By: Callegari H.B. No. 1883

Substitute the following for H.B. No. 1883:

By: Johnson C.S.H.B. No. 1883

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the Harris-Galveston Subsidence District; providing

- 3 authority to impose a fee.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 8801.001, Special District Local Laws
- 6 Code, is amended by adding Subdivision (4-c) to read as follows:
- 7 <u>(4-c) "Regional water supplier" means a political</u>
- 8 <u>subdivision of this state that has:</u>
- 9 (A) the authority to conserve, store, treat, and
- 10 purify water and to transport, distribute, sell, and deliver water
- 11 to any person in this state; and
- 12 (B) an approved groundwater reduction plan.
- SECTION 2. Subchapter B, Chapter 8801, Special District
- 14 Local Laws Code, is amended by adding Section 8801.066 to read as
- 15 follows:
- Sec. 8801.066. INVESTMENT OFFICER. (a) Notwithstanding
- 17 Section 2256.005(f), Government Code, the board may contract with a
- 18 person to act as investment officer of the district.
- 19 (b) The investment officer shall:
- 20 <u>(1) not later than the first anniversary of the date</u>
- 21 the officer takes office or assumes the officer's duties, attend a
- 22 training session of at least six hours of instruction relating to
- 23 investment responsibilities under Chapter 2256, Government Code;
- 24 and

- 1 (2) attend at least four hours of additional
- 2 investment training within each two-year period after the first
- 3 year.
- 4 (c) Training under this section must be from an independent
- 5 source approved by:
- 6 (1) the board; or
- 7 (2) a designated investment committee advising the
- 8 investment officer.
- 9 (d) Training under this section must include education in
- 10 investment controls, security risks, strategy risks, market risks,
- 11 diversification of investment portfolio, and compliance with
- 12 Chapter 2256, Government Code.
- SECTION 3. Sections 8801.110(c) and (e), Special District
- 14 Local Laws Code, are amended to read as follows:
- 15 (c) Written notice of a hearing other than a hearing on a
- 16 permit application must be given to:
- 17 (1) each county, regional water supplier, and
- 18 municipal government in the district; and
- 19 (2) each person that the board believes has an
- 20 interest in the subject matter of the hearing.
- 21 (e) A copy of the notice must be provided to each county
- 22 clerk to be posted in the place where notices are usually posted at
- 23 the county courthouse of each county in the district.
- SECTION 4. Section 8801.115, Special District Local Laws
- 25 Code, is amended to read as follows:
- Sec. 8801.115. STUDIES BY BOARD STAFF. At least once each
- 27 year and at any other time the board considers necessary, the board

- 1 shall have its staff and, if necessary, the staff of the Texas Water
- 2 Development Board make a complete study of the groundwater in the
- 3 district and determine:
- 4 (1) the water level;
- 5 (2) the rates and amounts of groundwater withdrawal;
- 6 and
- 7 (3) other information relating to groundwater
- 8 withdrawal that may affect [effect] subsidence in the district.
- 9 SECTION 5. Section 8801.117(a), Special District Local Laws
- 10 Code, is amended to read as follows:
- 11 (a) The [Not later than March 31 of each year, the] board
- 12 shall hold an annual [a] hearing to determine the effects of
- 13 groundwater withdrawal during the preceding calendar year or
- 14 subsidence in the district.
- 15 SECTION 6. Section 8801.151, Special District Local Laws
- 16 Code, is amended to read as follows:
- 17 Sec. 8801.151. GROUNDWATER WITHDRAWALS SUBJECT TO BOARD
- 18 RULE. (a) Groundwater withdrawals governed by this chapter,
- 19 including withdrawals of injected water, are subject to reasonable
- 20 board rules and orders, taking into account all factors, including
- 21 availability of surface water or alternative water supplies,
- 22 economic impact on persons and the community, degree and effect of
- 23 subsidence on the surface of land, and differing topographical and
- 24 geophysical characteristics of land areas in the district.
- 25 (b) The board may issue permits to drill new wells and may,
- 26 by rule, provide exemptions from the permit requirements. The
- 27 district shall grant a permit to drill and operate a new well inside

