

AN ACT

relating to the Harris-Galveston Subsidence District; providing authority to impose a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 8801.001, Special District Local Laws Code, is amended by adding Subdivision (4-c) to read as follows:

(4-c) "Regional water supplier" means a political subdivision of this state that has:

(A) the authority to conserve, store, treat, and purify water and to transport, distribute, sell, and deliver water to any person in this state; and

(B) an approved groundwater reduction plan.

SECTION 2. Subchapter B, Chapter 8801, Special District Local Laws Code, is amended by adding Section 8801.066 to read as follows:

Sec. 8801.066. INVESTMENT OFFICER. (a) Notwithstanding Section 2256.005(f), Government Code, the board may contract with a person to act as investment officer of the district.

(b) The investment officer shall:

(1) not later than the first anniversary of the date the officer takes office or assumes the officer's duties, attend a training session of at least six hours of instruction relating to investment responsibilities under Chapter 2256, Government Code; 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.

13           SECTION 3. Subsections (c) and (e), Section 8801.110,  
14 Special District 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.

24           SECTION 4. Section 8801.115, Special District Local Laws  
25 Code, is amended to read as follows:

26           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. Subsection (a), Section 8801.117, Special  
10 District Local Laws 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 on  
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 a platted subdivision if water service from a local retail public  
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 GROUNDWATER USES [~~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.

14 SECTION 8. Subsections (a) and (c), Section 8801.155,  
15 Special District 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.

22 (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. Subsection (c), Section 8801.158, Special

1 District Local Laws 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 supplies 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.

13 SECTION 10. Subsection (b-1), Section 8801.161, Special  
14 District Local 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:

20 Sec. 8801.162. ANNUAL REPORT. (a) Before January 31 each  
21 year, a well owner who is required to hold [~~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. Subsection (a), Section 8801.163, Special  
14 District Local 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 Subdivision (1), Subsection (b), Section 8801.066, Special  
19 District Local Laws Code, as added by this Act, not later than the  
20 first anniversary of the effective date of this Act, unless the  
21 person has already taken the training in the 12 months preceding  
22 that effective date.

23 SECTION 14. The authority of a regional water authority to  
24 impose a charge on a well or class of wells located within the  
25 boundaries of the Harris-Galveston Subsidence District is not  
26 affected by the ceasing of that well or class of wells on or after  
27 February 1, 2013, to be subject to:

1           (1) a groundwater reduction requirement imposed by the  
2 subsidence district; or

3           (2) the regulatory provisions, permitting  
4 requirements, or jurisdiction of the subsidence district.

5           SECTION 15. This Act takes effect immediately if it  
6 receives a vote of two-thirds of all the members elected to each  
7 house, as provided by Section 39, Article III, Texas Constitution.  
8 If this Act does not receive the vote necessary for immediate  
9 effect, this Act takes effect September 1, 2013.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1031 passed the Senate on April 23, 2013, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 23, 2013, by the following vote: Yeas 31, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1031 passed the House, with amendment, on May 20, 2013, by the following vote: Yeas 147, Nays 0, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor