BILL ANALYSIS

Senate Research Center 85R6252 GRM-F

H.B. 2378 By: Larson (Perry) Agriculture, Water & Rural Affairs 5/16/2017 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 2378 amends the Water Code to require a term regarding the period for which water may be transferred out of a groundwater conservation district under a permit to be automatically extended on or before the term's expiration to a term that is not shorter than the term of an operating permit for the production of water to be transferred that is in effect at the time of the extension and for each additional term for which that operating permit for production is renewed without a permit amendment or remains in effect. The bill establishes that a permit automatically extended as such continues to be subject to conditions contained in the permit as issued before the automatic extension. The bill applies only to the term of a permit that expires after September 1, 2017.

H.B. 2378 amends current law relating to extensions of an expired permit for the transfer of groundwater from 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 36.122, Water Code, by adding Subsections (j-1) and (j-2) and amending Subsection (k), as follows:

- (j-1) Requires a term under Subsection (i) (relating to a certain length of a period that water is authorized to be transferred out of the groundwater conservation district) or (j) (relating to requiring certain terms to automatically be extended) to automatically be extended on or before its expiration:
 - (1) to a term that is not shorter than the term of an operating permit for the production of water to be transferred that is in effect at the time of the extension; and
 - (2) for each additional term for which that operating permit for production is renewed under Section 36.1145 (Operating Permit Renewal) or remains in effect under Section 36.1146 (Change in Operating Permits).
- (j-2) Provides that a permit automatically extended under Subsection (j-1) continues to be subject to conditions contained in the permit as issued before the automatic extension.
- (k) Changes references to Subsections (i) and (j) to Subsection (i), (j), or (j-1).

SECTION 2. Provides that the changes in law made by this Act apply only to the term of a permit issued under Sections 36.122(i) and (j), Water Code, that expires after September 1, 2017.

SECTION 3. Effective date: September 1, 2017.