SENATE AMENDMENTS

2nd Printing

By: Larson H.B. No. 722

A BILL TO BE ENTITLED

AN ACT

relating to the development of brackish groundwater.

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

SECTION 1. Subchapter D, Chapter 36, Water Code, is amended by adding Section 36.1015 to read as follows:

Sec. 36.1015. RULES FOR PERMITS IN BRACKISH GROUNDWATER PRODUCTION ZONES. (a) In this section:

(1) "Designated brackish groundwater production zone" means an aquifer, subdivision of an aquifer, or geologic stratum designated under Section 16.060(b)(5).

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

(3) "Gulf Coast Aquifer" means the system of hydrogeologic units that run along the Gulf Coast from the Sabine River to the Rio Grande, including:

(A) the Catahoula confining system, including the Frio Formation, the Anahuac Formation, and the Catahoula Tuff or Sandstone;

(B) the Jasper Aquifer, including the Oakville Sandstone and Fleming Formation;

(C) the Burkeville confining system separating the Jasper Aquifer from the Evangeline Aquifer;

(D) the Evangeline Aquifer, including the Goliad Sand; and

(E) the Chicot Aquifer, including the Willis Sand, the Bentley Formation, the Montgomery Formation, the Beaumont Clay, and alluvial deposits at the surface.

(b) A district located over any part of a designated brackish groundwater production zone may adopt rules to govern the issuance of permits under this section for the completion and operation of a well for the withdrawal of brackish groundwater from a designated brackish groundwater production zone and shall adopt rules described by this subsection if the district receives a petition from a person with a legally defined interest in groundwater in the district. The district must adopt the rules not later than the 180th day after the date the district receives the petition. Rules adopted under this subsection apply only to a permit for a project described by Subsection (c).

(c) A person may obtain a permit under rules adopted under this section for projects including:

(1) a municipal project designed to treat brackish groundwater to drinking water standards for the purpose of providing a public source of drinking water; and

(2) an electric generation project to treat brackish groundwater to water quality standards sufficient for the project needs.

(d) The rules adopted must:

(1) provide for processing an application for a brackish groundwater production zone operating permit in the same manner as an application for an operating permit for a fresh groundwater well, except as provided by this section;

(2) allow withdrawals and rates of withdrawal of brackish groundwater from a designated brackish groundwater production zone not to exceed and consistent with the withdrawal amounts identified in Section 16.060(e);

(3) provide for a minimum term of 30 years for a permit issued for a well that produces brackish groundwater from a designated brackish groundwater production zone;

(4) require implementation of a monitoring system recommended by the development board to monitor water levels and water quality in the same or an adjacent aquifer, subdivision of an aquifer, or geologic stratum in which the designated brackish groundwater production zone is located;

(5) for a project located in a designated brackish groundwater production zone in the Gulf Coast Aquifer, require reasonable monitoring by the district of land elevations to determine if production from the project is causing or is likely to cause subsidence during the permit term;

(6) require from the holder of a permit issued under rules adopted under this section annual reports that must include:

(A) the amount of brackish groundwater withdrawn;

(B) the average monthly water quality of the brackish groundwater withdrawn and in the monitoring wells; and

(C) aquifer levels in both the designated brackish groundwater production zone and in any aquifer, subdivision of an aquifer, or geologic stratum for which the permit requires monitoring;

(7) provide greater access to brackish groundwater by simplifying procedure, avoiding delay in permitting, saving expense for the permit seeker, and providing flexibility to permit applicants and the district;

(8) be consistent with and not impair property rights described by Sections 36.002(a) and (b); and

(9) specify all additional information that must be included in an application.

(e) Additional information required under Subsection (d)(9) must be reasonably related to an issue the district is authorized to consider.

