

1-1 By: Larson, et al. (Senate Sponsor - Perry) H.B. No. 31
 1-2 (In the Senate - Received from the House April 26, 2017;
 1-3 May 15, 2017, read first time and referred to Committee on
 1-4 Agriculture, Water & Rural Affairs; May 19, 2017, reported
 1-5 adversely, with favorable Committee Substitute by the following
 1-6 vote: Yeas 5, Nays 0; May 19, 2017, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10				
1-11			X	
1-12	X			
1-13	X			
1-14			X	
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 31 By: Perry

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the regulation of groundwater.
 1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-21 SECTION 1. Section 35.018(b), Water Code, is amended to
 1-22 read as follows:
 1-23 (b) The report must include:
 1-24 (1) the names and locations of all priority
 1-25 groundwater management areas and districts created or attempted to
 1-26 be created on or after November 5, 1985, the effective date of
 1-27 Chapter 133 (H.B. No. 2), Acts of the 69th Legislature, Regular
 1-28 Session, 1985;
 1-29 (2) the authority under which each priority
 1-30 groundwater management area and district was proposed for creation;
 1-31 (3) a detailed analysis of each election held to
 1-32 confirm the creation of a district, including analysis of election
 1-33 results, possible reasons for the success or failure to confirm the
 1-34 creation of a district, and the possibility for future voter
 1-35 approval of districts in areas in which attempts to create
 1-36 districts failed;
 1-37 (4) a detailed analysis of the activities of each
 1-38 district created, including those districts which are implementing
 1-39 management plans certified under Section 36.1072;
 1-40 (5) a report on ~~audits performed on districts under~~
 1-41 ~~Section 36.302 and~~ remedial actions taken under Section 36.303;
 1-42 (6) recommendations for changes in this chapter and
 1-43 Chapter 36 that will facilitate the creation of priority
 1-44 groundwater management areas and the creation and operation of
 1-45 districts;
 1-46 (7) a report on educational efforts in newly
 1-47 designated priority groundwater management areas; and
 1-48 (8) any other information and recommendations that the
 1-49 commission considers relevant.
 1-50 SECTION 2. Sections 36.001(2) and (7), Water Code, are
 1-51 amended to read as follows:
 1-52 (2) "Commission" means the Texas ~~Natural Resource~~
 1-53 ~~Conservation~~ Commission on Environmental Quality or its
 1-54 successor.
 1-55 (7) "Subdivision of a groundwater reservoir" means a
 1-56 definable part of a groundwater reservoir in which the groundwater
 1-57 supply will not be appreciably affected by withdrawing water from
 1-58 any other part of the reservoir, as indicated by known geological
 1-59 and hydrological conditions and relationships ~~and on foreseeable~~
 1-60 ~~economic development~~ at the time the subdivision is designated or

2-1 altered.

2-2 SECTION 3. Sections 36.002(a) and (b), Water Code, are
 2-3 amended to read as follows:

2-4 (a) A ~~[The legislature recognizes that a]~~ landowner owns the
 2-5 groundwater below the surface of the landowner's land as real
 2-6 property.

2-7 (b) The groundwater ownership and rights described by this
 2-8 section entitle the landowner, including a landowner's lessees,
 2-9 heirs, or assigns, to:

2-10 (1) drill for and produce the groundwater below the
 2-11 surface of real property, subject to Subsection (d), without
 2-12 causing waste or malicious drainage of other property or
 2-13 negligently causing subsidence; ~~[and]~~

2-14 (2) the right to use groundwater for a beneficial use
 2-15 without causing waste; and

2-16 (3) [have] any other right recognized under common
 2-17 law.

2-18 SECTION 4. Section 36.020(a), Water Code, is amended to
 2-19 read as follows:

2-20 (a) At an election to create a district, the temporary
 2-21 directors may include a proposition for the issuance of bonds or
 2-22 notes, the levy of taxes to retire all or part of the bonds or notes,
 2-23 and the levy of a maintenance tax. The maintenance tax rate may not
 2-24 exceed 37.5 ~~[50]~~ cents on each \$100 of assessed valuation.

