

1-1 By: Workman (Senate Sponsor - Buckingham) H.B. No. 922  
 1-2 (In the Senate - Received from the House May 1, 2017;  
 1-3 May 4, 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 2; May 19, 2017, sent to printer.)

1-7 COMMITTEE VOTE

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

1-16 COMMITTEE SUBSTITUTE FOR H.B. No. 922 By: Perry

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

1-19 relating to the creation of the Southwestern Travis County  
 1-20 Groundwater Conservation District; providing authority to issue  
 1-21 bonds; providing authority to impose fees.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. The legislature finds that:

1-24 (1) creation of the Southwestern Travis County  
 1-25 Groundwater Conservation District:

1-26 (A) is consistent with the state's preferred  
 1-27 method of groundwater management;

1-28 (B) will protect property rights, balance the  
 1-29 development and conservation of groundwater with the needs of this  
 1-30 state, and use the best available science in the area of groundwater  
 1-31 through rules developed, adopted, and promulgated by the district  
 1-32 in accordance with the provisions of Chapter 8871, Special District  
 1-33 Local Laws Code, as added by this Act; and

1-34 (C) will be a benefit to the land in the district  
 1-35 and a public benefit and utility;

1-36 (2) the district is created to:

1-37 (A) protect the interests of private property  
 1-38 ownership while balancing the interests of all property owners in  
 1-39 the district;

1-40 (B) manage groundwater resources; and

1-41 (C) protect the groundwater in the district;

1-42 (3) although a property owner of land in the district  
 1-43 is not entitled to an equal amount of water as another property  
 1-44 owner of land in the district, a property owner does have a vested  
 1-45 ownership interest in the groundwater beneath the owner's property,  
 1-46 and the district shall recognize that ownership interest; and

1-47 (4) the Southwestern Travis County Groundwater  
 1-48 Conservation District is not created to prohibit or restrict  
 1-49 development of private property in the district.

1-50 SECTION 2. Subtitle H, Title 6, Special District Local Laws  
 1-51 Code, is amended by adding Chapter 8871 to read as follows:

1-52 CHAPTER 8871. SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION

1-53 DISTRICT

1-54 SUBCHAPTER A. GENERAL PROVISIONS

1-55 Sec. 8871.001. DEFINITIONS. In this chapter:

1-56 (1) "Board" means the district's board of directors.

1-57 (2) "Commission" means the Texas Commission on  
 1-58 Environmental Quality.

1-59 (3) "Director" means a board member.

1-60 (4) "District" means the Southwestern Travis County

2-1 Groundwater Conservation District.

2-2 Sec. 8871.002. NATURE OF DISTRICT. The district is a  
 2-3 groundwater conservation district in Travis County created under  
 2-4 and essential to accomplish the purposes of Section 59, Article  
 2-5 XVI, Texas Constitution.

2-6 Sec. 8871.003. FINDINGS OF PUBLIC USE AND BENEFIT. (a) The  
 2-7 district is created to serve a public use and benefit.

2-8 (b) All land and other property included in the district  
 2-9 will benefit from the works and projects accomplished by the  
 2-10 district under the powers conferred by Section 59, Article XVI,  
 2-11 Texas Constitution.

2-12 Sec. 8871.004. INITIAL DISTRICT TERRITORY. (a) The  
 2-13 district is initially composed of the territory described by  
 2-14 Section 3 of the Act enacting this chapter.

2-15 (b) The boundaries and field notes contained in Section 3 of  
 2-16 the Act enacting this chapter form a closure. A mistake made in the  
 2-17 field notes or in copying the field notes in the legislative process  
 2-18 does not affect the district's:

2-19 (1) organization, existence, or validity;

2-20 (2) right to issue any type of bond for the purposes  
 2-21 for which the district is created or to pay the principal of and  
 2-22 interest on a bond; or

2-23 (3) legality or operation.

2-24 Sec. 8871.005. CONFIRMATION ELECTION NOT REQUIRED. An  
 2-25 election to confirm the creation of the district is not required.

