

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 27, 2019

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

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB723 by Larson (Relating to a requirement that the Texas Commission on Environmental Quality obtain or develop updated water availability models for certain river basins.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB723, Committee Report 1st House, Substituted: an impact of \$0 through the biennium ending August 31, 2021.

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
2020	\$0
2021	\$0
2022	\$0
2023	\$0
2024	\$0

All Funds, Five-Year Impact:

Fiscal Year	Probable (Cost) from Water Resource Management 153
2020	(\$2,888,000)
2021	\$0
2022	\$0
2023	\$0
2024	\$0

Fiscal Analysis

The bill would amend Texas Water Code, Section 16.012 to require the Texas Commission on Environmental Quality (TCEQ) to obtain or develop updated water availability models for the Brazos, Guadalupe, Red, Rio Grande, and San Antonio River Basins

The bill would take effect September 1, 2019.

Methodology

TCEQ's estimates assume that the agency would update the water availability models through a contract, and would include costs of peer review of the work. TCEQ estimates that costs for the contract would total \$2,888,000 in fiscal year 2020 that consists of \$275,000 for the Brazos River Basin, \$633,000 for the Red River Basin, \$770,000 for the Rio Grande River Basin, and \$1,210,000 for the Guadalupe/San Antonio River Basin.

This analysis assumes that all other staff related costs necessary to implement the provisions of the bill could be absorbed using existing resources.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 582 Commission on Environmental Quality

LBB Staff: WP, GDz, SZ, MW, JGa, PM