2-25 SECTION 5. Section 36.061(b), Water Code, is amended to
 2-26 read as follows:

2-27 (b) The state auditor may conduct a financial audit ~~[the~~
 2-28 ~~records]~~ of any district if the state auditor determines that the
 2-29 audit is necessary.

2-30 SECTION 6. Section 36.062, Water Code, is amended to read as
 2-31 follows:

2-32 Sec. 36.062. OFFICES AND MEETING PLACES. (a) The board
 2-33 shall designate from time to time and maintain one or more regular
 2-34 offices for conducting the business of the district and maintaining
 2-35 the records of the district. Such offices must be reasonably
 2-36 accessible to members of the public who reside in the district and
 2-37 may be located either inside or outside the district's boundaries
 2-38 as determined in the discretion of the board.

2-39 (b) The board shall designate one or more places reasonably
 2-40 accessible to members of the public who reside in the district
 2-41 inside or outside the district for conducting the meetings of the
 2-42 board.

2-43 SECTION 7. Section 36.101(c), Water Code, is amended to
 2-44 read as follows:

2-45 (c) The board shall compile its rules and make them
 2-46 available for use and inspection at each of the district's offices
 2-47 ~~[principal office].~~

2-48 SECTION 8. Sections 36.1071(e) and (f), Water Code, are
 2-49 amended to read as follows:

2-50 (e) In the management plan described under Subsection (a),
 2-51 the district shall:

2-52 (1) identify the performance standards and management
 2-53 objectives under which the district will operate to achieve the
 2-54 management goals identified under Subsection (a);

2-55 (2) specify, in as much detail as possible, the
 2-56 actions, procedures, performance, and avoidance that are or may be
 2-57 necessary to effect the plan, including specifications and proposed
 2-58 rules; and

2-59 (3) include estimates of the following:

2-60 (A) modeled available groundwater in the
 2-61 district based on the desired future condition established under
 2-62 Section 36.108;

2-63 (B) the amount of groundwater being used within
 2-64 the district on an annual basis;

2-65 (C) the annual amount of recharge from
 2-66 precipitation, if any, to the groundwater resources within the
 2-67 district;

2-68 (D) for each aquifer, the estimated annual volume
 2-69 of water that discharges;

3-1 (i) from the aquifer to springs and any
 3-2 surface water bodies, including lakes, streams, and rivers; and
 3-3 (ii) through evaporation or transpiration;
 3-4 and

3-5 (E) the annual volume of lateral and vertical
 3-6 flow into and out of the district within each aquifer and between
 3-7 aquifers in the district [~~, if a groundwater availability model is~~
 3-8 ~~available,~~

3-9 [~~(F) the projected surface water supply in the~~
 3-10 ~~district according to the most recently adopted state water plan,~~
 3-11 ~~and~~

3-12 [~~(G) the projected total demand for water in the~~
 3-13 ~~district according to the most recently adopted state water plan,~~
 3-14 ~~and~~

3-15 [~~(4) consider the water supply needs and water~~
 3-16 ~~management strategies included in the adopted state water plan].~~

3-17 (f) The district shall adopt rules necessary to implement
 3-18 the management plan. Prior to the development of the management
 3-19 plan and its approval under Section 36.1072, the district may not
 3-20 adopt rules other than rules pertaining to the registration and
 3-21 interim permitting of new and existing wells and rules governing
 3-22 spacing and procedure before the district's board; however, the
 3-23 district may not adopt any rules limiting the production of wells,
 3-24 except rules requiring that groundwater produced from a well be put
 3-25 to a nonwasteful, beneficial use. A newly created [The] district
 3-26 may accept applications for permits under Section 36.113, provided
 3-27 the district does not act on any such application until the
 3-28 district's initial management plan is approved as provided in
 3-29 Section 36.1072.

