

By: Murr

H.B. No. 4256

A BILL TO BE ENTITLED

AN ACT

relating to establishing and funding a grant program to plug
leaking water wells in certain counties.

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

SECTION 1. Chapter 28, Water Code, is amended by adding
Subchapter E to read as follows:

SUBCHAPTER E. LEAKING WATER WELLS PROGRAM

Sec. 28.101. DEFINITIONS. In this chapter:

(1) "Commission" means the Texas Commission on
Environmental Quality.

(2) "District" means any district or authority created
under Section 52, Article III, or Section 59, Article XVI, Texas
Constitution, that has the authority to regulate the spacing of
water wells, the production of water wells, or both.

(2) "Fund" means the Leaking Water Wells Fund
established under Section 28.103.

(3) "Program" means the Leaking Water Wells Program
established under Section 28.104.

(4) "Railroad Commission" means the Railroad
Commission of Texas.

Sec. 28.102. APPLICABILITY. This chapter applies only to a
district in a county that:

(1) has a population of not more than 16,000; and

(2) is adjacent to at least seven counties with

1 populations of less than 12,000.

2 Sec. 28.103. LEAKING WATER WELLS FUND. (a) The leaking
3 water wells fund is created as a fund in the state treasury outside
4 the general revenue fund.

5 (b) Notwithstanding any other law, the comptroller shall
6 make a one-time transfer of \$18,500,000 from the economic
7 stabilization fund to the credit of the fund. The comptroller shall
8 make the transfer described by this subsection as soon as
9 practicable.

10 (c) Money deposited to the credit of the fund may be used
11 solely for the purpose of supporting the program under Section
12 28.104, including the costs of program administration and
13 operation.

14 (d) Interest earned on money deposited to the credit of the
15 fund is exempt from Section 404.071, Government Code. Interest
16 earned on money in the fund shall be retained in the fund.

17 Sec. 28.104. LEAKING WATER WELLS PROGRAM. (a) The
18 commission shall establish and administer a leaking water wells
19 program designed to plug leaking water wells. Under the program,
20 the commission shall provide grants for eligible projects to offset
21 the cost of plugging leaking water wells.

22 (b) Projects that may be considered for a grant under the
23 program include leaking water wells that:

24 (1) are located within 2,000 feet of a drinking water
25 well, a water well for livestock or irrigation, or a sensitive
26 wildlife area; or

27 (2) have seasonal or annual flow to the surface, or a

1 hydrological connection to surface water, including a waterway,
2 intermittent stream, or springs system; and

3 (3) whose plug, casing, completion interval, or
4 otherwise general integrity is known to be deficient to the
5 district, or whose completion interval is sufficiently proximate to
6 other known intervals or pressurized zones with high concentrations
7 of salinity, chlorides, sulfides, or other hazardous or toxic
8 constituents.

9 Sec. 28.105. APPLICATION FOR GRANT. (a) A district may
10 apply for and receive a grant under the program.

11 (b) An application for a grant under this chapter must be
12 made on a form provided by the commission and must contain the
13 information required by the commission.

14 Sec. 28.106. ELIGIBILITY OF PROJECTS FOR GRANTS. (a) The
15 commission by rule shall establish criteria for setting priorities
16 for projects eligible to receive grants under this chapter.

17 (b) A district applying for a grant must:

18 (1) demonstrate that the project meets the criteria
19 under Section 28.104(b);

20 (2) obtain any necessary approvals from surface owners
21 for access to the property where the leaking water wells are
22 located; and

23 (3) as necessary and subject to subsection (c), engage
24 in a bid process to select and hire any contractors or
25 subcontractors to perform the work.

26 (c) Any contractors or subcontractors who work on a project
27 must be on the approved list of well pluggers maintained by the

1 Railroad Commission.

2 Sec. 28.107. RESTRICTION ON USE OF GRANT. (a) A recipient
3 of a grant under this chapter shall use the grant to pay the cost of
4 the project for which the grant is made. The recipient may not use
5 the grant to pay the recipient's administrative costs.

6 (b) A leaking water well plugged under this program must be
7 permanently plugged. The commission, in consultation with the
8 Railroad Commission, shall establish criteria for ensuring that a
9 well is permanently plugged.

10 (c) Any funds not used by the recipient on a project to plug
11 a water well must be returned to the fund.

12 SECTION 2. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2023.