By: Isaac H.B. No. 1796

Substitute the following for H.B. No. 1796:

By: Martinez Fischer C.S.H.B. No. 1796

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the renewal or amendment of permits issued by

- 3 groundwater conservation districts.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Sections 36.113(d) and (f), Water Code, are
- 6 amended to read as follows:
- 7 (d) Except as provided by Sections 36.1145 and 36.1146,
- 8 before [Before] granting or denying a permit or permit amendment,
- 9 the district shall consider whether:
- 10 (1) the application conforms to the requirements
- 11 prescribed by this chapter and is accompanied by the prescribed
- 12 fees;
- 13 (2) the proposed use of water unreasonably affects
- 14 existing groundwater and surface water resources or existing permit
- 15 holders;
- 16 (3) the proposed use of water is dedicated to any
- 17 beneficial use;
- 18 (4) the proposed use of water is consistent with the
- 19 district's approved management plan;
- 20 (5) if the well will be located in the Hill Country
- 21 Priority Groundwater Management Area, the proposed use of water
- 22 from the well is wholly or partly to provide water to a pond, lake,
- 23 or reservoir to enhance the appearance of the landscape;
- 24 (6) the applicant has agreed to avoid waste and

- 1 achieve water conservation; and
- 2 (7) the applicant has agreed that reasonable diligence
- 3 will be used to protect groundwater quality and that the applicant
- 4 will follow well plugging guidelines at the time of well closure.
- 5 (f) Except as provided by Sections 36.1145 and 36.1146,
- 6 permits [Permits] and permit amendments may be issued subject to
- 7 the rules promulgated by the district and subject to terms and
- 8 provisions with reference to the drilling, equipping, completion,
- 9 alteration, or operation of, or production of groundwater from,
- 10 wells or pumps that may be necessary to prevent waste and achieve
- 11 water conservation, minimize as far as practicable the drawdown of
- 12 the water table or the reduction of artesian pressure, lessen
- 13 interference between wells, or control and prevent subsidence.
- SECTION 2. Sections 36.114(b) and (c), Water Code, are
- 15 amended to read as follows:
- 16 (b) For each activity for which the district determines a
- 17 permit or permit amendment is required under Subsection (a), and
- 18 that is not exempt from a hearing requirement under Section
- 19 36.1145, the district by rule shall determine whether a hearing on
- 20 the permit or permit amendment application is required.
- 21 (c) For all applications for which a hearing is not required
- 22 under Subsection (b) or Section 36.1145, the board shall act on the
- 23 application at a meeting, as defined by Section 551.001, Government
- 24 Code, unless the board by rule has delegated to the general manager
- 25 the authority to act on the application.
- SECTION 3. Subchapter D, Chapter 36, Water Code, is amended
- 27 by adding Sections 36.1145 and 36.1146 to read as follows:

- 1 Sec. 36.1145. PERMIT RENEWAL. (a) Except as provided by
- 2 Subsection (b), a district shall approve an application to renew an
- 3 operating permit without a hearing before the date on which the
- 4 permit expires, provided that:
- 5 (1) the application is submitted in a timely manner in
- 6 accordance with district rules;
- 7 (2) the application to renew the permit is for the same
- 8 point of groundwater withdrawal, place of using the water, and
- 9 purpose of using the water; and
- 10 (3) the amount and rate of groundwater withdrawals
- 11 under the application are not more than the amount and rate allowed
- 12 by the permit the applicant seeks to renew.
- 13 (b) A district is not required to renew a permit under this
- 14 section if the applicant:
- 15 (1) is delinquent in paying a fee required by the
- 16 <u>district;</u>
- 17 (2) has committed a violation of the permit or a
- 18 district rule that has not been settled by agreement with the
- 19 district or a final adjudication; or
- 20 (3) has not paid a civil penalty resulting from a final
- 21 adjudication of a violation of a permit or rule.
- Sec. 36.1146. PERMIT AMENDMENT REQUIRED BY CHANGE IN
- 23 CONDITIONS. (a) In this section, "hydrogeologic unit" means an
- 24 aquifer, aquifer subdivision, or management zone, that is defined
- 25 in the district's management plan or rules or in an order issued by
- 26 the district board under the district's rules.
- 27 (b) After notice and hearing conducted under Subchapter M, a

