

BILL ANALYSIS

C.S.H.B. 4618
By: Zwiener
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The Hays Trinity Groundwater Conservation District exists to protect water wells and groundwater within western Hays County, but population growth in the area is starting to strain permitted water use and the district. The district's enabling legislation provides limited funding mechanisms, restricting the district's ability to raise revenue that is needed to manage the groundwater for the area's growing population. C.S.H.B. 4618 seeks to address this issue by providing for the district's water utility service connection fees to be based on meter size in order to raise revenue that will allow the district to ensure efficient and sustainable groundwater use within the area.

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

C.S.H.B. 4618 amends the Special District Local Laws Code to change the terms of the directors of the Hays Trinity Groundwater Conservation District who are elected at the first election after the revision of the district's single-member districts, as those terms are determined by the drawing of lots, from two directors serving one-year terms and three directors serving two-year terms to two directors serving two-year terms and three directors serving four-year terms.

C.S.H.B. 4618 removes the authorization for the district to levy and collect a water utility service connection fee capped at \$1,000 for each new water service connection made after September 1, 2013. The bill replaces that authorization with an authorization for the district to assess a water utility service connection fee for each new water service connection made after September 1, 2021, only in accordance with a schedule set out by the bill that provides for a range of maximum fees from \$1,000 to \$12,500 based on meter size.

C.S.H.B. 4618 repeals Section 8843.055, Special District Local Laws Code, which requires the Hays County Commissioners Court to appoint a director to serve the remainder of the term of a vacant position on the district's board of directors.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 4618 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include revisions made by the original to provisions relating to exempt wells.

The substitute differs from the original with regard to water utility service connection fees and the bill's schedule of maximum fees as follows:

- the substitute provides for lower maximum fees than the original, except for the meter size of five-eighths of an inch, which is the same in both the original and substitute;
- the largest meter size in the substitute's schedule is four inches or larger, whereas the original's schedule just specifies a largest meter size of four inches;
- the original provides for a multiplier value, which the substitute does not include;
- the substitute does not include a provision included in the original capping the fee for a meter size smaller than five-eighths of an inch at \$1,000; and
- the substitute applies the schedule only to a new water service connection made after September 1, 2021, whereas the original does not make this applicability specification.

The substitute does not include a removal included in the original of a prohibition against the district assessing or collecting any fees except as authorized by specified provisions.

The substitute does not include provisions included in the original that do the following:

- authorize the district to assess production fees;
- prohibit the district from assessing production fees for water used for agricultural use; and
- prohibit the district from charging for an annual period a production fee greater than 25 cents per 1,000 gallons authorized to be withdrawn under a permit issued by the district.

The substitute does not include repeals included in the original of provisions that do the following:

- prohibit the district from adopting standards for the construction of a residential well that are more stringent than state standards for a residential well; and
- require an election held by the district, other than a directors' election, to be scheduled to coincide with a general election in May or November.