

AN ACT

relating to extensions of an expired permit for the transfer of groundwater from a groundwater conservation district.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 36.122, Water Code, is amended by adding Subsections (j-1) and (j-2) and amending Subsection (k) to read as follows:

(j-1) A term under Subsection (i) or (j) shall automatically be extended on or before its expiration:

(1) to a term that is not shorter than the term of an operating permit for the production of water to be transferred that is in effect at the time of the extension; and

(2) for each additional term for which that operating permit for production is renewed under Section 36.1145 or remains in effect under Section 36.1146.

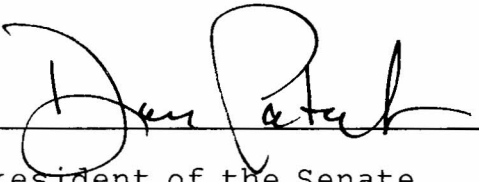
(j-2) A permit automatically extended under Subsection (j-1) continues to be subject to conditions contained in the permit as issued before the automatic extension.

(k) Notwithstanding the period specified under Subsection ~~[in Subsections]~~ (i), ~~[and]~~ (j), or (j-1) during which water may be transferred under a permit, a district may periodically review the amount of water that may be transferred under the permit and may limit the amount if additional factors considered in Subsection (f) warrant the limitation, subject to Subsection (c). The review

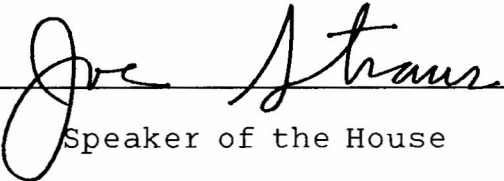
1 described by this subsection may take place not more frequently
2 than the period provided for the review or renewal of regular
3 permits issued by the district. In its determination of whether to
4 renew a permit issued under this section, the district shall
5 consider relevant and current data for the conservation of
6 groundwater resources and shall consider the permit in the same
7 manner it would consider any other permit in the district.

8 SECTION 2. The changes in law made by this Act apply only to
9 the term of a permit issued under Sections 36.122(i) and (j), Water
10 Code, that expires after September 1, 2017.

11 SECTION 3. This Act takes effect September 1, 2017.



President of the Senate



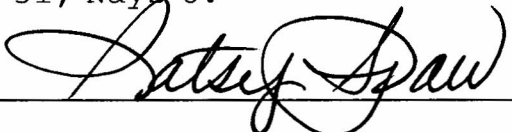
Speaker of the House

I certify that H.B. No. 2378 was passed by the House on April 28, 2017, by the following vote: Yeas 136, Nays 0, 2 present, not voting.



Chief Clerk of the House

I certify that H.B. No. 2378 was passed by the Senate on May 19, 2017, by the following vote: Yeas 31, Nays 0.



Secretary of the Senate

APPROVED: _____

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3 PM O'CLOCK

JUN 15 2017



Secretary of State

PROCLAMATION
BY THE
Governor of the State of Texas
41-3513

TO ALL TO WHOM THESE PRESENTS SHALL COME:


Pursuant to Article IV, Section 14, of the Texas Constitution, I, Greg Abbott, Governor of Texas, do hereby disapprove of and veto House Bill No. 2378 as passed by the Eighty-Fifth Texas Legislature, Regular Session, because of the following objections:

House Bill 2378 would have essentially mandated that export permits issued by groundwater conservation districts be extended indefinitely. An indefinite permit hinders the public from participating in the decision-making of the groundwater conservation district. It does not, however, prevent the groundwater conservation district from changing the terms of the permit unilaterally, a power House Bill 2378 continues to allow these districts to exercise. Excluding the public, potentially in perpetuity, from the decisions of a groundwater conservation district will reduce transparency and inhibit the district's ability to respond to changed circumstances over time. The next Legislature should consider legislation that accomplishes the goals of House Bill 2378 without its defects.

Since the Eighty-Fifth Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 15th day of June, 2017.


GREG ABBOTT
Governor of Texas

ATTESTED BY:



ROLANDO B. PABLOS
Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
3 PM O'CLOCK

JUN 15 2017

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

May 10, 2017

TO: Honorable Charles Perry, Chair, Senate Committee on Agriculture, Water & Rural Affairs

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2378 by Larson (Relating to extensions of an expired permit for the transfer of groundwater from a groundwater conservation district.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend the Water Code relating to a groundwater conservation district automatically extending permits for ground water transfers out of the district.

The bill would take effect September 1, 2017.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: UP, SZ, GG, BM

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

March 27, 2017

TO: Honorable Lyle Larson, Chair, House Committee on Natural Resources

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2378 by Larson (Relating to extensions of an expired permit for the transfer of groundwater from a groundwater conservation district.), **As Introduced**

<p>No fiscal implication to the State is anticipated.</p>
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