

- SUBJECT:** Changing governance and abilities of a Jeff Davis County water district
- COMMITTEE:** Special Purpose Districts — favorable, without amendment
- VOTE:** 7 ayes — Murphy, Perez, Bell, Cortez, Cospers, Lang, Schubert  
0 nays
- SENATE VOTE:** On final passage, April 19 —30-1 (V. Taylor), on Local and Uncontested Calendar
- WITNESSES:** *On House companion bill, HB 3126:*  
For — Janet Adams, Jeff Davis County Underground Water Conservation District  
  
Against — (*Registered, but did not testify:* Jim Baxa)
- BACKGROUND:** The Jeff Davis County Underground Water Conservation District was created in 1993 to serve a public use and benefit. The boundaries of the district are coextensive with the county. The district is governed by a five-member board of directors who are appointed by the commissioners court. The district does not have the authority to levy or collect taxes.
- The enabling legislation of the Jeff Davis County Underground Water Conservation District is contained in session code in ch. 641, Acts of the 73rd Legislature.
- Water Code, ch. 36 governs groundwater conservation districts (GCDs). Sec. 36.205 allows a GCD to set fees for administrative acts of the district, such as filing applications. A district also may assess production fees based on the amount of water permitted to be withdrawn from a well. Production fees may not exceed \$1 per acre-foot of water used for agricultural purposes or \$10 per acre-foot of water used for any other purpose.
- One acre-foot of water is equal to 325,851 gallons.

**DIGEST:** SB 964 would repeal the enabling legislation of the Jeff Davis County Underground Water Conservation District (ch. 641, Acts of the 73rd Legislature) and add Special District Local Laws Code, ch. 8891 to govern the district. The bill also would specify that the district had the rights, functions, and duties applicable to a groundwater conservation district under Water Code, ch. 36.

The bill would allow the district to issue a production fee of up to 17 cents per 1,000 gallons for water used for any purpose other than agricultural purposes.

SB 964 would specify that the legal notice of the intention to introduce the bill was furnished to all required persons, agencies, officials, or entities.

The bill would take effect September 1, 2017.

**SUPPORTERS SAY:** SB 964 would resolve statutory conflicts related to the Jeff Davis County Underground Water Conservation District's governing authority by bringing the district under the governance of Water Code, ch. 36. Currently, there is confusion as to whether the district should follow ch. 36 or ch. 49, governing all general law districts under the Water Code, which wastes valuable time and resources.

While the bill would give the water district the authority to raise production fees, the district does not plan to use that authority at this time.

**OPPONENTS SAY:** SB 964 would increase the government impact of the Jeff Davis Underground Water Conservation District by allowing the district to increase burdensome fees. Water district regulation of the water underneath a person's property is a violation of property rights, and this bill could further the reach of this district.

**NOTES:** A companion bill, HB 3126 by Nevárez, was reported favorably by the House Committee on Special Purpose Districts on April 20.