

Amend CSSB 1451 (committee printing) by inserting the following appropriately numbered SECTIONS and renumbering subsequent SECTIONS accordingly:

SECTION \_\_\_\_\_. Subchapter F, Chapter 15, Water Code, is amended by adding Section 15.4062 to read as follows:

Sec. 15.4062. FUNDING FOR GROUNDWATER MANAGEMENT COORDINATION. (a) The board may enter into a contract with a political subdivision designated as a representative of a groundwater management area council established under Section 36.108 to pay from the research and planning fund all or part of the cost of performing the groundwater management area planning functions required of the groundwater management area council under Section 36.108.

(b) A political subdivision may submit, either individually or jointly with other political subdivisions, a written application to the board to request assistance paying for the planning functions required under Section 36.108.

(c) The application must be in the manner and form prescribed by board rules and include:

(1) the name of each political subdivision participating in the application;

(2) a citation to each law under which each political subdivision was created and is operating, including specific citation of any law providing authority to perform the functions under Section 36.108;

(3) the amount of money being requested; and

(4) any other relevant information required by board rules or specifically requested by the board.

(d) After providing notice of and conducting a hearing on the application, the board may award the applicant the amount of money the board considers necessary to perform the functions under Section 36.108.

(e) If the board grants an application under this section and awards money, the board shall enter into a contract with each participating political subdivision that includes:

(1) a detailed statement of the purpose for which the money is to be used;

(2) the total amount of the award to be paid by the board from the research and planning fund; and

(3) any other terms and conditions required by board rules or agreed to by the contracting parties.

(f) The board shall adopt rules establishing criteria for making grants of money under this section that include:

(1) the relative need of the political subdivision for the money;

(2) the legal authority of the political subdivision to perform the duties required under the contract; and

(3) the degree to which groundwater management area planning by each political subdivision for the groundwater management area council will address the issues of groundwater management in the groundwater management area.

(g) The board may not award money under this section if existing information is sufficient for the performance of functions under Section 36.108.

(h) The board shall require that information developed or revised under a contract entered into under this section be made available to the commission, the Department of Agriculture, and the Parks and Wildlife Department.

SECTION \_\_\_\_\_. Subchapter B, Chapter 16, Water Code, is amended by adding Section 16.0122 to read as follows:

Sec. 16.0122. TECHNICAL ASSISTANCE FOR GROUNDWATER MANAGEMENT AREAS. For each groundwater management area established under Section 35.007, the executive administrator shall provide one or more employees of the board to assist the groundwater management area council and the districts in the council's groundwater management area. The employees shall provide assistance:

(1) training district employees or the district board on basic data collection protocols;

(2) collecting and interpreting information;

(3) providing technical services or expertise;

(4) conducting hydrogeologic investigations;

(5) providing groundwater availability modeling;

(6) developing a district's groundwater management plan;

(7) preparing for or conducting a joint planning effort for districts in a groundwater management area or for a district and a regional water planning group established under Section 16.053, including assistance in avoiding and resolving conflicts; and

(8) providing education.

SECTION \_\_\_\_\_. Section 16.053, Water Code, is amended by adding Subsection (d-1) and amending Subsection (e) to read as follows:

(d-1) The applicable groundwater management area councils shall provide to each regional water planning group and the board their adopted estimates of the amount of managed available groundwater in each applicable groundwater management area.

(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, including information supplied by the applicable groundwater management area councils under Subsection (d-1) on the amount of managed available groundwater in the applicable groundwater management areas, 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) approved [~~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;

(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.

SECTION \_\_\_\_\_. Subsection (c), Section 35.004, Water Code, is amended to read as follows:

(c) The Texas Water Development Board may not alter the boundaries of designated management areas ~~[as required by future conditions and as justified by factual data. An alteration of boundaries does not invalidate the previous creation of any district]~~.

SECTION \_\_\_\_\_. Subsection (a), Section 35.007, Water Code, is amended to read as follows:

(a) The executive director and the executive administrator shall meet periodically to identify, based on information gathered by the commission and the Texas Water Development Board, those areas of the state that are experiencing or that are expected to experience, within the immediately following 50-year ~~[25-year]~~ period, critical groundwater problems, including shortages of surface water or groundwater, land subsidence resulting from groundwater withdrawal, and contamination of groundwater supplies. Not later than September 1, 2005, the commission, with assistance and cooperation from the Texas Water Development Board, shall complete the initial designation of priority groundwater management areas across all major and minor aquifers of the state for all areas that meet the criteria for that designation. The studies may be prioritized considering information from the regional planning process, information from the Texas Water Development Board groundwater management areas and from groundwater conservation districts, and any other information available. After the initial designation of priority groundwater management areas, the commission and the Texas Water Development Board shall annually review the need for additional designations as provided by this subsection.

