BILL ANALYSIS

Senate Research Center 81R17211 SGA-D S.B. 2530 By: Wentworth Natural Resources 4/22/2009 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Hays Trinity Groundwater Conservation District (district) needs to conduct a study to determine the quantity of groundwater available for use in the district and the sustainability of the groundwater supply.

As proposed, S.B. 2530 authorizes and directs the district to conduct a study to determine the quantity of groundwater available for use in the district and the sustainability of groundwater supply. To fund the study, the district is authorized to charge a groundwater conservation and management fee of \$2 to be collected monthly by each groundwater supplier from each of the supplier's customers. Authorization for the study would expire on April 1, 2012, and the district is prohibited from collecting the fee for more than two years.

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 Part 3, Article 3, Chapter 966, Acts of the 77th Legislature, Regular Section, 2001, by adding Section 3.03121, as follows:

Sec. 3.03121. STUDY OF GROUNDWATER AVAILABILITY AND SUSTAINABILITY. (a) Defines "groundwater supplier."

- (b) Requires the Hays Trinity Groundwater District (district) to conduct a study to determine the quantity of groundwater available for use in the district and the sustainability of the groundwater supply.
- (c) Authorizes the district, notwithstanding Section 3.0312(c) of this part, to finance the study under this section, to charge a groundwater conservation and management fee of \$2 to be collected monthly by each groundwater supplier from each of the supplier's customers as provided by Subsection (d) of this section.
- (d) Requires a groundwater supplier, if the district imposes the groundwater conservation and management fee, to include the fee as an itemized charge on each customer's monthly billing statement beginning with the billing statement for January 2010.
- (e) Requires the groundwater supplier to remit the fees collected under Subsection (d) of this section to the district. Authorizes fees collected by the district under this section to be used by the district only to finance the study of groundwater availability and sustainability and not for any other purpose.
- (f) Requires the district to annually provide a report to the Commissioners Court of Hays County showing the total amount of groundwater conservation and management fees collected by the district from each groundwater supplier and how the money was used.

- (g) Requires the district, if the district collects more than \$100,000 in fees under this section in a year, to return the excess amount to the groundwater suppliers in proportion to the amount of the fees collected from each supplier. Requires each groundwater supplier to rebate the returned fees to the supplier's customers.
- (h) Prohibits the district from collecting the groundwater conservation and management fee for more than two years.
- (i) Provides that this section expires April 1, 2012.

SECTION 2. Effective date: upon passage or September 1, 2009.