

BILL ANALYSIS

Senate Research Center
79R3500 HLT-D

H.B. 1981
By: Blake (Staples)
Natural Resources
5/16/2005
Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

H.B. 1981 provides for an increase in the production fee from one cent per 1,000 gallons of water to a maximum fee of 2.5 cents per 1,000 gallons of water.

This change helps the Pineywoods Groundwater Conservation District (PGCD) make up for revenue that was lost when the Abitibi Paper Mill closed in 2004. The top three contributors to the PGCD were Abitibi, the City of Lufkin, and the City of Nacogdoches.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the board of directors of the district in SECTION 1 (Section 5, Chapter 1330, Acts of the 77th Legislature, Regular Session, 2001) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5(e), Chapter 1330, Acts of the 77th Legislature, Regular Session, 2001, to require the fee to be based on the amount of water to be withdrawn from the well and prohibits the fee from exceeding \$0.025, rather than \$0.01, per thousand gallons for groundwater withdrawn for any purpose.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: upon passage or September 1, 2005.