



LEGISLATIVE UPDATE

North Central Texas Chapter
Texas AWWA

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Overview of 84th Regular Session

- Tax Relief – Franchise / Sales / Property Taxes
- Open Carry / Campus Carry
- Border Security
- Transportation – Proposition No. 7
- Government Transparency
- New faces;
 - **Senate** – 9 Freshmen / 5 Sophomores
 - **House** – 25 Freshmen / 19 Sophomores
- New leadership – Governor, Lt. Governor, & Committee Chairs

House Bill 23 (Davis) – Local Government Conflict Disclosure Requirements

- Bill expands the definition of “local government entity” to include a water district created under Chapter 49 of the Water Code.
- Reduces the trigger amount under which a local government officer must file a conflicts disclosure statement from \$250 to **\$100**.
- Eliminates several of the “guest exceptions” of the disclosure requirements:
 - No longer can count expenses on lodging, transportation, or entertainment accepted as a guest as exceptions to the reporting requirements.
 - Dining is the only “as a guest” exception that remains – e.g. you can still be taken to dinner as a guest without having the amount spent at dinner added towards the \$100 conflicts disclosure threshold.

House Bill 685 (Sheets) – Referral to Website

- States that a political subdivision (i.e. a water district) complies with requests under the Public Information Act if it refers a requestor to a website maintained by the political subdivision and accessible to the public if the requested information is identifiable and readily available on that website.

House Bill 910 (Phillips) – Open Carry

- Bill amends Texas statute to create a single “license to carry a handgun” – can be carried either concealed or openly.
- The rules related to where and when a license holder may openly carry are essentially identical to where and when a concealed handgun license holder can carry under current law.
- Specifically-listed public property where licensed open carry is statutorily forbidden is identical to provisions for same related to concealed carry, (e.g. on the property of an “institution of higher education,” on the premises of a polling place on the day of an election or while early voting is in progress, or on the premises of any government court or offices utilized by the court).
- If the license holder is given written notice pursuant to Penal Code Section 30.06 and/or 30.07 that carrying is prohibited, cannot carry into any meeting of a governmental entity that is subject to the Open Meetings Act.
- The language for the required sign to provide notice that concealed carrying is not allowed has been changed, which means any old “30.06” signs must be replaced, and new “30.07” signs related to open carry must be added, if desired.

House Bill 1378 (Flynn) – Annual Financial Reporting

- This bill Requires political subdivisions to prepare an annual financial report that includes financial information for each fund and debt obligation.
 - Debt obligation information (i.e. principal and interest on outstanding debt amounts), credit rating, and any other information relevant or necessary to explain the values of any of the financial information provided.
- The political subdivision would be required to post the financial report on their internet website until the next report is prepared.
 - Alternatively, a political subdivision may provide the financial and debt obligation information to the comptroller, and the comptroller would then be required to post the information on the comptroller's website.

House Bill 1378 (Flynn) – Annual Financial Reporting

- Notwithstanding any other provision of the bill, a district, as defined by Section 49.001, Water Code, satisfies the requirements of this section if the district:
 - (1) Complies with the requirements of Subchapter G, Chapter 49, Water Code, regarding audit reports, affidavits of financial dormancy, and annual financial reports; and
 - (2) Submits the financial documents described by Subchapter G, Chapter 49, Water Code, to the comptroller.

House Bill 30 (Larson) – Brackish Groundwater Production Zones

- Addresses the development and production of brackish groundwater resources in Texas.
- Imposes requirements on Regional Water Planning Groups (RWPGs) and the Texas Water Development Board (TWDB) to investigate and report on opportunities for the development of brackish groundwater (including desalination projects).
- Requires TWDB to identify and designate local or regional brackish groundwater production zones (using specific criteria) in its biennial report to the legislature.
- Requires TWDB to include in its biennial report to Texas Legislature that is due by December 1, 2016 an identification and designation of brackish groundwater production zones for: (1) the portion of the Carrizo-Wilcox Aquifer located between the Colorado and Rio Grande Rivers; (2) the Gulf Coast Aquifer and sediments bordering it; (3) the Blaine Aquifer; and (4) the Rustler Aquifer.

House Bill 200 (Keffer) – DFC Appeals

- Adds new provisions to Chapter 36 of the Texas Water Code for appealing the desired future conditions (DFCs) of aquifers adopted by GCDs.
- An affected person may file a petition with a GCD for a contested case hearing (CCH) on the reasonableness of an adopted DFC. The GCD will then contract with the State Office of Administrative Hearings (SOAH) to conduct a hearing on the petition and issue findings of fact and conclusions of law in its proposal for decision (PFD) to the GCD.
- GCD must also forward a copy of the petition to TWDB, who will conduct an administrative review of the petition and a technical analysis of the DFCs.
- GCD will then issue a final order in light of SOAH's PFD.

