

## **Item #5 – Development of Position on Proposed Legislation Affecting the District**

As Monique detailed at the February 12, 2015 Board Meeting, there are a number of proposed bills that have been filed on which the Board may well want to take an adopted position. This action would give staff members the guidance needed if and when testimony may be a proper option.

A partial list includes:

- HB 30 (Larson) – Brackish bill
- HB 655 (Larson) – Aquifer Storage & Recovery bill
- HB 814 (Larson) – Internet Posting of Meetings
- HB 865 (Larson) – Brackish bill
- HB 866 (Larson) – Brackish bill
- HB 898 (Ashby) – Confidentiality of Certain Well Reports
- HB 930 (Miller) – Apprentice Well Driller program
- HB 950 (Lucio III) – Review of GCD by State Auditor Office
- HB 1019 (Flynn) – Internet Posting of Meetings
- HB 1191 (Isaac) – Commercial Development within 5 miles of a PGMA
- HB 1221 (Lucio III) – Seller's Disclosure of Real Property relating to a GCD
- HB 1232 (Lucio III) – TWDB statewide mapping of groundwater
- HB 1248 (Lucio III) – Automatic permit renewal
- HB 1635 (Guillen) – Classification of groundwater by the Groundwater Protection Committee
- HB 1856 (Isaac) – Automatic permit renewal
- HB 1972 (Keffer) – Exempting oil/gas fracturing wells from permitting
- HB 2132 (Craddick) – Exempting oil/gas fracturing wells from permitting
- SB 517 (Uresti) – GCD notice of application for an injection well

Following this page are summaries of the above listed bills to be considered. The full text of all the bills can be accessed at Texas Legislature Online (<http://www.capitol.state.tx.us/>)

This item is on the agenda for discussion/possible action.



# TAGD HIGH PRIORITY Bill Status Report

03-06-2015 - 14:20:36

- Action in the date range - Link to Related Information ( ) - Priority

- Referred to Committee
- Reported from Committee
- Passed 1st Chamber
- Referred to Committee
- Reported from Committee
- Passed 2nd Chamber
- Signed/Vetoed



## High Priority Bills

HB 30

Larson, Lyle(R)

Relating to the development of brackish groundwater.

**Remarks:** Substantively very similar to the brackish groundwater provisions in HB 2578 as it passed the House last session. Requires RWPs to include considerations related to large-scale desalination facilities. Changes "seawater desalination" to "seawater or brackish groundwater desalination" in Chapter 16 of the Water Code. Requires TWDB, in conjunction with GCDs and stakeholders, to identify brackish groundwater production zones that meet certain standards (and include those in the biennial desalination progress report). On a request of a person with a legally defined interest in groundwater, GCDs must adopt rules for issuing permits in these zones. Permits must be for 30 years, and may not include production limitations. GCDs could implement production limitations only to respond to significant changes in aquifer conditions and after receiving a report from TWDB. Adds "goals for the development of brackish groundwater desalination strategies in designated brackish groundwater production zones" to the list of management goals that should be included in a management plan. States that DFCs do not apply to groundwater in brackish groundwater production zones.

**Bill History:** 02-26-15 H Introduced and referred to committee on House Natural Resources

HB 139

Stickland, Jonathan(R)

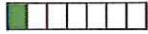
Relating to the posting of certain notices for political subdivisions on the comptroller's Internet website.

**Remarks:** Requires political subdivisions to provide to the comptroller an electronic copy of notice required by law to be published in a newspaper. Requires the comptroller to post notices on the comptroller's

**Remarks:** Amends the qualifications for eligibility to be a candidate for or holder of public elective office. Requires candidates to be registered voters and to have been registered to vote in the territory from which the office is elected for at least 12 months.

**Bill History:** 02-12-15 H Introduced and referred to committee on House Elections

HB 632



Simpson, David(R)

Relating to the planning and funding of water projects to be constructed in a region other than the region proposing the project.

**Remarks:** Amends Chapter 16 of the Water Code to prohibit a regional water plan from including a proposal for the construction of a water project in another regional water planning area unless at least two-thirds of the members of the regional water planning group for that area have consented to the inclusion of the proposal in the plan.

