

Water Issues Facing Texas

The University of Texas System 16th Annual Legal Conference September 30, 2016

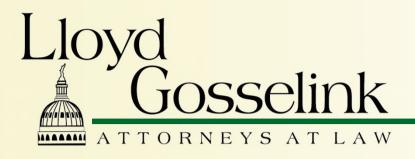
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Types of Water

- Surface Water all of the water under ordinary flow, underflow and tides of every flowing river, natural stream, lake, bay, arm of the Gulf of Mexico, and stormwater, floodwater, or rain water of every river, natural stream, canyon, ravine, depression and watershed in the state. (Texas Water Code §11.021)
- Groundwater water percolating below the surface of the earth. For example — aquifers.



Surface Water

- Regulated and permitted by the Texas
 Commission on Environmental Quality (TCEQ)
- Texas and TCEQ use the prior appropriation doctrine – first in time is the first in right.



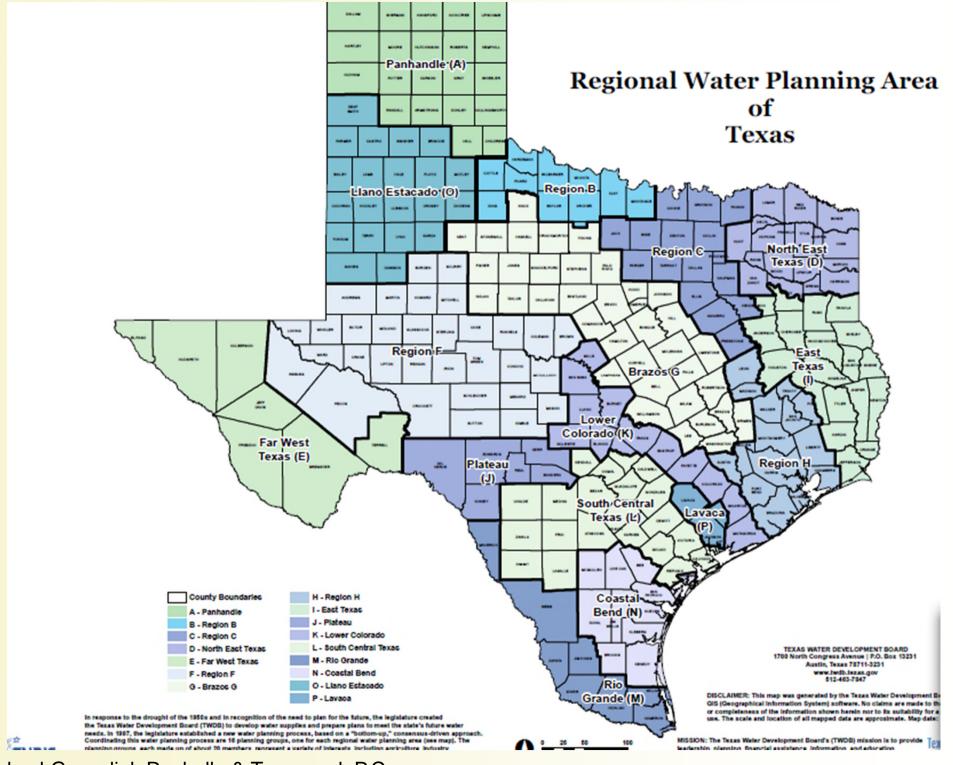
Groundwater

- Subject to Regulation by GCDs
- Senate Bill 332 2011
 - Established in Section 36.002 of the Texas Water
 Code that a landowner owns the groundwater below the surface of the landowner's land as real property.
- Edwards Aquifer Authority v. Day
 - Confirmed the Legislature's statement of Texas
 groundwater law and stated that a landowner's right
 to produce groundwater is subject to the regulation
 of groundwater conservation districts (GCDs).