3-30 SECTION 9. Section 36.1072(f), Water Code, is amended to
 3-31 read as follows:

3-32 (f) If the executive administrator does not approve the
 3-33 district's management plan, the executive administrator shall
 3-34 provide to the district, in writing, the reasons for the
 3-35 action. Not later than the 180th day after the date a district
 3-36 receives notice that its management plan has not been approved, the
 3-37 district may submit a revised management plan for review and
 3-38 approval. The executive administrator's decision may be appealed
 3-39 to the development board. If the development board decides not to
 3-40 approve the district's management plan on appeal, the district may
 3-41 request that the conflict be mediated. The district and the board
 3-42 may seek the assistance of the Center for Public Policy Dispute
 3-43 Resolution at The University of Texas School of Law or an
 3-44 alternative dispute resolution system established under Chapter
 3-45 152, Civil Practice and Remedies Code, in obtaining a qualified
 3-46 impartial third party to mediate the conflict. The cost of the
 3-47 mediation services must be specified in the agreement between the
 3-48 parties and the Center for Public Policy Dispute Resolution or the
 3-49 alternative dispute resolution system. If the parties do not
 3-50 resolve the conflict through mediation, the decision of the
 3-51 development board not to approve the district's management plan may
 3-52 be appealed to a district court in Travis County. Costs for the
 3-53 appeal shall be set by the court hearing the appeal. An appeal
 3-54 under this subsection is by trial de novo. The commission shall
 3-55 not take enforcement action against a district under Subchapter I
 3-56 until the latest of the expiration of the 180-day period, the date
 3-57 the development board has taken final action withholding approval
 3-58 of a revised management plan, the date the mediation is completed,
 3-59 or the date a final judgment upholding the board's decision is
 3-60 entered by a district court. An enforcement action may not be
 3-61 taken against a district by the commission [~~or the state auditor]~~
 3-62 under Subchapter I because the district's management plan and the
 3-63 approved regional water plan are in conflict while the parties are
 3-64 attempting to resolve the conflict before the development board, in
 3-65 mediation, or in court. Rules of the district continue in full
 3-66 force and effect until all appeals under this subsection have been
 3-67 exhausted and the final judgment is adverse to the district.

3-68 SECTION 10. Section 36.108(d), Water Code, is amended to
 3-69 read as follows:

4-1 (d) Not later than September 1, 2010, and every five years
 4-2 thereafter, the districts shall consider groundwater monitoring
 4-3 data, groundwater availability models, and other data or
 4-4 information for the management area and shall propose for adoption
 4-5 desired future conditions for the relevant aquifers within the
 4-6 management area. Before voting on the proposed desired future
 4-7 conditions of the aquifers under Subsection (d-2), the districts
 4-8 shall consider:

4-9 (1) aquifer uses or conditions within the management
 4-10 area, including conditions that differ substantially from one
 4-11 geographic area to another;

4-12 (2) the water supply needs and water management
 4-13 strategies included in the state water plan;

4-14 (3) hydrological conditions, including for each
 4-15 aquifer in the management area the total estimated recoverable
 4-16 storage as provided by the executive administrator, and the average
 4-17 annual recharge, inflows, and discharge;

4-18 (4) other environmental impacts, including impacts on
 4-19 spring flow and other interactions between groundwater and surface
 4-20 water;

4-21 (5) the impact on subsidence;

4-22 (6) socioeconomic impacts reasonably expected to
 4-23 occur;

4-24 (7) the impact on the interests and rights in private
 4-25 property, including ownership and the rights of management area
 4-26 landowners and their lessees and assigns in groundwater as
 4-27 recognized under Section 36.002;

4-28 (8) the feasibility of achieving the desired future
 4-29 condition and the degree to which any previously adopted desired
 4-30 future condition is being achieved; and

4-31 (9) any other information relevant to the specific
 4-32 desired future conditions.

