By: Rodriguez, Naishtat H.B. No. 2707 Substitute the following for H.B. No. 2707: By: Puente C.S.H.B. No. 2707

A BILL TO BE ENTITLED

AN ACT

2 relating to the authority of the Barton Springs-Edwards Aquifer3 Conservation District to charge certain fees.

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

5 SECTION 1. Section 36.205(d), Water Code, is amended to 6 read as follows:

7 (d) The [Barton Springs-Edwards Aquifer Conservation District, the] Lone Star Groundwater Conservation District $[\tau]$ and 8 the Guadalupe County Groundwater Conservation District may not 9 charge production fees for an annual period greater than \$1 per 10 acre-foot for water used for agricultural use or 17 cents per 11 thousand gallons for water used for any other purpose. [The Barton 12 Springs-Edwards Aquifer Conservation District may assess a water 13 14 use fee against a specific municipality in an amount not to exceed 60 percent of the total funding of the district received from water 15 16 use fees assessed against that municipality and other nonexempt users in the district.] This subsection shall take precedence over 17 18 all prior enactments.

SECTION 2. Section 2, Chapter 429, Acts of the 70th Legislature, Regular Session, 1987, is amended by amending Subsection (f)(2) and adding Subsection (g) to read as follows:

(2) The board may assess the City of Austin, as a water
use fee, each year an amount not to exceed <u>60</u> [40] percent of the
total funding <u>that</u> [of] the district <u>expects to receive for the next</u>

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fiscal y<u>ear</u> [received] from water use fees assessed against Austin 1 2 and other nonexempt users. For purposes of computing water use fees 3 under this subsection, the district shall estimate the amount of 4 permitted pumpage for the next fiscal year by considering various factors including historical growth rates, future growth rates, the 5 6 amount of permitted pumpage, historical permitted pumpage, and any 7 pending applications for permitted pumpage. The district shall use 8 the estimated amount of permitted pumpage and its water use fee rate 9 to compute the water use fee to be assessed against the City of Austin for the district's next fiscal year. The district shall 10 compute the water use fee assessed against the City of Austin at a 11 12 rate of 17 cents per thousand gallons for the total amount of water permitted for any nonagricultural purpose, regardless of the rate 13 14 actually imposed on or remitted by the permittee.

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15 (g) Except as provided by this subsection, the board may not charge an annual production fee of more than \$1 per acre-foot for 16 17 water used for agricultural use or 17 cents per thousand gallons of water used for any other purpose. For a permit approved or 18 materially amended after September 1, 2005, or a permit issued 19 after September 9, 2004, and renewed after September 1, 2005, the 20 21 board may charge an annual production fee of not more than 35 cents per thousand gallons for water used for any purpose other than 22 agricultural use. The board may adopt a differential rate 23 structure for nonagricultural production fees to promote 24 25 alternatives to the exclusive use of groundwater resources.

26 SECTION 3. The legislature finds that the Barton 27 Springs-Edwards Aquifer Conservation District benefits the

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1 sustainable use of groundwater by promoting, through fee and 2 permitting mechanisms, alternatives to the exclusive use of 3 groundwater resources, including the conjunctive use of 4 groundwater and surface water resources.

5 SECTION 4. This Act takes effect September 1, 2005.