

R E S O L U T I O N

1 BE IT RESOLVED by the House of Representatives of the State of
2 Texas, 85th Legislature, Regular Session, 2017, That House Rule 13,
3 Section 9(a), be suspended in part as provided by House Rule 13,
4 Section 9(f), to enable the conference committee appointed to
5 resolve the differences on House Bill 4345 (the creation of the Rio
6 de Vida Municipal Utility District No. 1; providing authority to
7 impose a tax and issue bonds) to consider and take action on the
8 following matter:

9 (1) House Rule 13, Section 9(a)(4), is suspended to permit
10 the committee to add text on a matter not included in either the
11 house or senate version of the bill by adding ARTICLE 2 to the bill
12 to read as follows:

13 ARTICLE 2. SOUTHWESTERN TRAVIS COUNTY

14 GROUNDWATER CONSERVATION DISTRICT

15 SECTION 2.01. The legislature finds that:

16 (1) creation of the Southwestern Travis County
17 Groundwater Conservation District:

18 (A) is consistent with the state's preferred
19 method of groundwater management;

20 (B) will protect property rights, balance the
21 development and conservation of groundwater with the needs of this
22 state, and use the best available science in the area of groundwater
23 through rules developed, adopted, and promulgated by the district
24 in accordance with the provisions of Chapter 8871, Special District

1 Local Laws Code, as added by this article; and

2 (C) will be a benefit to the land in the district
3 and a public benefit and utility;

4 (2) the district is created to:

5 (A) protect the interests of private property
6 ownership while balancing the interests of all property owners in
7 the district;

8 (B) manage groundwater resources; and

9 (C) protect the groundwater in the district;

10 (3) although a property owner of land in the district
11 is not entitled to an equal amount of water as another property
12 owner of land in the district, a property owner does have a vested
13 ownership interest in the groundwater beneath the owner's property,
14 and the district shall recognize that ownership interest; and

15 (4) the Southwestern Travis County Groundwater
16 Conservation District is not created to prohibit or restrict
17 development of private property in the district.

18 SECTION 2.02. Subtitle H, Title 6, Special District Local
19 Laws Code, is amended by adding Chapter 8871 to read as follows:

20 CHAPTER 8871. SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION

21 DISTRICT

22 SUBCHAPTER A. GENERAL PROVISIONS

23 Sec. 8871.001. DEFINITIONS. In this chapter:

24 (1) "Board" means the district's board of directors.

25 (2) "Commission" means the Texas Commission on
26 Environmental Quality.

27 (3) "Director" means a board member.

1 (4) "District" means the Southwestern Travis County
2 Groundwater Conservation District.

3 Sec. 8871.002. NATURE OF DISTRICT. The district is a
4 groundwater conservation district in Travis County created under
5 and essential to accomplish the purposes of Section 59, Article
6 XVI, Texas Constitution.

7 Sec. 8871.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The
8 district is created to serve a public use and benefit.

9 (b) All land and other property included in the district
10 will benefit from the works and projects accomplished by the
11 district under the powers conferred by Section 59, Article XVI,
12 Texas Constitution.

13 Sec. 8871.004. INITIAL DISTRICT TERRITORY. (a) The
14 district is initially composed of the territory described by
15 Section 2.03 of the Act enacting this chapter.

16 (b) The boundaries and field notes contained in Section 2.03
17 of the Act enacting this chapter form a closure. A mistake made in
18 the field notes or in copying the field notes in the legislative
19 process does not affect the district's:

20 (1) organization, existence, or validity;

21 (2) right to issue any type of bond for the purposes
22 for which the district is created or to pay the principal of and
23 interest on a bond; or

24 (3) legality or operation.

25 SUBCHAPTER B. TEMPORARY AND INITIAL DIRECTORS

26 Sec. 8871.021. APPOINTMENT OF TEMPORARY DIRECTORS;
27 VACANCIES; TERMS. (a) Seven persons who reside in the district

1 shall be appointed as temporary directors not later than the 90th
2 day after the effective date of the article of the Act creating this
3 chapter as follows:

4 (1) the county judge of Travis County shall appoint
5 one temporary director;

6 (2) the county commissioner for the county
7 commissioners precinct in which the district is principally located
8 shall appoint two temporary directors;

9 (3) the state representative who represents the house
10 district in which the district is principally located shall appoint
11 two temporary directors; and

12 (4) the state senator who represents the senate
13 district in which the district is principally located shall appoint
14 two temporary directors.

