

- SUBJECT:** Eliminating a fee collected for wastewater treatment permit applications
- COMMITTEE:** Environmental Regulation — committee substitute recommended
- VOTE:** 8 ayes — Pickett, E. Thompson, Dale, Kacal, Landgraf, Lozano, Reynolds, E. Rodriguez
- 1 absent — Cyrier
- WITNESSES:** For — (*Registered, but did not testify:* Donna Warndorf, Harris County Commissioners Court; Alisa Max, Harris County Engineering Department; Randall Chelette and Wiley Cloud, Texas Onsite Wastewater Association)
- Against — None
- On — (*Registered, but did not testify:* Greg Yturralde, Texas Commission on Environmental Quality)
- BACKGROUND:** Health and Safety Code, sec. 367.010 requires the Texas Commission on Environmental Quality (TCEQ) and each county, municipality, public health department, and river authority to collect a \$10 fee for each on-site wastewater treatment permit application processed. The fees are forwarded to TCEQ, which deposits them in the water resource management account.
- In 1987, the Texas On-Site Wastewater Treatment Research Council was created to collect fees for on-site wastewater treatment permit applications and distribute the funds as grants to research wastewater treatment technology and systems. The Texas On-Site Wastewater Treatment Research Council underwent Sunset review in 2011 and its duties were absorbed by TCEQ, which has continued to collect the on-site wastewater treatment permit application fees but has not awarded further research grant funding.
- Concerns have been raised that the collection of these fees, intended to

fund research into wastewater treatment technology and systems, is no longer necessary, as the wastewater treatment industry has matured and the fee proceeds are no longer awarded as competitive grants.

**DIGEST:** CSHB 2771 would eliminate the collection of the \$10 application fee for an on-site wastewater treatment permit by repealing Health and Safety Code sec. 367.010.

The bill also would allow the Texas Commission on Environmental Quality to accept gifts in addition to grants and donations for deposit in the water resource management account. The commission could direct the disbursement of grants only, rather than grants and donations, through its procedures for awarding grant funding.

The bill would take effect September 1, 2017.

**NOTES:** According to the Legislative Budget Board, the bill would have no impact to general revenue related funds but would have a negative impact of \$341,000 annually on the water resource management account.