

LEGISLATIVE BUDGET BOARD  
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 25, 2017

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate

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

**IN RE:** SB1525 by Perry (Relating to a study by the Texas Water Development Board of water needs and availability in this state. ), **As Passed 2nd House**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1525, As Passed 2nd House: a negative impact of (\$1,149,340) through the biennium ending August 31, 2019.

The Water Development Board would only be required to conduct a study on aquifer storage and recovery projects and a study on favorable areas if the legislature appropriates funds specifically for that purpose. If the legislature does not make such an appropriation, TWDB may, but is not required to, conduct studies using other appropriations available for the purpose.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2018	(\$847,895)
2019	(\$301,445)
2020	(\$301,445)
2021	(\$301,445)
2022	(\$301,445)

All Funds, Five-Year Impact:

Fiscal Year	Probable Revenue Gain/(Loss) from General Revenue Fund 1
2018	(\$847,895)
2019	(\$301,445)
2020	(\$301,445)
2021	(\$301,445)
2022	(\$301,445)

Fiscal Year	Change in Number of State Employees from FY 2017
2018	3.0
2019	3.0
2020	3.0
2021	3.0
2022	3.0

**Fiscal Analysis**

The bill would require the Texas Water Development Board (TWDB) to conduct three studies.

(1) The bill would require TWDB to conduct a study and produce a comprehensive water resources map of water needs and availability which considers development of additional water resources. The study would also be required to consider potential locations for desalination facilities and the allocation of costs associated with transporting desalinated water.

(2) The bill would direct TWDB to conduct studies of aquifer storage and recovery projects identified in the state water plan or by interested parties. TWDB would be required to work with groundwater conservation districts, regional water planning groups, and potential sponsors of aquifer storage and recovery projects in conducting these studies. TWDB would be required to report the results of each study to regional water planning groups and to interested parties.

(3) The bill would also direct TWDB to conduct a statewide survey of the most favorable areas for aquifer storage and recovery and to report on its findings by December 15, 2018. The subsection of the bill related to the statewide survey would expire on January 1, 2019.

TWDB would only be required to conduct study (2) on aquifer storage and recovery projects and study (3) on favorable areas if the legislature appropriates money specifically for that purpose. If the legislature does not make such an appropriation, TWDB may, but is not required to, conduct studies using other appropriations available for the purpose.

The bill would take effect September 1, 2017.

**Methodology**

TWDB has indicated it could conduct study (1) using existing resources.

For study (2) on aquifer storage and recovery projects and study (3) on favorable areas, TWDB estimates it will need to hire three additional geoscientists in order to conduct the studies required by the bill at an annual cost of \$285,145 including salary, benefits, and necessary travel. One-time expenses for computer equipment and geographic information system (GIS) licenses for the three new FTEs are estimated at \$45,450. Ongoing annual GIS maintenance fees for the three new FTEs are estimated to be \$6,300. TWDB has included an additional \$1,000 in the first year for an existing FTE to travel to new meetings for stakeholders that will need to take place.

Based on previous project costs, TWDB estimates that the cost to conduct a statewide survey is \$500,000. TWDB estimates that it will need additional data storage from Data Center Services in the amount of \$10,000 per year.

**Technology**

According to TWDB, there would be a cost of \$10,000 per year for State Data Center services for data storage.

**Local Government Impact**

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

**Source Agencies:** 580 Water Development Board

**LBB Staff:** UP, SZ, MW, PBO, JGA, PM