission on Environmental Quality

**LBB Staff:** UP, SZ, MSO, MWI, JGA