

By: Cook of Colorado

H.B. No. 2494

Substitute the following for H.B. No. 2494:

By: Puente

C.S.H.B. No. 2494

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the use of certain fees by groundwater conservation
3 districts.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. The legislature recognizes that the need for
6 potable water in this state continues to increase with the growth of
7 population and agricultural and industrial demands. Texas, with its
8 extensive coastal area and inland reservoirs of brackish water, has
9 an opportunity to use desalination technologies to increase the
10 amount of available potable water. Investment in desalination
11 technology, however, is still needed to reduce the price of this
12 source of water and make it competitive with groundwater and other
13 traditional sources of drinking water. Desalination projects have
14 the potential to provide a significant and dependable supply of
15 potable water, reducing the demand on those traditional sources.
16 Desalination thus serves the purposes of groundwater conservation
17 districts and the state by mitigating the demand for groundwater
18 resources and, as a result, protecting aquifer resources from
19 depletion and infiltration and reducing subsidence. The
20 legislature finds that the contribution by groundwater
21 conservation districts of a part of their fees to desalination
22 projects to augment the state supply of potable water would benefit
23 the public, the groundwater conservation districts, and this state.

24 SECTION 2. Section 36.207, Water Code, is amended to read as

1 follows:

2 Sec. 36.207. USE OF CERTAIN [~~PERMIT~~] FEES AUTHORIZED BY
3 SPECIAL LAW. A district may use funds obtained from permit fees,
4 export fees, or user fees collected pursuant to the special law
5 governing the district for any purpose consistent with the
6 district's certified water management plan, including [~~without~~
7 ~~limitation,~~] making grants, loans, or contractual payments to
8 achieve, facilitate, or expedite:

9 (1) reductions in groundwater pumping;

10 (2) [~~or the~~] development or distribution of
11 alternative water supplies;

12 (3) mitigation projects; or

13 (4) other projects intended to benefit residents of
14 the district, including:

15 (A) economic development related to water
16 conservation;

17 (B) research and development related to a
18 district purpose; or

19 (C) educational programs related to water use.

20 SECTION 3. Subchapter G, Chapter 36, Water Code, is amended
21 by adding Section 36.208 to read as follows:

22 Sec. 36.208. USE OF PORTION OF FEES FOR DESALINATION
23 PROJECT GRANTS. (a) The board of each district that adopts a
24 resolution to support desalination projects under this section
25 shall remit to the Texas Water Development Board for deposit to the
26 credit of the desalination account an amount equal to five percent
27 of the fee for each permit, permit renewal, or permit amendment

1 issued by the district.

2 (b) The desalination account is an account in the general
3 revenue fund that may be appropriated only to the Texas Water
4 Development Board to be used for:

5 (1) grants for projects designed to augment the water
6 resources of this state through desalination; and

7 (2) the administrative costs incurred by the Texas
8 Water Development Board in administering the account and the
9 projects for which grants of money from the account are made.

10 (c) The account consists of:

11 (1) money remitted to the Texas Water Development
12 Board under Subsection (a);

13 (2) interest earned on money credited to the account;

14 (3) money from gifts or grants to the account;

15 (4) appropriations from the legislature; and

16 (5) any other source of revenue the legislature may
17 dedicate for deposit to the account.

18 (d) The account is exempt from the application of Section
19 403.095, Government Code.

20 (e) The Texas Water Development Board shall adopt rules for
21 the implementation of this section, including rules regarding:

22 (1) the process used to select a project to receive a
23 grant from the account;

24 (2) procedures for tracking the progress of a project;
25 and

26 (3) the review of projects to assess their benefits
27 and potential benefits to districts and this state.

1 (f) Not later than December 1 of each even-numbered year,
2 the Texas Water Development Board shall report on the status and
3 results of each project receiving a grant under this section to the
4 governor, the lieutenant governor, the speaker of the house of
5 representatives, and the chair of the standing committee of each
6 house of the legislature with primary jurisdiction over water
7 resource issues.

8 SECTION 4. (a) The executive administrator of the Texas
9 Water Development Board shall establish an advisory committee on
10 desalination projects.

11 (b) The advisory committee consists of seven to nine members
12 appointed by the executive administrator who are nominated by the
13 boards of directors of groundwater conservation districts in this
14 state. In making the appointments, the executive administrator may
15 consider the need for representation from various regions of this
16 state, the sizes of the various groundwater conservation districts,
17 and any other criteria the executive administrator considers
18 appropriate.

19 (c) Not later than the 30th day after the effective date of
20 this Act, the executive administrator shall notify each groundwater
21 conservation district in this state of the establishment of the
22 advisory committee and solicit from the districts the names of
23 nominees willing to serve on the committee. The board of directors
24 of each district may submit the names of one or more nominees not
25 later than the 30th day after the date the notice is given. The
26 executive administrator shall appoint the members of the advisory
27 committee from among the nominees. The term of a member of the

1 advisory committee expires on the date the committee is abolished.

2 (d) The advisory committee shall advise the Texas Water
3 Development Board in adopting rules to implement Section 36.208,
4 Water Code, as added by this Act. In adopting the rules, the board
5 shall consider the recommendations of the advisory committee.

6 (e) A member of the advisory committee is not entitled to
7 compensation, per diem, or reimbursement of expenses for service on
8 the advisory committee.

9 (f) Chapter 2110, Government Code, does not apply to the
10 size, composition, or duration of the advisory committee.

11 (g) This section expires and the advisory committee is
12 abolished on the second anniversary of the effective date of this
13 Act.

14 SECTION 5. This Act takes effect immediately if it receives
15 a vote of two-thirds of all the members elected to each house, as
16 provided by Section 39, Article III, Texas Constitution. If this
17 Act does not receive the vote necessary for immediate effect, this
18 Act takes effect September 1, 2005.