

By: Nevárez

H.B. No. 3781

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Val Verde County Groundwater Conservation District; providing authority to issue bonds; providing authority to impose fees, surcharges, and taxes.

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

SECTION 1. Subtitle H, Title 6, Special District Local Laws Code, is amended by adding Chapter 8872 to read as follows:

CHAPTER 8872. VAL VERDE COUNTY GROUNDWATER CONSERVATION DISTRICT

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 8872.001. DEFINITIONS. (a) Except as provided by Subsection (b), the definitions in Section 36.001, Water Code, apply to this chapter.

(b) In this chapter:

(1) "Aquifer" means that part of the Edwards-Trinity (Plateau) Aquifer located in Val Verde County.

(2) "Board" means the board of directors of the district.

(3) "Affected person" means a registered voter of Val Verde County or a person owning land in Val Verde County.

(4) "City" means the City of Del Rio.

(5) "Commissioners court" means the Val Verde County Commissioners Court.

(6) "Development board" means the Texas Water Development Board.

1           (7) "Director" means a member of the board.

2           (8) "District" means the Val Verde County Groundwater  
3 Conservation District.

4           (9) "Domestic use" means the use of groundwater in the  
5 district by a member of a well owner's household or by household  
6 employees, tenants, licensees, or guests for the following  
7 purposes:

8                   (A) drinking, washing, or culinary activities;

9                   (B) irrigation of:

10                           (i) lawns;

11                           (ii) family gardens; or

12                           (iii) orchards, if the produce of the  
13 orchard is used only for household consumption;

14                   (C) filling or maintaining swimming pools,  
15 decorative ponds, or fountains located on the well owner's  
16 property; and

17                   (D) drinking water for domestic animals not  
18 raised, maintained, or sold for commercial purposes.

19           (10) "Existing well" means a well that is completed to  
20 produce groundwater in Val Verde County on or before January 1,  
21 2019. The term includes a well that is reworked or repaired after  
22 January 1, 2019, to restore the well's historic production  
23 capacity, provided that the reworking or repair does not enlarge  
24 the diameter of the well bore as the well bore existed on January 1,  
25 2019.

26           (11) "Historic use" means the production and  
27 beneficial use of groundwater from an existing well in any calendar

1 year before January 1, 2019.

2 (12) "Political subdivision" means a governmental  
3 entity of this state, including a county, municipality, state  
4 agency, or district or authority created under Section 52, Article  
5 III, or Section 59, Article XVI, Texas Constitution. The term also  
6 includes a nonprofit water supply corporation created under Chapter  
7 67, Water Code.

8 (13) "Retail public utility" has the meaning assigned  
9 by Section 13.002, Water Code.

10 (14) "Rural area" means an area that is located:

11 (A) inside the boundaries of the district; and

12 (B) outside the corporate boundaries and  
13 extraterritorial jurisdiction of a municipality in the district.

14 Sec. 8872.002. NATURE OF DISTRICT; PURPOSE. (a) The  
15 district is a groundwater conservation district in Val Verde County  
16 created under and essential to accomplish the purposes of Section  
17 59, Article XVI, Texas Constitution, including:

18 (1) the permitting, recharge, conservation,  
19 protection, and prevention of the waste of groundwater in Val Verde  
20 County;

21 (2) the control of subsidence caused by the  
22 unreasonable withdrawal of groundwater;

23 (3) the regulation of transporting groundwater  
24 outside the boundaries of the district;

25 (4) the regulation of groundwater production and the  
26 implementation of drought management and conservation plans for the  
27 reduction of drawdown when conditions warrant action to protect

1 spring flow and base flow;

2 (5) the maintenance of sufficient, good quality river  
3 flows during periods of drought and low-flow to protect endangered  
4 species and the habitats of endangered species;

5 (6) the development, with the assistance of the Texas  
6 Water Development Board, the Texas Parks and Wildlife Department,  
7 and the Texas Commission on Environmental Quality, of empirical  
8 groundwater flow models to inform the District's groundwater  
9 management; and

10 (7) the management of the issuance of permits by  
11 requiring studies and groundwater availability model analyses of  
12 permit applications that include the use of conservation triggers  
13 to mitigate the impact on spring flow, base flow, and drawdown.

