Memo

To: Alan Day

From: Heather Harward

cc: Monique Norman

Date: February 6, 2018

Re: Legislative Update

TEXAS LEGISLATURE

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

SAWR held an interim committee meeting on Monday, January 29, 2018, in Wharton, Texas, to address interim charge #1. Testimony focused on the impacts of Hurricane Harvey on Wharton County, with an emphasis on the agriculture industry and recovery efforts/challenges in rural Texas

House Natural Resources Committee (HNR)

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

- April 17, 2018: Austin, TX on Charge #2
- 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 Elections

Campaigns for primary elections are in full-swing and are the current focus of members of the Legislature. HNR Chairman Lyle Larson, a Republican from Bexar County, will face Chris Fails, Mayor of Hollywood Park, in the Republican Primary. Governor Greg Abbott and former Governor Rick Perry, both Republicans, endorsed Fails earlier this week. Primary elections will be held on Tuesday, March 6, 2018.

TEXAS ALLIANCE OF GROUNDWATER DISTRICTS (TAGD)

TAGD held their Regular Business Meeting on January 30 through January 31, 2018, at the DoubleTree Central in Austin, Texas. The first full Legislative Committee meeting was

held on January 31st and five subcommittees were established: 1) Similar Rules, 2) Permitting, 3) Attorney Fees, 4) Water Markets, and 5) Groundwater Data and Science. TAGD's next full Legislative Committee meeting will be held in Austin either before or after the May 23rd and 24th Regular Business Meeting.

TEXAS WATER CONSERVATION ASSOCIATION (TWCA)

TWCA will hold their Annual Conference on Wednesday, March 7 through Friday, March 9, 2018, at the Hyatt Lost Pines Resort in Cedar Creek, 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 broadbased 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.