BILL ANALYSIS

C.S.H.B. 4705 By: Rios Ybarra Natural Resources Committee Report (Substituted)

BACKGROUND AND PURPOSE

S.B. 1, enacted by the 75th Legislature, Regular Session, 2007, provides that groundwater conservation districts are the state's preferred method of groundwater management. In pursuit of preserving and protecting the groundwater resources of the area, the county commissioners of Brooks and Jim Hogg Counties passed resolutions in support of the creation of a groundwater conservation district in all or parts of Jim Hogg County, Brooks County, Hidalgo County, and Jim Wells County to manage, monitor, and conserve the groundwater resources within its boundaries.

C.S.H.B. 4705 creates the Brush Country Groundwater Conservation District, subject to approval by a confirmation election.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 4705 amends the Special District Local Laws Code to set forth standard language for the creation of the Brush Country Groundwater Conservation District in Jim Hogg, Brooks, Hidalgo, and Jim Wells counties. The bill sets forth general provisions for the nature of the district, the confirmation of the district, and initial district territory; the number and appointment of members, terms, eligibility, compensation, and organizational meeting of the board of directors of the district, including provisions for temporary directors and the authority of the temporary directors to solicit and accept gifts and grants on the district's behalf; and the right of certain landowners in the district to withdraw from the district.

C.S.H.B. 4705 authorizes the district to enter into a contract with any person for any purpose authorized by law. The bill defines "domestic use" and "livestock use" for the purposes of provisions relating to a district's authority to exempt water wells from permitting requirements. The bill sets forth general provisions for the powers and duties of the district, including the authority to review the effect of a proposed transfer of groundwater out of the district and impose an export fee. The bill prohibits the district from exercising the power of eminent domain and excepts the district from provisions of law limiting a groundwater conservation district's rulemaking power over wells in certain counties.

C.S.H.B. 4705 authorizes the district to impose a property tax at a rate not to exceed three cents on each \$100 of assessed valuation of taxable property in the district to pay maintenance and operating costs of the district and any bonds or notes issued by the district, and to solicit and accept grants, gifts, and donations from any private or public source. The bill sets forth general provisions for the dissolution of the district at a later date and sets forth in detail the initial boundaries of the district. The bill defines the terms "board," "director," and "district."

EFFECTIVE DATE

On passage, or, if the act does not receive the necessary vote, the act takes effect September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 4705 differs from the original by adding Jim Wells County to the Brush Country Groundwater Conservation District, and by removing specific descriptions of the four designated areas in which a confirmation election for the district must be held. The substitute removes descriptions of the areas represented by temporary directors of the district, and adds three directors not in the original. The substitute replaces "maintenance tax" with "ad valorem tax in the district" in the ballot language for district confirmation elections. The substitute adds a provision not in the original authorizing the temporary board to solicit and accept gifts and grants. The substitute adds a provision not in the original relating to the procedures for dissolution of the district. The substitute adds detail not in the original regarding the negative impact of a water transfer out of the district and adds a provision not in the original specifying that the district is exempt from provisions related to limitations on rulemaking power of groundwater conservation districts over wells in certain counties. The substitute reorganizes and makes technical corrections in information present in both versions.