

Memo

To: Alan Day
From: Heather Harward
cc: Monique Norman
Date: May 7, 2018
Re: Legislative Update

TEXAS LEGISLATURE

Senate Committee on Agriculture Water and Rural Affairs Committee (SAWR)

SAWR was scheduled to hold a hearing on Monday, March 26, 2018, to discuss interim charge #1. Due to lack of quorum, the hearing was canceled. A new hearing date has not yet been announced. Chairman Perry is in the process of hiring a new Committee Director to replace Rusty Smith.

House Natural Resources Committee (HNR)

The HNR Committee met on April 17, 2018, in Austin to discuss Interim Charge #2 related to Hurricane Harvey. The committee heard testimony from invited witnesses comprising eight panels related to recovery efforts associated with Hurricane Harvey and the need for the state to implement flood control planning. Additionally, the committee heard testimony related to Aquifer Storage and Recovery (ASR).

HNR staff has indicated that they are tentatively planning to hold the following interim hearings:

- May 23, 2018: San Saba, TX on Charge #3(g)
- June 6th, 2018: Palo Duro Canyon State Park on Charge #3
- September 12, 2018: Brownsville, TX on Charge #9, Charge #6, Charge #3(d)
- September 26, 2018: Val Verde County on Charge #3(g)
- October 18, 2018: Baylor on Charge #4, Charge #7
- Nov. 14, 2018: Austin, TX on Charge #5, Charge #10

Primary Election

The primary elections were held in Texas on Tuesday, March 6, 2018. Senate and House highlights are as follows:

Angela Paxton, wife of Attorney General Ken Paxton, won the Republican primary against Phillip Huffines, twin brother of Senator Don Huffines, in the open seat to replace Senator Van Taylor. Representative Pat Fallon unseated incumbent Senator Craig Estes in the Republican primary.

Governor Greg Abbott endorsed three candidates who ran against Republican House incumbents (Reps. Sarah Davis, Lyle Larson and Wayne Faircloth). Reps. Davis and Larson won their primary elections. Rep. Faircloth was defeated in the Republican Primary by Mayes Middleton.

Run-Off Election

Early voting for the Texas Primary Run-Off Election will be held Monday, May 14 through Friday, May 18, 2018. The Run-Off Election will be held on Tuesday, May 22, 2018.

On the statewide ticket, former Dallas County Sheriff Lupe Valdez and Andrew White, son of the late Governor Mark White, will face off to determine which Democrat will challenge incumbent Republican Governor Greg Abbott. Candidates in seven congressional races and nine Texas House races are also vying in the runoff.

General Election

The General Election will be held in Texas on Tuesday, November 6, 2018.

TEXAS ALLIANCE OF GROUNDWATER DISTRICTS (TAGD)

TAGD will hold their Regular Business Meeting on Monday, May 21, and Tuesday, May 22, 2018, at the DoubleTree Hotel in Austin. On Tuesday, the Legislative Committee will meet and will receive reports from policy subcommittees.

The Permitting Subcommittee met via conference call April 11, 2018 to discuss the scope of work to be accomplished. The subcommittee was broken into four workgroups to address various charges:

- Permitting Moratoriums
- SB 1392 permitting topics
- Export Permits
- HB 1318 (Use of CCN when permitting public water utilities)

The subcommittee met by conference call on May 2, 2018 to review and discuss each of the workgroup products. I will meet with Sarah Schlessinger to create a draft document for review by the TAGD Legislative Committee.

The TAGD Texas Groundwater Summit will take place August 28 – 30, 2018, at the Hyatt Hill Country Resort in San Antonio, Texas. Planning for the Summit is underway. Subcommittees have begun to schedule meetings to work on policy issues facing the 86th Legislature.

TEXAS WATER CONSERVATION ASSOCIATION (TWCA)

TWCA will hold their Mid-Year Conference on June 13 through June 15, 2018, at La Toretta Lake Resort & Spa in Montgomery, Texas

TWCA has not begun to discuss legislative issues for the 86th Legislature, but have indicated that the organization will begin that process earlier than they have in the past.

INTERIM CHARGES

2017 Interim Legislative Charges: Hurricane Harvey Response

Senate Agriculture Water and Rural Affairs Committee

- 1.) Study and make recommendations on how to move forward with water infrastructure projects in the State Water Plan that will help mitigate floods through flood control, diversion, and storage projects. Evaluate plans for a possible third reservoir in addition to Addicks and Barker to control and alleviate additional flooding in the region. Additionally, review the current status of reservoir projects in Texas. Examine opportunities for coordination between federal and state agencies to develop flood mitigation infrastructure, and the ongoing maintenance and restoration of critical dam infrastructure.
- 2.) Study and identify ways to improve the capacity and maintain the structure of the Addicks and Barker Reservoirs. Report on mechanisms that would ensure the public has access to timely and transparent release figures from reservoirs across the state.
- 3.) Evaluate current state data-sharing standards for rainfall and stream gauges and whether regional flood management projects and flood warnings should be hosted in a centralized location, such as a state agency web page. Determine whether a statewide real-time flood warning system could be developed and coordinated through mobile devices, TxDOT electronic signage, communication devices and whether existing local and regional forecasting infrastructure could be integrated into a centralized inclement weather forecasting system.