- 1 <u>a platted subdivision if water service from a local retail public</u>
- 2 utility is not available to the lot where the well is to be located.
- 3 (c) In this section, "retail public utility" has the meaning
- 4 assigned by Section 13.002, Water Code.
- 5 SECTION 7. Section 8801.152, Special District Local Laws
- 6 Code, is amended to read as follows:
- 7 Sec. 8801.152. CERTAIN <u>GROUNDWATER USES</u> [WELLS] EXEMPT.
- 8 The permit requirements [regulatory provisions] of this chapter do
- 9 not apply to:
- 10 (1) a well regulated under Chapter 27, Water Code;
- 11 (2) a well with a casing diameter of less than five
- 12 inches that serves only a single-family dwelling; and
- 13 (3) any other well as provided by board rule.
- SECTION 8. Sections 8801.155(a) and (c), Special District
- 15 Local Laws Code, are amended to read as follows:
- 16 (a) A [The owner or operator of a] well owner [located in the
- 17 district] must obtain a permit from the board before:
- 18 (1) drilling, equipping, or completing the well;
- 19 (2) substantially altering the size of the well or a
- 20 well pump; or
- 21 (3) operating the well.
- (c) A well [An] owner [or operator] commits a violation if
- 23 the well owner [or operator] does not obtain a permit as required by
- 24 Subsection (a). A violation occurs on the first day the drilling,
- 25 alteration, or operation begins. Each day that a violation
- 26 continues is a separate violation.
- 27 SECTION 9. Section 8801.158(c), Special District Local Laws

- 1 Code, is amended to read as follows:
- 2 (c) The board shall issue a permit to an applicant if, on
- 3 presentation of adequate proof, the board finds that:
- 4 (1) there is no other adequate and available
- 5 substitute or supplemental source of alternative [surface] water
- 6 <u>supplies</u> at prices competitive with the prices charged by suppliers
- 7 of alternative [surface] water supplies in the district; and
- 8 (2) compliance with any provision of this chapter or
- 9 any district rule will result in an arbitrary taking of property or
- 10 in the practical closing and elimination of a lawful business,
- 11 occupation, or activity without sufficient corresponding benefit
- 12 or advantage to the public.
- SECTION 10. Section 8801.161(b-1), Special District Local
- 14 Laws Code, is amended to read as follows:
- 15 (b-1) The fee under Subsection (a) may not exceed 110
- 16 percent of the highest rate that the City of Houston charges for
- 17 [surface] water supplied to its customers in the district.
- 18 SECTION 11. Section 8801.162, Special District Local Laws
- 19 Code, is amended to read as follows:
- Sec. 8801.162. ANNUAL REPORT. (a) Before January 31 each
- 21 year, a well owner who <u>is required to hold</u> [holds] a permit under
- 22 this chapter shall submit to the board a report stating:
- 23 (1) the well owner's name;
- 24 (2) the total amount of groundwater withdrawn from the
- 25 well during the preceding calendar year [12-month period];
- 26 (3) the total amount of groundwater withdrawn from the
- 27 well during each month of the preceding calendar year [12-month

- 1 period];
- 2 (4) the purpose for which the groundwater was used;
- 3 and
- 4 (5) any other information the board considers
- 5 necessary.
- 6 (b) For the purposes of this section, a well owner whose
- 7 well is aggregated with other wells permitted and managed by a
- 8 regional water supplier is required to file the report with the
- 9 regional water supplier instead of the district. Regional water
- 10 suppliers are required to annually submit to the board the report
- 11 required in Subsection (a) for all wells owned, managed, or
- 12 permitted by that supplier no later than March 31.
- 13 SECTION 12. Section 8801.163(a), Special District Local
- 14 Laws Code, is repealed.
- 15 SECTION 13. A person who is an investment officer for the
- 16 Harris-Galveston Subsidence District and who holds that office on
- 17 the effective date of this Act must attend the training required by
- 18 Section 8801.066(b)(1), Special District Local Laws Code, as added
- 19 by this Act, not later than the first anniversary of the effective
- 20 date of this Act, unless the person has already taken the training
- 21 in the 12 months preceding that effective date.
- 22 SECTION 14. This Act takes effect immediately if it
- 23 receives a vote of two-thirds of all the members elected to each
- 24 house, as provided by Section 39, Article III, Texas Constitution.
- 25 If this Act does not receive the vote necessary for immediate
- 26 effect, this Act takes effect September 1, 2013.