**Bill History:** 02-19-15 H Introduced and referred to committee on House Natural Resources

HB 655



Larson, Lyle(R)

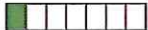
Relating to the storage and recovery of water in aquifers.

**Remarks:** Defines an ASR project as a project involving the injection of water into a geologic formation for subsequent recovery and beneficial use. Streamlines ASR permitting and relocates statutes related to ASR projects from Chapter 11 of the Water Code (related to Water Rights) to Chapter 27 of the Water Code (related to Injection Wells). Eliminates requirement for ASR developers to first conduct pilot projects. Gives TCEQ exclusive jurisdiction over ASR projects. Clarifies that a surface water right amendment is not needed to store appropriated surface water in an ASR project prior to beneficial use. Requires TCEQ when issuing ASR permits, to consider Safe Drinking Water Act compliance, the extent to which the amount of water injected can be actually recovered and the effects of commingling, the extent to which existing wells may be impacted by the project, and the potential for groundwater quality degradation. Requires TCEQ to limit the recoverable amount of water from the project to the total amount injected, and must further limit that amount if it finds unrecoverable losses will occur. If the project ultimately produces more water than the amount authorized for withdrawal by TCEQ, a GCD's spacing production, and permitting rules and fees will apply to the withdrawals above the amount authorized. Requires ASR wells to be registered with the GCD and subject to regular well registration fees. Requires wells in a single ASR project to be located on a continuous tract or two or more adjacent tracts under common ownership

or contract. Requires ASR developers to meter all wells and report total injected and recovered amounts monthly to TCEQ and (if applicable) to the GCD, as well as annual water quality testing of injected and recovered water. Allows GCDs to consider ASR-related hydrogeologic conditions when planning and monitoring for the achievement of a desired future condition. Requires TCEQ to adopt rules to implement the new legislation by May 1, 2016. The EAA, Subsidence Districts, and the BSEACD are exempted from the bill.

**Bill History:** 02-19-15 H Introduced and referred to committee on House Natural Resources

HB 685



Sheets, Kenneth(R)

Relating to the production of public information available on the website of a political subdivision of this state.

**Remarks:** States that a political subdivision complies with requests under the Public Information Act if it refers a requestor to a website maintained by the political subdivision and accessible to the public if the requested information is identifiable and readily available on that website.

**Bill History:** 03-11-15 H Meeting set for 2:00 p.m. or adj., E1.014 House Government Transparency and Operation

HB 814



Larson, Lyle(R)

Relating to posting notice of a meeting of a governmental body on the Internet instead of in a newspaper.

**Companions:** SB 392 Burton, Konni (F) (Identical)  
2- 2-15 S Introduced and referred to committee on Senate Business and Commerce

**Remarks:** Allows governmental bodies required by law to post notice of a meeting in the newspaper to instead post notice on the internet.

**Bill History:** 02-23-15 H Introduced and referred to committee on House Government Transparency and Operation

HB 835



Larson, Lyle(R)

Relating to research, development and utilization of brackish groundwater resources.

**Remarks:** Authorizes a person with a legally defined interest in groundwater to file a petition with a GCD to designate a brackish groundwater management zone (or authorizes a GCD to designate a zone on its own initiative). On request of the petitioner or on its own motion, the GCD must forward the petition to TWDB and request a technical report. The GCD must hold a hearing on the petition upon receipt of the technical report from the TWDB. Once

a zone is designated, the GCD must adopt rules for issuing production permits in the zone. Production limitations must be based on impacts to water outside of the zone, but a GCD could either allocate groundwater in the same way it does for other formations, or adopt rules specific to the designated zone. After requesting a report from TWDB, GCDs can implement additional restrictions if monitoring shows impacts are greater than anticipated.

**Bill History:** 02-23-15 H Introduced and referred to committee on House Natural Resources

HB 836



Larson, Lyle(R)

Relating to the development of brackish groundwater.