SECTION \_\_\_\_\_. Subsection (b), Section 35.018, Water Code, is amended to read as follows:

(b) The report must include:

(1) the names and locations of all priority groundwater management areas and districts created or attempted to be created on or after November 5, 1985, the effective date of Chapter 133 (H.B. No. 2), Acts of the 69th Legislature, Regular Session, 1985;

(2) the authority under which each priority groundwater management area and district was proposed for creation;

(3) a detailed analysis of each election held to confirm the creation of a district, including analysis of election results, possible reasons for the success or failure to confirm the creation of a district, and the possibility for future voter approval of districts in areas in which attempts to create districts failed;

(4) a detailed analysis of the activities of each district created, including those districts which are implementing management plans approved ~~[certified]~~ under Section 36.1072;

(5) a report on ~~[audits performed on districts under Section 36.302 and]~~ remedial actions taken under Section 36.303;

(6) recommendations for changes in this chapter and Chapter 36 that will facilitate the creation of priority groundwater management areas and the creation and operation of districts;

(7) a report on educational efforts in newly designated priority groundwater management areas; and

(8) any other information and recommendations that the commission considers relevant.

SECTION \_\_\_\_\_. Section 36.001, Water Code, is amended by adding Subdivision (24) to read as follows:

(24) "Managed available groundwater" means the amount of water that may be permitted by a district for beneficial use in accordance with the desired future condition of the aquifer as determined by the groundwater management area council.

SECTION \_\_\_\_\_. Section 36.0015, Water Code, is amended to read as follows:

Sec. 36.0015. PURPOSE. In order to provide for the conservation, preservation, protection, recharging, and prevention of waste of groundwater, and of groundwater reservoirs or their

subdivisions, and to control subsidence caused by withdrawal of water from those groundwater reservoirs or their subdivisions, consistent with the objectives of Section 59, Article XVI, Texas Constitution, groundwater conservation districts may be created as provided by this chapter. ~~[Groundwater conservation districts created as provided by this chapter are the state's preferred method of groundwater management through rules developed, adopted, and promulgated by a district in accordance with the provisions of this chapter.]~~

SECTION \_\_\_\_\_. Subchapter A, Chapter 36, Water Code, is amended by adding Section 36.0016 to read as follows:

Sec. 36.0016. POLICY GOAL. It is the policy goal of this chapter to ensure the consistent management of groundwater in a shared management area by the groundwater conservation districts located in that area.

SECTION \_\_\_\_\_. Subsections (a), (b), and (d) through (g), Section 36.1071, Water Code, are amended to read as follows:

(a) Following notice and hearing, the district shall, in coordination with surface water management entities on a regional basis, develop a comprehensive management plan which addresses the following management goals, as applicable:

(1) providing the most efficient use of groundwater;

(2) controlling and preventing waste of groundwater;

(3) controlling and preventing subsidence;

(4) addressing conjunctive surface water management issues;

(5) addressing natural resource issues;

(6) addressing drought conditions; ~~[and]~~

(7) addressing conservation, recharge enhancement, rainwater harvesting, precipitation enhancement, or brush control, where appropriate and cost-effective;

(8) addressing a data collection program that meets standards established by Texas Water Development Board rules; and

(9) addressing in a quantitative manner the desired future conditions for the groundwater resources within the district established by the groundwater management area council under Section 36.108.



(b) A [~~After January 5, 2002, a~~] district management plan, or any amendments to a district management plan, shall be developed by the district using the district's best available data and forwarded to the regional water planning group for use [~~consideration~~] in their planning process.

(d) The commission shall provide technical assistance to a district during its initial operational phase. If requested by a district, the Texas Water Development Board shall train the district on basic information collection methodology and provide technical assistance to districts as provided by Section 16.0122.