Recent Texas Water Legislation

- Senate Bill 1 1997
- Senate Bill 2 2001
- Senate Bill 3 2007
- House Bill 4, HB 1025, and SJR 1 2013





State Water Implementation Fund for Texas (SWIFT) Legislative Package

- HB 4 provides the framework and administration of the SWIFT and State Water Implementation Revenue Fund (SWIRFT) and the re-organization of the Texas Water Development Board (TWDB).
- Senate Joint Resolution (SJR)1 proposes an amendment to Texas Constitution to create the SWIFT and SWIRFT to assist in the financing of water projects.
- HB 1025 authorizes a one-time \$2 billion placement of funds from the Economic Stabilization Fund (Rainy Day Fund) into the SWIFT if the voters



Prop 6 – Approval of SWIFT by Texas Voters on November 5, 2013

- Voters of Texas approved Proposition 6 to amend the Texas Constitution to create the SWIFT.
- Proposition 6 approved by 73.37% of the voters.
- 836,424 voters voted in favor of Prop. 6
- 303,547 voters voted against Prop. 6



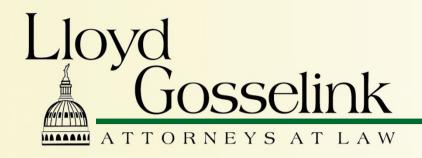
Groundwater - Rule of Capture

- 1904 Adopted in Houston Texas C. Railroad vs. East
 - All states follow except New Hampshire
- 1939 11 States follow Rule of Capture
- 1960 3 States follow Rule of Capture
- 1998 Texas Supreme Court criticizes ROC in Sipriano vs. Ozarka
- 1999 Rule of Capture only exists in Texas
- 2012 Texas Supreme Court qualified ROC in Day/McDaniel vs. Edwards Aquifer Authority – GCD management



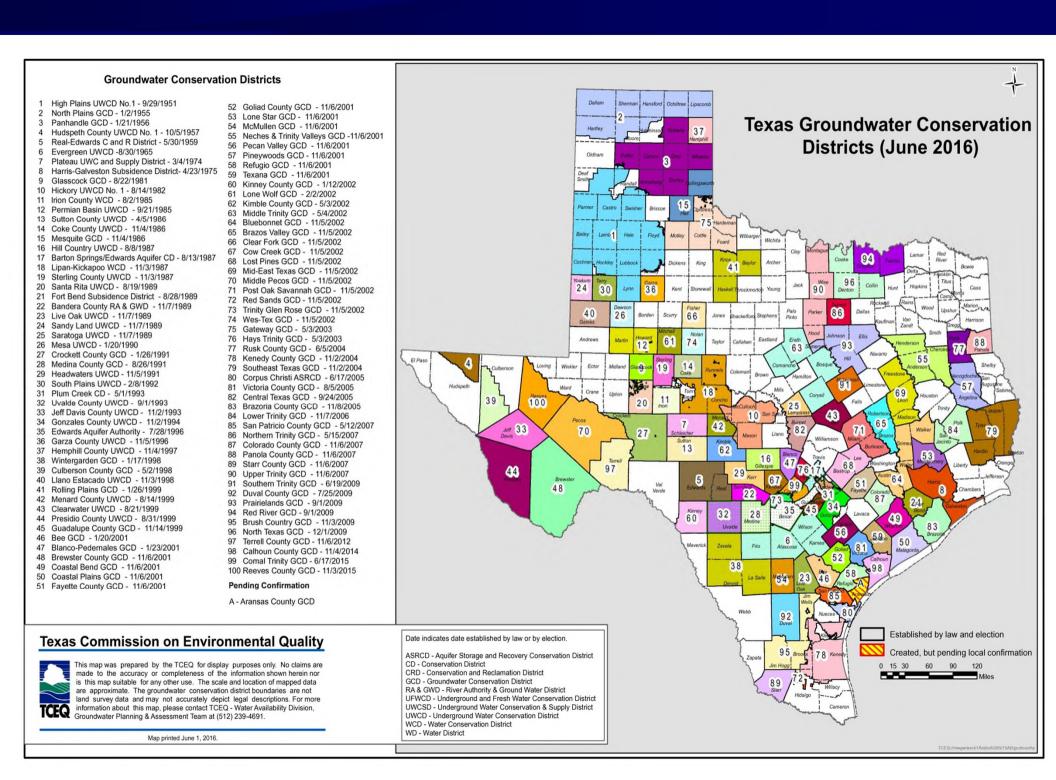
Governor Abbott Comment on GCD Regulation