House Bill 200 (Keffer) – DFC Appeals

- Authorizes a judicial appeal of the GCD's final order on the adopted DFCs to be filed in a district court with jurisdiction over any part of the GCD's territory.
- In a judicial appeal of DFCs, the court is required to award attorney's fees and costs for those issues in which the GCD prevails.
- If the reviewing court in a judicial appeal determines that an adopted DFC is unreasonable, the GCDs in the Groundwater Management Area must reconvene to revise the DFC within 60 days following the court's order. This bill only applies to DFCs adopted on or after September 1, 2015.

House Bill 280 (Simmons) – Information on TWDB Website

- Expands the information required to be on the Development Board's Internet website.
- Website must now specifically include information on the amount of bonds issued, terms of the bonds, repayment status, risk assessments, check registers, description of the investment portfolio, rates of return on investments, TWDB's system for project prioritization, non-confidential information submitted as part of an application, and another other information required by TWDB rule.

House Bill 655 (Larson) – Aquifer Storage and Recovery (ASR)

- Establishes a comprehensive framework for the permitting of Aquifer Storage and Recovery projects by the TCEQ.
- Basic Framework:
 - Injection Well Permit from TCEQ (Water Code Ch. 27) IS required.
 - Authorization from a Groundwater Conservation District under Water Code Ch. 36 IS NOT required unless the amount of water recovered exceeds the amount that TCEQ authorizes to be recovered.

House Bill 655 (Larson) – Aquifer Storage and Recovery (ASR)

- Monthly reports on water injected and water recovered must be sent to TCEQ (and to any GCD in which wells are located).
- Annual water quality sampling of the aquifer and reports on sampling must be sent to TCEQ (and to any GCD in which wells are located).
- New provisions in Water Code Ch. 27 establishing criteria TCEQ must consider in granting authorization for an ASR injection well - including water quality criteria, feasibility of recovery of injected water, impact on native water and other wells. (Water Code §27.153).

House Bill 930 (Miller) – Water Well Driller and Pump Installer Apprentices Program

- This bill amends the Texas Occupations Code to reestablish the water well driller and pump installer apprentice programs with the Texas Department of Licensing and Regulation (TDLR).
- TDLR will propose and adopt rules by December 1, 2015 to govern the apprentice programs for water well drillers/pump installers
- Allows well logs to be submitted electronically to TDLR, TCEQ, and the owner of the well.

House Bill 949 (Lucio) – Water Loss Mitigation

- Bill provides a small amendment to 16.0121(g) of the Water Code
- Under current law, a retail public utility that receives financial assistance from TWDB must use a portion of the financial assistance to mitigate the utility's system water loss if the water loss meets or exceeds the threshold established by TWDB rule.
- This bill would allow TWDB (at the request of a retail public utility) to waive the requirements of this section if TWDB finds that the utility is satisfactorily addressing the utility's system water loss.

House Bill 1232 (Lucio) – TWDB Aquifer Mapping

- The bill requires TWDB to conduct a study on the “hydrology and geology of the confined and unconfined aquifers” in Texas.
- TWDB must produce a map showing the geographic area and water quality of major/minor aquifers. TWDB must report results by December 31, 2016.

House Bill 2031 (Lucio) – Marine Seawater Desalination

- The bill creates Chapter 18 of the Texas Water Code – “Marine Seawater Desalination Projects.”
- Chapter provides for expedited and streamlined permitting and processes for large-scale marine seawater desalination projects and integrated marine seawater desalination and power projects.

House Bill 2179 (Lucio) – GCD Permitting Decisions and Contested Cases

- Amends Chapter 36 of the Water Code, particularly Subchapter "M," as it relates to the hearing process involved with groundwater permit applications.
- Clarifies and establish differences between the different hearings that may occur before a GCD such as public, preliminary, evidentiary, or final hearings.
- Section 36.4051 is added to address requests for contested case hearings, and specifically mandating that the board of directors of a GCD hold a "preliminary" hearing on a request for a contested case hearing to determine if the requestor has the requisite standing and justiciable interest to file for a contested case hearing on the permit application.
- Provision is added in Section 36.406(d) that would allow the presiding officer of a hearing to determine how costs related to a contested case hearing will be apportioned between the parties involved.
- The bill adds language that for a GCD to modify or vacate and order, or to alter a finding of fact or conclusion of law, criteria is established for a GCD board to vacate, modify, alter, etc. an order, finding of fact, or conclusion of law issued by an ALJ.