(e) In the management plan described under Subsection (a), the district shall:

(1) identify the performance standards and management objectives under which the district will operate to achieve the management goals identified under Subsection (a);

(2) specify, in as much detail as possible, the actions, procedures, performance, and avoidance that are or may be necessary to effect the plan, including specifications and proposed rules;

(3) include estimates of the following:

(A) managed available [~~the existing total usable amount of~~] groundwater in the district as provided by the executive administrator and based on the desired future condition of the aquifers established by the groundwater management area council under Section 36.108;

(B) the amount of groundwater [~~being~~] used within the district on an annual basis for each of the preceding 10 years;

(C) the annual amount of recharge, if any, to the groundwater resources within the district and how natural or artificial recharge may be increased; and

(D) the projected water supply and projected demand for water within the district; and

(4) address water supply needs in a manner that is not in conflict with the adopted state [~~appropriate approved regional~~] water plan [~~if a regional water plan has been approved under Section 16.053~~].

(f) The district shall adopt rules necessary to implement

the management plan. Before the development of the management plan and its approval under Section 36.1072, the district may not adopt rules other than rules pertaining to the registration and continued operation of existing wells and rules governing procedure before the district's board. The district may accept applications for permits under Section 36.113, except that the district may not act on any such application until the district's management plan is approved as provided by Section 36.1072, unless special circumstances are demonstrated that necessitate granting one or more interim authorizations to drill and operate new wells before the management plan's approval.

(g) The district [~~board~~] shall adopt amendments to the management plan as necessary. Amendments to the management plan shall be adopted after notice and hearing and shall otherwise comply with the requirements of this section.

SECTION \_\_\_\_\_. Section 36.1072, Water Code, is amended to read as follows:

Sec. 36.1072. COUNCIL [~~TEXAS WATER DEVELOPMENT BOARD~~] REVIEW AND APPROVAL [~~CERTIFICATION~~] OF MANAGEMENT PLAN. (a) A district shall, not later than three [~~two~~] years after the creation of the district or, if the district required confirmation, after the election confirming the district's creation, submit the management plan required under Section 36.1071 to the executive administrator for review and comment and to the groundwater management area council for review and approval [~~certification~~]. The executive administrator shall provide comments to the groundwater management area council and groundwater district on the plan, including whether the plan contains goals and objectives consistent with achieving the desired future condition of the relevant aquifers as adopted by the groundwater management area council under Section 36.108.

(b) Within 60 days of receipt of a management plan adopted under Section 36.1071, readopted under Subsection (e) of this section, or amended under Section 36.1073, the council [~~executive administrator~~] shall approve [~~certify~~] a management plan that contains goals and objectives consistent with achieving the desired future condition of the relevant aquifers as adopted by the

groundwater management area council under Section 36.108 and that contains ~~[if the plan is administratively complete. A management plan is administratively complete when it contains]~~ the information required to be submitted under Section 36.1071. The groundwater management area council ~~[executive administrator]~~ may determine whether ~~[that]~~ conditions justify waiver of the requirements under Section 36.1071(e)(4).

(c) Once the groundwater management area council has approved a ~~[determination that a]~~ management plan ~~[is administratively complete has been made]~~:

(1) the council ~~[executive administrator]~~ may not revoke but may suspend the approval as provided by Subsection (g) ~~[determination that a management plan is administratively complete]~~; and

(2) the council ~~[executive administrator]~~ may request additional information from the district if the information is necessary to clarify, modify, or supplement previously submitted material, but ~~[, and~~

~~[(3)]~~ a request for additional information does not render the management plan unapproved ~~[incomplete]~~.

(d) A management plan takes effect on approval ~~[certification]~~ by the groundwater management area council ~~[executive administrator]~~ or, if appealed, on approval ~~[certification]~~ by the Texas Water Development Board.

(e) The district ~~[board]~~ may review the plan annually and must review and readopt the plan with or without revisions at least once every five years. The district shall provide the readopted plan to the executive administrator and groundwater management area council not later than the 60th day after the date on which the plan was readopted. Approval of the preceding management plan remains in effect until:

(1) the district fails to timely readopt a management plan;

(2) the district fails to timely submit the district's readopted management plan to the executive administrator or the council; or

(3) the council determines that the readopted

management plan does not meet the requirements for approval, and the district has exhausted all appeals to the Texas Water Development Board.

(f) If the groundwater management area council [~~executive administrator~~] does not approve [~~certify~~] the management plan, the council [~~executive administrator~~] shall provide to the district, in writing, the reasons for the action. Not later than the 180th day after the date a district receives notice that its management plan has not been approved [~~certified~~], the district may submit a revised management plan for review and approval [~~certification~~]. The council's [~~executive administrator's~~] decision may be appealed to the Texas Water Development Board. The decision of the Texas Water Development Board on whether to approve [~~certify~~] the management plan may [~~not~~] be appealed to a district court in the county where the district is headquartered. The commission shall not take enforcement action against a district under Subchapter I until the later of the expiration of the 180-day period or the date the Texas Water Development Board has taken final action withholding approval [~~certification~~] of a revised management plan.

