|  |
| --- |
| BILL ANALYSIS |

|  |
| --- |
| C.S.H.B. 1066 |
| By: Ashby |
| Natural Resources |
| Committee Report (Substituted) |

|  |
| --- |
| **BACKGROUND AND PURPOSE**  Concerns have been raised regarding groundwater conservation district-issued export permits whose duration may not always coincide with the associated operating permit, which may result in a permittee authorized to produce water but not export it and vice versa. C.S.H.B. 1066 seeks to address these concerns by providing for certain extensions for an export permit. |
| **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. 1066 amends the Water Code to require a groundwater conservation district, on or before the expiration of certain terms regarding periods for which water may be transferred out of the district under a permit, to extend the term in a prescribed manner to a term that is not shorter than the term of an operating permit for the production of water to be transferred that is in effect at the time of the extension and for each additional term for which that operating permit for production is renewed without a permit amendment or remains in effect during a permit amendment process. The bill establishes that an extended permit continues to be subject to conditions contained in the permit as issued before the extension. The bill authorizes a district to grant or deny an application to extend an applicable term only using rules that were in effect at the time the application was submitted and establishes that such an application is governed solely by district rules consistent with the bill's requirement for a district to extend a term. The bill applies only to the term of a permit that expires after September 1, 2019. |
| **EFFECTIVE DATE**  September 1, 2019. |
| **COMPARISON OF ORIGINAL AND SUBSTITUTE**  While C.S.H.B. 1066 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.  The substitute includes provisions authorizing a groundwater conservation district to grant or deny an application to extend a permit term only using rules that were in effect at the time the application was submitted and establishing that such an application is governed solely by district rules consistent with the bill's requirement for a district to extend a term. |
|  |
|  |