

**BILL ANALYSIS**

C.S.H.B. 3934  
By: Riddle  
Natural Resources  
Committee Report (Substituted)

**BACKGROUND AND PURPOSE**

The North Harris County Regional Water Authority was created to provide certain groundwater and surface water services to provide sufficient water to future residents of the area. In order to carry out its duties, the authority has incurred a substantial amount of debt. The authority's revenue comes primarily from pumpage fees and from sales of surface water to certain districts. Interested parties assert that it is necessary to clarify the authority's ability to collect fees on water pumped from wells within the authority's jurisdiction in order to avoid substantial fee or rate increases. C.S.H.B. 3934 seeks to address this issue.

**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. 3934 amends Section 4.03, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, to authorize the North Harris County Regional Water Authority to impose a charge on the amount of water pumped on a well or class of wells located within the authority's boundaries that, on or after June 30, 2013, either ceases to be subject to a groundwater reduction requirement imposed by the Harris-Galveston Coastal Subsidence District or is no longer subject to the regulatory provisions, permitting requirements, or jurisdiction of the subsidence district. The bill establishes that the authority retains all rights, powers, privileges, authorities, duties, and functions that it had before the bill's effective date. The bill provides for the validation and confirmation of certain authority actions and proceedings taken before the bill's effective date.

**EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

**COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3934 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED	HOUSE COMMITTEE SUBSTITUTE
SECTION 1. Section 4.03, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, is amended by adding Subsection (e) to read as follows: <u>(e) Notwithstanding any other law, the</u>	SECTION 1. Section 4.03, Chapter 1029, Acts of the 76th Legislature, Regular Session, 1999, is amended by adding Subsection (e) to read as follows: <u>(e) Notwithstanding any other law, the</u>

authority may impose a charge under Subsection (b) on a well or class of wells located within the boundaries of the authority that, on or after June 30, 2013, ceases to be subject to a groundwater reduction requirement imposed by the subsidence district.

SECTION 2. The North Harris County Regional Water Authority retains all rights, powers, privileges, authorities, duties, and functions that it had before the effective date of this Act.

SECTION 3. (a) The legislature validates and confirms all governmental acts and proceedings of the North Harris County Regional Water Authority that were taken before the effective date of this Act.  
(b) This section does not apply to any matter that on the effective date of this Act:  
(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or  
(2) has been held invalid by a final court judgment.

SECTION 4. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Government Code.  
(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.  
(c) The Texas Commission on Environmental Quality has filed its recommendations relating to this Act with the governor, the lieutenant governor, and the speaker of the house of representatives within the required time.  
(d) All requirements of the constitution and laws of this state and the rules and

authority may impose a charge under Subsection (b) on a well or class of wells located within the boundaries of the authority that, on or after June 30, 2013:  
(1) ceases to be subject to a groundwater reduction requirement imposed by the subsidence district; or  
(2) is no longer subject to the regulatory provisions, permitting requirements, or jurisdiction of the subsidence district.

SECTION 2. Same as introduced version.

SECTION 3. Same as introduced version.

SECTION 4. Same as introduced version.

procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 5. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

SECTION 5. Same as introduced version.