**Remarks:** Sets up a two-step process for management of brackish groundwater:

(1) Designation of "brackish groundwater production zone" (BGPZ) at GCD level with TWDB participation:

A GCD may designate or a project developer may petition a GCD to designate a BGPZ (defined areas within a groundwater reservoir where brackish groundwater can be produced for desalination without "unreasonable negative impacts" on groundwater quality and quantity, existing groundwater users, and DFCs. Designations are not allowed in formations that serve as a primary source of water supply for municipal or agricultural purposes. Designations are based on projected pumping within the formation over a specific time frame with a specific total amount of groundwater that can be produced. Project developers must include sufficient hydrogeologic data, mitigation plans, and monitoring plans to justify the creation of the zone. The GCD must hold a public hearing on the petition. At the request of the GCD or the petitioner, the Executive Administrator (EA) of the Texas Water Development Board (TWDB) must provide the GCD with its recommendation regarding the petition. The petitioner or an affected person may seek review of the GCD's decision on the petition at the TWDB. The TWDB will hold an evidentiary hearing and either grant or deny the petition.

(2) Uncontested permit process at GCD level once zone has been designated:

GCD must issue a permit authorizing production from the BGPZ. The GCD must process the permit application in the same manner as an uncontested permit application. Production limits, permit terms, and monitoring requirements must be consistent with the designation of the zone. The permit term will be equal to the expected project financing term but no longer than 30 years. Permits in a Brackish Groundwater Production Zone may be amended to

reduce the amount or rate of production or change the monitoring or mitigation plan in amounts necessary to achieve the original assumptions made in the zone designation. Production and export fees may be imposed on these permits.

Includes language relating to brackish groundwater use in the drilling, exploration, and production of hydrocarbons.

**Bill History:** 02-23-15 H Introduced and referred to committee on House Natural Resources

HB 898



Ashby, Trenton(R)

Relating to the confidentiality of certain water well reports.

**Companions:** SB 611 Perry, Charles (F) (Identical)  
2-23-15 S Introduced and referred to committee on Senate Agriculture, Water, and Rural Affairs

**Remarks:** States that a groundwater withdrawal report submitted by a well owner to a GCD that requires reporting is not subject to disclosure under the Public Information Act if the well owner has submitted a written request for confidentiality to the GCD. Once the GCD has received such a request, it may release confidential groundwater production information only if the information is summarized so that individual owners or parcels cannot be identified. Does not apply to a well that is owned or operated by a public entity, including Article 16, Section 59 districts and municipalities.

**Bill History:** 02-25-15 H Introduced and referred to committee on House Natural Resources

HB 930



Miller, Doug(R)

Relating to water well drillers and pump installers.

**Remarks:** Authorizes TDLR to reinstate the apprentice driller program and the apprentice pump installer program. Modernizes well log notice requirements and adds GCDs to the list of entities that receive notice of well logs in Chapter 1901. Requires a driller to supervise the recompletion, perforation, or conversion of an oil and gas well to a water well and that any such well that will be used by a public water system must comply with all applicable TCEQ requirements. Requires TDLR to establish a field operations program. TDLR may enter into a Memorandum of Understanding with a field operator to assist in the enforcement of Chapter 1901 (relating to water well drillers) or 1902 (related to water well pump installers) of the Occupations Code.

**Bill History:** 02-26-15 H Introduced and referred to committee on House Natural Resources

HB 932



Murphy, Jim(R)

Relating to the evaluation and ranking of similar offers submitted to a governmental entity for certain construction-related contracts.

**Remarks:** Allows the submitter of a bid, proposal, or request for a government contract to request that the governmental entity explain the evaluation and ranking of a submission that was not selected.

**Bill History:** 02-26-15 H Introduced and referred to committee on House Government Transparency and Operation

HB 950



Lucio III, Eddie(D)

Relating to the review of groundwater conservation districts by the state auditor.

**Remarks:** Strikes the provisions related to SAO review of groundwater management activities in Chapter 36, leaving it to TCEQ, and amends section 36.061(b) so that it is identical to the corresponding language in Chapter 49 for other types of water districts (regarding the SAO being able to review financial transactions).

**Bill History:** 03-02-15 H Introduced and referred to committee on House Natural Resources

HB 1019



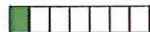
Flynn, Dan(R)

Relating to publication of notice by a governmental entity on a newspaper's Internet website.