4-33 SECTION 11. Section 36.113, Water Code, is amended by
 4-34 amending Subsections (c) and (d) and adding Subsection (d-1) to
 4-35 read as follows:

4-36 (c) A district may require that only the following be
 4-37 included in the permit or permit amendment application, as
 4-38 applicable under the rules of the district:

4-39 (1) the name and mailing address of the applicant and
 4-40 the owner of the land on which the well will be located;

4-41 (2) if the applicant is other than the owner of the
 4-42 property, documentation establishing the applicable authority to
 4-43 construct and operate a well for the proposed use;

4-44 (3) a statement of the nature and purpose of the
 4-45 proposed use and the amount of water to be used for each purpose;

4-46 (4) a water conservation plan or a declaration that
 4-47 the applicant will comply with the district's management plan;

4-48 (5) the location of each well and the estimated rate at
 4-49 which water will be withdrawn;

4-50 (6) a water well closure plan or a declaration that the
 4-51 applicant will comply with well plugging guidelines and report
 4-52 closure to the commission; ~~and~~

4-53 (7) a drought contingency plan; and

4-54 (8) other information:

4-55 (A) included in a rule of the district in effect
 4-56 on the date the application is submitted that specifies what
 4-57 information must be included in an application for a determination
 4-58 of administrative completeness; and

4-59 (B) reasonably related to an issue that a
 4-60 district is authorized to consider under this chapter.

4-61 (d) This subsection does not apply to the renewal of an
 4-62 operating permit issued under Section 36.1145. Before granting or
 4-63 denying a permit, or a permit amendment issued in accordance with
 4-64 Section 36.1146, the district shall consider whether:

4-65 (1) the application conforms to the requirements
 4-66 prescribed by this chapter and is accompanied by the prescribed
 4-67 fees;

4-68 (2) the proposed use of water unreasonably affects:

4-69 (A) existing groundwater and surface water

5-1 resources; ~~or~~

5-2 (B) existing permit holders; or

5-3 (C) registered wells that are exempt from the

5-4 requirement to obtain a permit under this chapter or district

5-5 rules;

5-6 (3) the proposed use of water is dedicated to any

5-7 beneficial use;

5-8 (4) the proposed use of water is consistent with the

5-9 district's approved management plan;

5-10 (5) if the well will be located in the Hill Country

5-11 Priority Groundwater Management Area, the proposed use of water

5-12 from the well is wholly or partly to provide water to a pond, lake,

5-13 or reservoir to enhance the appearance of the landscape;

5-14 (6) the applicant has agreed to avoid waste and

5-15 achieve water conservation; and

5-16 (7) the applicant has agreed that reasonable diligence

5-17 will be used to protect groundwater quality and that the applicant

5-18 will follow well plugging guidelines at the time of well closure.

5-19 (d-1) The district's consideration of the effect the

5-20 proposed use of water has on a registered well described by

5-21 Subsection (d)(2)(C) does not affect the registered well's permit

5-22 exemption under this chapter or district rules.

5-23 SECTION 12. Section 36.114(h), Water Code, is amended to

5-24 read as follows:

5-25 (h) An application is administratively complete if it

5-26 contains the ~~application requires~~ information set forth under ~~in~~

5-27 ~~accordance with~~ Sections 36.113 and 36.1131. A district may not

5-28 require that additional information be included in an application

5-29 for a determination of administrative completeness.

5-30 SECTION 13. Subchapter D, Chapter 36, Water Code, is

5-31 amended by adding Section 36.1147 to read as follows:

5-32 Sec. 36.1147. LIMITATION ON APPLICABILITY OF RULES. The

5-33 rules of a district in effect on the date an application for a

5-34 permit or a permit amendment is submitted to the district are the

5-35 only district rules that may govern the district's decision to

5-36 grant or deny the application.

5-37 SECTION 14. The heading to Section 36.122, Water Code, is

5-38 amended to read as follows:

5-39 Sec. 36.122. EXPORT ~~TRANSFER~~ OF GROUNDWATER OUT OF

5-40 DISTRICT.

