By:PuenteH.B. No. 41Substitute the following for H.B. No. 41:Example 100 C.S.H.B. No. 41

A BILL TO BE ENTITLED

AN ACT

2 relating to the maximum permitted withdrawals and critical period 3 management of groundwater in the area regulated by the Edwards 4 Aquifer Authority and to the operations and oversight of the 5 Edwards Aquifer Authority.

SECTION 1. Subsection (f), Section 1.11, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

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

(f) The authority may own, finance, design, [contract with a 10 person who uses water from the aquifer for the authority or that 11 12 person to] construct, operate, or [own, finance, and] maintain <u>recharge</u> [water supply] facilities or contract with a person who 13 14 uses water from the aquifer for the authority or that person to own, finance, design, construct, operate, or maintain recharge 15 facilities. [Management fees or special fees may not be used for 16 purchasing or operating these facilities.] For the purpose of this 17 18 subsection, "recharge [water supply] facility" means [includes] a dam, reservoir, [treatment facility, transmission facility,] or 19 other method of recharge project and associated facilities, 20 21 structures, or works.

22 SECTION 2. Subsections (a), (c), (f), and (h), Section 23 1.14, Chapter 626, Acts of the 73rd Legislature, Regular Session, 24 1993, are amended to read as follows:

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1 (a) Authorizations to withdraw water from the aquifer and 2 all authorizations and rights to make a withdrawal under this Act 3 shall be limited in accordance with this section to:

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(1) protect the water quality of the aquifer;

5 (2) protect the water quality of the surface streams6 to which the aquifer provides springflow;

(3) achieve water conservation;

8 (4) maximize the beneficial use of water available for
9 withdrawal from the aquifer;

10 (5) recognize the hydro-geologic connection and 11 interaction between surface and groundwater;

(6) protect aquatic and wildlife habitat;

13 (7) [(6)] protect species that are designated as 14 threatened or endangered under applicable federal or state law; and 15 (8) [(7)] provide for instream uses, bays, and 16 estuaries.

(c) Except as provided by Subsections [(d),] (f)[,] and (h) of this section [and Section 1.26 of this article,] for the period beginning January 1, 2005 [2008], the amount of permitted withdrawals from the aquifer may not exceed the sum of all regular permits issued or for which an application has been filed and issuance is pending action by the authority as of January 1, 2005 [400,000 acre-feet of water for each calendar year].

(f) If the level of the aquifer is equal to or greater than <u>665</u> [650] feet above mean sea level as measured at Well J-17, the authority may authorize withdrawal from the San Antonio pool, on an uninterruptible basis, of permitted amounts. If the level of the

aquifer is equal to or greater than 845 feet at Well J-27, the authority may authorize withdrawal from the Uvalde pool, on an uninterruptible basis, of permitted amounts. <u>In accordance with</u> <u>Section 1.26 of this article, the</u> [The] authority shall limit the additional withdrawals to ensure that springflows are not affected during critical drought conditions.

To accomplish the purposes of this article, [by June 1, 7 (h) 8 1994,] the authority, through a program, shall implement and 9 enforce water management practices, procedures, and methods to 10 ensure that, not later than December 31, 2012, the continuous minimum springflows of the Comal Springs and the San Marcos Springs 11 12 are maintained to protect endangered and threatened species to the extent required by federal law and to achieve other purposes 13 14 provided by Subsection (a) of this section and Section 1.26 of this 15 article. The authority from time to time as appropriate may revise the practices, procedures, and methods. To meet this requirement, 16 17 the authority shall require:

(1) phased reductions in the amount of water that may
 be used or withdrawn by existing users or categories of other users,
 <u>including the authority's critical period management plan</u>
 <u>established under Section 1.26 of this article;</u> or

(2) implementation of alternative managementpractices, procedures, and methods.

SECTION 3. Subsection (c), Section 1.15, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

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(c) The authority may issue regular permits, term permits,

1 and emergency permits. Except as provided in Section 1.14(f) and 2 Section 1.26 of this article, regular permits may not be issued on an interruptible basis, and the total withdrawals authorized by all 3 regular permits issued by the authority may not exceed the 4 limitations provided by Section 1.14 of this article. 5 6 SECTION 4. Subsection (b), Section 1.19, Chapter 626, Acts 7 of the 73rd Legislature, Regular Session, 1993, is amended to read 8 as follows: 9 (b) Withdrawal of water under a term permit must be consistent with the authority's critical period management plan 10 established under Section 1.26 of this article. A holder of a term 11 12 permit may not withdraw water from the San Antonio pool of the aquifer unless the level of the aquifer is higher than 675 [665] 13 feet above sea level, as measured at Well J-17, and the flow at 14 15 Comal Springs as determined by Section 1.26(c) of this article is greater than 350 cfs. 16 17 SECTION 5. Article 1, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended by amending Section 18 1.26 and adding Section 1.26A to read as follows: 19 Sec. 1.26. CRITICAL PERIOD MANAGEMENT PLAN. 20 (a) After review of the recommendations received, as prescribed in Section 21 1.26A of this article, the [The] authority shall prepare and 22