(f) An application for a brackish groundwater production zone operating permit must include:

(1) the proposed well field design compared to the designated brackish groundwater production zone;

(2) the requested maximum groundwater withdrawal rate for the proposed project;

(3) the number and location of monitoring wells needed to determine the effects of the proposed project on water levels and water quality in the same or an adjacent aquifer, subdivision of an aquifer, or geologic stratum in which the designated brackish groundwater production zone is located; and

(4) a report that includes:

(A) a simulation of the projected effects of the proposed production on water levels and water quality in the same or an adjacent aquifer, subdivision of an aquifer, or geologic stratum in which the designated brackish groundwater production zone is

located;

(B) a description of the model used for the simulation described by Paragraph (A); and

(C) sufficient information for a technical reviewer to understand the parameters and assumptions used in the model described by Paragraph (B).

(g) The district shall submit the application to the development board and the development board shall conduct a technical review of the application. The development board shall submit a report of the review of the application that includes:

(1) findings regarding the compatibility of the proposed well field design with the designated brackish groundwater production zone; and

(2) recommendations for the monitoring system described by Subsection (d)(4).

(h) The district may not schedule a hearing on the application until the district receives the report from the development board described by Subsection (g).

(i) The district shall provide the reports required under Subsection (d)(6) to the development board. Not later than the 120th day after the date the development board receives a request from the district, the development board shall investigate and issue a report on whether brackish groundwater production under the project that is the subject of the report from the designated brackish groundwater production zone is projected to cause:

(1) significant aquifer level declines in the same or an adjacent aquifer, subdivision of an aquifer, or geologic stratum

that were not anticipated by the development board in the designation of the zone;

(2) negative effects on quality of water in an aquifer, subdivision of an aquifer, or geologic stratum; or

(3) for a project located in a designated brackish groundwater production zone in the Gulf Coast Aquifer, subsidence during the permit term.

(j) After receiving from the development board a report issued under Subsection (i) and after notice and hearing subject to Subchapter M, the district may:

(1) amend the applicable permit to establish a production limit necessary to mitigate any negative effects identified by the report;

(2) approve a mitigation plan that alleviates any negative effects identified by the report; or

(3) both amend the permit to establish a production limit and approve a mitigation plan.

(k) Rules adopted under this section must provide that the production authorized from a designated brackish groundwater production zone is in addition to the amount of managed available groundwater provided under Section 36.108. To the extent possible, a district shall issue permits up to the point that the total volume of exempt and permitted groundwater production in a designated brackish groundwater production zone equals the amount of brackish groundwater that may be produced annually to achieve the groundwater availability described by the development board in its designation of the brackish groundwater production zone under

Section 16.060(e).

(l) A district may not adopt rules limiting access to the production of groundwater within a designated brackish groundwater production zone to only those projects described by Subsection (c).

(m) The district may grant or deny an application to extend a term under this section only using rules that were in effect at the time the application was submitted.

(n) An application for a permit under this section is governed solely by district rules consistent with this section.

SECTION 2. This Act takes effect September 1, 2019.

ADOPTED

MAY 22 2019

Secretary of the Senate

By: Perry H.B. No. 722

Substitute the following for H.B. No. 722:

By: Larry Taylor C.S.H.B. No. 722

A BILL TO BE ENTITLED

AN ACT

relating to the development of brackish groundwater.

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

SECTION 1. Subchapter D, Chapter 36, Water Code, is amended by adding Section 36.1015 to read as follows:

Sec. 36.1015. RULES FOR PERMITS IN BRACKISH GROUNDWATER PRODUCTION ZONES. (a) In this section:

(1) "Designated brackish groundwater production zone" means an aquifer, subdivision of an aquifer, or geologic stratum designated under Section 16.060(b)(5).

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

(3) "Gulf Coast Aquifer" means the system of hydrogeologic units that run along the Gulf Coast from the Sabine River to the Rio Grande, including:

(A) the Catahoula confining system, including the Frio Formation, the Anahuac Formation, and the Catahoula Tuff or Sandstone;

(B) the Jasper Aquifer, including the Oakville Sandstone and Fleming Formation;

(C) the Burkeville confining system separating the Jasper Aquifer from the Evangeline Aquifer;

(D) the Evangeline Aquifer, including the Goliad Sand; and

(E) the Chicot Aquifer, including the Willis Sand, the Bentley Formation, the Montgomery Formation, the Beaumont Clay, and alluvial deposits at the surface.