5-41 SECTION 15. Section 36.122, Water Code, is amended by

5-42 amending Subsections (a), (b), (c), (d), (f), and (k) and adding

5-43 Subsections (f-1) and (f-2) to read as follows:

5-44 (a) This section applies to ~~if~~ an application for a permit

5-45 or an amendment to a permit under Section 36.113 that proposes the

5-46 export ~~transfer~~ of groundwater for use outside of a district's

5-47 boundaries~~, the district may also consider the provisions of this~~

5-48 ~~section in determining whether to grant or deny the permit or permit~~

5-49 ~~amendment~~].

5-50 (b) A district may promulgate rules requiring a person to

5-51 obtain an operating ~~a~~ permit or an amendment to an operating ~~a~~

5-52 permit under Section 36.113 from the district to produce and export

5-53 ~~for the transfer of~~ groundwater. A district may not require a

5-54 separate permit for the export of groundwater for use outside ~~out~~

5-55 of the district ~~to~~.

5-56 ~~[(1) increase, on or after March 2, 1997, the amount of~~

5-57 ~~groundwater to be transferred under a continuing arrangement in~~

5-58 ~~effect before that date, or~~

5-59 ~~[(2) transfer groundwater out of the district on or~~

5-60 ~~after March 2, 1997, under a new arrangement].~~

5-61 (c) Except as provided in Subsection (e) ~~Section~~

5-62 36.113(e), the district may not impose more restrictive permit

5-63 conditions on exporters ~~transporters~~ than the district imposes on

5-64 ~~existing~~ in-district users. A district may not deny a permit

5-65 solely because the applicant intends to export groundwater for use

5-66 outside of the district.

5-67 (d) The district may impose a reasonable fee for processing

5-68 an application under this section. The fee may not exceed fees that

5-69 the district imposes for processing other applications under

6-1 Section 36.113. An application filed under to comply with this
 6-2 section shall be considered and processed under the same procedures
 6-3 as other applications for permits under Section 36.113 ~~[and shall~~
 6-4 ~~be combined with applications filed to obtain a permit for~~
 6-5 ~~in-district water use under Section 36.113 from the same~~
 6-6 ~~applicant]~~.

6-7 (f) In reviewing a proposed transfer of groundwater out of
 6-8 the district, the district shall consider:

6-9 (1) the availability of water in the district ~~[and in~~
 6-10 ~~the proposed receiving area]~~ during the period for which the water
 6-11 supply is requested; and

6-12 (2) the projected effect of the proposed transfer on
 6-13 aquifer conditions, depletion, subsidence, or effects on existing
 6-14 permit holders or other groundwater users within the district~~;~~ and

6-15 ~~[(3) the approved regional water plan and approved~~
 6-16 ~~district management plan].~~

6-17 (f-1) A term for a permit issued under this section that
 6-18 existed on May 29, 2017, shall automatically be extended on or
 6-19 before its expiration:

6-20 (1) to a term that is not shorter than the term of an
 6-21 operating permit for the production of water to be exported that is
 6-22 in effect at the time of the extension; and

6-23 (2) for each additional term for which that operating
 6-24 permit for production is renewed under Section 36.1145 or remains
 6-25 in effect under Section 36.1146.

6-26 (f-2) A term automatically extended under Subsection (f-1)
 6-27 continues to be subject to conditions contained in the permit as
 6-28 issued before the automatic extension.

6-29 (k) ~~A [Notwithstanding the period specified in Subsections~~
 6-30 ~~(i) and (j) during which water may be transferred under a permit, a]~~
 6-31 district may periodically review the amount of water that may be
 6-32 transferred under the permit and may limit the amount if additional
 6-33 factors considered in Subsection (f) warrant the limitation,
 6-34 subject to Subsection (c). The review described by this subsection
 6-35 may take place not more frequently than the period provided for the
 6-36 review or renewal of regular permits issued by the district. In its
 6-37 determination of whether to renew a permit issued under this
 6-38 section, the district shall consider relevant and current data for
 6-39 the conservation of groundwater resources and shall consider the
 6-40 permit in the same manner it would consider any other permit in the
 6-41 district.

