

1-1 By: Staples S.B. No. 1741
1-2 (In the Senate - Filed March 11, 2005; March 30, 2005, read
1-3 first time and referred to Committee on Natural Resources;
1-4 April 22, 2005, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 11, Nays 0; April 22, 2005,
1-6 sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR S.B. No. 1741 By: Staples

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to an exemption for certain interbasin transfers of water
1-11 from certain priority requirements.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Section 11.002, Water Code, is amended by adding
1-14 Subdivision (15) to read as follows:

1-15 (15) "On-channel reservoir" means an open body of
1-16 water that is created by a dam or other barrier that obstructs the
1-17 flow of water in a stream and whose primary source of water is
1-18 runoff from that stream.

1-19 SECTION 2. Section 11.085, Water Code, is amended by
1-20 amending Subsection (s) and adding Subsections (w) and (x) to read
1-21 as follows:

1-22 (s) Except as provided by Subsections (w) and (x), any [Any]
1-23 proposed transfer of all or a portion of a water right under this
1-24 section is junior in priority to water rights granted before the
1-25 time application for transfer is accepted for filing.

1-26 (w) A proposed transfer that is based on a contractual sale
1-27 of water is not subject to Subsection (s) if:

1-28 (1) the contract term is 50 years or less; and

1-29 (2) the transfer is from an on-channel reservoir that:

1-30 (A) is located in a basin that has an annual yield
1-31 of surface water that is equal to or greater than 125 percent of the
1-32 amount determined by the board to be necessary to supply the
1-33 projected demand for surface water in the basin of origin,
1-34 including the amount allocated by any contract entered into before
1-35 the contract on which the proposed transfer is based, for the next
1-36 50 years; and

1-37 (B) has sufficient storage capacity to yield the
1-38 supply authorized by the water right in the event of a drought equal
1-39 in severity and duration to the drought of record.

1-40 (x) The term of a contract under Subsection (w) may be
1-41 extended after the expiration of the contract if the conditions in
1-42 Subsection (w)(2) continue to be satisfied.

1-43 SECTION 3. Section 11.085, Water Code, as amended by this
1-44 Act, applies only to an application for a water right or an
1-45 amendment to a permit, certified filing, or certificate of
1-46 adjudication authorizing an interbasin transfer of water that is
1-47 accepted for filing on or after the effective date of this Act. An
1-48 application for a water right or an amendment to a permit, certified
1-49 filing, or certificate of adjudication authorizing an interbasin
1-50 transfer of water that is accepted for filing before the effective
1-51 date of this Act is governed by the law in effect at the time the
1-52 application is accepted for filing, and the former law is continued
1-53 in effect for that purpose.

1-54 SECTION 4. This Act takes effect September 1, 2005.

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