# **BILL ANALYSIS**

### Senate Research Center

C.S.H.B. 1437 By: Krusee (Ogden) Natural Resources 5/3/1999 Committee Report (Substituted)

# **DIGEST**

Currently, the Lower Colorado River Authority (LCRA) has the authority to provide water services in Williamson County. It is reported that future water supplies have become an increasingly critical concern as Williamson County continues to experience population growth. This bill would allow the Brazos River Authority to enter into an interbasin transfer agreement with the LCRA, and revenues generated from that agreement would be used to finance groundwater development in the downstream irrigation-dependent counties.

### **PURPOSE**

As proposed, C.S.H.B. 1437 allows the Brazos River Authority to enter into an interbasin transfer agreement with the Lower Colorado River Authority, and provides that revenues generated from that agreement would be used to finance groundwater development in the downstream irrigation-dependent counties.

### **RULEMAKING AUTHORITY**

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

### SECTION BY SECTION ANALYSIS

SECTION 1. Amends Article 8280-107, V.T.C.S., to authorize a district to transfer surface water from the district to a place in Williamson County that is outside the watershed of the Colorado River only if the transfer is made to a municipality that was a district water customer on May 20, 1997, rather than the effective date of this section, and located in the watersheds of both the Colorado and the Brazos Rivers, or a person or entity that pays for the surface water in an amount sufficient to pay both the districts' applicable water rate and an additional charge to mitigate any adverse effects of the transfer of surface water to Williamson County from the Colorado River watershed, and provided such transfer results in no net loss of water to the Colorado River watershed, as determined by the district's board of directors. Prohibits the volume of surface water authorized for transfer by the district in accordance with Paragraph (A) of this subdivision from exceeding 25,000 acre-feet per annum, notwithstanding the amounts of surface water transferred by the district to municipalities in accordance with this paragraph, it being the intent of the legislature that the district shall not be the sole provider of surface water to Williamson County. Requires the district to determine the amount of the additional charge under Subsection (a)(3)(b) of this section. Prohibits the additional charge from being less than 10 percent of the district's applicable rate for surface water to be transferred. Requires the district to deposit any money the district receives from the additional charge, and authorizes the district to deposit any other money as the board of directors determines, into a separate fund designated as the agricultural water conservation fund. Authorizes the district to use money from the agricultural water conservation fund only for the development of water resources or other water use strategies to replace or offset the amount of surface water to be transferred to Williamson County, provided that the methods, programs, and strategies take into consideration the surface water and groundwater needs of the affected Colorado River basin users. Requires the district to consult with an advisory committee representing agricultural irrigation interest that is appointed by the county judges of Matagorda, Wharton, and Colorado counties, prior to its determination of the use of money from the agricultural water conservation fund. Provides that the board of directors' determination of the additional charge is not subject to review or modification by any regulatory agency or authority. Authorizes water resources developed or conserved through the additional charge to be acquired from any source, in or outside the boundaries of the district, and used to benefit the water service area of the district's irrigation operations. Makes conforming changes.

### SECTION 2. Emergency clause. Effective date: upon passage.

# SUMMARY OF COMMITTEE CHANGES

#### SECTION 1.

Amends Article 8280-107, V.T.C.S., to authorize a district to transfer surface water from the district to a place in Williamson County that is outside the watershed of the Colorado River only if the transfer is made to a municipality that was a district water customer on May 20, 1997 and located in the watersheds of both the Colorado and the Brazos Rivers, or a person or entity that pays for the surface water in an amount sufficient to pay both the districts' applicable water rate and an additional charge to mitigate any adverse effects of the transfer of surface water to Williamson County from the Colorado River watershed, and provided such transfer results in no net loss of water to the Colorado River watershed, as determined by the district's board of directors. Prohibits the volume of surface water authorized for transfer by the district in accordance with Paragraph (A) of this subdivision from exceeding 25,000 acre-feet per annum, notwithstanding the amounts of surface water transferred by the district to municipalities in accordance with this paragraph, it being the intent of the legislature that the district shall not be the sole provider of surface water to Williamson County. Authorizes the district to use money from the agricultural water conservation fund only for the development of water resources or other water use strategies to replace or offset the amount of surface water to be transferred to Williamson County, provided that the methods, programs, and strategies take into consideration the surface water and groundwater needs of the affected Colorado River basin users. Requires the district to consult with an advisory committee representing agricultural irrigation interest that is appointed by the county judges of Matagorda, Wharton, and Colorado counties, prior to its determination of the use of money from the agricultural water conservation fund. Provides that the board of directors' determination of the additional charge is not subject to review or modification by any regulatory agency or authority. Deletes text regarding a net loss of water to the Colorado River watershed. Deletes text subjecting the board of director's determination to review.