

Amend CSHB 2217 (Senate committee printing) as follows:

(1) Insert the following appropriately numbered sections and renumber the subsequent sections of the bill accordingly:

SECTION _____. Subchapter D, Chapter 11, Natural Resources Code, is amended by adding Section 11.087 to read as follows:

Sec. 11.087. PROHIBITION ON EXPORTATION OF GROUNDWATER PRODUCED FROM STATE-OWNED LAND. A person may not export from this state to a foreign country groundwater produced from state-owned land.

SECTION _____. Subchapter D, Chapter 51, Natural Resources Code, is amended by adding Section 51.132 to read as follows:

Sec. 51.132. LEASE OF RIGHT TO PRODUCE GROUNDWATER.

(a) The commissioner may lease the right to produce groundwater from unsold public school land only as provided by this section. The commissioner shall consult with the board prior to approving a groundwater lease subject to this chapter. The other provisions of this subchapter apply to leases entered into under this section to the extent those provisions do not conflict with this section.

(b) The board shall adopt clear and detailed rules governing the lease of the right to produce groundwater from unsold public school land. The rules must require:

(1) each regional water planning group and groundwater conservation district in whose jurisdiction the land is located to be notified when the board receives a proposal to lease the right to produce groundwater from the land;

(2) the lease contract to be negotiated by the board;

(3) the lessee to comply with:

(A) the rules and permitting requirements of any groundwater conservation district in which the land is located; and

(B) all state and local laws and rules;

(4) the right to produce groundwater from land to be leased separately from oil and gas rights; and

(5) a lease proposal submitted by a political subdivision of this state to include a letter of interest, approved by the governing body of the political subdivision, that includes:

(A) an estimated total daily and annual amount of water to be produced under the lease;

(B) any requirements of the political subdivision regarding water quality;

(C) a time frame for delivery of the water;

(D) an estimated delivered price for the water;

and

(E) a statement that the political subdivision commits to act in compliance with all state and local laws and rules.

(c) Before filing notice of the proposed rules with the secretary of state for publication in the Texas Register, the board must notify the attorney general, Parks and Wildlife Department, Texas Commission on Environmental Quality, Texas Water Development Board, and Department of Agriculture and each member of the legislature that notice of the proposed rules will be published.

(d) The commissioner may not enter into a lease to produce groundwater from unsold public school land prior to adoption of rules as required by this subsection.

SECTION _____. Subsections (c) and (e), Section 16.053, Water Code, are amended to read as follows:

(e) Each regional water planning group shall submit to the board a regional water plan that:

(1) is consistent with the guidance principles for the state water plan adopted by the board under Section 16.051(d);

(2) provides information based on data provided or approved by the board in a format consistent with the guidelines provided by the board under Subsection (d);

(3) identifies:

(A) each source of water supply in the regional water planning area in accordance with the guidelines provided by the board under Subsections (d) and (f);

(B) factors specific to each source of water supply to be considered in determining whether to initiate a drought response; and

(C) actions to be taken as part of the response;

(4) has specific provisions for water management strategies to be used during a drought of record;

(5) includes but is not limited to consideration of

the following:

(A) any existing water or drought planning efforts addressing all or a portion of the region;

(B) certified groundwater conservation district management plans and other plans submitted under Section 16.054;

(C) all potentially feasible water management strategies, including but not limited to improved conservation, reuse, and management of existing water supplies, acquisition of available existing water supplies, and development of new water supplies, including, if appropriate, groundwater produced from land dedicated to the permanent school fund or permanent university fund;

(D) protection of existing water rights in the region;

(E) opportunities for and the benefits of developing regional water supply facilities or providing regional management of water supply facilities;

(F) appropriate provision for environmental water needs and for the effect of upstream development on the bays, estuaries, and arms of the Gulf of Mexico and the effect of plans on navigation;

(G) provisions in Section 11.085(k)(1) if interbasin transfers are contemplated;

(H) voluntary transfer of water within the region using, but not limited to, regional water banks, sales, leases, options, subordination agreements, and financing agreements; and

(I) emergency transfer of water under Section 11.139, including information on the part of each permit, certified filing, or certificate of adjudication for nonmunicipal use in the region that may be transferred without causing unreasonable damage to the property of the nonmunicipal water rights holder;

(6) identifies river and stream segments of unique ecological value and sites of unique value for the construction of reservoirs that the regional water planning group recommends for protection under Section 16.051;

(7) assesses the impact of the plan on unique river and stream segments identified in Subdivision (6) if the regional water

planning group or the legislature determines that a site of unique ecological value exists; and

(8) describes the impact of proposed water projects on water quality.

(2) Strike SECTION 11 of the bill (page 5, lines 35-39) and substitute the following appropriately numbered section:

SECTION _____. (a) Except as provided by Subsection (b) of this section, this Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2005.

(b) The following provisions take effect September 1, 2005:

(1) Sections 11.087 and 51.132, Natural Resources Code, as added by this Act;

(2) Section 16.053, Water Code, as amended by this Act.