15 (b) If a temporary director fails to qualify for office or a
16 vacancy occurs on the temporary board, the remaining temporary
17 directors shall appoint a person to fill the vacancy. If at any
18 time there are fewer than four temporary directors, the state
19 representative under Subsection (a)(3) shall appoint the necessary
20 number of persons to fill all vacancies on the board.

21 (c) Temporary directors serve until the date initial
22 directors are elected at an election held under Section 8871.024.

23 Sec. 8871.022. ORGANIZATIONAL MEETING. (a) Not later than
24 the 45th day after the date on which the seventh temporary director
25 is appointed under Section 8871.021, the temporary directors shall
26 hold the organizational meeting of the district.

27 (b) The temporary directors shall select from among

1 themselves a president, a vice president, and a secretary.

2 Sec. 8871.023. AUTHORITY OF TEMPORARY DIRECTORS. (a)
3 Except as provided by Subsections (c) and (d) or as otherwise
4 provided by this subchapter, the temporary directors of the
5 district have the same permitting and general management powers as
6 those provided for initial and permanent directors under this
7 chapter and Chapter 36, Water Code.

8 (b) The temporary directors or their designees have the
9 authority to enter any public or private property located in the
10 district to inspect a water well that is not exempt under Section
11 8871.103, as provided by Section 36.123, Water Code.

12 (c) Except as provided by Section 8871.024, the temporary
13 directors do not have the authority granted by the following
14 provisions of Chapter 36, Water Code:

- 15 (1) Sections 36.017, 36.019, 36.020, and 36.059;
16 (2) Sections 36.105, 36.1071, 36.1072, 36.1073, and
17 36.108;
18 (3) Sections 36.171-36.181;
19 (4) Sections 36.201-36.204; and
20 (5) Subchapters J and K.

21 (d) The temporary directors may regulate the transfer of
22 groundwater out of the district as provided by Section 36.122,
23 Water Code, but may not prohibit the transfer of groundwater out of
24 the district.

25 Sec. 8871.024. CONFIRMATION AND INITIAL DIRECTORS'
26 ELECTION. (a) The temporary directors shall order an election in
27 the district, to be held not later than the uniform election date in

1 May 2018, to confirm the creation of the district and to elect the
2 initial directors.

3 (b) At the election held under this section, the temporary
4 board shall have placed on the ballot the names of the candidates
5 who are eligible under Section 8871.051 for each of the seven
6 positions on the board.

7 (c) Section 41.001(a), Election Code, applies to an
8 election held under this section.

9 (d) Except as provided by this section, an election held
10 under this section must be conducted as provided by the Election
11 Code and Sections 36.017, 36.018, and 36.019, Water Code. The
12 following provisions of the Water Code do not apply to an election
13 under this section:

14 (1) Section 36.017(a);

15 (2) the provision of Section 36.017(d) governing
16 ballot provisions for the election of permanent directors; and

17 (3) Section 36.059(b).

18 (e) If the district's creation is not confirmed at an
19 election held under Subsection (a), the candidate who receives a
20 majority of the votes cast at that election for each of the seven
21 positions on the board becomes a temporary director of the
22 district. The temporary directors elected under this subsection
23 shall order a subsequent election to be held to confirm the creation
24 of the district and to elect the initial directors not earlier than
25 the uniform election date in May 2020.

26 (f) Temporary directors elected under Subsection (e) serve
27 until:

1 (1) the date initial directors are elected at the
2 subsequent election ordered under Subsection (e) if the creation of
3 the district is confirmed; or

4 (2) the fourth anniversary of the date of the election
5 held under Subsection (a) if the creation of the district is not
6 confirmed.

7 (g) The vacancy provision of Section 8871.021, and Section
8 8871.023, apply to the temporary directors elected under Subsection
9 (e).

10 Sec. 8871.025. INITIAL DIRECTORS. (a) Promptly after an
11 election has been held under Section 8871.024 and the votes have
12 been canvassed, if the creation of the district is confirmed, the
13 temporary directors shall:

14 (1) declare for each board position the person who
15 receives the most votes for that position to be elected as the
16 initial director for that position; and

17 (2) include the results of the initial directors'
18 election in the district's election report to the commission.

19 (b) The initial directors shall draw lots to determine which
20 three initial directors serve two-year terms and which four initial
21 directors serve four-year terms.

