

By: Harris

H.B. No. 5560

A BILL TO BE ENTITLED

AN ACT

relating to penalties in certain suits involving a groundwater conservation district; increasing a penalty.

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

SECTION 1. Section 36.102, Water Code, is amended by amending Subsection (b) and adding Subsection (f) to read as follows:

(b) Except as provided by Subsection (f), the [The] board by rule may set reasonable civil penalties that the district may recover from [against] any person for breach of any rule of the district in an amount not to exceed \$25,000 [\$10,000] per day per violation, and each day of a continuing violation constitutes a separate violation.

(f) In an enforcement action brought by a district against a person, the court may assess a penalty greater than the maximum penalty authorized under Subsection (b) if the court determines that the person gained an economic benefit as a result of the violation that was greater than the maximum penalty under Subsection (b). A penalty assessed under this subsection must be in an amount determined by the court to be necessary and appropriate to outweigh the economic benefit gained by the person as a result of the violation and discourage future violations.

SECTION 2. Section 36.102, Water Code, as amended by this Act, applies only to a suit involving a groundwater conservation

1 district that is filed on or after the effective date of this Act. A
2 suit filed before the effective date of this Act is subject to the
3 law in effect on the date the suit is filed, and that law is
4 continued in effect for that purpose.

5 SECTION 3. This Act takes effect September 1, 2025.