## BILL ANALYSIS

Senate Research Center 80R2914 TAD-F H.B. 891 By: Hilderbran (Fraser) Natural Resources 5/7/2007 Engrossed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 1998, the Texas Natural Resource Conservation Commission (TNRCC), now the Texas Commission on Environmental Quality (TCEQ), granted Permit No. 5394A to the Upper Guadalupe River Authority (UGRA) with several special conditions, including a cancellation provision. The cancellation provision, Special Condition No. 5E, requires that UGRA submit to TCEQ a document requesting voluntary cancellation of any portion of the water right in the permit that is not included in a binding take-or-pay contract by December 31, 2010. At the time the permit was granted, TNRCC did not consider it necessary to provide for surface water in Kerr County. However, recent growth and severe groundwater declines now necessitate using the surface water permit conjunctively with groundwater to provide municipal water supply to the county. Additionally, Special Condition No. 5E is not consistent with the state's water rights cancellation statutes.

H.B. 891 voids Special Condition No. 5E, Permit No. 5394A.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to any state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Provides that Special Condition No. 5E, Permit No. 5394A, which was issued to the Upper Guadalupe River Authority by the Texas Natural Resource Conservation Commission, the predecessor agency to the Texas Commission on Environmental Quality, is void.

SECTION 2. Effective date: upon passage or September 1, 2007.