BILL ANALYSIS

C.S.H.B. 2805 By: Frank Natural Resources Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note that even as some parts of Texas deal with continuing drought, the state has plentiful water supplies to meet the needs of its citizens but that much of that water is not located near places where the water is needed. The parties assert that the sharing of surface water between river basins is made practically impossible by a provision of state law that makes certain proposed transfers of a water right junior in priority to certain other water rights. The parties contend that this provision has had the practical effect of shutting down all large-scale interbasin water transfers, even in water shortages. The parties note that, as cities like Wichita Falls respond to drought, moving water between river basins will be one of the tools water suppliers use to meet the needs of Texans, and the parties contend that removing this junior priority barrier for certain transfers enables better usage of that tool. C.S.H.B. 2805 seeks to address this issue for certain transfers.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 2805 amends the Water Code to exempt a transfer of water between certain water control and improvement districts and certain municipalities from statutory provisions making a proposed transfer of all or a portion of a water right through an interbasin transfer junior in priority to water rights granted before the time application for transfer is accepted for filing. The bill specifies such an applicable municipality as a municipality that has a population of more than 100,000 and that is located both in a county that is included in an emergency disaster proclamation issued by the governor and in the basin of a river that forms a boundary between Texas and another state and does not flow into the Gulf of Mexico at a point located in Texas. The bill specifies such an applicable water control and improvement district as a district that has boundaries that are coextensive with the boundaries of a municipality with a population of more than 700,000 and that is located in a river basin with a population of more than six million.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2805 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Sections 11.085(s) and (t), Water Code, are amended to read as follows:

(s) <u>This subsection does not apply to a</u> <u>transfer of water between the Red River</u> <u>basin and the Trinity River basin</u>. Any proposed transfer of all or a portion of a water right under this section is junior in priority to water rights granted before the time application for transfer is accepted for filing.

(t) This subsection does not apply to a transfer of water between the Red River basin and the Trinity River basin. Any proposed transfer of all or a portion of a water right under this section from a river basin in which two or more river authorities or water districts created under Section 59, Article XVI, Texas Constitution, have written agreements or permits that provide for the coordinated operation of their respective reservoirs to maximize the amount of water for beneficial use within their respective water services areas shall be junior in priority to water rights granted before the time application for transfer is accepted for filing.

SECTION 2. (a) This Act applies only to

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 11.085(s), Water Code, is amended to read as follows:

(s) Any proposed transfer of all or a portion of a water right under this section is junior in priority to water rights granted before the time application for transfer is accepted for filing. This subsection does not apply to a transfer of water between the following entities:

(1) a water control and improvement district that:

(A) has boundaries that are coextensive with the boundaries of a municipality with a population of more than 700,000; and

(B) is located in a river basin with a population of more than six million; and(2) a municipality that:

(A) has a population of more than 100,000; and

(B) is located in:

(i) the basin of a river that:

(a) forms a boundary between this state and another state; and

(b) does not flow into the Gulf of Mexico at a point located in this state; and

(ii) a county that is included in an emergency disaster proclamation issued by the governor.

SECTION 2. Same as introduced version.

84R 27507

Substitute Document Number: 84R 25419

15.121.1099

an application for a water right or an amendment to a permit, certified filing, or certificate of adjudication authorizing an interbasin transfer of water that is accepted for filing on or after the effective date of this Act.

(b) An application for a water right or an amendment to a permit, certified filing, or certificate of adjudication authorizing an interbasin transfer of water that is accepted for filing before the effective date of this Act is governed by the law in effect at the time the application is accepted for filing, and the former law is continued in effect for that purpose.

SECTION 3. This Act takes effect immediately if it receives a vote of twothirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015. SECTION 3. Same as introduced version.