

## **BILL ANALYSIS**

Senate Research Center  
84R10066 SLB-D

S.B. 1815  
By: Kolkhorst  
Agriculture, Water & Rural Affairs  
4/23/2015  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Southeast and Gulf Coast regions of Texas have been subject to reoccurring drought while the territory covered by the Coastal Bend Groundwater Conservation District (GCD) is experiencing extraordinary growth and associated increases in demand for water that is anticipated to continue into the future. Groundwater resources in the three-county region are under pressure to supply existing needs. As the population of Greater Houston and other growth areas in state expand, there is increasing interest in capturing large quantities of groundwater from rural areas. Local entities in this area are interested in discouraging the export of groundwater from the Coastal Bend GCD Territory. Exporting groundwater from aquifers in the Gulf Coast region could decrease or eliminate spring flows, reduce surface flows, and adversely affect groundwater supplies needed for future local use.

Groundwater conservation districts are the state's preferred method of regulation groundwater. GCDs are governed by Chapter 36 (Groundwater Conservation Districts), Water Code. Section 36.122 (Transfer of Groundwater Out of District) permits a district to charge export fees for the transfer of groundwater out of the district. Those fees are often set in the district's enabling legislation, most often located in the Special District Local Laws Code.

As proposed, S.B. 1815 amends current law relating to fees charged by the Coastal Bend Groundwater Conservation District.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 8829.151, Special District Local Laws Code, as follows:

Sec. 8829.151. DISTRICT REVENUE AND FEES. Authorizes the Coastal Bend Groundwater Conservation District (district), to accomplish the regulatory goals of the district, and to pay the district's maintenance and operating costs, to:

- (1) impose an ad valorem tax at a rate not to exceed five cents for each \$100 of taxable value of property in the district;
- (2) assess production fees as authorized by Section 36.205 (Authority to Set Fees), Water Code, rather than assess general production fees;
- (3) solicit and accept grants from any public or private source;
- (4) assess an export fee on water exported from the district in an amount not to exceed 150 percent of the maximum wholesale water rate charged by the City of Houston, rather than assess a transfer fee on water exported from the district; and
- (5) assess other fees authorized by Chapter 36 (Groundwater Conservation Districts), Water Code.

SECTION 2. Effective date: upon passage or September 1, 2015.