14 (b) The district is created to serve a public use and  
15 benefit.

16 (c) All of the land and other property included within the  
17 boundaries of the district will benefit from the works and projects  
18 that are to be accomplished by the district under powers conferred  
19 by Section 59, Article XVI, Texas Constitution, this chapter, and  
20 Chapter 36, Water Code.

21 Sec. 8872.003. CONFIRMATION ELECTION REQUIRED. If the  
22 creation of the district is not confirmed at a confirmation  
23 election held under Section 8872.023 before September 1, 2021:

24 (1) the district is dissolved September 1, 2021,  
25 except that:

26 (A) any debts incurred shall be paid;

27 (B) any assets that remain after the payment of

1 debts shall be transferred to Val Verde County and the city in  
2 proportion to the amount each entity has contributed to the costs of  
3 the confirmation election and district operations; and

4 (C) the organization of the district shall be  
5 maintained until all debts are paid and remaining assets are  
6 transferred; and

7 (2) this chapter expires September 1, 2022.

8 Sec. 8872.0034. INITIAL DISTRICT TERRITORY. The boundaries  
9 of the district are coextensive with the boundaries of Val Verde  
10 County.

11 Sec. 8872.0035. MINIMUM STANDARDS. The Texas Water  
12 Development Board shall develop and set minimum flow and spring  
13 discharge standards for the District based on the best available  
14 science, historical data, and any other available data necessary to  
15 protect the property values of riverside landowners and endangered  
16 or threatened species in the District.

17 SUBCHAPTER A-1. TEMPORARY PROVISIONS

18 Sec. 8872.021. APPOINTMENT OF TEMPORARY DIRECTORS;  
19 VACANCIES; TERMS. (a) As soon as practicable after the effective  
20 date of the Act enacting this chapter, nine temporary directors  
21 shall be appointed as follows:

22 (1) three temporary directors shall be appointed by  
23 the commissioners court;

24 (2) three temporary directors shall be appointed by  
25 the city council of the city; and

26 (3) three temporary directors shall be appointed  
27 jointly by the commissioners court, city council, and the mayor of

1 the city;

2 (b) An individual appointed to serve as a temporary director  
3 must be at least 18 years of age and be:

4 (1) A registered voter of Val Verde County, or;

5 (2) A landowner in Val Verde County.

6 (c) If there is a vacancy on the temporary board of  
7 directors of the district, the remaining temporary directors shall  
8 appoint a person to fill the vacancy in a manner that meets the  
9 representational requirements of this section.

10 (d) Temporary directors serve until the earlier of:

11 (1) the date the temporary directors become initial  
12 directors under Section 8872.024; or

13 (2) the date this chapter expires under Section  
14 8872.003.

15 (e) Before the confirmation election under Section  
16 8872.023, the presiding officer of the district or the presiding  
17 officer's designee may represent the district in the joint planning  
18 process under Section 36.108, Water Code, and shall be considered a  
19 voting district representative.

20 Sec. 8872.022. ORGANIZATIONAL MEETING OF TEMPORARY  
21 DIRECTORS. (a) As soon as practicable after all the temporary  
22 directors have qualified under Section 36.055, Water Code, a  
23 majority of the temporary directors shall convene the  
24 organizational meeting of the district at a location within the  
25 district agreeable to a majority of the directors. If an agreement  
26 on location cannot be reached, the organizational meeting shall be  
27 at the Val Verde County Courthouse.

1       (b) At the organizational meeting described by Subsection  
2 (a), the temporary directors shall:

3           (1) elect a president as presiding officer, vice  
4 president, secretary, and treasurer;

5           (2) schedule the confirmation election described by  
6 Section 8872.023; and

7           (3) notify the applicable groundwater management area  
8 of the district's creation, subject to confirmation under Section  
9 8872.023.

10       Sec. 8872.023. CONFIRMATION ELECTION. (a) The temporary  
11 board shall order an election to be held on the first available  
12 uniform election date in November following January 1, 2019, to  
13 confirm the creation of the district and authorize the collection  
14 of taxes.

15       (b) The ballot for the election must be printed to permit  
16 voting for or against the following proposition: "The creation of  
17 the Val Verde County Groundwater Conservation District and the  
18 imposition of an ad valorem tax in the district at a rate not to  
19 exceed three cents for each \$100 of assessed valuation."

