

BILL ANALYSIS

Senate Research Center

H.B. 3478
By: Corte (Wentworth)
Natural Resources
5/20/2005
Engrossed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

The Trinity Glen Rose Groundwater Conservation District (district) was created by the 77th Legislature, Regular Session, 2001, as a Chapter 36 groundwater district with boundaries in northern Bexar County. Under a provision in Section 19 of the enabling legislation, the City of Fair Oaks Ranch, which falls within three counties, held an election electing for their entire City to join the district. Section 17 of the enabling legislation encouraged communities to seek water from sources outside the Trinity Aquifer by allowing for an exemption of fees or taxes for certain suppliers of water to a municipality who supplied at least 50 percent of their water from a source other than the Trinity Aquifer. Since passage of this legislation, several entities have taken different interpretations of this provision and have assumed an exemption that was never intended.

H.B. 3478 clarifies the exemption in the enabling legislation by linking the exemption from fees or taxes to a municipality that has held an election under Section 19 in the enabling legislation, as described above. This legislation limits the exemption to a municipality that held the described election, a municipally owned utility supplying water to this municipality, and the residents of the described municipality. H.B. 3478 repeals an exemption from regulation for certain completed and capped wells.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 17, Chapter 1312, Acts of the 77th Legislature, Regular Session, 2001, as follows:

Sec. 17. EXEMPTION FOR MUNICIPAL SUPPLIER OR CONSUMER OF WATER FROM SOURCE OTHER THAN TRINITY AQUIFER. Prohibits the Trinity Glen Rose Groundwater Conservation District from imposing a fee or tax on:

- (1) a municipality that has held an election under Section 19 of this Act and obtains at least 50 percent of its annual water supply for a source other than the Trinity Aquifer, rather than a person who provides water to a municipality at least 50 percent of which annually is obtained from a source other than the Trinity Aquifer;
- (2) a municipally owned utility of a municipality described by Subdivision (1); or
- (3) a resident of or other water user within a municipality described by Subdivision (1) whose sole source of water is the municipality or the municipally owned utility of the municipality. Makes conforming and nonsubstantive changes.

SECTION 2. Provides that all requirements of the constitution and laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 3. Makes application of Section 1 of this Act prospective.

SECTION 4. Effective date: September 1, 2005.