(b) The requirements of this section do not apply to a district overlying the Dockum Aquifer.

(c) A district located over any part of a designated brackish groundwater production zone may adopt rules to govern the issuance of permits under this section for the completion and operation of a well for the withdrawal of brackish groundwater from a designated brackish groundwater production zone and shall adopt rules described by this subsection if the district receives a petition from a person with a legally defined interest in groundwater in the district. The district must adopt the rules not later than the 180th day after the date the district receives the petition. Rules adopted under this subsection apply only to a permit for a project described by Subsection (d).

(d) A person may obtain a permit under rules adopted under this section for projects including:

(1) a municipal project designed to treat brackish groundwater to drinking water standards for the purpose of providing a public source of drinking water; and

(2) an electric generation project to treat brackish groundwater to water quality standards sufficient for the project needs.

(e) The rules adopted under this section must:

(1) provide for processing an application for a brackish groundwater production zone operating permit in the same

manner as an application for an operating permit for a fresh groundwater well, except as provided by this section;

(2) allow withdrawals and rates of withdrawal of brackish groundwater from a designated brackish groundwater production zone not to exceed and consistent with the withdrawal amounts identified in Section 16.060(e);

(3) provide for a minimum term of 30 years for a permit issued for a well that produces brackish groundwater from a designated brackish groundwater production zone;

(4) require implementation of a monitoring system recommended by the development board to monitor water levels and water quality in the same or an adjacent aquifer, subdivision of an aquifer, or geologic stratum in which the designated brackish groundwater production zone is located;

(5) for a project located in a designated brackish groundwater production zone in the Gulf Coast Aquifer, require reasonable monitoring by the district of land elevations to determine if production from the project is causing or is likely to cause subsidence during the permit term;

(6) require from the holder of a permit issued under rules adopted under this section annual reports that must include:

(A) the amount of brackish groundwater withdrawn;

(B) the average monthly water quality of the brackish groundwater withdrawn and in the monitoring wells; and

(C) aquifer levels in both the designated brackish groundwater production zone and in any aquifer,

subdivision of an aquifer, or geologic stratum for which the permit requires monitoring;

(7) provide greater access to brackish groundwater by simplifying procedure, avoiding delay in permitting, saving expense for the permit seeker, and providing flexibility to permit applicants and the district;

(8) be consistent with and not impair property rights described by Sections 36.002(a) and (b); and

(9) specify all additional information that must be included in an application.

(f) Additional information required under Subsection (e)(9) must be reasonably related to an issue the district is authorized to consider.

(g) An application for a brackish groundwater production zone operating permit must include:

(1) the proposed well field design compared to the designated brackish groundwater production zone;

(2) the requested maximum groundwater withdrawal rate for the proposed project;

(3) the number and location of monitoring wells needed to determine the effects of the proposed project on water levels and water quality in the same or an adjacent aquifer, subdivision of an aquifer, or geologic stratum in which the designated brackish groundwater production zone is located; and

(4) a report that includes:

(A) a simulation of the projected effects of the proposed production on water levels and water quality in the same or

an adjacent aquifer, subdivision of an aquifer, or geologic stratum in which the designated brackish groundwater production zone is located;

(B) a description of the model used for the simulation described by Paragraph (A); and

(C) sufficient information for a technical reviewer to understand the parameters and assumptions used in the model described by Paragraph (B).

(h) The district shall submit the application to the development board and the development board shall conduct a technical review of the application. The development board shall submit a report of the review of the application that includes:

(1) findings regarding the compatibility of the proposed well field design with the designated brackish groundwater production zone; and

(2) recommendations for the monitoring system described by Subsection (e)(4).