20       (c) Except as provided by this section, a confirmation  
21 election must be conducted as provided by Sections 36.017(b)-(i),  
22 Water Code, and the Election Code.

23       (d) If the district's creation is not confirmed at an  
24 election held under this section, the temporary directors may order  
25 one or more subsequent elections to be held to confirm the creation  
26 of the district not earlier than the first anniversary of the  
27 preceding confirmation election. If the district's creation is not

1 confirmed at an election held under this section before September  
2 1, 2021, the district is dissolved in accordance with Section  
3 8872.003.

4 (e) The costs of an election held under this chapter shall  
5 be paid equally by Val Verde County and the city.

6 Sec. 8872.024. INITIAL DIRECTORS. (a) If the creation of  
7 the district is confirmed at an election held under Section  
8 8872.023, the temporary directors become the initial directors and  
9 serve until permanent directors are elected or appointed under  
10 Section 8872.052.

11 (b) The initial directors of the board shall draw lots to  
12 determine which five directors shall serve a term expiring December  
13 1 of the year two years after the date of the election in which the  
14 district is confirmed and which four directors shall serve a term  
15 expiring December 1 of the year four years after the date of the  
16 election in which the district is confirmed.

17 (c) The initial directors shall provide notice to the  
18 members of the groundwater management area in which the district is  
19 located that the creation of the district is confirmed.

20 Sec. 8872.025. EXPIRATION OF SUBCHAPTER. This subchapter  
21 expires September 1, 2021.

22 SUBCHAPTER B. BOARD OF DIRECTORS

23 Sec. 8872.051. COMPOSITION OF BOARD. The district is  
24 governed by a board of nine directors.

25 Sec. 8872.052. TERMS; APPOINTMENT OF DIRECTORS;  
26 QUALIFICATIONS. (a) Directors serve staggered four-year terms,  
27 with five or four terms expiring December 1 every other year.



1 Directors are appointed as follows:

2 (1) one director is appointed from each of the three  
3 management zones by the Commissioners court;

4 (2) one director is appointed from each of the three  
5 management zones by the mayor and the city council;

6 (3) one director is appointed from each of the three  
7 management zones jointly by the Commissioners court, mayor of the  
8 city, and the city council.

9 (b) To be appointed under this section, a person must be at  
10 least 18 years of age and:

11 (1) a registered voter of Val Verde County; and

12 (2) own property within the management zone the  
13 director is appointed to represent.

14 (d) A director may serve consecutive terms.

15 Sec. 8872.053. VACANCIES. (a) If there is a vacancy on the  
16 board, a majority of the board shall appoint a person to fill the  
17 vacancy for the remainder of the term of the vacant director place.  
18 The person appointed to fill the vacancy must meet the  
19 qualifications under Section 8872.052 for the vacant place.

20 (b) If the board has not filled a vacancy before the 90th day  
21 after the date of the vacancy, the county judge of Val Verde County  
22 and the mayor of the city shall jointly appoint a person that meets  
23 the qualifications under Section 8872.052 for the vacant place to  
24 serve as director for the remainder of the term being filled.

25 Sec. 8872.054. COMPENSATION. (a) A director is not  
26 entitled to receive compensation for performing the duties of a  
27 director.

1       (b) The board may authorize a director to receive  
2 reimbursement for the director's reasonable and actual expenses  
3 incurred while engaging in activities inside or outside the  
4 district on behalf of the board.

5       Sec. 8872.055. ELECTION OF BOARD OFFICERS. (a) At the  
6 first meeting of the board in each calendar year, the board shall  
7 elect directors to serve as the president, vice president,  
8 secretary, and treasurer.

9       (b) The president shall serve as the presiding officer of  
10 the board.

11       (c) The treasurer shall serve as the financial officer of  
12 the district.

13                   SUBCHAPTER C. POWERS AND DUTIES

14       Sec. 8872.101. GENERAL POWERS. (a) Except as otherwise  
15 provided by this chapter, the district has all of the rights,  
16 powers, privileges, functions, and duties provided by the general  
17 law of this state applicable to groundwater conservation districts  
18 created under Section 59, Article XVI, Texas Constitution,  
19 including Chapter 36, Water Code.

