By: Lucio III H.B. No. 1248

Substitute the following for H.B. No. 1248:

By: Larson C.S.H.B. No. 1248

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the renewal or amendment of certain permits issued by
- 3 groundwater conservation districts.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 36.001, Water Code, is amended by adding
- 6 Subdivision (31) to read as follows:
- 7 (31) "Operating permit" means any permit issued by the
- 8 district for the operation of or production from a well, including a
- 9 permit to drill or complete a well if the district does not require
- 10 a separate permit for the drilling or completion of a well.
- SECTION 2. Sections 36.113(d) and (f), Water Code, are
- 12 amended to read as follows:
- 13 (d) This subsection does not apply to the renewal of an
- 14 operating permit issued under Section 36.1145. Before granting or
- 15 denying a permit, or a permit amendment issued in accordance with
- 16 Section 36.1146, the district shall consider whether:
- 17 (1) the application conforms to the requirements
- 18 prescribed by this chapter and is accompanied by the prescribed
- 19 fees;
- 20 (2) the proposed use of water unreasonably affects
- 21 existing groundwater and surface water resources or existing permit
- 22 holders;
- 23 (3) the proposed use of water is dedicated to any
- 24 beneficial use;

C.S.H.B. No. 1248

- 1 (4) the proposed use of water is consistent with the
- 2 district's approved management plan;
- 3 (5) if the well will be located in the Hill Country
- 4 Priority Groundwater Management Area, the proposed use of water
- 5 from the well is wholly or partly to provide water to a pond, lake,
- 6 or reservoir to enhance the appearance of the landscape;
- 7 (6) the applicant has agreed to avoid waste and
- 8 achieve water conservation; and
- 9 (7) the applicant has agreed that reasonable diligence
- 10 will be used to protect groundwater quality and that the applicant
- 11 will follow well plugging guidelines at the time of well closure.
- 12 (f) This subsection does not apply to the renewal of an
- operating permit issued under Section 36.1145. Permits, and permit
- 14 amendments <u>issued in accordance with Section 36.1146</u>, may be issued
- 15 subject to the rules promulgated by the district and subject to
- 16 terms and provisions with reference to the drilling, equipping,
- 17 completion, alteration, or operation of, or production of
- 18 groundwater from, wells or pumps that may be necessary to prevent
- 19 waste and achieve water conservation, minimize as far as
- 20 practicable the drawdown of the water table or the reduction of
- 21 artesian pressure, lessen interference between wells, or control
- 22 and prevent subsidence.
- SECTION 3. Sections 36.114(b) and (c), Water Code, are
- 24 amended to read as follows:
- 25 (b) For each activity for which the district determines a
- 26 permit or permit amendment is required under Subsection (a), and
- 27 that is not exempt from a hearing requirement under Section

- 1 36.1145, the district by rule shall determine whether a hearing on
- 2 the permit or permit amendment application is required.
- 3 (c) For all applications for which a hearing is not required
- 4 under Subsection (b) or Section 36.1145, the board shall act on the
- 5 application at a meeting, as defined by Section 551.001, Government
- 6 Code, unless the board by rule has delegated to the general manager
- 7 the authority to act on the application.
- 8 SECTION 4. Subchapter D, Chapter 36, Water Code, is amended
- 9 by adding Sections 36.1145 and 36.1146 to read as follows:
- Sec. 36.1145. OPERATING PERMIT RENEWAL. (a) Except as
- 11 provided by Subsection (b), a district shall without a hearing
- 12 renew or approve an application to renew an operating permit before
- 13 the date on which the permit expires, provided that:
- 14 (1) the application, if required by the district, is
- 15 submitted in a timely manner and accompanied by any required fees in
- 16 <u>accordance with district rules; and</u>
- 17 (2) the permit holder is not requesting a change
- 18 related to the renewal that would require a permit amendment under
- 19 district rules.
- 20 (b) A district is not required to renew a permit under this
- 21 section if the applicant:
- (1) is delinquent in paying a fee required by the
- 23 <u>district;</u>
- 24 (2) is subject to a pending enforcement action for a
- 25 <u>substantive violation of a district permit, order, or rule that has</u>
- 26 not been settled by agreement with the district or a final
- 27 <u>adjudication; or</u>

- 1 (3) has not paid a civil penalty or has otherwise
- 2 failed to comply with an order resulting from a final adjudication
- 3 of a violation of a district permit, order, or rule.
- 4 (c) If a district is not required to renew a permit under
- 5 Subsection (b)(2), the permit remains in effect until the final
- 6 settlement or adjudication on the matter of the substantive
- 7 <u>violation</u>.
- 8 Sec. 36.1146. CHANGE IN OPERATING PERMITS. (a) If the
- 9 holder of an operating permit, in connection with the renewal of a
- 10 permit or otherwise, requests a change that requires an amendment
- 11 to the permit under district rules, the permit as it existed before
- 12 the permit amendment process remains in effect until the later of:
- 13 (1) the conclusion of the permit amendment or renewal
- 14 process, as applicable; or
- 15 (2) final settlement or adjudication on the matter of
- 16 whether the change to the permit requires a permit amendment.
- 17 (b) If the permit amendment process results in the denial of
- 18 an amendment, the permit as it existed before the permit amendment
- 19 process shall be renewed under Section 36.1145 without penalty,
- 20 unless Subsection (b) of that section applies to the applicant.
- 21 <u>(c) A district may initiate an amendment to an operating</u>
- 22 permit, in connection with the renewal of a permit or otherwise, in
- 23 accordance with the district's rules. If a district initiates an
- 24 amendment to an operating permit, the permit as it existed before
- 25 the permit amendment process shall remain in effect until the
- 26 conclusion of the permit amendment or renewal process, as
- 27 applicable.

- C.S.H.B. No. 1248
- 1 SECTION 5. Section 36.402, Water Code, is amended to read as
- 2 follows:
- 3 Sec. 36.402. APPLICABILITY. Except as provided by Section
- 4 36.416, this subchapter applies to the notice and hearing process
- 5 used by a district for permit and permit amendment applications for
- 6 which a hearing is required.
- 7 SECTION 6. As soon as practicable after the effective date
- 8 of this Act, groundwater conservation districts shall adopt rules
- 9 to implement the changes in law made by this Act.
- 10 SECTION 7. Sections 36.1145 and 36.1146, Water Code, as
- 11 added by this Act, apply only to a permit renewal for a permit
- 12 issued by a groundwater conservation district initiated on or after
- 13 the effective date of this Act. A permit renewal initiated before
- 14 that date is governed by the law in effect on the date the permit
- 15 renewal was initiated, and the former law is continued in effect for
- 16 that purpose.
- 17 SECTION 8. This Act takes effect September 1, 2015.