2-26 SUBCHAPTER B. TEMPORARY AND INITIAL DIRECTORS

2-27 Sec. 8871.021. APPOINTMENT OF TEMPORARY DIRECTORS;  
 2-28 VACANCIES; TERMS. (a) Seven persons who reside in the district  
 2-29 shall be appointed as temporary directors not later than the 90th  
 2-30 day after the effective date of the Act creating this chapter as  
 2-31 follows:

2-32 (1) the county judge of Travis County shall appoint  
 2-33 one temporary director;

2-34 (2) the county commissioner for the county  
 2-35 commissioners precinct in which the district is principally located  
 2-36 shall appoint two temporary directors;

2-37 (3) the state representative who represents the house  
 2-38 district in which the district is principally located shall appoint  
 2-39 two temporary directors; and

2-40 (4) the state senator who represents the senate  
 2-41 district in which the district is principally located shall appoint  
 2-42 two temporary directors.

2-43 (b) If a temporary director fails to qualify for office or a  
 2-44 vacancy occurs on the temporary board, the remaining temporary  
 2-45 directors shall appoint a person to fill the vacancy. If at any  
 2-46 time there are fewer than four temporary directors, the state  
 2-47 representative under Subsection (a)(3) shall appoint the necessary  
 2-48 number of persons to fill all vacancies on the board.

2-49 (c) Temporary directors serve until the date initial  
 2-50 directors are elected at an election held under Section 8871.024.

2-51 Sec. 8871.022. ORGANIZATIONAL MEETING. (a) Not later than  
 2-52 the 45th day after the date on which the seventh temporary director  
 2-53 is appointed under Section 8871.021, the temporary directors shall  
 2-54 hold the organizational meeting of the district.

2-55 (b) The temporary directors shall select from among  
 2-56 themselves a president, a vice president, and a secretary.

2-57 Sec. 8871.023. AUTHORITY OF TEMPORARY DIRECTORS. (a)  
 2-58 Except as provided by Subsections (c) and (d) or as otherwise  
 2-59 provided by this subchapter, the temporary directors of the  
 2-60 district have the same permitting and general management powers as  
 2-61 those provided for initial and permanent directors under this  
 2-62 chapter and Chapter 36, Water Code.

2-63 (b) The temporary directors or their designees have the  
 2-64 authority to enter any public or private property located in the  
 2-65 district to inspect a water well that is not exempt under Section  
 2-66 8871.103, as provided by Section 36.123, Water Code.

2-67 (c) Except as provided by Section 8871.024, the temporary  
 2-68 directors do not have the authority granted by the following  
 2-69 provisions of Chapter 36, Water Code:

3-1 (1) Sections 36.017, 36.019, 36.020, and 36.059;

3-2 (2) Sections 36.105, 36.1071, 36.1072, 36.1073, and

3-3 36.108;

3-4 (3) Sections 36.171-36.181;

3-5 (4) Sections 36.201-36.204; and

3-6 (5) Subchapters J and K.

3-7 (d) The temporary directors may regulate the transfer of

3-8 groundwater out of the district as provided by Section 36.122,

3-9 Water Code, but may not prohibit the transfer of groundwater out of

3-10 the district.

3-11 Sec. 8871.024. INITIAL DIRECTORS' ELECTION. (a) The

3-12 temporary directors shall order an election in the district to be

3-13 held not later than the uniform election date in May 2018 to elect

3-14 the initial directors.

3-15 (b) At the initial directors' election, the temporary board

3-16 shall have placed on the ballot the names of the candidates who are

3-17 eligible under Section 8871.051 for each of the seven positions on

3-18 the board.

3-19 (c) Section 41.001(a), Election Code, applies to an

3-20 election held under this section.

3-21 (d) Except as provided by this section, the initial

3-22 directors' election must be conducted as provided by the Election

3-23 Code and Sections 36.017(b), (c), and (e), Water Code.

3-24 Sec. 8871.025. INITIAL DIRECTORS. (a) Promptly after the

3-25 election has been held under Section 8871.024 and the votes have

3-26 been canvassed, the temporary directors shall:

3-27 (1) declare for each board position the person who

3-28 receives the most votes for that position to be elected as the

3-29 initial director for that position; and

3-30 (2) include the results of the initial directors'

3-31 election in the district's election report to the commission.

3-32 (b) The initial directors shall draw lots to determine which

3-33 three initial directors serve two-year terms and which four initial

3-34 directors serve four-year terms.