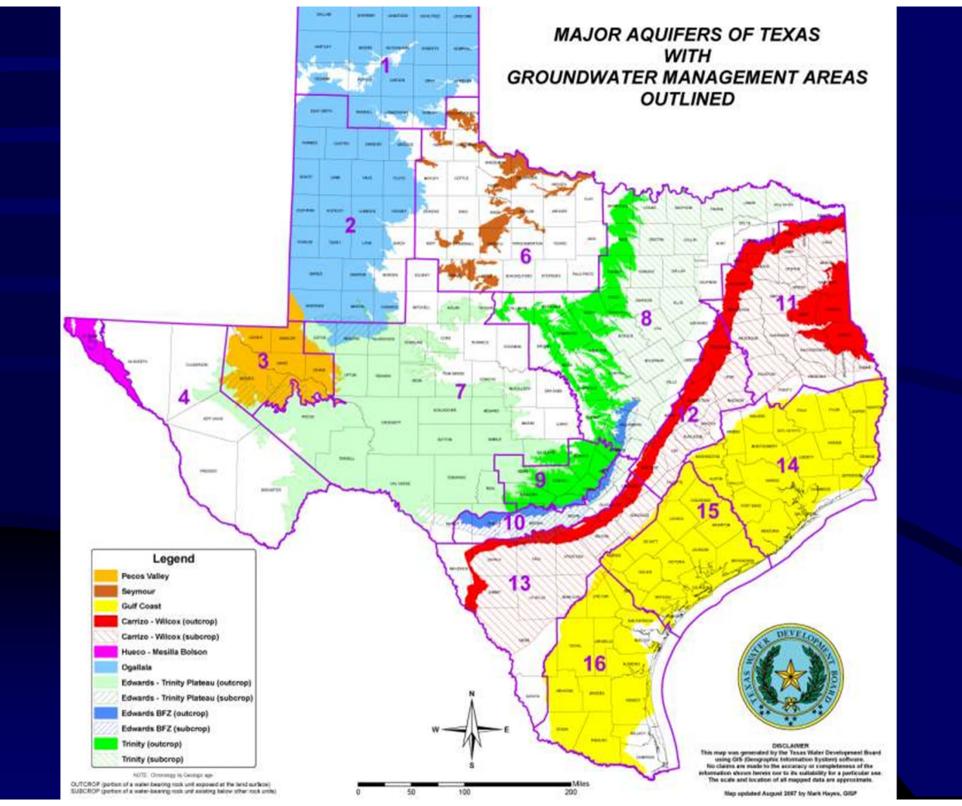
- "Groundwater management should be based on sound science and public input at the local level, not on one-size-fits-all state mandates."
 - Governor Abbott's Veto Statement for HB 2647 in 2015