(g) In this subsection, "development board" means the Texas Water Development Board, and "council" means the groundwater management area council. A person with a legally defined interest in groundwater in a district or the regional water planning group may file a petition with the council [~~board~~] stating that a conflict requiring resolution may exist between the district's approved [~~certified groundwater conservation district~~] management plan developed under Section 36.1071 and the state water plan. If a conflict exists, the council [~~board~~] shall facilitate coordination between the involved person or regional water planning group and the district to resolve the conflict. If conflict remains, the council shall petition the development board to [~~shall~~] resolve the conflict. The development board action under this provision may be consolidated, at the option of the development board, with related action under Section 16.053(p). If the development board determines that resolution of the conflict requires a revision of the approved [~~certified groundwater conservation district~~] management plan, the council [~~board~~] shall suspend the approval

~~[certification]~~ of the plan and provide information to the district. The district shall prepare any revisions to the plan specified by the council ~~[board]~~ and shall hold, after notice, at least one public hearing at some central location within the district. The district shall consider all public and development board comments, prepare, revise, and adopt its plan, and submit the revised plan to the council ~~[board]~~ for approval ~~[certification]~~. On the request of the district or the regional water planning group, the development board shall include discussion of the conflict and its resolution in the state water plan that the development board provides to the governor, the lieutenant governor, and the speaker of the house of representatives under Section 16.051(e).

SECTION \_\_\_\_\_. Section 36.1073, Water Code, is amended to read as follows:

Sec. 36.1073. AMENDMENT TO MANAGEMENT PLAN. Any amendment to the management plan shall be submitted to the groundwater management area council and the executive administrator for review and comment within 60 days following adoption of the amendment by the district's board. The council ~~[executive administrator]~~ shall review and approve and the executive administrator shall review and comment on ~~[certify]~~ any amendment which substantially affects the management plan in accordance with the procedures established under Section 36.1072.

SECTION \_\_\_\_\_. Subchapter D, Chapter 36, Water Code, is amended by amending Section 36.108 and adding Sections 36.1081 and 36.1082 to read as follows:

Sec. 36.108. GROUNDWATER MANAGEMENT AREA COUNCIL; [JOINT] PLANNING IN MANAGEMENT AREA. (a) In this section, "development board" means the Texas Water Development Board.

(b) The development board shall establish a groundwater management area council for each management area designated under Section 35.004 and shall appoint the members of the council, except as provided by this section. The groundwater management area council shall ensure the coordination of groundwater management in each management area.

(c) Each groundwater management area council is composed of the following representatives:

(1) the presiding officer of each groundwater conservation district in the groundwater management area or the presiding officer's designee;

(2) one additional representative of each multicounty groundwater conservation district, if the district chooses to appoint one; and

(3) residents of a district in the groundwater management area appointed by the development board as follows:

(A) one representative of retail water utility or municipal interests located wholly or partly in the groundwater management area;

(B) one representative of a regional water planning group, as designated under Section 16.053, to represent all the regional water planning groups located wholly or partly in the groundwater management area;

(C) one representative of agricultural interests who is an individual actively engaged in production agriculture;

(D) one representative of industrial or manufacturing interests located wholly or partly in the groundwater management area; and

(E) if applicable, one representative who holds a permit from a district to use groundwater outside the boundaries of the district.

(d) If the number of representatives on the groundwater management area council that results from the application of Subsection (c) is an even number, the representatives shall appoint an additional representative by a two-thirds vote of those representatives. The additional member must be a resident of a district in the groundwater management area with a reasonable knowledge of groundwater issues and hydrology in the area.

(e) The groundwater management area council shall elect one of the representatives as presiding officer of the council.

(f) A person appointed under Subsection (c)(3) or (d) may not be an employee or officer of a district or a state or federal agency.

(g) A member of the council appointed under Subsection (c)(3) or (d) serves a two-year term expiring August 31 of each

odd-numbered year. If a vacancy occurs, the council shall appoint a successor not later than the 60th day after the date the council receives notice of the vacancy.

(h) After funding is made available and not later than the fifth anniversary of the appointment of a groundwater management area council, and at least every fifth year after that anniversary, each groundwater management area council shall adopt a statement that in a quantified manner provides an estimate of the managed available groundwater in the groundwater management area and describes the desired future conditions of each aquifer in the groundwater management area, which may include protection of springflow in the area.

