

Senate Bill 2254 Author: Juan "Chuy" Hinojosa

This bill gives Needmore Ranch MUD groundwater conservation district powers under Chapter 36 of the Water Code. If the district's creation is confirmed at an election, the territory of Needmore Ranch is removed from BSEACD and HTGCD.

Senate Bill 1814 Author: Juan "Chuy" Hinojosa

## House Bill 4122

Author: Kyle Kacal

Senate Bill 1814 and House Bill 4122 would allow the owner of a piece of land that is greater than 1,000 acres and within the jurisdiction of two or more groundwater conservation districts to request that the entire property be transferred into the territory of one of the districts. The landowner must submit a petition to both districts making the request and must provide a statement from the district proposed to receive the portion of the land that the district is willing to accept the land in its territory. The bill requires that upon receiving a petition, the districts must enter an agreement with each other to effectuate the transfer as requested by the landowner and must adopt a joint resolution approving the agreement.

TESPA opposes this bill.

From a statewide perspective, these bills create unnecessary burdens for groundwater conservation districts at the behest and to the benefit of one private landowner. The removal of a large number of acres from a groundwater district, especially a smaller district, will reduce the district's appraisal roll and ability to collect property taxes (if the district has the authority to collect taxes), impact the district's finances (from reduced taxes and fees), and require that both districts make amendments to their rules and management plans.

Locally, these bills would have major impacts in Hays County. They would allow Needmore Ranch, an approximately 5,000 acre ranch within the jurisdiction of the Barton Springs Edwards Aquifer Conservation District (BSEACD) and the Hays Trinity Groundwater Conservation District (HTGCD) to request that the entire ranch be transferred into the jurisdiction of HTGCD. This move is significant because currently, Needmore Ranch is seeking a groundwater production permit for a well on the ranch that is within the jurisdiction of BSEACD. BSEACD has issued a proposed permit, and Needmore has stated that it disagrees with the special conditions in BSEACD's proposed permit that require Needmore to reduce pumping if there are unreasonable impacts to existing wells. Under Senate Bill 1814 and House Bill 4122, Needmore could request to be moved

entirely in to HTGCD, where its agricultural well would be exempt from regulation (HTGCD considers agricultural wells to be exempt wells).

## House Bill 4045

Author: Cortez

House Bill 4045 would require a groundwater district to issue a permit on a per acre basis to a landowner who owns land that is greater than 1,000 acres and is within the jurisdiction of two or more groundwater conservation districts. Under the proposed legislation, a groundwater district would be required to use the highest existing ratio of surface area to permit volume for an existing permittee within the district and then apply this ratio to the surface acreage of the applicant's land to determine the permitted volume of groundwater on a per acre basis. For example, if a permittee in a district owns a one-acre piece of property and has a permit to pump 1,000 acre feet of groundwater a year, then the district would be required to use this ratio (1,000 acre feet per acre) when determining the permitted volume of groundwater for a for a permit issued under House Bill 4045.

The bill prohibits groundwater districts from holding a hearing on the permit or issuing notice to the public and specifies that the export of groundwater outside of the boundaries of the groundwater district is considered a beneficial use.

## TESPA opposes this bill.

This bill severely undermines groundwater regulation across the state. Essentially, it forces a groundwater district to issue a permit for an amount of groundwater based on the surface acreage of the land but using a ratio that could result in outrageously excessive permit volumes. It strips groundwater districts from considering any technical data related to the impact such a permit would have on surface water, on the DFC, or on existing wells. It would fundamentally change the way many groundwater districts permit and manage groundwater within their jurisdiction. Moreover, the bill's requirement that a district issue the permit without providing public notice or the opportunity for a hearing is likely unconstitutional.

House Bill 4045 would force BSEACD to issue Needmore Ranch a 5 million acre feet a year permit without notice and without a hearing. BSEACD has issued the City of Kyle a groundwater production permit for approximately 350 million gallons a year, or approximately 1,074 acre feet a year. The well is located on a piece of property that is approximately one acre. The ratio that BSEACD would be required to apply under House Bill 4045, therefore, would be 1,074 acre feet per acre. Needmore Ranch is approximately 5,000 acres, resulting in a permit for over 5 million acre feet a year. For perspective, Needmore is currently seeking a permit for approximately 887 acre feet a year, and aquifer testing has shown that this amount of pumping will substantially drawdown the Trinity Aquifer.