

BILL ANALYSIS

S.B. 854
By: Zaffirini
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties contend that the current renewal process for operating permits issued by groundwater conservation districts can be burdensome and expensive for the districts, permit holders, and landowners. In addition, there is concern that the short term of permits issued by some districts results in uncertainty for permit holders that issue long-term debt for water supply projects. S.B. 854 seeks to address these issues.

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

S.B. 854 amends the Water Code to require a groundwater conservation district, without a hearing, to renew or approve an application to renew an operating permit before the date on which the permit expires, provided that the application, if required by the district, is submitted in a timely manner and accompanied by any required fees in accordance with district rules and the permit holder is not requesting a change related to the renewal that would require a permit amendment under district rules. The bill exempts a district from that requirement to renew a permit if the applicant is delinquent in paying a fee required by the district, is subject to a pending enforcement action for a substantive violation of a district permit, order, or rule that has not been settled by agreement with the district or a final adjudication, or has not paid a civil penalty or has otherwise failed to comply with an order resulting from a final adjudication of a violation of a district permit, order, or rule. The bill establishes that if a district is not required to renew a permit because the applicant is subject to a pending enforcement action, the permit remains in effect until the final settlement or adjudication on the matter of the substantive violation. The bill defines "operating permit" as any permit issued by the district for the operation of or production from a well, including a permit to drill or complete a well if the district does not require a separate permit for the drilling or completion of a well.

S.B. 854 establishes that if the holder of an operating permit, in connection with the renewal of a permit or otherwise, requests a change that requires an amendment to the permit under district rules, the permit as it existed before the permit amendment process remains in effect until the later of the conclusion of the permit amendment or renewal process, as applicable, or final settlement or adjudication on the matter of whether the change to the permit requires a permit amendment. The bill requires a permit, as it existed before a permit amendment process that resulted in the denial of an amendment, to be renewed under the bill's operating permit renewal

provisions without penalty, unless a condition under which the district is not required to renew a permit under those provisions applies. The bill authorizes a district to initiate an amendment to an operating permit, in connection with the renewal of a permit or otherwise, in accordance with the district's rules. The bill requires an operating permit as it existed before the permit amendment process to remain in effect until the conclusion of the permit amendment or renewal process, as applicable, if a district initiates an amendment to the permit.

S.B. 854 exempts the renewal of an operating permit issued under the bill's operating permit renewal provisions from the requirement that a district make certain considerations before granting or denying a permit or permit amendment and from a statutory provision authorizing permits and permit amendments to be issued subject to district rules and to certain terms and provisions. The bill specifies that the permit amendments for which a district is required to make such considerations and that may be issued subject to such rules, terms, and provisions are permit amendments issued in accordance with the bill's change in operating permits provisions. The bill specifies that statutory provisions applicable to the notice and hearing process used by a groundwater conservation district for permit and permit amendment applications apply only to permit and permit amendment applications for which a hearing is required. The bill requires groundwater conservation districts to adopt rules to implement the bill's provisions as soon as practicable after the bill's effective date.

EFFECTIVE DATE

September 1, 2015.