24 management <u>plan in a manner consistent with Section 1.14(a) of this</u>
25 <u>article</u> [on or before September 1, 1995]. The mechanisms must:

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coordinate implementation of a [plan for] critical period

26 (1) distinguish between discretionary use and 27 nondiscretionary use;

C.S.H.B. No. 41 1 (2) require reductions of all discretionary use to the 2 maximum extent feasible; (3) require utility pricing, to the maximum extent 3 4 feasible, to limit discretionary use by the customers of water 5 utilities; and 6 (4) require reduction of nondiscretionary use by permitted or contractual users, to the extent further reductions 7 8 are necessary, in the reverse order of the following water use 9 preferences: 10 (A) municipal, domestic, and livestock; industrial and crop irrigation; 11 (B) residential landscape irrigation; 12 (C) recreational and pleasure; and 13 (D) other uses that are authorized by law. 14 (E) 15 (b) In this section, "MSL" means the elevation, measured in feet, of the surface of the water in a well above mean sea level, and 16 "CFS" means cubic feet per second. Not later than January 1, 2006, 17 the authority shall, by rule, adopt and enforce a critical period 18 management plan with withdrawal reduction percentages in the 19 amounts indicated in Tables 1 and 2 whether according to the index 20 21 well levels or Comal Springs flow as may be applicable, for a total in critical period Stage IV of 40 percent of the permitted 22 withdrawals under Table 1 and 30 percent under Table 2: 23 24 TABLE 1 - CUMULATIVE CRITICAL PERIOD WITHDRAWAL REDUCTION STAGES 25 FOR THE SAN ANTONIO POOL 26 INDEX WELL J-17 COMAL SPRINGS CRITICAL WITHDRAWAL REDUCTION 27 LEVEL MSL FLOW CFS PERIOD STAGE PERCENTAGE

1	<665	<u>N/A</u>		I	10%
2	<650	N/A		II	10%
3	<640	<150		III	10%
4	<630	<100		IV	10%
5	TABLE 2 - CUMU	JLATIVE CF	RITICAL	PERIOD WITHDR	AWAL REDUCTION STAGES
6			FOR TH	E UVALDE POOL	
7	INDEX WELL J-27	MSL FOR	CRITI	CAL PERIOD	WITHDRAWAL REDUCTION
8	UVALDE POOL		STAGE		PERCENTAGE
9	<u>N/A</u>		<u>N/A</u>		<u>N/A</u>
10	<u>N/A</u>		II		<u>N/A</u>
11	<845		III		15%
12	<842		IV		15%
13	(c) The	authori	ty sha	ll continuous	ly track the average
14	daily discharge	e rate mea	asured	over each per	iod of five consecutive
15	<u>days at Coma</u> l	L Springs	s to	determine whe	ether a reduction in
16	withdrawals to	the Sta	ge III	reduction le	vel is required. The
17	authority shall	l track th	ne aver	age daily disc	harge rate measured for
18	any five days	in a pe	riod o	f 10 consecut	ive days to determine
19	whether a reduc	ction in w	withdra	awals to the St	age IV reduction level
20	is required.				
21	(d) Beg	inning No	vember	1, 2005, the	authority shall reduce
22	the volume of	permitte	ed wit	hdrawals to a	an annualized rate of
23	<u>340,000 acre-f</u>	eet, unde	r crit	ical period St	age IV. After January
24	<u>1, 2012, the</u>	authorit	y shal	l reduce the	volume of permitted
25	withdrawals to	320,000 a	cre-fe	et, under crit	ical period Stage IV.
26	(e) Aft	er Januar	y 1, 2	020, the autho	rity, after review and
27	consideration	of recomm	nendati	ons received	by the authority under

