

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 2, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2894 by Lucio III (relating to a requirement that the Texas Commission on Environmental Quality provide an expedited procedure for acting on certain applications for an amendment to a water right by certain applicants that use desalinated seawater.), **Committee Report 1st House, Substituted**

No significant fiscal implication to the State is anticipated.

The bill would amend the Texas Water Code, Section 11.122 to give the holder of a water right who begin using desalinated seawater the right to expedited consideration of an amendment application by the Texas Commission on Environmental Quality (TCEQ), provided that the amendment would: authorize a different or additional diversion point or points; authorize the diversion of an amount of water from the different or additional diversion point that is equal to or less than the amount of desalinated sweater used by the applicant before the amendment; authorize the diversion from all of the diversion points authorized by the water right an amount of water equal to or less than the amount of water the applicant was authorized to divert before the amendment; authorize a combined rate of diversion equal to or less than the combined rate at which the applicant was authorized to divert water before the amendment; and would not authorize the water diverted from the different or additional diversion point to be transferred to another river basin. The bill would require the executive director of TCEQ to prioritize the technical review of the amendment application in order to expedite consideration. The bill would amend Texas Government Code, Section 2003.047 to require the State Office of Administrative Hearings (SOAH) to complete case hearings concerning amendment applications subject to the bill within 270 days of referral.

TCEQ and SOAH estimate that implementing the provisions of the bill could be accomplished using existing resources, and that no significant savings would be realized due to any shortening of the timeframes of contested case hearings or limitation of issues considered.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 212 Office of Court Administration, Texas Judicial Council, 360 State Office of Administrative Hearings, 580 Water Development Board, 582 Commission on Environmental Quality

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