

By: King of Uvalde

H.B. No. 3972

Substitute the following for H.B. No. 3972:

By: Paul

C.S.H.B. No. 3972

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to security required before filing suit against a  
3 groundwater conservation district.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Subchapter H, Chapter 36, Water Code, is amended  
6 by adding Section 36.2515 to read as follows:

7 Sec. 36.2515. SECURITY REQUIRED. (a) In this section,  
8 "security" means a bond or deposit posted by a plaintiff before  
9 filing suit against a district or, as provided by the Texas Rules of  
10 Appellate Procedure, by a judgment debtor to a district to suspend  
11 execution of the judgment during appeal of the judgment.

12 (b) Subject to Section 52.006, Civil Practice and Remedies  
13 Code, a district by rule shall establish the amount of security  
14 required to file suit under Section 36.251 challenging a rule or  
15 order made by the district, including an appeal of a decision on a  
16 permit application. Except as provided by Subsection (c), the  
17 amount of security required under this section may not exceed  
18 \$100,000.

19 (c) The amount of security required to be posted by a party  
20 to a contested case hearing, other than by the applicant, for the  
21 appeal of a decision granting a permit application or permit  
22 amendment application under Section 36.251(b) shall be increased by  
23 an amount sufficient to cover the applicant's cost to defend the  
24 permit or amendment granted by the district against the suit and

1 appeal. The amount of an increase under this subsection may not  
2 exceed \$100,000.

3 (d) Section 52.006, Civil Practice and Remedies Code,  
4 applies to an appeal from a decision of the district court affirming  
5 a district's rule, order, or decision on a permit application. The  
6 amount of security required under this subsection must equal the  
7 sum of:

8 (1) the amount of any civil penalty awarded;

9 (2) interest for the estimated duration of the suit or  
10 appeal; and

11 (3) attorney's fees and costs required for the  
12 district to defend against the suit and appeal.

13 (e) A security required under this section must be filed  
14 into the registry of the district court in which the suit is filed.

15 SECTION 2. The changes in law made by this Act apply only to  
16 a suit against a groundwater conservation district that is filed on  
17 or after the effective date of this Act. A suit against a  
18 groundwater conservation district that is filed before the  
19 effective date of this Act is governed by the law in effect on the  
20 date the suit is filed, and that law is continued in effect for that  
21 purpose.

22 SECTION 3. This Act takes effect September 1, 2021.