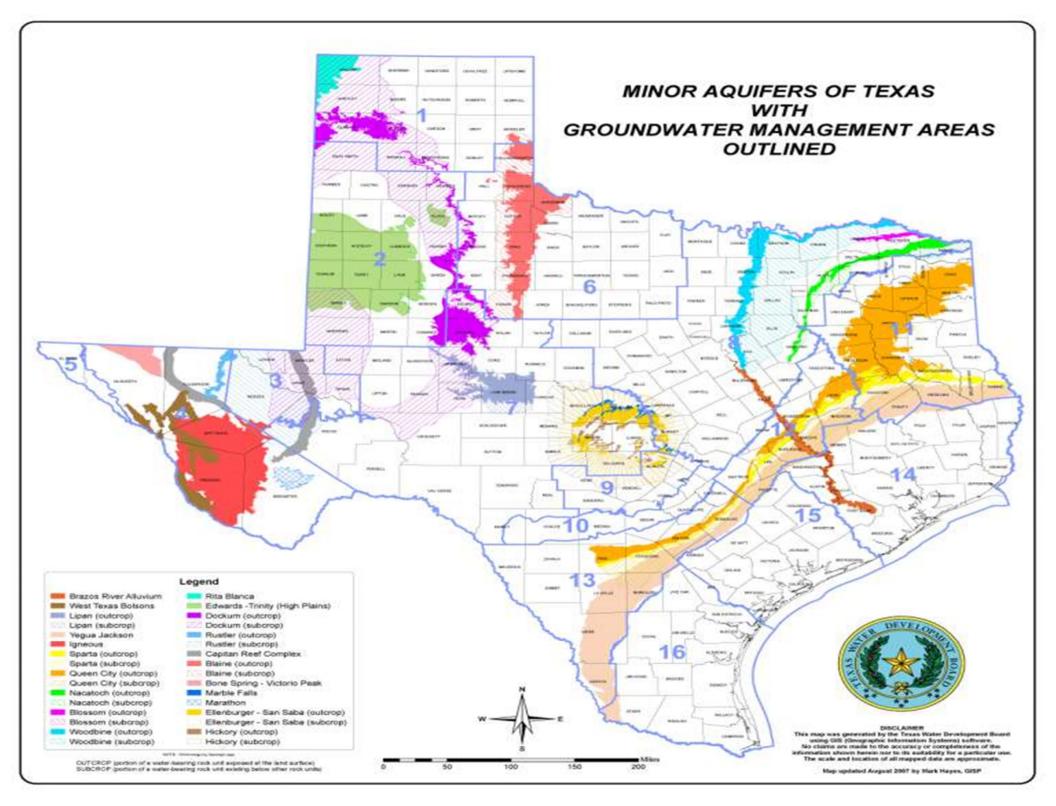


Texas Groundwater Management / Law

- Exciting time to be involved with water issues in Texas
- Water management and Texas law governing water is evolving and organic
- 1997 38 GCDs in existence
- 2016 100 GCDs





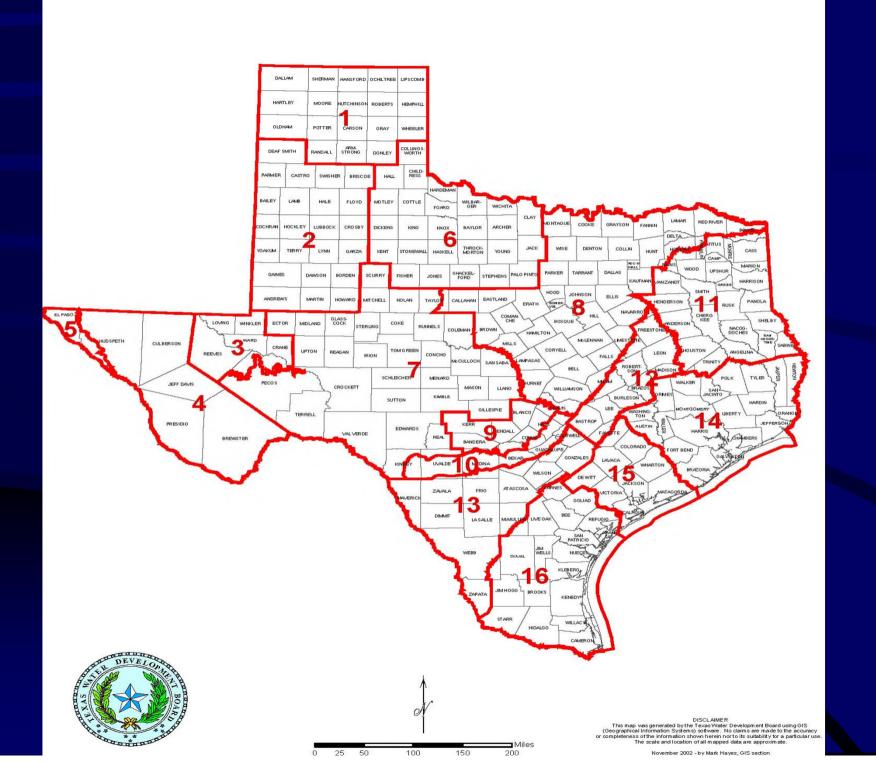




Texas Groundwater Management / Law

- Increased level of knowledge about groundwater resources and management but much more is needed
 - Ex. Middle Trinity GCD (Erath, Comanche, Bosque, and Coryell Counties)
- Science, science, science

