

BILL ANALYSIS

Senate Research Center

H.B. 3356
By: Lucio III (Perry)
Agriculture, Water & Rural Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Interested parties note that a groundwater conservation district may base permitting for the amount of groundwater production on the tract size or acreage of the applicant and that this type of permitting has become an increasing trend in rural Texas. The parties contend that while such permitting benefits landowners who own large tracts of land in rural areas and sell water to large cities, the permitting does a disservice to the local rural communities that rely on a local water utility to provide potable service from a small well site. The parties note that small communities do not have the resources to lease or purchase the amount of land that will be needed to obtain the permits to serve their communities and that the lease or purchase of such land will drive up the cost of water for basic needs. The parties contend that permits for retail public utilities serving small communities should be based on the service needs or service area of the community and not on the size of the well site. H.B. 3356 seeks to address this issue.

H.B. 3356 amends current law relating to regulation of production of wells for retail public utilities by a groundwater conservation district.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 36.116(c), Water Code, as follows:

- (c) Requires a district, in regulating the production of groundwater based on tract size or acreage, to consider the service needs or service area of the retail public utility, rather than authorizes a district in regulating the production of groundwater based on tract size or acreage, to consider the service needs or service area of a retail water utility. Defines, for the purposes of this subsection, "retail public utility," rather than "retail water utility." Authorizes a district to determine whether it is appropriate to base the production amount on a retail public utility's service needs or service area under this subsection.

SECTION 2. Effective date: September 1, 2015.