

BILL ANALYSIS

H.B. 3858
By: Stephenson
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties note that current law generally prescribes certain groundwater conservation district export fees but further observe that the enabling legislation of certain districts provides for higher export fees, including certain groundwater conservation districts and subsidence districts in the Houston area that have fee caps based on the water rates charged by the City of Houston. The parties contend that other districts in the region that do not have these higher fee caps, such as the Coastal Bend Groundwater Conservation District, are at a competitive disadvantage to the districts that do have such caps. The parties assert that districts in the same region should have the same fee caps to ensure the districts are all on equal footing as the demand for new water supplies continues to grow. H.B. 3858 seeks to address this issue.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3858 amends the Special District Local Laws Code to add as a purpose for the Coastal Bend Groundwater Conservation District's imposition of taxes, assessment of fees, and solicitation and acceptance of grants the accomplishment of the district's regulatory goals. The bill changes the production fees the district may assess from general production fees to production fees as authorized by certain Water Code provisions governing groundwater conservation districts. The bill caps the district's export fee at 150 percent of the maximum wholesale water rate charged by the City of Houston and authorizes the district to assess other fees authorized by Water Code provisions governing groundwater conservation districts.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.