

BILL ANALYSIS

Senate Research Center

S.B. 2320
By: Averitt
Natural Resources
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the statutory fee cap that groundwater conservation districts operating under general law may charge for production of groundwater for non-agricultural uses is \$10 per acre-foot.

As proposed, S.B. 2320 increases the statutory fee cap that groundwater conservation districts operating under general law may charge for production of groundwater for non-agricultural uses from \$10 per acre-foot to 30 cents per 1,000 gallons. The revised cap will put districts operating under general law on equal footing with numerous districts across the state operating under special laws, and it will allow such districts to be sufficiently funded without the need to assess additional property taxes.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 36.205, Water Code, as follows:

Sec. 36.205. AUTHORITY TO SET FEES. (a) Makes no changes to this subsection.

(b) Makes no changes to this subsection.

(c) Prohibits production fees from exceeding 30 cents per 1,000 gallons, rather than \$10 per acre-foot, payable annually for water used for any other purpose.

(d) Deletes existing text of Subsection (d) prohibiting the Lone Star Groundwater Conservation District and the Guadalupe County Groundwater Conservation District from charging production fees for an annual period greater than \$1 per acre-foot for water used for agricultural use or 17 cents per thousand gallons for water used for any other purpose. Deletes existing text requiring that this subsection take precedence over all prior enactments. Redesignates Subsection (e) as Subsection (d).

(e) Redesignates Subsection (f) as Subsection (e). Authorizes a district, rather than including a district described under Subsection (d), to assess a production fee under Subsection (c) for any water produced under an exemption under section 36.117 (Exemptions; Exception; Limitations) if that water is subsequently sold to another person.

(f) Redesignates Subsection (g) as Subsection (f). Makes no further changes to this subsection.

SECTION 2. Effective date: upon passage or September 1, 2009.