2017 Interim Legislative Charges: 2

Senate Agriculture, Water and Rural Affairs Committee

- 1.) **Streamlining Water Permitting: Study and recommend changes** that promote streamlining of water right permit issuance and the amendment process by the TCEQ for surface water, and that promote uniform and streamline permitting by groundwater conservation districts for groundwater. Evaluate more transparent process needs and proper valuation of water.
- 2.) **Regulatory Framework of Groundwater Conservation Districts and River Authorities: Study and make recommendations on the regulatory framework for managing groundwater in Texas** to ensure that private property rights are being sufficiently protected. Study the role of river authorities and groundwater conservation districts including the state's oversight role of their operations and fees imposed.
- 3.) **Agricultural Fees:** Review licensing, permitting, or registration requirements and fees imposed on the agriculture industry by licensing agencies within the committee's jurisdiction. Make recommendations for state licenses and fees that should be reduced, repealed or transitioned to private-sector enforcement.
- 4.) **Monitoring:** Monitor the implementation of legislation addressed by the Senate Committee on Agriculture, Water & Rural Affairs during the 85th Legislature, Regular Session, including, but not limited to:
 - SB 1511 (prioritization in the regional water plan);
 - SB 1538 (Floodplain Management Account uses);
 - SB 864 (GCD application of state water);
 - HB 2004 (Texas economic development fund for TDA); and

- HB 3433 (adoption of rules affecting rural communities. Make recommendations for any legislative improvements needed to improve, enhance, or complete implementation including regional water planning, flood planning, and groundwater production.)

House Committee on Natural Resources

1.) Examine the following issues within the Committee's jurisdiction regarding Hurricane Harvey and flooding in general: the role of regional entities in developing projects to control flooding, both through new infrastructure and enhancing existing infrastructure; mitigation efforts that would reduce the impact of future flood events, and strategies to fund those efforts; and the response of public entities that own or operate dams to large-scale rain events, including how such entities make decisions regarding dam and reservoir operations during such events, coordinate with state and local emergency management officials, and communicate with the public. (Issued September 14, 2017)

2.) In conjunction with Charge 1, study the following additional issues related to Hurricane Harvey and flooding in general:

- a. The development of the initial State Flood Plan by the Texas Water Development Board, and how the plan might be enhanced or focused in light of Harvey;
- b. Science and data availability and needs related to flood risk and to responding to flood events;
- c. The best methods of providing state financial assistance for flood infrastructure needs;
- d. Opportunities for improved collection and storage of flood flows for future supply needs; and
- e. The role of voluntary land conservation efforts, including conservation easements, in preventing and mitigating flooding.

3.) Evaluate the status of groundwater policy in Texas, including the following issues:

- a. Progress and challenges in encouraging coordination and consistency in aquifer-wide management and permitting practices;
- b. Developments in case law regarding groundwater ownership and regulation;
- c. Potential improvements to the existing groundwater permitting process, including those contemplated in H.B. 31 (85R);
- d. The appropriate consideration of the service area of a water supplier when groundwater resources are allocated based on surface ownership;
- e. The designation of brackish groundwater production zones and related research;
- f. Groundwater data and science needs; and
- g. Emerging issues in groundwater and surface water interaction, in particular in areas of increasing competition for scarce resources.

4.) Examine the status of water markets in Texas and the potential benefits of and challenges to expanded markets for water.

5.) Examine the potential value, the necessary elements, and the implications of a broad-based information and awareness campaign regarding water issues in Texas. Consider input from water stakeholders, educators, and communications experts.

6.) Evaluate the results of the expedited decertification process created under S.B. 573 (82R). Include an evaluation of the process for resolving disputes around this process and assessing compensation for utilities whose service areas are decertified.

7.) Analyze the need to update Water Availability Models for the river basins in this state.

8.) Study the hazards presented by abandoned and deteriorated groundwater wells, and make recommendations to address the contamination and other concerns these wells may represent.

9.) Examine opportunities to enhance water development opportunities involving neighboring states and Mexico. Evaluate lessons from previous attempts to import new water supplies, as well as the impacts of noncompliance with the 1944 treaty with Mexico on the Rio Grande Valley region.

10.) Monitor the agencies and programs under the Committee's jurisdiction and oversee the implementation of relevant legislation passed by the 85th Legislature.