20       (b) Before confirmation of the district, the district's  
21 powers are limited to:

22               (1) performance of the duties necessary to hold an  
23 election to confirm the creation of the district;

24               (2) registration of existing wells that are not exempt  
25 from the district requirement to obtain a permit under this chapter  
26 or Chapter 36, Water Code;

27               (3) collection of annual groundwater production

1 reports from wells that are not exempt from the district  
2 requirement to obtain a permit under this chapter or Chapter 36,  
3 Water Code; and

4 (4) participation in joint planning with other  
5 districts as provided by Section 8872.021(e).

6 (c) The district shall adopt rules and prescribe forms  
7 necessary to implement Subsections (b)(2) and (3).

8 (d) Section 36.121, Water Code, does not apply to the  
9 district.

10 Sec. 8872.102 APPEAL OF ACTION BY THE DISTRICT. (a)  
11 Section 36.066, Water Code, does not apply to the district.

12 (b) Not later than the 120th day after the date on which the  
13 district takes an official action, an affected person must file a  
14 petition for review with the Development board to appeal the  
15 validity of the district's action.

16 (c) Upon receipt of the petition, the Development board  
17 shall conduct an administrative review and make a determination as  
18 to whether the contested action taken by the district meets the  
19 requirements of this chapter.

20 (d) The Development board must complete and deliver the  
21 determination described in subsection (c) to the District and  
22 appealing party not later than the 120th day after the date the  
23 Development board receives a copy of the petition.

24 (e) The Development board's determination under subsection  
25 (c) is final and non-appealable in the courts of this state except  
26 to the extent the official action fails to conform with laws  
27 relating to conflicts of interest, abuse of office, or

1 constitutional obligations.

2 Sec. 8872.103. NO EMINENT DOMAIN POWER. The district may  
3 not exercise the power of eminent domain.

4 Sec. 8872.104. PERMITS: RULES. (a) The district shall  
5 adopt rules to:

6 (1) require a person to obtain a permit from the  
7 district to drill and produce groundwater from a well, including an  
8 existing well, unless the well is exclusively for agricultural,  
9 domestic, or household use or is otherwise exempt from permitting  
10 under this chapter or Chapter 36, Water Code;

11 (2) regulate the terms of a transfer of groundwater  
12 out of the district;

13 (3) regulate the spacing of wells drilled after  
14 September 1, 2019, to prevent unreasonable adverse interference  
15 with other wells;

16 (4) provide for the uniform and nondiscriminatory  
17 reduction or curtailment of the production of groundwater by all  
18 permit holders the district, if necessary, to protect spring flow  
19 and base flow and reduce aquifer drawdown;

20 (5) provide for permit-specific provisions requiring  
21 production curtailment or the injection of a nontoxic tracer dye as  
22 part of a hydrologic study, if necessary, to protect spring flow and  
23 base flow and reduce aquifer drawdown;

24 (6) limit groundwater production:

25 (A) by the spacing of wells;

26 (B) by basing production on acreage or tract  
27 size; or

1           (C) for a public water supplier, by basing  
2 production on the service area of the supplier; and

3           (7) require the owner of a well that is not exempt from  
4 the district requirement to obtain a permit under this chapter or  
5 Chapter 36, Water Code, to report to the district in January of each  
6 year the annual production of groundwater from the well based on  
7 metered production.

8           (b) The terms of a permit that authorizes the production of  
9 groundwater for transfer out of the district for beneficial use  
10 must be consistent with applicable law, including Section 36.122,  
11 Water Code, and may not be more restrictive than the terms of a  
12 permit authorizing the production of groundwater for beneficial use  
13 inside the district.

14           (c) The district may establish permit conditions and  
15 limitations as provided by Section 36.122, Water Code.

16           Sec. 8872.105. PERMITS: LANDOWNERS GENERALLY. The district  
17 shall grant a permit for commercial use that authorizes a person to  
18 drill one or more wells not to exceed 12 inches in diameter on land  
19 owned or controlled by the person through a lease or other legal  
20 right.

21           Sec. 8872.106. PERMITS: CITY. The district shall grant the  
22 city permits in the city's name that authorize the city to pump from  
23 all wells operated or controlled by the city a cumulative volume of  
24 groundwater of 18,400 acre-feet per year.

