

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 11, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB3987 by Larson (Relating to the authority of the Texas Water Development Board to use the state participation account of the water development fund to provide financial assistance for the development of certain facilities.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Water Code to allow the Texas Water Development Board (TWDB) to use funds from the Texas Water Development Fund II No. 371 (Fund 371) for the development of seawater desalination facilities and aquifer storage and recovery facilities. The bill would require that such a facility receiving funding from Fund 371 be included in the state water plan, that TWDB establish a prioritization system for financing such facilities, and that TWDB could not issue more than \$200 million in such bonds. The bill would remove TWDB's ability to use Fund 371 for this purpose if it has not provided financing to at least one seawater desalination facility or aquifer storage and recovery facility by September 1, 2022.

TWDB anticipates that any additional work resulting from the enactment of the bill could be reasonably absorbed within current resources.

Local Government Impact

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

Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board

LBB Staff: UP, SZ, MW, PBO