House Bill 2230 (Larson) – Dual Authorization for Injection of Treatment Residuals

- This bill creates a new subsection in Water Code Chapter 27, Section 27.026, entitled “Dual Authorization of Injection Wells to Inject Nonhazardous Brine from Desalination Operations or Nonhazardous Drinking Water Treatment Residuals.”
- Bill creates a program allowing Class II injection wells, permitted by RRC under Water Code Chapter 27 (Subchapter C), to be used for the disposal of nonhazardous brine from desalination operations or nonhazardous drinking water treatment residuals.
- To be permitted by individual or general permit, or by rule, by TCEQ. The bill also calls for both RRC and TCEQ to enter into a Memorandum of Understanding to effectuate the provisions of Section 27.026.

House Bill 4097 (Hunter) – Desalination Projects

- This bill amends the Utilities Code and the Water Code to require TCEQ to adopt rules allowing for industrial use of desalinated seawater.
- TCEQ would be authorized to issue permits for desalination of seawater for use for industrial purposes, and also authorizes underground injection of desalination residuals
- Requires TCEQ and ERCOT to participate in studies analyzing:
 - (1) the impacts on seawater transmission and distribution infrastructure; and
 - (2) the potential economic benefits including the impact on demand response opportunities in the ERCOT market.

Senate Bill 523 (Fraser) – Sunset Review of River Authorities

- This bill subjects river authorities to a limited review by the Sunset Advisory Commission, but without the option that they be abolished.
- The Sunset Advisory Commission would assess each river authority's governance, management, operating structure, and compliance with legislative requirements.
- The costs of the review would be paid for by the applicable river authority.

Senate Bill 854 (Zaffirini) – Permit Renewals with GCDS

- Added new section to the Water Code, Section 36.1145 → A GCD **must** renew a permit *without a hearing* provided that the permit holder is not requesting a change to the permit.
- A GCD would not be required to renew a permit if the applicant is delinquent in paying any fees, if the applicant is subject to an unsettled or pending enforcement action initiated by the GCD, or if the applicant has not complied with any final order issued in relation to a violation of GCD rules.

Senate Bill 912 (Eltife) – Sanitary Sewer Overflows

- Bill amends Water Code Ch. 26 to exempt certain **accidental spills** from wastewater collection and treatment facilities from TCEQ reporting requirements if;
 - the spills occur at facilities owned by local governments,
 - are 1000 gallons or less in volume,
 - are not associated with larger volume spills, and
 - are controlled such that they don't enter state streams, adversely impact public or private water supply sources, and are not a danger to the public or environment.
- Monthly reporting of such spills to TCEQ is required, and TCEQ is required to adopt rules to standardize the method for calculating the volume of spills.
- In order to secure the exemption, the spill must not otherwise be subject to local regulatory control and reporting requirements.

Senate Bill 1101 (Eltife) – Groundwater Supply in White Areas

- Bill amends Chapter 16 of the Water Code regarding the authority of a Regional Water Planning Group (RWPG) when developing its regional water plan.
- In areas within a RWPG where no Groundwater Conservation Districts exist, the RWPG may determine the supply of groundwater available for regional planning purposes.
- TWDB is required review and approve, prior to inclusion in the regional water plan, that the groundwater supply for the regional planning group without a groundwater conservation district in its area is physically compatible, using the board 's groundwater availability models, with the applicable DFCs.

Senate Bill 1148 (Watson) – Certain Functions of the PUC

- This bill amends TWC § 13.043 by adding subsection (b-1) providing that a municipally owned utility shall;
 - (1) disclose to requestor the number of ratepayers who reside outside the corporate limits of the municipality; and
 - (2) provide to any requestor a list of the names and addresses of the ratepayers who reside outside the corporate limits of the municipality.
- Bill adds a new Subchapter to TWC Chapter 13, Subchapter K-1 “Emergency Orders,” containing provisions for;
 - PUC issuance of an emergency order;
 - Applications for emergency orders;
 - Notice of issuance of emergency orders;
 - Hearings to affirm, modify, or set aside an emergency order; and
 - Terms of emergency orders
- Effective on September 1st

House Bill 2788 (Springer) – Correctional Facility Compliance - **VETOED**

- The bill amends Chapter 13 of the TWC by creating § 13.1461 – “Correctional Facility Compliance with Conservation Measures.”
- Normally apply to private citizens/business → New section allows a retail public utility supplying water or sewer service to a correctional facility to require the correctional facility to comply with the utility’s conservation measures.
- Correctional facilities are major users of water for many municipalities, employing conservation measures will have a major impact.

Questions?

Thank you!!!

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