(i) The district may not schedule a hearing on the application until the district receives the report from the development board described by Subsection (h).

(j) The district shall provide the reports required under Subsection (e)(6) to the development board. Not later than the 120th day after the date the development board receives a request from the district, the development board shall investigate and issue a report on whether brackish groundwater production under the project that is the subject of the report from the designated brackish groundwater production zone is projected to cause:

(1) significant aquifer level declines in the same or an adjacent aquifer, subdivision of an aquifer, or geologic stratum that were not anticipated by the development board in the designation of the zone;

(2) negative effects on quality of water in an aquifer, subdivision of an aquifer, or geologic stratum; or

(3) for a project located in a designated brackish groundwater production zone in the Gulf Coast Aquifer, subsidence during the permit term.

(k) After receiving from the development board a report issued under Subsection (j) and after notice and hearing subject to Subchapter M, the district may:

(1) amend the applicable permit to establish a production limit necessary to mitigate any negative effects identified by the report;

(2) approve a mitigation plan that alleviates any negative effects identified by the report; or

(3) both amend the permit to establish a production limit and approve a mitigation plan.

(l) Rules adopted under this section must provide that the production authorized from a designated brackish groundwater production zone is in addition to the amount of managed available groundwater provided under Section 36.108. To the extent possible, a district shall issue permits up to the point that the total volume of exempt and permitted groundwater production in a designated brackish groundwater production zone equals the amount of brackish groundwater that may be produced annually to achieve the

groundwater availability described by the development board in its designation of the brackish groundwater production zone under Section 16.060(e).

(m) A district may not adopt rules limiting access to the production of groundwater within a designated brackish groundwater production zone to only those projects described by Subsection (d).

(n) The district may grant or deny an application to extend a term under this section only using rules that were in effect at the time the application was submitted.

(o) An application for a permit under this section is governed solely by district rules consistent with this section.

SECTION 2. The Texas Water Development Board is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the board may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

SECTION 3. This Act takes effect September 1, 2019.

ADOPTED

VV

MAY 2 2 2019

Secretary of the Senate

FLOOR AMENDMENT NO. 1 BY: Peter A Flores

Amend C.S.H.B. No. 722 (senate committee printing) in SECTION 1 of the bill, by striking added Section 36.1015(b), Water Code (page 1, lines 45 and 46), and substituting the following:

(b) The requirements of this section do not apply to:

(1) a district overlying the Dockum Aquifer; or

(2) a district located in a county that:

(A) overlies the Capitan Reef Complex;

(B) is bordered by the Pecos River; and

(C) is more than 4,500 square miles in area.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 23, 2019

TO: Honorable Dennis Bonnen, Speaker of the House, House of Representatives

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB722** by Larson (Relating to the development of brackish groundwater.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB722, As Passed 2nd House: a negative impact of ($224,860) through the biennium ending August 31, 2021.

The Texas Water Development Board is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the agency may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2020	($126,433)
2021	($98,427)
2022	($98,427)
2023	($98,427)
2024	($98,427)

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from *General Revenue Fund* 1	Change in Number of State Employees from FY 2019
2020	($126,433)	1.0
2021	($98,427)	1.0
2022	($98,427)	1.0
2023	($98,427)	1.0
2024	($98,427)	1.0

Fiscal Analysis

The bill would amend the Texas Water Code to authorize a Groundwater Conservation District (GCD) located over any part of a designated brackish groundwater production zone to adopt rules to permit the withdrawal of brackish groundwater in a designated brackish groundwater production zone. Permits may be issued either for a municipal project to treat brackish groundwater to drinking water standards or for an electric generation project. The bill would require Texas Water Development Board (TWDB) to review and comment on permit applications and to make recommendations. The bill would require TWDB to report on the impacts of brackish groundwater production in designated zones at the request of GCDs. The bill would also require TWDB to receive and review annual brackish groundwater production reports from GCDs.