25           Sec. 8872.107. PERMITS: RETAIL PUBLIC UTILITY. (a) The  
26 district shall grant a permit to a retail public utility in the  
27 district or to a political subdivision other than the city that is

1 providing water or sewer service on or before the effective date of  
2 the Act enacting this chapter. The permit must authorize the  
3 production of a cumulative volume of groundwater from the wells  
4 owned by the entity in an amount equal to the amount of groundwater  
5 required to meet the entity's current and projected needs as  
6 determined under Section 13.250, Water Code.

7 (b) The permitted entity may not resell the groundwater  
8 produced under the permit to any person for use or resale outside  
9 the entity's service area, including the area covered by a  
10 certificate of convenience and necessity, and must put the water to  
11 beneficial use within the entity's service area, except with the  
12 written approval of the district.

13 Sec. 8872.108. PERMITS: EXISTING COMMERCE AND INDUSTRY.  
14 The district shall grant a permit for the production of groundwater  
15 from an existing well that is beneficially used for commercial or  
16 industrial purposes outside the limits or the extraterritorial  
17 jurisdiction of the city. The permit must authorize the production  
18 of a cumulative volume of groundwater that is equal to the maximum  
19 historic use as proven by the person seeking the permit.

20 Sec. 8872.109. WELL REGISTRATION. A permit issued under  
21 this chapter authorizing the production of groundwater from the  
22 aquifer must also authorize the drilling and operation of a well or  
23 wells in the aquifer, and must require the permit holder to:

24 (1) register each well with the district at no cost;  
25 and

26 (2) file a copy of the well driller's log with the  
27 district on completion of each well.

1       Sec. 8872.110. PROPERTY RIGHTS. (a) A permit issued by the  
2 district for the drilling, operation, or production of a well is  
3 appurtenant to the real property on which the well is located.  
4 Ownership of the groundwater, or the right to use and produce the  
5 groundwater authorized by the permit, may be sold, leased,  
6 assigned, or otherwise transferred by the owner, provided that the  
7 rights granted by the permit to drill a well and to produce  
8 groundwater are exercised on the real property described in the  
9 permit based on the actual production authorized by the permit.

10       (b) Except as provided by this chapter, groundwater  
11 produced as authorized by a permit, once captured at the wellhead,  
12 may be beneficially used for any lawful purpose at any location,  
13 whether on or off the real property to which the permit is attached,  
14 provided that any beneficial use outside the boundaries of the  
15 district is authorized by a transport permit issued by the  
16 district.

17       Sec. 8872.111. REDUCTION AND CURTAILMENT. (a) The board by  
18 rule may provide for the reduction and curtailment of the  
19 production of groundwater from a well permitted under this chapter  
20 to protect spring flow and base flow and reduce drawdown in  
21 accordance with Sections 8872.104(a)(4) and (5) only if river flow  
22 and spring discharge conditions fall below the minimum standards  
23 described by Sec. 8872.0035.

24       (b) To implement a reduction or curtailment, the district  
25 may, to the extent not otherwise authorized by Section 36.101(a),  
26 Water Code, limit groundwater production as provided by district  
27 rules.

1       (c) Rules adopted by the board requiring a reduction or  
2 curtailment of the production of groundwater must be applied on a  
3 proportional, uniform, and nondiscriminatory basis to all  
4 production, unless the cause or condition requiring reduction or  
5 curtailment is limited to a management zone created under Section  
6 8872.112.

7       (d) This Section does not apply to provisions described by  
8 Sec. 8872.104(a)(5) requiring the reduction or curtailment of the  
9 production of groundwater for a specific well or permit.

10       Sec. 8872.112. MANAGEMENT ZONES. (a) The district shall  
11 establish three management zones to better manage the groundwater  
12 resources and may adopt different rules to regulate production from  
13 the management zones based on acreage, tract size, or the service  
14 area of a public water supplier. The boundaries of the management  
15 zones shall be established as follows:

16               (1) The San Felipe Springs Management Zone shall  
17 comprise all of the territory contained within the following  
18 described area:

19               BEGINNING: At the point at which U.S. Highway 77 intersects  
20 with the Eastern boundary of Val Verde County;

21               THENCE: Along the Southeasterly right-of-way line of U.S.  
22 Route 77 to the junction of U.S. Route 90 and U.S. Route 377;