**Remarks:** Authorizes a government entity required to provide notice in a newspaper to publish the notice on a newspaper's Internet website. Limits the expense for publishing such notice to \$25, provides for evidence of the notice, and sets specifications for the notice. Requires newspapers to establish an Internet-only option for publication and meet certain other criteria to be a qualified newspaper for notices under Chapter 2051 of the Government Code.

**Bill History:** 03-02-15 H Introduced and referred to committee on House Government Transparency and Operation

HB 1113



Clardy, Travis(R)

Relating to the standard of review for a determination of standing in a contested case hearing conducted by the Texas Commission on Environmental Quality.

**Companions:** SB 941 Creighton, Brandon (F) (Identical)  
3- 4-15 S Filed

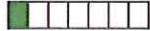
**Remarks:** States that a determination of standing by TCEQ is discretionary and no evidentiary hearing is required. A court may reverse and remand TCEQ only if it finds that TCEQ: (1) failed to consider a factor required by law to be considered; (2) considered an irrelevant factor; or (3) considered only relevant factors required by law to be

considered but reached a completely unreasonable result.

**Bill History:** 03-04-15 H Introduced and referred to committee on House Environmental Regulation

HB 1153

Turner, Scott(R)



Relating to the repeal of the junior priority of a water right authorizing a transfer of water from one river basin in this state to another river basin in this state.

**Remarks:** Repeals the junior water rights provisions of section 11085(s) and (t) of the Water Code, relating to interbasin transfers.

**Bill History:** 03-03-15 H Introduced and referred to committee on House Natural Resources

HB 1191

Isaac, Jason(R)



Relating to the regulation of commercial development of groundwater in certain areas.

**Remarks:** Establishes buffer zones within five miles of PGMA's. Requires commercial developers desiring to drill or operate in a buffer zone to apply for approval from TWDB and any GCD in whose territory the well is located. Would apply only to wells drilled after the law takes effect.

**Bill History:** 03-03-15 H Introduced and referred to committee on House Natural Resources

HB 1221

Lucio III, Eddie(D)



Relating to seller's disclosures in connection with residential real property subject to groundwater regulation.

**Remarks:** Amends the Texas Property Code to require sellers of residential real property to include GCD information on the disclosure form provided to potential buyers.

**Bill History:** 03-04-15 H Introduced and referred to committee on House Natural Resources

HB 1232

Lucio III, Eddie(D)



Relating to a study by the Texas Water Development Board regarding the mapping of groundwater in confined and unconfined aquifers.

**Remarks:** Requires TWDB to conduct a study to define the quality and quantity of groundwater. TWDB must produce a map showing the area and water quality of aquifers. TWDB must report results by December 31, 2016.

**Bill History:** 03-03-15 H Introduced and referred to committee on House Natural Resources

HB 1247

Smith, Wayne(R)



Relating to presumptions in contested case hearings





regarding certain environmental permit applications.

**Remarks:** In a contested case regarding a permit application, creates a rebuttable presumption that the application meets state and federal technical requirements and that a permit will protect human health and safety and the environment if certain evidence is filed in the administrative record.

**Bill History:** 03-03-15 H Introduced and referred to committee on House Environmental Regulation

HB 1248



Lucio III, Eddie(D)

Relating to the renewal or amendment of certain permits issued by groundwater conservation districts.

**Remarks:** Requires GCDs to implement automatic renewal of production permits without a hearing so long as renewal application fees are timely paid and the permittee does not request a change that would require a permit amendment. Permittees are not entitled to automatic renewal if (1) they are delinquent in paying GCD fees, (2) there is a pending GCD enforcement for a substantive violation of the permit, an order, or a rule, or (3) the permittee has failed to pay a penalty or failed to comply after a violation. If a GCD denies an amendment request, this bill would require the GCD to offer a permittee an opportunity to renew a permit as it existed before the permit amendment process.

**Bill History:** 03-03-15 H Introduced and referred to committee on House Natural Resources

HB 1257



Shaheen, Matt (F)(R)

Relating to the use by a political subdivision of public money for lobbying activities or lobbyists.

**Remarks:** Prohibits political subdivisions that impose a tax from spending money to lobby at the legislature. Officers and employees may still appear before committees at the committee's or a legislator's request. An elected officer may attempt to influence the outcome of pending legislation while acting as an officer of the political subdivision.