1	Section 1.26A of this article, shall adjust the volume of permitted
2	withdrawals to an appropriate annualized rate under critical period
3	Stage IV that is consistent with maintaining the protections
4	contained in Section 1.14(a) of this article.
5	(f) From time to time, the authority by rule may amend the
6	withdrawal reduction criteria of the authority's critical period
7	management plan as set forth in Subsections (b), (c), and (e) of
8	this section, after review and consideration of the recommendations
9	from the Environmental Flows Commission, or the Texas Water
10	Development Board if the Environmental Flows Commission is not
11	established, the Edwards Aquifer area expert science team, and the
12	Edwards Aquifer Area Stakeholders Committee, as prescribed in
13	Section 1.26A of this article. The amended plan must be consistent
14	with Section 1.14(a) of this article.
15	Sec. 1.26A. DEVELOPMENT OF WITHDRAWAL REDUCTION LEVELS AND
16	STAGES FOR CRITICAL PERIOD MANAGEMENT. (a) The Environmental
17	Flows Commission, as established under Section 11.0236, Water Code,
18	or the Texas Water Development Board if the Environmental Flows
19	Commission is not established, shall appoint a 15-member Edwards
20	Aquifer Area Stakeholders Committee not later than January 1, 2006.
21	The composition of the committee will be as follows:
22	(1) five holders of municipal permits issued by the
23	authority;
24	(2) two holders of irrigation permits issued by the
25	authority;
26	(3) three holders of industrial permits issued by the
27	authority;

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1	(4) two downstream water rights holders in the
2	Guadalupe River basin;
3	(5) two downstream water rights holders in the Nueces
4	River basin; and
5	(6) one representative of a public interest group
6	related to instream flows in the Guadalupe River basin and bay and
7	estuary inflows from the Guadalupe River.
8	(b) The Edwards Aquifer Area Stakeholders Committee shall
9	appoint a seven-member Edwards Aquifer area expert science team not
10	later than April 30, 2006. The expert science team must be composed
11	of technical experts with special expertise regarding the Edwards
12	Aquifer system, springflows, or the development of withdrawal
13	limitations. Chapter 2110, Government Code, does not apply to the
14	size, composition, or duration of the expert science team. A member
15	of the Texas Environmental Flows Science Advisory Committee, or a
16	designee of the Texas Water Development Board if the Texas
17	Environmental Flows Science Advisory Committee is not established
18	in Section 11.02361, Water Code, shall serve as liaison to the
19	Edwards Aquifer area expert science team.
20	(c) The expert science team shall develop an analysis of
21	spring discharge rates and aquifer levels as a function of
22	withdrawal levels. Based upon this analysis and the required
23	elements to be considered by the authority in Section 1.14 of this
24	article, the Edwards Aquifer area expert science team shall,
25	through a collaborative process designed to achieve consensus,
26	create recommendations for withdrawal reduction levels and stages
27	for critical period management including, if appropriate,

establishing separate and different withdrawal reduction levels 1 2 and stages for critical period management rules for different pools of the aquifer and submit them to the Edwards Aquifer Area 3 4 Stakeholders Committee, the Environmental Flows Commission or the 5 Texas Water Development Board if the Environmental Flows Commission 6 is not established, and the authority. The initial recommendations 7 must be completed and submitted no later than September 30, 2006. (d) In developing its recommendations, the Edwards Aquifer 8 9 area expert science team must consider all reasonably available

10 science, including any Edwards Aquifer specific studies, and the 11 recommendations must be based solely on the best science available. 12 The Edwards Aquifer Area Stakeholders Committee may not change the 13 recommendations of the Edwards Aquifer area expert science team 14 regarding the withdrawal limitations appropriate to achieve the 15 purposes of Section 1.14 of this article.

16 (e) The Edwards Aquifer Area Stakeholders Committee shall 17 review the withdrawal limitation and critical period management recommendations submitted by the expert science team and shall 18 consider them in conjunction with other factors, including the 19 present and future needs for water for other uses related to water 20 21 supply planning in the Edwards Aquifer area and the required 22 elements to be considered by the authority in Section 1.14 of this article. The stakeholders committee shall develop recommendations 23 regarding a critical period management plan and submit its 24 recommendations to the authority and to the Environmental Flows 25 Commission or the Texas Water Development Board if the 26 Environmental Flows Commission is not established. In developing 27