Groundwater Management Areas in Texas





Desired Future Conditions – GMA Decisions

- Round 1 GMAs had to adopt DFCs by September 1, 2010.
- SB 660 (TWDB Sunset Bill) made significant revisions to GMA process
- Round 2 GMAs had to adopt proposed DFCs by May, 1, 2016.



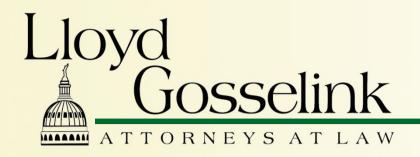
Groundwater Management Area (GMA) Process for GCDs

- Based on legislative changes made in 2011, the DFC Process was substantially revised.
- GCDs in each of the 16 GMAs must consider a list of 9 factors and propose DFCs for the aquifers within the GMA
- A 90 day public comment period begins after DFCs are provided to the GCDs



Groundwater Management Area (GMA) Process for GCDs

- GCDs hold public hearings during 90 day comment period and prepare summary reports
- GMA meets to consider summary reports and to adopt DFCs
- GMA prepares an explanatory report and submits DFC info to TWDB
- GMA provides DFC info to GCDs and GCDs adopt DFCs after receiving info



Texas Groundwater Management / Law

- Brackish groundwater / water quality
- Estimated that Texas has 2.7 billion acre-feet of brackish groundwater according to 2003 LBG-Guyton and Assoc. study.



GCD Management of Brackish Groundwater

- No statutory definition of "brackish groundwater" in Texas law.
- Some want to define as groundwater that contains a total dissolved solids (TDS) concentration of more than 1,000 milligrams per liter.
- Some want to define as groundwater that contains a total TDS concentration of more than 10,000 milligrams per liter.



GCD Management of Brackish Groundwater

- Production of brackish groundwater is being permitted by GCDs today
- No differentiation in most GCDs' rules between potable groundwater and brackish groundwater
- Vast majority of Desired Future Conditions (DFCs) and Modeled Available Groundwater (MAG) don't differentiate between potable groundwater and brackish groundwater



GCD Management of Brackish Groundwater

- Do GCDs want to encourage the production and use of brackish groundwater?
- Yes. GCDs understand that growing communities and businesses need more water supplies but not at the expense of the groundwater resources within GCDs' boundaries and, particularly, potable groundwater resources



Groundwater Issues – Texas Legislature

- 2015 Legislation
 - Brackish Groundwater HB 30
 - Aquifer Storage and Recovery HB 655
 - Long Term Permitting by GCDs SB 854
 - DFC Appeals HB 200
 - GCD Board Member Immunity HB 3163
 - Exemptions from GCD Permitting HB 2647
- Future groundwater issues correlative rights, takings



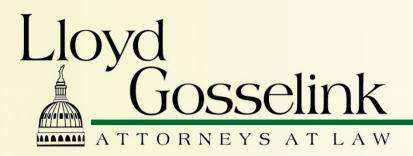
TWCA Surface Water Committee

- Preparing for Regular Session of Texas Legislature to begin in January 2017
- Subcommittees:
 - Environmental Flows
 - Federal Permitting
 - TCEQ Permitting Process
 - Water Planning State Water Planning and Regional Planning
 - Water Availability Modeling
 - Rio Grande



Surface Water Issues

- Addressing Drought Issues
- Reuse Indirect and Direct (Toilet to Tap)
- <u>Colorado River</u> Highland Lakes vs. Rice Farmers
- Conservation Efforts by Municipalities
- TCEQ Regulation of Surface Water Impoundments / Dam Safety



Questions?

Any questions?

Thank you.