LEGISLATIVE BUDGET BOARD Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 25, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2885 by Larson (Relating to the authorization by the Texas Commission on Environmental Quality of the discharge, diversion, and transfer or other reuse of return flows derived from treated brackish groundwater.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend Texas Water Code, Section 11.042 to require the Texas Commission on Environmental Quality (TCEQ) to grant an authorization for treated brackish groundwater if the groundwater is authorized to be discharged pursuant to a permit under Texas Water Code, Chapter 26. The bill would amend Texas Water Code, Section 11.085 to require TCEQ to grant a water right or amendment if the applicant is proposing to divert existing return flows from treated brackish groundwater and transfer those flows to another river basin; such an application would be exempted from inter-basin transfer application requirements. The bill would apply only to applications received on or after the effective date of the bill. The bill would take effect September 1, 2017.

TCEQ estimates that the provisions of the bill could be implemented using existing resources.

Local Government Impact

According to the Texas Commission on Environmental Quality, entities that file an application for an inter-basin transfer that meets the exception under the provisions of the bill would save an undetermined amount of application costs.

According to the Texas Municipal League, the fiscal impact to municipalities is not anticipated to be significant.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: UP, SZ, MSO, JGA, PM