1	its recommendations, the stakeholders committee shall operate on a
2	consensus basis to the maximum extent possible. The initial
3	recommendations must be completed and submitted no later than
4	<u>October 31, 2006.</u>
5	(f) The Environmental Flows Commission or the Texas Water
6	Development Board if the Environmental Flows Commission is not
7	established shall submit to the authority its comments on and
8	recommendations regarding the Edwards Aquifer area expert science
9	team's recommended withdrawal reduction levels and stages for
10	critical period management needed to maintain target spring
11	discharge and aquifer levels. The withdrawal reduction
12	recommendations shall be based upon a combination of spring
13	discharge rates of the San Marcos and Comal Springs and levels at
14	the J-17 and J-27 wells.
15	(g) The Edwards Aquifer area expert science team, the
16	Edwards Aquifer Area Stakeholders Committee, and the Environmental
17	Flows Commission or the Texas Water Development Board if the
18	Environmental Flows Commission is not established shall submit
19	recommendations to the authority for use in developing its rules
20	relative to establishing the critical period management plan.
21	(h) Where reasonably practicable, meetings of the Edwards
22	Aquifer area expert science team and Edwards Aquifer Area
23	Stakeholders Committee must be open to the public.
24	(i) In recognition of the importance of critical period
25	management to adapt to changed conditions or information, after
26	submitting its recommendations regarding withdrawal limitations
27	and strategies to meet the springflow needs to the authority, the

1	stakeholders committee, with the assistance of the expert science
2	team, shall prepare and submit to the Environmental Flows
3	Commission or the Texas Water Development Board if the
4	Environmental Flows Commission is not established a work plan. The
5	work plan must:
6	(1) establish a periodic review of the critical period
7	management plan, to occur at least once every five years;
8	(2) prescribe specific monitoring, studies, and
9	activities; and
10	(3) establish a schedule for continuing the validation
11	or refinement of the critical period management plan adopted by the
12	authority, and the strategies to achieve the plan.
13	(j) To assist the Environmental Flows Commission or the
14	Texas Water Development Board if the Environmental Flows Commission
15	is not established to assess the extent to which the
16	recommendations of the Edwards Aquifer area expert science team are
17	considered and implemented, the authority shall provide written
18	reports to the Environmental Flows Commission or the Texas Water
19	Development Board if the Environmental Flows Commission is not
20	established, at intervals determined by the Environmental Flows
21	Commission or the Texas Water Development Board if the
22	Environmental Flows Commission is not established, that describe:
23	(1) the actions taken in response to each
24	recommendation; and
25	(2) for each recommendation not implemented, the
26	reason it was not implemented.
27	SECTION 6. Subsections (b) and (i), Section 1.29, Chapter

C.S.H.B. No. 41 1 626, Acts of the 73rd Legislature, Regular Session, 1993, are 2 amended to read as follows:

3 (b) The authority shall assess equitable aquifer management fees based on aquifer use under the water management plan to finance 4 its administrative expenses and programs authorized under this 5 article. Each water district governed by Chapter <u>36</u> [52], Water 6 7 Code, that is within the authority's boundaries may contract with 8 the authority to pay expenses of the authority through taxes in lieu 9 of user fees to be paid by water users in the district. The contract must provide that the district will pay an amount equal to the 10 amount that the water users in the district would have paid through 11 user fees. The authority may not collect a total amount of fees and 12 taxes that is more than is reasonably necessary for 13 the 14 administration of the authority.

(i) The authority shall provide money as necessary, but not
to exceed \$75,000, annually adjusted for changes in the consumer
price index [five percent of the money collected under Subsection
(d) of this section], to finance the South Central Texas Water
Advisory Committee's administrative expenses and programs
authorized under this article.

21 SECTION 7. Chapter 626, Acts of the 73rd Legislature, 22 Regular Session, 1993, is amended by adding Section 1.29A to read as 23 follows:

24 <u>Sec. 1.29A. BUDGETARY ADVISORY COMMITTEE. (a) The</u> 25 <u>authority shall appoint a budgetary advisory committee no later</u> 26 <u>than November 30, 2005, to consult and advise the authority on the</u> 27 <u>following prior to its submission to the board:</u>

1	(1) the issuance of bonds;
2	(2) the authority's annual budget; and
3	(3) the authority's annual audit.
4	(b) Each voting member of the board shall appoint one member
5	of the budgetary advisory committee.
6	SECTION 8. Subsection (a), Section 1.45, Chapter 626, Acts
7	of the 73rd Legislature, Regular Session, 1993, is amended to read
8	as follows:
9	(a) The authority may <u>own, finance, design, construct,</u>
10	[build or] operate <u>, and maintain</u> recharge dams <u>and associated</u>
11	facilities, structures, or works in the contributing or recharge
12	area of the aquifer if the recharge is made to increase the yield of
13	the aquifer and the recharge project does not impair senior water
14	rights or vested riparian rights.
15	SECTION 9. The following sections of Chapter 626, Acts of
16	the 73rd Legislature, Regular Session, 1993, are repealed:
17	(1) Subsections (b) and (d), Section 1.14;
18	(2) Section 1.18;
19	(3) Section 1.21; and
20	(4) Subsections (a), (c), (d), and (h), Section 1.29.
21	SECTION 10. This Act takes effect November 1, 2005.