(i) A groundwater management area council may:

(1) in coordination with the executive administrator, perform areawide hydrogeologic studies and modeling as supplements to the groundwater availability models obtained or developed by the executive administrator under Section 16.012;

(2) coordinate with a district, regional water planning group, political subdivision, the commission, the development board, or any other person or entity regarding groundwater management;

(3) establish groundwater monitoring networks in the groundwater management area; and

(4) designate a political subdivision to perform a duty required by this section, including by executing a necessary contract.

(j) In adopting the desired future conditions of each aquifer under Subsection (h), each groundwater management area council shall:

(1) use groundwater availability models developed by the executive administrator or other information approved by the executive administrator; and

(2) consider recommendations that districts or other interested persons in the groundwater management area propose.

(k) The commission and the development board shall provide technical assistance to a groundwater management area council in the development of the statement adopted under Subsection (h).

(l) Each groundwater management area council shall submit the council's final statement adopted under Subsection (h) to the executive administrator for review and comment. If the development board finds that the submitted statement and estimate are in conflict with the state water plan or the groundwater availability adopted by the development board for the council's groundwater management area, the development board shall provide comment and recommendations to the council to resolve the conflict. The council shall amend the adopted statement and estimate accordingly. The executive administrator shall provide an estimate of managed available groundwater to the groundwater management area council based on the council's statement adopted under Subsection (h).

(m) Each groundwater management area council shall:

(1) conduct all meetings in accordance with Chapter 551, Government Code;

(2) provide notice for each meeting in the manner prescribed by Chapter 551, Government Code, for a district board of directors meeting; and

(3) comply with the provisions of Chapter 552, Government Code.

(n) A cause of action does not accrue against a groundwater management area council, a representative serving on a groundwater management area council, or an employee of a political subdivision designated under Subsection (i)(4) for an act or omission if the council, representative, or employee committed the act or omission while acting in good faith and in the course and scope of the council's, representative's, or employee's work related to the groundwater management area council.

(o) A groundwater management area council, a representative serving on a groundwater management area council, or an employee of a political subdivision designated under Subsection (i)(4) is not liable for damages arising from an act or omission if the council, representative, or employee committed the act or omission while acting in good faith and in the course and scope of the council's, representative's, or employee's work related to the groundwater management area council.

(p) On request, the attorney general shall represent a



groundwater management area council, a representative serving on a groundwater management area council, or an employee of a political subdivision designated under Subsection (i)(4) in a suit arising from an act or omission relating to the groundwater management area council.

(q) A person with a legally defined interest in the groundwater in the groundwater management area, a district in or adjacent to the groundwater management area, or a regional water planning group for a region in the groundwater management area may file a petition with the development board appealing the approval of the groundwater management area plan. The petition must provide evidence that:

(1) the groundwater management area plan does not establish a reasonable desired future condition of the groundwater resources in the groundwater management area;

(2) the management area plan does not establish reasonable groundwater availability for the district; or

(3) the groundwater in the groundwater management area will not be adequately protected.

(r) The development board shall review the petition and any evidence relevant to the petition. The development board shall hold at least one hearing at a central location in the management area to take testimony on the petition. The development board may delegate responsibility for a hearing to the executive administrator or to a person designated by the executive administrator. If the development board finds that the groundwater management area plan requires revision, the development board shall submit a report to the groundwater management area council that includes a list of findings and recommended revisions to the groundwater management area plan.

(s) The groundwater management area council shall prepare a revised plan in accordance with development board recommendations and hold, after notice, at least one public hearing at a central location in the groundwater management area. After consideration of all public and development board comments, the council shall revise the plan and submit the plan to the development board for review ~~[If two or more districts are located within the boundaries~~

~~of the same management area, each district shall prepare a comprehensive management plan as required by Section 36.1071 covering that district's respective territory. On completion and certification of the plan as required by Section 36.1072, each district shall forward a copy of the new or revised management plan to the other districts in the management area. The boards of the districts shall consider the plans individually and shall compare them to other management plans then in force in the management area.~~

~~[(b) The board of directors of each district in the management area may, by resolution, call for joint planning with the other districts in the management area to review the management plans and accomplishments for the management area. In reviewing the management plans, the boards shall consider:~~

~~[(1) the goals of each management plan and its impact on planning throughout the management area;~~

~~[(2) the effectiveness of the measures established by each management plan for conserving and protecting groundwater and preventing waste, and the effectiveness of these measures in the management area generally; and~~