6-42 SECTION 16. Section 36.201(b), Water Code, is amended to
 6-43 read as follows:

6-44 (b) The board may annually levy taxes to pay the maintenance
 6-45 and operating expenses of the district at a rate not to exceed 37.5
 6-46 ~~[50]~~ cents on each \$100 of assessed valuation.

6-47 SECTION 17. Section 36.303(a), Water Code, is amended to
 6-48 read as follows:

6-49 (a) If Section 36.301 or ~~[7]~~ 36.3011~~[, or 36.302(f)]~~
 6-50 applies, the commission, after notice and hearing in accordance
 6-51 with Chapter 2001, Government Code, shall take action the
 6-52 commission considers appropriate, including:

6-53 (1) issuing an order requiring the district to take
 6-54 certain actions or to refrain from taking certain actions;

6-55 (2) dissolving the board in accordance with Sections
 6-56 36.305 and 36.307 and calling an election for the purpose of
 6-57 electing a new board;

6-58 (3) requesting the attorney general to bring suit for
 6-59 the appointment of a receiver to collect the assets and carry on the
 6-60 business of the groundwater conservation district; or

6-61 (4) dissolving the district in accordance with
 6-62 Sections 36.304, 36.305, and 36.308.

6-63 SECTION 18. Sections 36.4051(a) and (d), Water Code, are
 6-64 amended to read as follows:

6-65 (a) The board may take action on any uncontested application
 6-66 at a properly noticed public meeting held at any time after the
 6-67 public hearing at which the application is scheduled to be heard.
 6-68 The board may issue a written order to:

6-69 (1) grant the application;

7-1 (2) grant the application with special conditions
 7-2 provided that the applicant agrees to the conditions before the
 7-3 issuance of the order; or

7-4 (3) deny the application.

7-5 (d) An applicant may, not later than the 20th day after the
 7-6 date the board issues an order granting or denying the application,
 7-7 demand a contested case hearing ~~[if the order:~~

7-8 ~~[(1) includes special conditions that were not part of~~
 7-9 ~~the application as finally submitted; or~~

7-10 ~~[(2) grants a maximum amount of groundwater production~~
 7-11 ~~that is less than the amount requested in the application].~~

7-12 SECTION 19. Chapter 36, Water Code, is amended by adding
 7-13 Subchapter M-1 to read as follows:

7-14 SUBCHAPTER M-1. MORATORIUM ON ISSUING PERMIT

7-15 Sec. 36.426. PROCEDURE FOR ADOPTING MORATORIUM. A district
 7-16 may not adopt a moratorium on the issuance of a permit or permit
 7-17 amendment unless the district:

7-18 (1) complies with the notice and hearing procedures
 7-19 prescribed by Section 36.427; and

7-20 (2) makes written findings supporting the district's
 7-21 determination regarding the issuance, including the district's
 7-22 justification for imposing the moratorium, if applicable.

7-23 Sec. 36.427. NOTICE AND PUBLIC HEARING REQUIREMENTS. (a) A
 7-24 district may impose a moratorium on the issuance of a permit or
 7-25 permit amendment only after the district conducts a public hearing
 7-26 as provided by this section. The public hearing must provide
 7-27 residents of the district and other affected parties an opportunity
 7-28 to be heard.

7-29 (b) The district shall publish notice of the date, time, and
 7-30 place of the hearing in a newspaper of general circulation in the
 7-31 district on or before the fourth day before the date of the hearing.

7-32 (c) During the period beginning on the fifth business day
 7-33 after the date a notice is published under Subsection (b) and ending
 7-34 on the date the district makes its determination under Subsection
 7-35 (d), a temporary moratorium is imposed. During that period, a
 7-36 district may stop issuing permits or permit amendments.

7-37 (d) Not later than the 12th day after the date of the public
 7-38 hearing, the district shall make a final determination on whether
 7-39 to impose the moratorium and shall issue written findings
 7-40 supporting the district's determination, including the district's
 7-41 justification for imposing the moratorium, if applicable.

