

## BILL ANALYSIS

Senate Research Center  
81R27303 PMO-D

S.B. 2572  
By: Wentworth  
Natural Resources  
5/12/2009  
As Filed

### AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

While the amount of water and the cost of production wells necessary for similarly sized water supply projects are relatively the same for both in- and out-of district projects, an out-of-district water supply project requires a conveyance system which must be completed before any water supply to the water users can be made. Conveyance systems are designed, constructed, and permitted for the full delivery capacity necessary for the completed water supply project and the debt incurred for such systems is retired by the revenues generated from the sale of the full water supply capacity of the conveyance system. Groundwater production wells for water supply projects are added as necessary to meet user demands of the project until those demands reach the full permitted conveyance system capacity. However, districts do not guarantee water supply amounts or ensure the issuance of additional production well permits at the onset of a project.

As proposed, S.B. 2572 relates to the issuance of permits by the Gonzales County Underground Water Conservation District for certain water supply projects.

### 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 Chapter 368, Acts of the 74th Legislature, Regular Session, 1995, by adding Section 3A, as follows:

Sec. 3A. WATER SUPPLY PROJECTS INVOLVING TRANSFERS OF GROUNDWATER OUTSIDE DISTRICT. (a) Defines "engineering report," "initial permit," "project start date," "water supply permit," and "water supply project."

(b) Provides that this section applies only to a water supply project that is intended to transfer groundwater from one or more wells in the district to a retail water utility outside the Gonzales County Underground Water Conservation District (district) and for which the supply of groundwater available in the district on the project start date exceeds the amount of groundwater specified for transfer by the conveyance system described in the engineering report.

(c) Provides that the rights to which a permit applicant is entitled under this section accrue on the project start date. Provides that for purposes of determining the project start date, the date an application for a water supply permit or a plan to transfer groundwater is submitted to the district is considered to be the date the applicant actually files the application or plan with the district or deposits the application of plan with the United States Postal Service by certified mail addressed to the district's office.

(d) Provides that the rules of the district in effect on the project start date include any order, ordinance, rate, expiration date, limit, or other properly adopted district requirement in effect on that date. Provides that if a water supply project requires a series of permits, all permits required for the project are considered to be a single series of permits, and each application for a permit subsequent to the initial

permit is subject to consideration based solely on the rules in effect on the project start date.

(e) Requires the district, after the initial application for a water supply permit in a series is approved, to approve an application for a subsequent water supply permit in the same series not later than the 180th day after the date of receiving the application if the application is administratively complete and in compliance with the rules of the district in effect as of the project start date.

(f) Requires that a water supply permit issued under this section and required for the continuous operation of the water supply project for which the permit was issued be in effect for the period required by Section 36.122(i)(2) (relating to the period for which the water may be transferred), Water Code, beginning with the date of issuance of the final permit in the series of permits required for the project.

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