By: Larson

H.B. No. 3324

## A BILL TO BE ENTITLED

AN ACT

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2 relating to the requirements for obtaining an interbasin water 3 transfer permit.

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

5 SECTION 1. Sections 11.085(d), (k), (l), and (v), Water 6 Code, are amended to read as follows:

7 (d) Prior to taking action on an application for an interbasin transfer, the commission shall conduct at least one 8 public meeting to receive comments in both the basin of origin of 9 the water proposed for transfer and the basin receiving water from 10 11 the proposed transfer. Notice shall be provided under Section 12 <u>11.132</u> [pursuant to Subsection (g) of this section]. Any person may present relevant information and data at the meeting on the 13 14 criteria which the commission is to consider related to the interbasin transfer. 15

16 (k) In addition to other requirements of this code relating 17 to the review of and action on an application for a new water right 18 or amended permit, certified filing, or certificate of 19 adjudication, the commission shall weigh the effects of the 20 proposed transfer by considering:

(1) the need for the water in the basin of origin and in the proposed receiving basin based on the period for which the water supply is requested, but not to exceed 50 years;

24 (2) factors identified in the applicable approved

H.B. No. 3324

1 regional water plans which address the following:

2 (A) the availability of feasible and practicable
3 alternative supplies in the receiving basin to the water proposed
4 for transfer;

5 (B) the amount and purposes of use in the 6 receiving basin for which water is needed;

7 (C) proposed methods and efforts by the receiving
8 basin to avoid waste and implement water conservation and drought
9 contingency measures;

10 (D) proposed methods and efforts by the receiving
11 basin to put the water proposed for transfer to beneficial use;

12 (E) the projected economic impact that is 13 reasonably expected to occur in each basin as a result of the 14 transfer; and

15 (F) the projected impacts of the proposed transfer that are reasonably expected to occur on existing water 16 17 rights, instream uses, water quality, aquatic and riparian habitat, and bays and estuaries that must be assessed under Sections 11.147, 18 11.150, and 11.152 [of this code] in each basin. 19 If the water sought to be transferred is currently authorized to be used under an 20 existing permit, certified filing, or certificate of adjudication, 21 such impacts shall only be considered in relation to that portion of 22 23 the permit, certified filing, or certificate of adjudication 24 proposed for transfer and shall be based on historical uses of the permit, certified filing, or certificate of adjudication for which 25 26 amendment is sought;

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(3) [proposed mitigation or compensation, if any, to

H.B. No. 3324

and

the basin of origin by the applicant; [(4)] the continued need to use the water for the purposes authorized under the existing permit, certified filing, or certificate of adjudication, if an amendment to an existing water right is sought; [and] (4) the effect of the proposed transfer of water on promoting the highest efficiency and productivity of water use in this state; and (5) the information required to be submitted by the applicant. The commission may grant, in whole or in part, an (1)application for an interbasin transfer only to the extent that [+ [(1) the detriments to the basin of origin during the proposed transfer period are less than the benefits to the receiving basin during the proposed transfer period, as determined by the commission based on consideration of the factors described by Subsection (k); and  $\left[\frac{1}{2}\right]$  the applicant for the interbasin transfer has prepared a drought contingency plan and has developed implemented a water conservation plan that will result in the highest practicable levels of water conservation and efficiency achievable within the jurisdiction of the applicant. The provisions of this section, except Subsection (a), (v) 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

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H.B. No. 3324 1 adjudication; 2 a request for an emergency transfer of water; (2) 3 (3) a proposed transfer from a basin to its adjoining coastal basin; 4 5 (4) a proposed transfer from the part of the geographic area of a county or municipality, or the part of the 6 retail service area of a retail public utility as defined by Section 7 8 13.002, that is within the basin of origin for use in that part of the geographic area of the county or municipality, or that 9 contiguous part of the retail service area of the utility, not 10 within the basin of origin; [or] 11 a proposed transfer of water that is: 12 (5) imported from a source located wholly outside 13 (A) 14 the boundaries of this state, except water that is imported from a 15 source located in the United Mexican States; and 16 (B) for use in this state; (6) a proposed transfer of water resulting from 17 recycled or desalinated water produced in the basin of origin; or 18 (7) a proposed transfer of treated wastewater derived 19 from water that was transferred to the basin of origin of the 20 proposed transfer from the basin to which the effluent is returned 21 [<del>and</del> 22 [(C) transported by using the bed and banks of 23 24 any flowing natural stream located in this state]. SECTION 2. Sections 11.085(b), (c), (f), (g), (h), (i), 25 26 (j), and (o), Water Code, are repealed. SECTION 3. (a) This Act applies only to an application for 27

## H.B. No. 3324

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.

5 (b) An application for a water right or an amendment to a 6 permit, certified filing, or certificate of adjudication 7 authorizing an interbasin transfer of water that is accepted for 8 filing before the effective date of this Act is governed by the law 9 in effect at the time the application is accepted for filing, and 10 the former law is continued in effect for that purpose.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds 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.