3-35 SUBCHAPTER C. BOARD OF DIRECTORS

3-36 Sec. 8871.051. GOVERNING BODY; TERMS. (a) The district is

3-37 governed by a board of seven directors.

3-38 (b) Directors elected after the election held under Section

3-39 8871.024 serve four-year terms.

3-40 (c) The directors are elected as follows:

3-41 (1) one director must reside in the corporate limits

3-42 of the City of Bee Cave and be elected by voters residing in the City

3-43 of Bee Cave;

3-44 (2) one director must reside in the corporate limits

3-45 of the City of Lakeway or Village of the Hills and be elected by

3-46 voters residing in the City of Lakeway and Village of the Hills;

3-47 (3) one director must reside in the corporate limits

3-48 of the City of West Lake Hills and be elected by voters residing in

3-49 the City of West Lake Hills; and

3-50 (4) four directors must:

3-51 (A) reside inside the district and outside the

3-52 corporate limits of the City of Bee Cave, City of Lakeway, Village

3-53 of the Hills, and City of West Lake Hills;

3-54 (B) be elected by voters residing inside the

3-55 district and outside the corporate limits of the City of Bee Cave,

3-56 City of Lakeway, Village of the Hills, and City of West Lake Hills;

3-57 and

3-58 (C) each use groundwater as a source of water

3-59 supply for one or more beneficial uses at their respective

3-60 residences.

3-61 SUBCHAPTER D. POWERS AND DUTIES

3-62 Sec. 8871.101. GROUNDWATER CONSERVATION DISTRICT POWERS

3-63 AND DUTIES. Except as otherwise provided by this chapter, the

3-64 district has the powers and duties provided by the general law of

3-65 this state, including Chapter 36, Water Code, applicable to

3-66 groundwater conservation districts created under Section 59,

3-67 Article XVI, Texas Constitution.

3-68 Sec. 8871.102. AQUIFER STORAGE AND RECOVERY PROJECTS. The

3-69 district may implement and develop aquifer storage and recovery

4-1 projects in accordance with:  
4-2 (1) Chapters 27 and 36, Water Code; and  
4-3 (2) commission rules and guidance.  
4-4 Sec. 8871.103. EXEMPT WELLS. (a) Groundwater withdrawals  
4-5 from the following wells may not be regulated, permitted, or  
4-6 metered by the district:  
4-7 (1) a well used for domestic use by a single private  
4-8 residential household and incapable of producing more than 10,000  
4-9 gallons per day; and  
4-10 (2) a well used solely for domestic use or for  
4-11 providing water for livestock or poultry if the well is:  
4-12 (A) located or to be located on a tract of land  
4-13 larger than 10 acres; and  
4-14 (B) drilled, completed, or equipped so that it is  
4-15 incapable of producing more than 25,000 gallons of groundwater a  
4-16 day.  
4-17 (b) The district may not charge or collect a well  
4-18 construction fee for a well described by Subsection (a)(2).  
4-19 (c) A well used for dewatering and monitoring in the  
4-20 production of coal or lignite is exempt from permit requirements,  
4-21 regulations, and fees imposed by the district.  
4-22 Sec. 8871.104. PERMIT REQUIRED. A well owner must obtain a  
4-23 permit and pay any required fees, including a well construction  
4-24 fee, before using any groundwater withdrawn from a well for  
4-25 purposes other than those exempted by Section 8871.103.  
4-26 Sec. 8871.105. ACCESS TO PROPERTY. (a) Subject to  
4-27 Subsection (b), an employee or agent of the district is entitled to  
4-28 enter public or private property in the district at any reasonable  
4-29 time to:  
4-30 (1) inspect an exempt well;  
4-31 (2) inspect and investigate conditions relating to the  
4-32 quality of water in the state; and  
4-33 (3) monitor compliance with any rule, regulation,  
4-34 permit, or other order of the district.  
4-35 (b) An employee or agent of the district must obtain the  
4-36 permission of the property owner before entering public or private  
4-37 property.  
4-38 (c) If any employee or agent of the district is refused the  
4-39 right to enter public or private property in the district under this  
4-40 section, the district may seek a court order from a district court  
4-41 authorizing the district to enter the land.  
4-42 (d) An employee or agent who enters private property under  
4-43 this section shall:  
4-44 (1) observe the property's rules and regulations, if  
4-45 any, concerning safety, internal security, and fire protection;  
4-46 (2) notify management or a person in charge of the  
4-47 presence of the employee or agent; and  
4-48 (3) exhibit proper credentials.  
4-49 Sec. 8871.106. NO EMINENT DOMAIN POWER. The district may  
4-50 not exercise the power of eminent domain.  
4-51 SUBCHAPTER E. FINANCIAL PROVISIONS  
4-52 Sec. 8871.151. WELL CONSTRUCTION FEE. The district may  
4-53 charge and collect a new well construction fee not to exceed \$1,000  
4-54 for a new well.  
4-55 Sec. 8871.152. PERMIT RENEWAL APPLICATION FEE. The  
4-56 district may charge and collect a permit renewal application fee  
4-57 not to exceed \$400.  
4-58 Sec. 8871.153. SERVICE CONNECTION FEE. (a) This section  
4-59 does not apply to a water utility that has surface water as its sole  
4-60 source of water.  
4-61 (b) The district may levy and collect a water utility  
4-62 service connection fee not to exceed \$1,000 for each new water  
4-63 service connection made after September 1, 2017.  
4-64 Sec. 8871.154. PRODUCTION FEE. The district may impose  
4-65 reasonable production fees on each well that is not exempt from  
4-66 permitting under Section 8871.103 based on the amount of water  
4-67 actually withdrawn from the well. The district may not impose a  
4-68 production fee under this section in an amount greater than 20 cents  
4-69 per thousand gallons.

