By: Price H.B. No. 1825

## A BILL TO BE ENTITLED

1	7
1	AN ACT

- 2 relating to permit application and amendment hearings conducted by
- 3 groundwater conservation districts and the State Office of
- 4 Administrative Hearings.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 6 SECTION 1. Sections 36.406(a) and (b), Water Code, are
- 7 amended to read as follows:
- 8 (a) A hearing must be conducted by:
- 9 (1) a quorum of the board; [or]
- 10 (2) an individual to whom the board has delegated in
- 11 writing the responsibility to preside as a hearings examiner over
- 12 the hearing or matters related to the hearing; or
- 13 (3) the State Office of Administrative Hearings under
- 14 Section 36.416.
- 15 (b) Except as provided by Subsection (c) or Section 36.416,
- 16 the board president or the hearings examiner shall serve as the
- 17 presiding officer at the hearing.
- SECTION 2. Section 36.416, Water Code, is amended to read as
- 19 follows:
- Sec. 36.416. HEARINGS CONDUCTED BY STATE OFFICE OF
- 21 ADMINISTRATIVE HEARINGS; RULES. (a) If a district contracts with
- 22 the State Office of Administrative Hearings to conduct a hearing,
- 23 the hearing shall be conducted as provided by Subchapters C, D, and
- 24 F, Chapter 2001, Government Code. The district shall adopt rules

- 1 for a hearing conducted under this section that are consistent with
- 2 the procedural rules of the State Office of Administrative
- 3 Hearings.
- 4 (b) If requested by the applicant or other party to a
- 5 contested case, a district shall contract with the State Office of
- 6 Administrative Hearings to conduct the hearing. If the district
- 7 does not prescribe a contract deadline by rule, the district shall
- 8 contract with the office not later than the 14th day before the date
- 9 the hearing is scheduled to begin. The hearing must be held in
- 10 Travis County or at a location described by Section 36.403(c). The
- 11 district shall choose the location.
- 12 (c) The party requesting the hearing shall pay all costs
- 13 associated with the contract for the hearing and shall deposit with
- 14 the district an amount sufficient to pay the contract amount before
- 15 the hearing begins. At the conclusion of the hearing, the district
- 16 shall refund any excess money to the paying party. All other costs
- 17 may be assessed as authorized by this chapter or district rules.
- SECTION 3. Subchapter M, Chapter 36, Water Code, is amended
- 19 by adding Section 36.4165 to read as follows:
- Sec. 36.4165. FINAL DECISION; CONTESTED CASE HEARINGS.
- 21 Consistent with Section 2001.058, Government Code, the board has
- 22 the authority to make a final decision on a permit application or
- 23 amendment after a contested case hearing on consideration of a
- 24 proposal for decision issued by an administrative law judge.
- 25 SECTION 4. The heading to Section 36.418, Water Code, is
- 26 amended to read as follows:
- Sec. 36.418. RULES; CONTESTED CASE HEARINGS; APPLICABILITY

- 1 OF ADMINISTRATIVE PROCEDURE ACT.
- 2 SECTION 5. Section 36.418, Water Code, is amended by
- 3 amending Subsection (b) and adding Subsection (c) to read as
- 4 follows:
- 5 (b) Except as provided by this section and Sections
- 6 [Section] 36.416 and 36.4165, Chapter 2001, Government Code, does
- 7 not apply to a hearing under this subchapter.
- 8 (c) The district shall adopt rules to:
- 9 (1) establish a procedure for a preliminary or other
- 10 type of hearing;
- 11 (2) allow the presiding officer, at a preliminary
- 12 hearing by the district and before a referral of the case to the
- 13 State Office of Administrative Hearings, to determine a party's
- 14 right to participate in a hearing according to Section
- 15 <u>36.415(b)(2);</u> and
- 16 (3) set a deadline for a party to file a request to
- 17 refer a contested case to the State Office of Administrative
- 18 Hearings under Section 36.416.
- 19 SECTION 6. The change in law made by this Act applies only
- 20 to a permit or permit amendment application determined to be
- 21 administratively complete on or after the effective date of this
- 22 Act. A permit or permit amendment application determined to be
- 23 administratively complete before the effective date of this Act is
- 24 governed by the law in effect at the time the application was
- 25 determined to be administratively complete, and the former law is
- 26 continued in effect for that purpose.
- 27 SECTION 7. This Act takes effect immediately if it receives

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- 1 a vote of two-thirds of all the members elected to each house, as
- 2 provided by Section 39, Article III, Texas Constitution. If this
- 3 Act does not receive the vote necessary for immediate effect, this
- 4 Act takes effect September 1, 2011.