22 SUBCHAPTER C. BOARD OF DIRECTORS

23 Sec. 8871.051. GOVERNING BODY; TERMS. (a) The district is
24 governed by a board of seven directors.

25 (b) Directors elected after the election held under Section
26 8871.024 serve four-year terms.

27 (c) The directors are elected as follows:

1 (1) one director must reside in the corporate limits
2 of the City of Bee Cave and be elected by voters residing in the City
3 of Bee Cave;

4 (2) one director must reside in the corporate limits
5 of the City of Lakeway or Village of the Hills and be elected by
6 voters residing in the City of Lakeway and Village of the Hills;

7 (3) one director must reside in the corporate limits
8 of the City of West Lake Hills and be elected by voters residing in
9 the City of West Lake Hills; and

10 (4) four directors must:

11 (A) reside inside the district and outside the
12 corporate limits of the City of Bee Cave, City of Lakeway, Village
13 of the Hills, and City of West Lake Hills;

14 (B) be elected by voters residing inside the
15 district and outside the corporate limits of the City of Bee Cave,
16 City of Lakeway, Village of the Hills, and City of West Lake Hills;
17 and

18 (C) each use groundwater as a source of water
19 supply for one or more beneficial uses at their respective
20 residences.

21 SUBCHAPTER D. POWERS AND DUTIES

22 Sec. 8871.101. GROUNDWATER CONSERVATION DISTRICT POWERS
23 AND DUTIES. Except as otherwise provided by this chapter, the
24 district has the powers and duties provided by the general law of
25 this state, including Chapter 36, Water Code, applicable to
26 groundwater conservation districts created under Section 59,
27 Article XVI, Texas Constitution.

1 Sec. 8871.102. AQUIFER STORAGE AND RECOVERY PROJECTS. The
2 district may implement and develop aquifer storage and recovery
3 projects in accordance with:

- 4 (1) Chapters 27 and 36, Water Code; and
5 (2) commission rules and guidance.

6 Sec. 8871.103. EXEMPT WELLS. (a) Groundwater withdrawals
7 from the following wells may not be regulated, permitted, or
8 metered by the district:

9 (1) a well used for domestic use by a single private
10 residential household and incapable of producing more than 10,000
11 gallons per day; and

12 (2) a well used solely for domestic use or for
13 providing water for livestock or poultry if the well is:

14 (A) located or to be located on a tract of land
15 larger than 10 acres; and

16 (B) drilled, completed, or equipped so that it is
17 incapable of producing more than 25,000 gallons of groundwater a
18 day.

19 (b) The district may not charge or collect a well
20 construction fee for a well described by Subsection (a)(2).

21 (c) A well used for dewatering and monitoring in the
22 production of coal or lignite is exempt from permit requirements,
23 regulations, and fees imposed by the district.

24 Sec. 8871.104. PERMIT REQUIRED. A well owner must obtain a
25 permit and pay any required fees, including a well construction
26 fee, before using any groundwater withdrawn from a well for
27 purposes other than those exempted by Section 8871.103.

1 Sec. 8871.105. ACCESS TO PROPERTY. (a) Subject to
2 Subsection (b), an employee or agent of the district is entitled to
3 enter public or private property in the district at any reasonable
4 time to:

5 (1) inspect an exempt well;

6 (2) inspect and investigate conditions relating to the
7 quality of water in the state; and

8 (3) monitor compliance with any rule, regulation,
9 permit, or other order of the district.

10 (b) An employee or agent of the district must obtain the
11 permission of the property owner before entering public or private
12 property.

13 (c) If any employee or agent of the district is refused the
14 right to enter public or private property in the district under this
15 section, the district may seek a court order from a district court
16 authorizing the district to enter the land.

17 (d) An employee or agent who enters private property under
18 this section shall:

19 (1) observe the property's rules and regulations, if
20 any, concerning safety, internal security, and fire protection;

21 (2) notify management or a person in charge of the
22 presence of the employee or agent; and

23 (3) exhibit proper credentials.

24 Sec. 8871.106. NO EMINENT DOMAIN POWER. The district may
25 not exercise the power of eminent domain.

26 SUBCHAPTER E. FINANCIAL PROVISIONS

27 Sec. 8871.151. WELL CONSTRUCTION FEE. The district may

1 charge and collect a new well construction fee not to exceed \$1,000
2 for a new well.

