

Amend **CSHB 2423** (Senate committee printing) as follows:

(1) In the recital to SECTION 3 of the bill (page 1, line 34), strike "(h) through (l)" and substitute "(h) - (m)".

(2) In SECTION 3 of the bill, immediately following added Section 36.113(1), Water Code (page 2, between lines 44 and 45), insert the following:

(m) A district that requires an applicant to pay, at the time a historic or existing use permit application is filed, a fee based on the amount of groundwater requested in the application shall refund to the applicant, if the district grants a permit for an amount of groundwater less than the amount requested, the difference between the fee paid for the requested amount of groundwater and the fee required for the amount of groundwater authorized for use by the permit granted by the district.

(3) Between SECTIONS 3 and 4 of the bill (page 2, between lines 44 and 45), insert the following appropriately numbered SECTION and renumber subsequent SECTIONS of the bill accordingly:

SECTION _____. Amend Subchapter D, Chapter 36, Water Code, by adding Section 36.1135 to read as follows:

Sec. 36.1135. CERTAIN HISTORIC AND EXISTING USE PERMITS.

(a) A district shall grant an application for a historic or existing use permit filed not later than January 1, 2004, in accordance with rules enacted not later than December 1, 2003, that authorize the issuance of a permit for an existing or historic use, and for which a hearing report was prepared by the presiding officer of the district and considered in a public hearing not later than June 1, 2005.

(b) The district shall issue a permit for an application granted under Subsection (a) authorizing the production of groundwater for the amount and on the terms recommended by the hearing report, as amended on the record during the public hearing on the application.

(c) A district may not reduce the amount of water authorized for use by a permit issued in accordance with this section unless the total amount of groundwater authorized for use by historic and existing use permits exceeds the total calculated volume of groundwater that the relevant aquifer or groundwater management

zone is capable of producing based on the best available scientific data.

(d) If the conditions of Subsection (c) are satisfied, the district may implement a pro rata reduction of the amount of groundwater production authorized by each historic and existing use permit so that the total groundwater production authorized by all of the historic and existing use permits does not exceed the total calculated volume of groundwater that the aquifer or groundwater management zone is capable of producing if the pro rata reduction is:

(1) approved by the Texas Water Development Board; and

(2) based on the best available scientific data.

(e) An amendment to a permit issued in accordance with this section is not subject to well spacing requirements, production limits, or other applicable requirements unless the amendment increases the volume of groundwater authorized for use by the permit, in which case the requirement or limit applies only to the increased amount of groundwater authorized for use by the permit amendment.

(f) This section does not apply to a district located in a single county whose boundaries were expanded by the legislature on or after January 1, 2003, and whose boundaries are not coextensive with the county in which the district is located.