By: Ritter

H.B. No. 3233

A BILL TO BE ENTITLED 1 AN ACT 2 relating to interbasin transfers of state water. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Sections 11.085(b), (e), (g), (l), (n), and (v), 5 Water Code, are amended to read as follows: 6 (b) The application must include: the contract price of the water to be transferred; 7 (1) a statement of each general category of proposed 8 (2) use of the water to be transferred and a detailed description of the 9 proposed uses and users under each category; and 10 11 (3) the cost of diverting, conveying, distributing, 12 and supplying the water to, and treating the water for, the proposed 13 users.[; and] 14 [(4) the projected effect on user rates and fees for 15 each class of ratepayers.] In addition to the public meetings required 16 (e) by Subsection (d) of this section, if the application is contested in a 17 manner requiring an evidentiary hearing under the rules of the 18 commission, the commission shall give notice and hold 19 an evidentiary hearing, in accordance with commission rules and 20 21 applicable state law. In any evidentiary hearing for an application to transfer water authorized under an existing water 22 23 right, contested issues are limited to those issues related to the 24 requirements under this section.

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1 (g) The applicant shall cause the notice of application for an interbasin transfer to be published twice within a 30-day period 2 [once a week for two consecutive weeks] in one or more newspapers 3 having general circulation in each county located in whole or in 4 part in the basin of origin or the receiving basin. The published 5 notice may not be smaller than 96.8 square centimeters or 15 square 6 inches with the shortest dimension at least 7.6 centimeters or 7 8 three inches. The notice of application and public meetings shall be combined in the mailed and published notices. 9

10 (1) The commission may grant, in whole or in part, an 11 application for an interbasin transfer only to the extent that:

12 (1) the detriments to the basin of origin during the 13 proposed transfer period are less than the benefits to the 14 receiving basin during the proposed transfer period <u>based on</u> 15 <u>consideration of factors in subsection (k) of this section</u>.

(n) If the transfer of water is based on a contractual sale of water, the new water right or amended permit, certified filing, or certificate of adjudication authorizing the transfer shall contain a condition for a term or period not greater than the <u>term</u> <u>of the contract, including any extension or renewal of the contract</u> [term].

(v) The provisions of this section, except Subsection (a),do not apply to:

(1) a proposed transfer which in combination with any
existing transfers totals less than 3,000 acre-feet of water per
annum from the same permit, certified filing, or certificate of
adjudication;

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1	(2)	a request for an emergency transfer of water;
2	(3)	a proposed transfer from a basin to its adjoining
3	coastal basin;	
4	(4)	a proposed transfer from <u>the part of the</u> territory
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5 <u>of</u> [a basin to] a county or municipality, or <u>the part of the service</u> 6 <u>area of a retail water utility</u>, [the municipality's retail service 7 area] that is [partially] within the basin <u>of origin</u> for use in that 8 part of the <u>territory of the</u> county or municipality, or that part of 9 <u>the service area of the retail water utility</u>, [and the 10 <u>municipality's retail service area</u>] not within the basin <u>of origin</u>; 11 or

12 (5) a proposed transfer of water that is: 13 (A) imported from a source located wholly outside 14 the boundaries of this state, except water that is imported from a 15 source located in the United Mexican States;

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(B) for use in this state; and

17 (C) transported by using the bed and banks of any18 flowing natural stream located in this state.

19 SECTION 2. The changes in law made by this Act apply only to 20 an application for an interbasin transfer filed with the Texas 21 Commission on Environmental Quality on or after the effective date 22 of this Act. An application filed before the effective date of this 23 Act is governed by the law in effect on the date the application was 24 filed, and the former law is continued in effect for that purpose.

25 SECTION 3. This Act takes effect September 1, 2013.

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