7-42 Sec. 36.428. EXPIRATION OF MORATORIUM; EXTENSION
 7-43 PROHIBITED. A moratorium imposed under this subchapter expires on
 7-44 the 90th day after the date the district makes its determination
 7-45 under Section 36.427(d) to impose the moratorium. The district may
 7-46 not extend a moratorium imposed under this subchapter.

7-47 SECTION 20. Section 8824.101, Special District Local Laws
 7-48 Code, is amended to read as follows:

7-49 Sec. 8824.101. RESTRICTIONS ON GENERAL POWERS. Section
 7-50 [Sections] 36.103 [and 36.104], Water Code, does [do] not apply to
 7-51 the district.

7-52 SECTION 21. Section 8833.102, Special District Local Laws
 7-53 Code, is amended to read as follows:

7-54 Sec. 8833.102. LIMITATIONS ON DISTRICT POWERS. The
 7-55 district may not impose:

7-56 (1) a tax; ~~[or]~~

7-57 (2) a fee on a well used exclusively for domestic or
 7-58 livestock watering purposes; or

7-59 (3) production fees for an annual period greater than
 7-60 \$1 per acre-foot for water used for agricultural use or 17 cents per
 7-61 thousand gallons for water used for any other purpose.

7-62 SECTION 22. Section 11, Chapter 1321, Acts of the 77th
 7-63 Legislature, Regular Session, 2001, is amended by adding Subsection
 7-64 (b-1) to read as follows:

7-65 (b-1) The district may not assess production fees for an
 7-66 annual period greater than \$1 per acre-foot for water used for
 7-67 agricultural use or 17 cents per thousand gallons for water used for
 7-68 any other purpose.

7-69 SECTION 23. The following provisions of the Water Code are

- 8-1 repealed:
- 8-2 (1) Section 36.001(31), as added by Chapter 415 (H.B.
- 8-3 2767), Acts of the 84th Legislature, Regular Session, 2015;
- 8-4 (2) Section 36.104;
- 8-5 (3) Section 36.1072(g);
- 8-6 (4) Section 36.108(d-5);
- 8-7 (5) Sections 36.122(i), (j), (l), (m), (n), (p), and
- 8-8 (q);
- 8-9 (6) Section 36.205(d); and
- 8-10 (7) Section 36.302.

8-11 SECTION 24. A moratorium on the issuance of a permit or
 8-12 permit amendment that is adopted by a groundwater conservation
 8-13 district before September 1, 2017, may not continue in effect after
 8-14 November 30, 2017.

8-15 SECTION 25. (a) A permit to export groundwater approved by
 8-16 a groundwater conservation district before the effective date of
 8-17 this Act is validated and confirmed in all respects. This
 8-18 subsection does not apply to a permit to export groundwater that is
 8-19 subject to litigation:

- 8-20 (1) that is pending on the effective date of this Act;
- 8-21 or
- 8-22 (2) that results in final judgment that may not be
- 8-23 appealed that the permit is invalid.

8-24 (b) An administratively complete permit application to
 8-25 export groundwater received by a groundwater conservation district
 8-26 before the effective date of this Act is governed by the law in
 8-27 effect when the application became administratively complete. The
 8-28 former law is continued for the purpose of processing an
 8-29 application received before the effective date of this Act.

8-30 (c) Except as provided by Subsection (b) of this section,
 8-31 the changes in law made by this Act apply only to an application for
 8-32 a permit or a permit amendment that is received by a groundwater
 8-33 conservation district on or after the effective date of this Act.
 8-34 An application for a permit or permit amendment that is received
 8-35 before the effective date of this Act is governed by the law in
 8-36 effect on the date the application is received, and that law is
 8-37 continued in effect for that purpose.

8-38 SECTION 26. To the extent of any conflict, this Act prevails
 8-39 over another Act of the 85th Legislature, Regular Session, 2017,
 8-40 relating to changes to Chapter 36, Water Code, or nonsubstantive
 8-41 additions to and corrections in enacted codes.

8-42 SECTION 27. This Act takes effect September 1, 2017.

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