23               THENCE: Along the Easterly right-of-way line of U.S. Route 90  
24 to the junction of U.S. Route 90 and Texas Highway 349, to the  
25 Southwestern boundary of Val Verde County;

26               THENCE: Eastward along the border of Val Verde County, and in  
27 a Northward direction along the border of Val Verde County to the



1 POINT OF BEGINNING.

2 (2) The Devil's River Management Zone shall comprise  
3 all of the territory contained within the following described area:

4 BEGINNING: At the point at which U.S. Highway 77 intersects  
5 with the Eastern boundary of Val Verde County;

6 THENCE: Along the Southeasterly right-of-way line of U.S.  
7 Route 77 to the junction of U.S. Route 90 and U.S. Route 377;

8 THENCE: Along the Northerly right-of-way of U.S. Route 90 to  
9 the junction of U.S. Route 90 and Texas Ranch to Market Road 1024;

10 THENCE: Along the Northerly right-of-way of Texas Ranch to  
11 Market Road 1024 to the point that Texas Ranch to Market Road 1024  
12 bears in a Westerly direction at an approximate latitude of  
13 30.188886 and an approximate longitude of -101.331504;

14 THENCE: Northwesterly to the Northern boundary of Val Verde  
15 County;

16 THENCE: Easterly along the boundary of Val Verde County and  
17 Southerly along the boundary of Val Verde County to the POINT OF  
18 BEGINNING.

19 (3) The Pecos River Management Zone shall comprise all  
20 of the territory contained within the following described area:

21 BEGINNING: At the point Texas Highway 349 intersects with the  
22 Southeastern boundary of Val Verde County;

23 THENCE: Northwesterly along the boundary of Val Verde County;  
24 continuing along the county's border until the Western boundary of  
25 the Devil's River Management Zone;

26 THENCE: Southerly along the Western Boundary of the Devil's  
27 River Management Zone to the POINT OF BEGINNING.

1       (b) The district must regulate the production of  
2 groundwater in a management zone on a proportional, uniform, and  
3 nondiscriminatory basis, except such permit or well-specific  
4 actions as may be required by Sec. 8872.104(a)(5).

5       (c) The Devil's River is designated a river segment of  
6 unique ecological value as described by Water Code Section  
7 16.051(f).

8       Sec. 8872.113. PERMIT RENEWAL. (a) Except as provided by  
9 Subsection (b), the district shall without a hearing renew or  
10 approve an application to renew an operating permit before the date  
11 on which the permit expires, provided that:

12           (1) the application, if required by the district, is  
13 submitted in a timely manner and accompanied by any required fees in  
14 accordance with district rules; and

15           (2) the permit holder is not requesting a change  
16 related to the renewal that would require a permit amendment under  
17 district rules.

18       (b) The district is not required to renew a permit under  
19 this section if the applicant:

20           (1) is delinquent in paying a fee required by the  
21 district;

22           (2) is subject to a pending enforcement action for a  
23 substantive violation of a district permit, order, or rule that has  
24 not been settled by agreement with the district or a final  
25 adjudication; or

26           (3) has not paid a civil penalty or has otherwise  
27 failed to comply with an order resulting from a final adjudication

1 of a violation of a district permit, order, or rule.

2 (c) If the district is not required to renew a permit under  
3 Subsection (b)(2), the permit remains in effect until the final  
4 settlement or adjudication on the matter of the substantive  
5 violation.

6 Sec. 8872.114. AGRICULTURAL, HOUSEHOLD, AND DOMESTIC USE  
7 UNRESTRICTED; LIMITATION ON PERMIT REQUIREMENTS. (a) The District  
8 may not require a person to install a meter or obtain a permit from  
9 the district for a well used to produce groundwater solely inside  
10 the district for domestic, household, or agricultural use. The  
11 District shall require a person to install a meter and obtain a  
12 permit from the district for commercial use, industrial use, or  
13 transport outside the District.

14 (b) The District shall not restrict the production of a well  
15 solely for domestic, household, or agricultural use.

16 (c) An owner of a well for domestic, household, or  
17 agricultural use described by this section shall register the well  
18 with the district.