- 1 district may amend an operating permit to adjust the rate or amount
- 2 of permitted groundwater withdrawals only to the extent necessary
- $3 \quad \underline{t} \circ :$
- 4 (1) respond to:
- 5 (A) a significant change in the condition of a
- 6 hydrogeologic unit from which the permit authorizes withdrawals;
- 7 (B) a significant change in groundwater
- 8 availability in a hydrogeologic unit from which the permit
- 9 authorizes withdrawals, arising from a change in the district's
- 10 management plan approved by the Texas Water Development Board and
- 11 designed to meet a desired future condition;
- 12 (C) increased demand on a hydrogeologic unit that
- 13 impacts the district's ability to meet a desired future condition
- 14 established under Section 36.108 in all or part of the
- 15 hydrogeologic unit; or
- 16 (D) subsidence conditions that can be mitigated
- 17 by adjusting permitted withdrawals; or
- 18 (2) comply with an order of the commission.
- 19 (c) Except as provided by Subsection (d), if a district
- 20 amends an operating permit under this section, the district must
- 21 similarly amend all operating permits affected by the applicable
- 22 condition, regardless of the place or purpose of using the water.
- 23 (d) A district may, in a manner consistent with the
- 24 district's management plan, distinguish between:
- 25 (1) operating permits based on historic use and
- 26 permits not based on historic use;
- 27 (2) classes or categories of operating permits as

- 1 specified in a district's rules and management plan approved by the
- 2 Texas Water Development Board; or
- 3 (3) operating permits for which site-specific,
- 4 science-based hydrogeologic information justifies the distinction.
- 5 (e) Before a district amends a permit under this section,
- 6 the district must demonstrate that a condition described by
- 7 Subsection (b) exists that justifies the amendment.
- 8 (f) This section does not prohibit a district from:
- 9 (1) increasing or decreasing the amount of groundwater
- 10 that may be produced under a permit based on a condition existing in
- 11 the permit;
- 12 (2) suspending or revoking a permit for a violation of
- 13 a district rule or the terms of the permit; or
- 14 (3) temporarily adjusting the amount or rate of
- 15 withdrawals under an operating permit during drought conditions
- 16 under the district's management plan and rules.
- 17 SECTION 4. Section 36.122(a), Water Code, is amended to
- 18 read as follows:
- 19 (a) The [If an application for a permit or an amendment to a
- 20 permit under Section 36.113 proposes the transfer of groundwater
- 21 outside of a district's boundaries, the] district may also consider
- 22 the provisions of this section in determining whether to grant or
- 23 deny <u>an application for a [the]</u> permit or permit amendment <u>under</u>
- 24 Section 36.113, if:
- 25 (1) the application for a permit or an amendment to a
- 26 permit under Section 36.113 proposes the transfer of groundwater
- 27 outside of the district's boundaries; or

C.S.H.B. No. 1796

- 1 (2) the application does not meet the requirements for
- 2 approval without a hearing under Section 36.1145.
- 3 SECTION 5. Section 36.402, Water Code, is amended to read as
- 4 follows:
- 5 Sec. 36.402. APPLICABILITY. Except as provided by Section
- 6 36.416, this subchapter applies to the notice and hearing process
- 7 used by a district for permit and permit amendment applications for
- 8 which a hearing is required.
- 9 SECTION 6. As soon as practicable after the effective date
- 10 of this Act, groundwater conservation districts shall adopt rules
- 11 to implement the changes in law made by this Act.
- 12 SECTION 7. Section 36.1145, Water Code, as added by this
- 13 Act, applies only to an application for a permit renewal submitted
- 14 to a groundwater conservation district on or after the effective
- 15 date of this Act. An application for a permit renewal submitted to
- 16 a groundwater conservation district before that date is governed by
- 17 the law in effect on the date the application was submitted, and the
- 18 former law is continued in effect for that purpose.
- 19 SECTION 8. To the extent of any conflict with other
- 20 provisions of Chapter 36, Water Code, Sections 36.113(d) and (f),
- 21 36.114(b) and (c), 36.122(a), and 36.402, Water Code, as amended by
- 22 this Act, and Sections 36.1145 and 36.1146, Water Code, as added by
- 23 this Act, prevail.
- SECTION 9. This Act takes effect September 1, 2013.