

BILL ANALYSIS

Senate Research Center

S.B. 1299
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Natural Resources
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Harris-Galveston Subsidence District and Fort Bend Subsidence District in the Houston region are the only subsidence districts in the State of Texas. The two subsidence districts regulate and require conversion from groundwater sources to alternate water sources, primarily surface water.

The Houston region has been extremely vulnerable to land subsidence and areas along Galveston Bay have sunk as much as 10 feet since 1906. One striking example of the impact of subsidence is the forced abandonment of the Brownwood subdivision in Baytown, a coastal community that sank so much that it experienced almost constant flooding.

The legislature has created four regional water authorities within the two subsidence districts, charged with reducing groundwater withdrawals, controlling subsidence caused by the withdrawal of water from groundwater reservoirs, and acquiring or developing alternate water supplies.

The four regional water authorities are North Fort Bend Water Authority, North Harris County Regional Water Authority, West Harris County Regional Water Authority, and Central Harris County Regional Water Authority. The regional water authorities in the Houston region have adopted and implemented groundwater reduction plans to comply with subsidence district requirements to reduce groundwater withdrawals in order to prevent subsidence.

Surface water projects are extremely expensive and are difficult, if not impossible, for small municipalities and unincorporated areas to finance and construct. Regional water authorities reduce water project costs through economies of scale and provide a vehicle for the financing of such projects.

West Harris County Regional Water Authority sold over \$300 million in bonds to finance its initial 30 percent conversion to non-groundwater sources in 2010, and has already sold an additional \$42 million in bonds to finance preliminary costs associated with its next stage of conversion in 2025. Significantly larger expenditures will be necessary to finance its 60 percent conversion to non-groundwater sources in 2025 and 80 percent conversion to non-groundwater sources in 2035.

S.B. 1299 amends current law relating to powers of the West Harris County Regional Water Authority relating to certain wells.

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 Section 4.03, Chapter 414, Acts of the 77th Legislature, Regular Session, 2001, by amending Subsection (d) and adding Subsections (d-1) and (d-2), as follows:

(d) Requires the board of directors of the West Harris County Regional Water Authority (board) (authority), for wells located in Harris County or Fort Bend County, to exempt from the charge under Subsection (b) (relating to authorizing the authority to charge the owner of a well located within the authority's boundaries a fee or user fee) the classes of wells that are not subject to any groundwater reduction requirement imposed by the Harris-Galveston Coastal Subsidence District or the Fort Bend Subsidence District, as appropriate. Authorizes the authority, if any of those classes of wells become subject to a groundwater reduction requirement imposed by the Harris-Galveston Coastal Subsidence District or the Fort Bend Subsidence District, as appropriate, to impose the charge under Subsection (b) on those wells. Provides that, for purposes of this subsection, a well is subject to a groundwater reduction requirement if the Harris-Galveston Coastal Subsidence District or Fort Bend Subsidence District, as appropriate, has adopted or adopts a requirement or regulation that the well reduce groundwater withdrawals or that the well join with other wells to collectively reduce groundwater withdrawals, including a groundwater reduction that is not required until a future date.

(d-1) Authorizes the authority, notwithstanding Subsection (d), to impose a charge under Subsection (b) on a well or class of wells located in Harris or Fort Bend County that, on or after February 1, 2013:

(1) ceases to be subject to a groundwater reduction requirement imposed by the Harris-Galveston Subsidence District or the Fort Bend Subsidence District, as applicable; or

(2) is no longer subject to the regulatory provisions, permitting requirements, or jurisdiction of the Harris-Galveston Subsidence District or the Fort Bend Subsidence District, as applicable.

(d-2) Creates this subsection from existing text and makes no further change.

SECTION 2. Provides that the authority retains all rights, powers, privileges, authorities, duties, and functions that it had before the effective date of this Act.

SECTION 3. (a) Provides that the legislature validates and confirms all governmental acts and proceedings of the authority that were taken before the effective date of this Act.

(b) Provides that this section does not apply to any matter that on the effective date of this Act is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment, or has been held invalid by a final court judgment.

SECTION 4. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 5. Effective date: upon passage or September 1, 2013.