#### **BILL ANALYSIS**

C.S.S.B. 1377
By: Armbrister
Natural Resources
Committee Report (Substituted)

## **BACKGROUND AND PURPOSE**

Currently, a majority of states treat crop reserve program farms as "active" farms for all purposes of farm program benefits. However, some underground water districts in Texas are attempting to treat farms in federal crop reserve programs as non-active farms for the purpose of water allocations insofar as validation permits and exportation permits are concerned. C.S.S.B. 1377 prohibits an underground water conservation district from discriminating against farms within the district because the farms are in federal crop reserve program. Furthermore, the bill provides that this prohibition does not apply to the Edwards Aquifer Authority.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

#### **ANALYSIS**

SECTION 1. Amends Section 36.002, Water Code, to prohibit a rule promulgated by a water district from discriminating against owners of land or their lessees and assigns whose land is enrolled or participating in a government program.

SECTION 2. Amends Section 36.101(a), Water Code, to require the board of a water district (board), during the rulemaking process, to develop rules that do not discriminate between land in production and land enrolled or participating in a federal conservation reserve program.

SECTION 3. Amends Section 36.113, Water Code, by adding Subsection (h), to provide that in issuing a permit for existing or historic use, a district may not discriminate against land or wells on land enrolled or participating in a federal conservation reserve program. If a district adopts rules related to the protection of existing or historic use, any land in a federal conservation reserve program shall be treated as having an existing and historic use.

SECTION 4. (a) Effective date: September 1, 2003. (b) Provides that the change in law made by this Act to Section 36.002, Section 36.101(a), and Section 36.113, Water Code, applies to all rules adopted by a groundwater conservation district on or after the effective date of this Act, except as provided by Subsection (c) of this section. (c) Provides that the change in law made by this Act to Section 36.002, Section 36.101(a), and Section 36.113, Water Code, does not apply to rules adopted by the Edwards Aquifer Authority.

## **EFFECTIVE DATE**

September 1, 2003

# **COMPARISON OF SUBSTITUTE TO ORIGINAL**

The substitute removes language from the engrossed version of the bill that provided that a district that adopts rules related to the protection of existing or historic use which authorize a participant in the federal conservation reserve program to establish existing or historic use based on the participant's groundwater production during a period of time prior to the participant entering the federal conservation reserve program shall not be considered discriminatory against such a participant. Rather, the substitute provides that if a district adopts rules related to the protection of existing or historic use, any land in a federal conservation reserve program shall be treated as having an existing and historic use.

C.S.S.B. 1377 78(R) Page 2 of 2