BILL ANALYSIS

Senate Research Center 84R23626 AAF-D

C.S.S.B. 1360 By: Kolkhorst Agriculture, Water & Rural Affairs 4/21/2015 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Southeast and Gulf Coast Regions of Texas have been subject to reoccurring drought while the territory covered by the Coastal Plains Groundwater conservation districts (GCD) is experiencing extraordinary growth and associated increases in demand for water that is anticipated to continue into the future. Groundwater resources in the three-county region are under pressure to supply existing needs. As the population of Greater Houston and other growth areas in the state expand, there is increasing interest in capturing large quantities of groundwater from rural areas. Exporting groundwater from aquifers in the Gulf Coast region could decrease or eliminate spring flows, reduce surface flows, and adversely affect groundwater supplies needed for future local use.

GCDs are the state's preferred method of regulating groundwater. They are governed by Chapter 36 (Groundwater Conservation Districts), Water Code. Section 36.122 (Transfer of Groundwater Out of District), Water Code, permits a district to charge export fees for the transfer of groundwater out of the district. Those fees are often set in the district's enabling legislation, most often located in the Special District Local Laws Code.

C.S.S.B. 1360 creates a groundwater conservation district in Aransas County. The district will have all the powers and duties under Chapter 36, Water Code.

The committee substitute corrects some election date issues and reduces the proposed tax rate from five percent to one percent.

C.S.S.B. 1360 amends current law relating to the creation of the Aransas County Groundwater Conservation District, provides authority to issue bonds and impose a tax, and provides general law authority to impose fees and surcharges.

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 Subtitle H, Title 6, Special District Local Laws Code, by adding Chapter 8823, as follows:

CHAPTER 8823. ARANSAS COUNTY GROUNDWATER CONSERVATION DISTRICT

Sets forth standard language for the creation of the Aransas County Groundwater Conservation District (district) in Aransas County. Sets forth standards, procedures, requirements, and criteria for:

General provisions, including the nature of the district, the requirements to confirm the creation of the district by election, the initial district territory, the temporary provisions of this chapter, including the appointment of temporary directors (Sections 8823.001-8823.026);

Creation of the board of directors of the district, method of election of directors, and filling a vacancy (Sections 8823.051-8823.054);

Powers and duties of the district (Section 8823.101); and

General financial provisions, providing the authority to impose a tax (Section 8823.151).

Prohibits the district from exercising the power of eminent domain.

SECTION 2. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 3. Effective date: September 1, 2015.