3 Sec. 8871.152. PERMIT RENEWAL APPLICATION FEE. The
4 district may charge and collect a permit renewal application fee
5 not to exceed \$400.

6 Sec. 8871.153. SERVICE CONNECTION FEE. (a) This section
7 does not apply to a water utility that has surface water as its sole
8 source of water.

9 (b) The district may levy and collect a water utility
10 service connection fee not to exceed \$1,000 for each new water
11 service connection made after September 1, 2017.

12 Sec. 8871.154. PRODUCTION FEE. The district may impose
13 reasonable production fees on each well that is not exempt from
14 permitting under Section 8871.103 based on the amount of water
15 actually withdrawn from the well. The district may not impose a
16 production fee under this section in an amount greater than 20 cents
17 per thousand gallons.

18 Sec. 8871.155. ADMINISTRATIVE MANAGEMENT FEE. The district
19 may set a reasonable fee for administrative management on a per well
20 basis. The district may set a fee for administrative management on
21 a well that is exempt from permitting in an amount not greater than
22 \$40 per well, per year.

23 Sec. 8871.156. CERTAIN FEES PROHIBITED. The district may
24 not charge a fee under Section 36.205(b), (c), or (f), Water Code.

25 Sec. 8871.157. LIMITATION ON AUTHORITY TO IMPOSE TAXES.
26 The district does not have the authority granted by Sections 36.020
27 and 36.201-36.204, Water Code, relating to taxes.

1 SECTION 2.03. The Southwestern Travis County Groundwater
2 Conservation District initially includes all the territory
3 contained in the following area:

4 THE TERRITORY OF THE SOUTHWEST TRAVIS COUNTY PORTION OF THE
5 HILL COUNTRY PRIORITY GROUNDWATER MANAGEMENT AREA - AS DESCRIBED BY
6 2010 TCEQ REPORT; "The southwestern Travis territory is located in
7 the southwestern quarter of Travis County. The southwestern Travis
8 territory is bound to the west by Blanco and Burnet counties,
9 southwest by Hays County, and southeast by the northwestern
10 boundary of the Barton Springs/Edwards Aquifer Conservation
11 District (BS/EACD). The northern boundary of the southwestern
12 Travis territory is the Colorado River (Lake Travis, Lake Austin,
13 and Lady Bird Lake)."

14 SECTION 2.04. (a) The legal notice of the intention to
15 introduce this article of this Act, setting forth the general
16 substance of this article of this Act, has been published as
17 provided by law, and the notice and a copy of this article of this
18 Act have been furnished to all persons, agencies, officials, or
19 entities to which they are required to be furnished under Section
20 59, Article XVI, Texas Constitution, and Chapter 313, Government
21 Code.

22 (b) The governor, one of the required recipients, has
23 submitted the notice and this article of this Act to the Texas
24 Commission on Environmental Quality.

25 (c) The Texas Commission on Environmental Quality has filed
26 its recommendations relating to this article of this Act with the
27 governor, the lieutenant governor, and the speaker of the house of

1 representatives within the required time.

2 (d) All requirements of the constitution and laws of this
3 state and the rules and procedures of the legislature with respect
4 to the notice, introduction, and passage of this article of this Act
5 are fulfilled and accomplished.

6 SECTION 2.05. This article takes effect September 1, 2017.

7 Explanation: The change is necessary to create the
8 Southwestern Travis County Groundwater Conservation District and
9 provide the district the ability to issue bonds and impose fees.

10 (2) House Rule 13, Section 9(a)(1), is suspended to permit
11 the committee to amend text not in disagreement in proposed SECTION
12 1.01 of the bill, in proposed Sections 8013.006, 8013.053, and
13 8013.153, Special District Local Laws Code, in proposed SECTION
14 1.03 of the bill, in the provision regarding legal notice and other
15 requirements, and in SECTION 1.04 of the bill, in the effective date
16 provision, by renumbering references to SECTION 2 of the bill as
17 SECTION 1.02 and changing references to "this Act" to "this article
18 of this Act".

19 EXPLANATION: This change is necessary to accommodate the
20 addition of a second article to the Act.

Rodriguez of Travis

H.R. No. 2622

Speaker of the House

I certify that H.R. No. 2622 was adopted by the House on May 28, 2017, by the following vote: Yeas 145, Nays 0, 3 present, not voting.

Chief Clerk of the House