Methodology

According to TWDB, the bill would require the agency to review applications and reports and to produce responsive reports for 31 brackish groundwater production zones. It is assumed that these brackish groundwater production zones would initiate the rule adoption process proposed by the bill in a staggered manner over several years. In order to accomplish the level of work this would likely create, TWDB indicates that it would need 1.0 Geoscientist IV (salary $72,789) to conduct reviews of permit applications and annual reports and to prepare reports on findings for groundwater conservation districts. Salary, benefits, and other costs associated with this FTE would be $126,433 in fiscal year 2020, and $98,427 each subsequent year.

Local Government Impact

According to Clearwater Underground Water Conservation District, and Southeast Texas and Bluebonnet Groundwater Conservation Districts, no significant fiscal impact to their local entities is anticipated.

Rusk County Groundwater Conservation District anticipates some fiscal impact to their district, however that amount would depend on the number of lawsuits filed against the District. Rusk County GCD also estimates fiscal impact due to additional operational and procedural costs associated with provisions of the bill.

Source Agencies: 580 Water Development Board, 304 Comptroller of Public Accounts

LBB Staff: WP, PBO, SZ, MW, AF, PM, JGa

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 15, 2019

TO: Honorable Charles Perry, Chair, Senate Committee on Water & Rural Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB722** by Larson (Relating to the development of brackish groundwater.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB722, Committee Report 2nd House, Substituted: a negative impact of ($224,860) through the biennium ending August 31, 2021.

The Texas Water Development Board is required to implement a provision of this Act only if the legislature appropriates money specifically for that purpose. If the legislature does not appropriate money specifically for that purpose, the agency may, but is not required to, implement a provision of this Act using other appropriations available for that purpose.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
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2022	($98,427)	1.0
2023	($98,427)	1.0
2024	($98,427)	1.0

Fiscal Analysis

The bill would amend the Texas Water Code to authorize a Groundwater Conservation District (GCD) located over any part of a designated brackish groundwater production zone to adopt rules to permit the withdrawal of brackish groundwater in a designated brackish groundwater production zone. Permits may be issued either for a municipal project to treat brackish groundwater to drinking water standards or for an electric generation project. The bill would require Texas Water Development Board (TWDB) to review and comment on permit applications and to make recommendations. The bill would require TWDB to report on the impacts of brackish groundwater production in designated zones at the request of GCDs. The bill would also require TWDB to receive and review annual brackish groundwater production reports from GCDs.

Methodology

According to TWDB, the bill would require the agency to review applications and reports and to produce responsive reports for 31 brackish groundwater production zones. It is assumed that these brackish groundwater production zones would initiate the rule adoption process proposed by the bill in a staggered manner over several years. In order to accomplish the level of work this would likely create, TWDB indicates that it would need 1.0 Geoscientist IV (salary $72,789) to conduct reviews of permit applications and annual reports and to prepare reports on findings for groundwater conservation districts. Salary, benefits, and other costs associated with this FTE would be $126,433 in fiscal year 2020, and $98,427 each subsequent year.

Local Government Impact

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Rusk County Groundwater Conservation District anticipates some fiscal impact to their district, however that amount would depend on the number of lawsuits filed against the District. Rusk County GCD also estimates fiscal impact due to additional operational and procedural costs associated with provisions of the bill.

Source Agencies: 580 Water Development Board, 304 Comptroller of Public Accounts

LBB Staff: WP, PBO, SZ, MW, AF, PM, JGa

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 10, 2019

TO: Honorable Charles Perry, Chair, Senate Committee on Water & Rural Affairs

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB722** by Larson (Relating to the development of brackish groundwater.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB722, As Engrossed: a negative impact of ($224,860) through the biennium ending August 31, 2021.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

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Fiscal Analysis

The bill would amend the Texas Water Code to authorize a Groundwater Conservation District (GCD) located over any part of a designated brackish groundwater production zone to adopt rules to permit the withdrawal of brackish groundwater in a designated brackish groundwater production zone. Permits may be issued either for a municipal project to treat brackish groundwater to drinking water standards or for an electric generation project. The bill would require Texas Water Development Board (TWDB) to review and comment on permit applications and to make recommendations. The bill would require TWDB to report on the impacts of brackish groundwater production in designated zones at the request of GCDs. The bill would also require TWDB to receive and review annual brackish groundwater production reports from GCDs.