Prohibits political subdivisions that impose taxes from spending public money on membership fees of a nonprofit state association or organization of similarly situated political subdivisions unless (1) the majority of the board approves, (2) the association exists for the betterment of local government and benefit of all local officials, (3) the association is not affiliated with a labor organization, (4) the association and its employees are not involved in lobbying, and (5) the association does not contribute anything of value to a political campaign or endorse a candidate for office. Prohibits a political subdivision from employing a lobbyist.

**Bill History:** 03-04-15 H Introduced and referred to committee on House General Investigating and Ethics

HB 1421

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Bonnen, Dennis(R)

Relating to fees charged by the Coastal Plains Groundwater Conservation District.

**Remarks:** Clarifies that Coastal Plains GCD may assess production fees as authorized by Chapter 36. Authorizes the GCD to assess an export fee in an amount not to exceed 150 percent of the maximum wholesale water rate charged by the City of Houston as well as other fees authorized by Chapter 36.

**Bill History:** 02-13-15 H Filed

HB 1548

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Harless, Patricia(R)

Relating to comprehensive reviews of certain special districts.

**Remarks:** Requires special districts that have outstanding debt or impose a tax, assessment or fee to conduct a comprehensive review every six years. Requires the board to publish a report that includes (1) identification of its enabling legislation, (2) the purpose of the district and the extent to which it has been achieved, (3) district activities that duplicate those of other governmental entities, (4) identification of each tax, assessment, fee, or penalty the district may impose or collect, (5) statement of revenue collected and whether it exceeds amount needed to accomplish the purpose of the district, and (6) identification of financial liabilities. The report must be posted on the district's website. Requires the district to hold a public hearing on the report. Requires districts to maintain a website or some social media forum where information can be posted.

**Bill History:** 02-17-15 H Filed

HB 1554

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Shaheen, Matt (F)(R)

Relating to a report on local government operations prepared by the comptroller.

**Remarks:** Requires the comptroller to every 5 years prepare a report of local government operations that compiles each local government's (1) financial data, (2) statutory or constitutional authority for establishing the local government and for taxing or assessments, (3) method of governance, and (4) year and method of establishment. Requires local governments to comply with requests from the comptroller to collect information for this report.

**Bill History:** 02-18-15 H Filed

HB 1635

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Guillen, Ryan(D)

Relating to the management of groundwater, including the classification of and the obtaining of

information regarding groundwater and the formulation of desired future conditions by a groundwater conservation district.

**Remarks:** Requires the Groundwater Protection Committee to develop and "adopt by rule" (??) a groundwater classification system based on salinity. The system must take into account (1) TDS in the water, (2) geographic location of the water, including potential for subsidence or negative impacts to freshwater, (3) existing laws and administrative rules, (4) existing permits and permit requirements for the withdrawal and use of the water, (5) other water quality measurements, and (6) other factors determined to be relevant by the committee. The committee would be required to update the classification system "consistent with" State Water Plan updates. Requires TDA, the State Soil and Water Conservation Board, experiment stations, the HHSC, the Railroad Commission, TDLR, TCEQ, TWDB, and GCDs to consider the classification system in adopting rules related to groundwater. Requires the RRC to submit an annual report of collected electric logs to TWDB and adds TWDB members/employees to the list of individuals (in addition to persons authorized by the operator and RRC employees) who can view well logs during the confidentiality period. Requires TWDB to develop technical guidance documents to assist GCDs in formulating and adopting DFCs and establishing different DFCs for the different GPC classifications.

**Bill History:** 02-19-15 H Filed

HB 1856

Isaac, Jason(R)

Relating to the renewal or amendment of certain permits issued by groundwater conservation districts.

**Companions:** SB 854 Zaffirini, Judith (Identical)  
3- 4-15 S Introduced and referred to committee on Senate Agriculture, Water, and Rural Affairs

**Remarks:** TWCA Permitting Renewal Bill. Requires GCDs to implement automatic renewal of production permits without a hearing so long as renewal application fees are timely paid and the permittee does not request a change that would require a permit amendment. Permittees are not entitled to automatic renewal if (1) they are delinquent in paying GCD fees, (2) there is a pending GCD enforcement for a substantive violation of the permit, an order, or a rule, or (3) the permittee has failed to pay a penalty or failed to comply after a violation. If a GCD denies an amendment request, this bill would require the GCD to offer a permittee an opportunity to renew a permit as it existed before the permit amendment process.