19 (d) The district may not require a permit or a permit  
20 amendment for the maintenance or repair of a well that is not exempt  
21 from permitting under this chapter or Chapter 36, Water Code, if the  
22 maintenance or repair does not make the well capable of producing an  
23 amount of groundwater that is greater than the production amounts  
24 provided by the well's permit.

25 (e) Nothing in Subsection (a) prevents the applicability in  
26 the district of Section 36.113(a), Water Code.

27 Sec. 8872.115. PROHIBITION ON DISTRICT PURCHASE, SALE,

1 TRANSPORT, OR DISTRIBUTION OF WATER. The district may not  
2 purchase, sell, transport, or distribute surface water or  
3 groundwater for any purpose.

4 Sec. 8872.116. RIGHT TO ENTER LAND. Section 36.123, Water  
5 Code, which authorizes a district's employees or agents to go on and  
6 inspect the property of a landowner, applies to the district  
7 provided that:

8 (1) access is subject to written notice to the  
9 landowner; and

10 (2) the district's employees and agents are prohibited  
11 from carrying firearms on the landowner's property.

12 Sec. 8872.117. WATER CONSERVATION INITIATIVE. The district  
13 may create a water conservation initiative as provided by Section  
14 11.32, Tax Code.

15 Sec. 8872.118. REGIONAL GROUNDWATER PLANNING. (a) The  
16 district shall obtain or develop groundwater models for use in  
17 planning and management of the aquifer and to assist the district in  
18 the district's role as a member of the groundwater management area  
19 in which the district is located.

20 (b) The district, to the extent possible and through the  
21 designated representative for the groundwater management area in  
22 which the district is located, shall diligently pursue an increase  
23 in the managed available groundwater and an improvement in the  
24 desired future conditions for the aquifer as compared to those  
25 indicators for the aquifer on January 1, 2019.

26 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

27 Sec. 8872.151. LIMITATION ON TAXES. The district may not

1 impose ad valorem taxes at a rate that exceeds three cents on each  
2 \$100 valuation of taxable property in the district.

3 Sec. 8872.152. APPLICABILITY OF CERTAIN TAX PROVISIONS.

4 (a) Sections 26.04, 26.05, 26.06, and 26.07, Tax Code, do not apply  
5 to a tax imposed by the district.

6 (b) Section 49.236, Water Code, as added by Chapter 248  
7 (H.B. 1541), Acts of the 78th Legislature, Regular Session, 2003,  
8 applies to the district.

9 Sec. 8872.153. FEES. (a) The board by rule may impose  
10 uniform, reasonable, equitable, and nondiscriminatory annual  
11 production fees on the amount of permitted water actually produced  
12 from each well.

13 (b) A production fee must be consistent with Section 36.205,  
14 Water Code, and may be based on:

15 (1) the size of column pipe used by the well; or  
16 (2) the amount of water actually withdrawn from the  
17 well, or the amount authorized or anticipated to be withdrawn.

18 (c) The district may assess a uniform and nondiscriminatory  
19 export fee consistent with Section 36.122, Water Code, on  
20 groundwater that is produced from a well inside the district and  
21 transferred outside the district.

22 (d) The district may set fees by rule or resolution relating  
23 to administrative acts of the district, including filing  
24 applications, reviewing and processing permits, conducting permit  
25 hearings, providing public notice, and paying costs of legal fees,  
26 expert fees, and hearing facility rental fees. The district may not  
27 assess a fee in an amount greater than \$250 for processing permits.

1           SECTION 2. (a) The legal notice of the intention to  
2 introduce this Act, setting forth the general substance of this  
3 Act, has been published as provided by law, and the notice and a  
4 copy of this Act have been furnished to all persons, agencies,  
5 officials, or entities to which they are required to be furnished  
6 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
7 Government Code.

8           (b) The governor, one of the required recipients, has  
9 submitted the notice and Act to the Texas Commission on  
10 Environmental Quality.

11           (c) The Texas Commission on Environmental Quality has filed  
12 its recommendations relating to this Act with the governor, the  
13 lieutenant governor, and the speaker of the house of  
14 representatives within the required time.

15           (d) All requirements of the constitution and laws of this  
16 state and the rules and procedures of the legislature with respect  
17 to the notice, introduction, and passage of this Act are fulfilled  
18 and accomplished.

19           SECTION 3. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2019.