5-1 Sec. 8871.155. ADMINISTRATIVE MANAGEMENT FEE. The district  
5-2 may set a reasonable fee for administrative management on a per well  
5-3 basis. The district may set a fee for administrative management on  
5-4 a well that is exempt from permitting in an amount not greater than  
5-5 \$40 per well, per year.

5-6 Sec. 8871.156. CERTAIN FEES PROHIBITED. The district may  
5-7 not charge a fee under Section 36.205(b), (c), or (f), Water Code.

5-8 Sec. 8871.157. LIMITATION ON AUTHORITY TO IMPOSE TAXES.  
5-9 The district does not have the authority granted by Sections 36.020  
5-10 and 36.201-36.204, Water Code, relating to taxes.

5-11 SECTION 3. The Southwestern Travis County Groundwater  
5-12 Conservation District initially includes all the territory  
5-13 contained in the following area:

5-14 THE TERRITORY OF THE SOUTHWEST TRAVIS COUNTY PORTION OF THE  
5-15 HILL COUNTRY PRIORITY GROUNDWATER MANAGEMENT AREA - AS DESCRIBED BY  
5-16 2010 TCEQ REPORT; "The southwestern Travis territory is located in  
5-17 the southwestern quarter of Travis County. The southwestern Travis  
5-18 territory is bound to the west by Blanco and Burnet counties,  
5-19 southwest by Hays County, and southeast by the northwestern  
5-20 boundary of the Barton Springs/Edwards Aquifer Conservation  
5-21 District (BS/EACD). The northern boundary of the southwestern  
5-22 Travis territory is the Colorado River (Lake Travis, Lake Austin,  
5-23 and Lady Bird Lake)."

5-24 SECTION 4. (a) The legal notice of the intention to  
5-25 introduce this Act, setting forth the general substance of this  
5-26 Act, has been published as provided by law, and the notice and a  
5-27 copy of this Act have been furnished to all persons, agencies,  
5-28 officials, or entities to which they are required to be furnished  
5-29 under Section 59, Article XVI, Texas Constitution, and Chapter 313,  
5-30 Government Code.

5-31 (b) The governor, one of the required recipients, has  
5-32 submitted the notice and Act to the Texas Commission on  
5-33 Environmental Quality.

5-34 (c) The Texas Commission on Environmental Quality has filed  
5-35 its recommendations relating to this Act with the governor, the  
5-36 lieutenant governor, and the speaker of the house of  
5-37 representatives within the required time.

5-38 (d) All requirements of the constitution and laws of this  
5-39 state and the rules and procedures of the legislature with respect  
5-40 to the notice, introduction, and passage of this Act are fulfilled  
5-41 and accomplished.

5-42 SECTION 5. This Act takes effect September 1, 2017.

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