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Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board

LBB Staff: WP, PBO, SZ, MW, AF, PM, JGa

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 4, 2019

TO: Honorable Lyle Larson, Chair, House Committee on Natural Resources

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB722** by Larson (Relating to the development of brackish groundwater.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB722, Committee Report 1st House, Substituted: a negative impact of ($224,860) through the biennium ending August 31, 2021.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

Fiscal Year	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
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Fiscal Analysis

The bill would amend the Texas Water Code to authorize a Groundwater Conservation District (GCD) located over any part of a designated brackish groundwater production zone to adopt rules to permit the withdrawal of brackish groundwater in a designated brackish groundwater production zone. Permits may be issued either for a municipal project to treat brackish groundwater to drinking water standards or for an electric generation project. The bill would require Texas Water Development Board (TWDB) to review and comment on permit applications and to make recommendations. The bill would require TWDB to report on the impacts of brackish groundwater production in designated zones at the request of GCDs. The bill would also require TWDB to receive and review annual brackish groundwater production reports from GCDs.

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Local Government Impact

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Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board

LBB Staff: WP, PBO, SZ, MW, AF, PM, JGa

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

March 22, 2019

TO: Honorable Lyle Larson, Chair, House Committee on Natural Resources

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB722** by Larson (Relating to the development of brackish groundwater.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for HB722, As Introduced: a negative impact of ($224,860) through the biennium ending August 31, 2021.

The bill would make no appropriation but could provide the legal basis for an appropriation of funds to implement the provisions of the bill.

General Revenue-Related Funds, Five-Year Impact:

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2024	($98,427)	1.0

Fiscal Analysis

The bill would amend the Texas Water Code to authorize a Groundwater Conservation District (GCD) located over any part of a designated brackish groundwater production zone to adopt rules to permit the withdrawal of brackish groundwater in a designated brackish groundwater production zone. Permits may be issued either for a municipal project to treat brackish groundwater to drinking water standards or for an electric generation project. The bill would require Texas Water Development Board (TWDB) to review and comment on permit applications and to make recommendations. The bill would require TWDB to report on the impacts of brackish groundwater production in designated zones at the request of GCDs. The bill would also require TWDB to receive and review annual brackish groundwater production reports from GCDs.

Methodology

According to TWDB, the bill would require the agency to review applications and reports and to produce responsive reports for 31 brackish groundwater production zones. It is assumed that these brackish groundwater production zones would initiate the rule adoption process proposed by the bill in a staggered manner over several years. In order to accomplish the level of work this would likely create, TWDB indicates that it would need 1.0 Geoscientist IV (salary $72,789) to conduct reviews of permit applications and annual reports and to prepare reports on findings for groundwater conservation districts. Salary, benefits, and other costs associated with this FTE would be $126,433 in fiscal year 2020, and $98,427 each subsequent year.

Local Government Impact

According to Clearwater Underground Water Conservation District, and Southeast Texas and Bluebonnet Groundwater Conservation Districts, no significant fiscal impact to their local entities is anticipated.

Rusk County Groundwater Conservation District anticipates some fiscal impact to their district, however that amount would depend on the number of lawsuits filed against the District. Rusk County GCD also estimates fiscal impact due to additional operational and procedural costs associated with provisions of the bill.

Source Agencies: 304 Comptroller of Public Accounts, 580 Water Development Board

LBB Staff: WP, SZ, MW, PBO, AF, PM, JGa