**Bill History:** 02-24-15 H Filed

HB 1965

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Paul, Dennis (F)(R)

Relating to the calculation of the rollback tax rate of a taxing unit and voter approval of a proposed tax rate that exceeds the rollback tax rate.

**Remarks:** Adds definitions for consumer price index and inflation rate in Tax Code and amends calculations, including to account for inflation. Requires automatic rollback election (rather than if voters petition) if the tax increase exceeds the rate of inflation.

**Bill History:** 02-26-15 H Filed

HB 1972

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Keffer, Jim(R)

Relating to certain exemptions from the requirement to obtain a permit from a groundwater conservation district.

**Remarks:** Broadens the oil and gas exemptions in 36.117 of the Water Code. Allows an exemption for a well used to supply water for drilling or exploration operations, including completion operations. Completion operation is defined as the work conducted to establish the production of a well after the production-casing string has been set, cemented, and pressure-tested. Such exempt wells may be engaged in other purposes and need not be actively engaged in drilling or exploration operations. The well need not be located on the same lease or field associated with the drilling rig. Requires wells exempt under these rules to comply with registration, production and spacing requirements, production fees, and recordkeeping and reporting requirements.

**Bill History:** 02-26-15 H Filed

HB 2132

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Craddick, Tom(R)

Relating to certain exemptions from the requirement to obtain a permit from a groundwater conservation district.

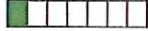
**Remarks:** Amends the domestic use and oil and gas exemptions in 36.117. Wells need not produce water solely for a domestic use/livestock exemption. Broadens the requirements for eligibility under the oil and gas exemption. Qualifying wells need only supply some water for operations related to oil and gas exploration, development, or production, including fracking or drilling, completing, recompleting, stimulating, reworking, or deepening a well. Wells need not produce water solely to supply water for oil and gas operations to qualify for the oil and gas exemption. The individual seeking the exemption must be responsible for drilling or operating the well. Requires oil and gas exempted wells to comply with GCD registration, production fees, recordkeeping and reporting requirements, and drillers' log requirements. Such wells must also comply with GCD production

**Companions:** **HB 814** Larson, Lyle (Identical)  
 2-23-15 H Introduced and referred to committee on House Government Transparency and Operation

**Remarks:** Allows governmental bodies required by law to post notice of a meeting in the newspaper to instead post notice on the internet.

**Bill History:** 02-02-15 S Introduced and referred to committee on Senate Business and Commerce

SB 413



Seliger, Kel(R)

Relating to qualifications for membership on the Water Development Board.

**Remarks:** Changes the required experience of the TWDB board members from one member each with experience in engineering, finance, and law or business to one member each with experience in engineering, finance and production agriculture. Also requires one board member to reside in a rural area and be a registered voter of a county with a population of less than 155,000.

**Bill History:** 02-04-15 S Introduced and referred to committee on Senate Agriculture, Water, and Rural Affairs

SB 517



Uresti, Carlos(D)

Relating to notice of an application for a permit to drill an injection well in the territory of a groundwater conservation district.

**Remarks:** Requires applicants for an injection well to submit a copy of the application to the GCD if the proposed location of the well is within a 10-mile radius of the boundaries of a GCD.

**Bill History:** 02-18-15 S Introduced and referred to committee on Senate Agriculture, Water, and Rural Affairs

SB 611



Perry, Charles (F)(R)

Relating to the confidentiality of certain water well reports.

**Companions:** **HB 898** Ashby, Trenton (Identical)  
 2-25-15 H Introduced and referred to committee on House Natural Resources

**Remarks:** States that a groundwater withdrawal report submitted by a well owner to a GCD that requires reporting is not subject to disclosure under the Public Information Act if the well owner has submitted a written request for confidentiality to the GCD. Once the GCD has received such a request, it may release confidential groundwater production information only if the information is summarized so that individual owners or parcels cannot be identified. Does not apply to a well that is owned or operated by a public entity, including Article 16, Section 59 districts and municipalities.