By: Armbrister S.B. No. 1374

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to public waters and provision for environmental flows by
3	the Texas Commission on Environmental Quality.
4	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
5	SECTION 1. Subchapter B, Chapter 11, Water Code, is amended

8 <u>Sec. 11.0235. POLICY REGARDING WATERS OF THE STATE.</u>
9 (a) The waters of the state are held in trust for the public, and

by adding Sections 11.0235, 11.0236, and 11.0237 to read as

- the right to use state water may be appropriated only as expressly
- 11 authorized by law.

follows:

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- 12 <u>(b) Maintaining the biological soundness of the state's</u>
  13 <u>rivers, lakes, bays, and estuaries is of great importance to the</u>
  14 public's economic health and general well-being.
- 15 (c) The legislature has expressly required the commission
  16 while balancing all other interests to consider and provide for the
  17 freshwater inflows necessary to maintain the viability of the
  18 state's bay and estuary systems in the commission's regular
  19 granting of permits for the use of state waters.
- 20 <u>(d) The legislature has not expressly authorized granting</u>
  21 water rights <u>exclusively for:</u>
- 22 <u>(1) instream flows dedicated to environmental needs or</u>
  23 <u>inflows to the state's bay and estuary systems; or</u>
- 24 (2) other similar beneficial uses.

1	(e) The fact that greater pressures and demands are being
2	placed on the water resources of the state makes it of paramount
3	importance to reexamine the process for ensuring that these
4	important priorities are effectively addressed in clear
5	delegations of authority to the commission.
6	Sec. 11.0236. STUDY COMMISSION ON WATER FOR ENVIRONMENTAL
7	FLOWS. (a) In recognition of the importance that the ecological
8	soundness of our riverine, bay, and estuary systems and riparian
9	lands has on the economy, health, and well-being of the state there
10	is created the Study Commission on Water for Environmental Flows.
11	(b) The study commission is composed of 15 members as
12	follows:
13	(1) two members appointed by the governor;
14	(2) five members appointed by the lieutenant governor;
15	(3) five members appointed by the speaker of the house
16	of representatives;
17	(4) the presiding officer of the commission or the
18	<pre>presiding officer's designee;</pre>
19	(5) the chairman of the board or the chairman's
20	designee; and
21	(6) the presiding officer of the Parks and Wildlife
22	Commission or the presiding officer's designee.
23	(c) Of the members appointed under Subsection (b)(2):
24	(1) one member must represent a river authority or
25	municipal water supply agency or authority;

distinguished by its efforts in resource protection; and

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(2) one member must represent an entity that is

2	(d) Of the members appointed under Subsection (b)(3):
3	(1) one member must represent a river authority or
4	municipal water supply agency or authority;
5	(2) one member must represent an entity that is
6	distinguished by its efforts in resource protection; and
7	(3) three members must be members of the house of
8	representatives.
9	(e) Each appointed member of the study commission serves at
LO	the will of the person who appointed the member.
L1	(f) The appointed senator with the most seniority serves as
L2	presiding officer of the study commission.
L3	(g) A member of the study commission is not entitled to
L4	receive compensation for service on the study commission but is
L5	entitled to reimbursement of the travel expenses incurred by the
L6	member while conducting the business of the study commission, as
L7	provided by the General Appropriations Act.
L8	(h) The study commission may accept gifts and grants from
L9	any source to be used to carry out a function of the study
20	commission.
21	(i) The commission shall provide staff support for the study
22	commission.
23	(j) The study commission shall conduct public hearings and
24	study public policy implications for balancing the demands on the
25	water resources of the state resulting from a growing population
26	with the requirements of the riverine, bay, and estuary systems

(3) three members must be members of the senate.

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including granting permits for instream flows dedicated to

- environmental needs or bay and estuary inflows, use of the Texas 1 Water Trust, and any other issues that the study commission 2 3 determines have importance and relevance to the protection of environmental flows. In evaluating the options for providing 4 adequate environmental flows, the study commission shall take 5 6 notice of the strong public policy imperative that exists in this 7 state recognizing that environmental flows are important to the biological health of our parks, game preserves, and bay and estuary 8 systems and are high priorities in the permitting process. 9 study commission shall specifically address ways that the 10 11 ecological soundness of these systems will be ensured in the water 12 allocation process.
- 13 (k) The study commission:
- 14 <u>(1) shall appoint an advisory scientific committee</u> 15 that will:
- 16 <u>(A) serve as impartial scientific advisors and</u>
  17 reviewers for the study commission; and
- 18 (B) have a membership of no fewer than five and no
  19 more than nine total members chosen by the study commission to
  20 represent a variety of areas of relevant technical expertise;
- 21 (2) may appoint additional advisory committees to 22 assist the study commission; and
- 23 (3) may draft proposed legislation to modify existing
  24 water-rights permitting statutes.
- 25 <u>(1) Not later than December 1, 2004, the study commission</u> 26 <u>shall issue a report summarizing:</u>
- 27 (1) any hearings conducted by the study commission;

- 1 (2) any studies conducted by the study commission;
- 2 (3) any legislation proposed by the study commission;
- 3 and
- 4 (4) any other findings and recommendations of the
- 5 study commission.
- 6 (m) The study commission shall promptly deliver copies of
- 7 the report to the governor, lieutenant governor, and speaker of the
- 8 house of representatives.
- 9 <u>(n) The study commission shall adopt rules to administer</u>
- 10 this section.
- 11 (o) The study commission is abolished and this section
- expires September 1, 2005.
- Sec. 11.0237. WATER RIGHTS FOR INSTREAM FLOWS DEDICATED TO
- 14 ENVIRONMENTAL NEEDS OR BAY AND ESTUARY INFLOWS. (a) The
- 15 commission may not issue a new permit for instream flows dedicated
- 16 to environmental needs or bay and estuary inflows. This section
- does not prohibit the commission from issuing an amendment to an
- 18 existing permit or certificate of adjudication to change the use to
- or add a use for instream flows dedicated to environmental needs or
- 20 bay and estuary inflows.
- 21 (b) This section does not alter the commission's
- obligations under Section 11.042(b), 11.046(b), 11.085(k)(2)(F),
- 23 <u>11.134(b)(3)(D)</u>, 11.147, 11.1491, 16.058, or 16.059.
- (c) This section expires September 1, 2005.
- SECTION 2. Subsections (d) and (e), Section 11.147, Water
- 26 Code, are amended to read as follows:
- 27 (d) In its consideration of an application to store, take,

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- or divert water, the commission shall include in the permit, to the
- 2 extent practicable when considering all public interests, those
- 3 conditions considered by the commission necessary to maintain
- 4 [consider the effect, if any, of the issuance of the permit on]
- 5 existing instream uses and water quality of the stream or river to
- 6 which the application applies.
- 7 (e) The commission shall  $\underline{\text{include in the permit, to the}}$
- 8 extent practicable when considering all public interests, those
- 9 <u>conditions considered by the commission necessary to maintain</u> [also
- 10 consider the effect, if any, of the issuance of the permit on] fish
- 11 and wildlife habitats.
- 12 SECTION 3. 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, 2003.