~~[(3) any other matters that the boards consider relevant to the protection and conservation of groundwater and the prevention of waste in the management area.~~

~~[(c) If a joint meeting of the boards of directors is called, the meeting must be held in accordance with Chapter 551, Government Code. Notice of the meeting shall be given in accordance with the requirements for notice of district board of directors meetings under that Act].~~

Sec. 36.1081. PETITION AGAINST DISTRICT. (a) At least every five years a groundwater ~~[(d) A district in the]~~ management area council shall review the management plan and the performance of each district in the groundwater management area. A district or a groundwater management area council for good cause may file ~~[with good cause]~~ a petition with the commission requesting an inquiry if ~~[the petitioner district adopted a resolution calling for joint planning and the other district or districts refused to join in the planning process or the process failed to result in adequate planning, and the petition provides evidence that]:~~

(1) a ~~[another]~~ district in the groundwater management area has failed to submit its management plan to the executive administrator and the groundwater management area council ~~[adopt rules]~~;

(2) a district in the groundwater management area has failed to adopt or make reasonable progress toward adopting rules;

(3) the rules adopted by a district are not designed to achieve the desired future condition of the groundwater resources in the groundwater management area established by the groundwater management area plan ~~[the groundwater in the management area is not adequately protected by the rules adopted by another district]~~; or

(4) ~~[(3)]~~ the groundwater in the groundwater management area is not adequately protected due to the failure of a ~~[another]~~ district to enforce substantial compliance with its rules.

(b) ~~[(e)]~~ Not later than the 90th day after the date the petition is filed, the commission shall review the petition and either:

(1) dismiss the petition if the commission ~~[it if it]~~ finds that the evidence is not adequate to show that any of the conditions alleged in the petition exist; or

(2) select a review panel as provided in Subsection (c) ~~[(f)]~~.

(c) ~~[(f)]~~ If the petition is not dismissed under Subsection (b) ~~[(e)]~~, the commission shall appoint a review panel consisting of a chairman and four other members. A director or general manager of a district located outside the groundwater management area that is the subject of the petition may be appointed to the review panel. The commission may not appoint more than two members of the review panel from any one district. The commission also shall appoint a disinterested person to serve as a nonvoting recording secretary for the review panel. The recording secretary may be an employee of the commission. The recording secretary shall record and document the proceedings of the panel.

(d) ~~[(g)]~~ Not later than the 120th day after appointment, the review panel shall review the petition and any evidence relevant to the petition and, in a public meeting, consider and

adopt a report to be submitted to the commission. The commission may direct the review panel to conduct public hearings at a location in the groundwater management area to take evidence on the petition. The review panel may attempt to negotiate a settlement or resolve the dispute by any lawful means.

(e) [~~(h)~~] In its report, the review panel shall include:

(1) a summary of all evidence taken in any hearing on the petition;

(2) a list of findings and recommended actions appropriate for the commission to take and the reasons it finds those actions appropriate; and

(3) any other information the panel considers appropriate.

(f) [~~(i)~~] The review panel shall submit its report to the commission. The commission may take action under Section 36.3011.

Sec. 36.1082. DISTRICT COOPERATION. [~~(j)~~] Districts located within the same groundwater management areas or in adjacent management areas may contract to jointly conduct studies or research, or to construct projects, under terms and conditions that the districts consider beneficial. These joint efforts may include studies of groundwater availability and quality, aquifer modeling, and the interaction of groundwater and surface water; educational programs; the purchase and sharing of equipment; and the implementation of projects to make groundwater available, including aquifer recharge, brush control, weather modification, desalination, regionalization, and treatment or conveyance facilities. The districts may contract under their existing authorizations including those of Chapter 791, Government Code, if their contracting authority is not limited by Sections 791.011(c)(2) and (d)(3) and Section 791.014, Government Code.

SECTION \_\_\_\_\_. Subchapter D, Chapter 36, Water Code, is amended by adding Section 36.1152 to read as follows:

Sec. 36.1152. PERMITS BASED ON MANAGED AVAILABLE GROUNDWATER. (a) Except as provided by Subsection (b), a district, to the extent possible, shall issue permits up to the point that the total volume of groundwater permitted equals the managed available groundwater, if administratively complete permit

applications are submitted to the district.

(b) If a district proposes, based on sound science, to limit the volume of groundwater permitted to less than the managed available groundwater, the district must obtain the approval of the groundwater management area council. Before acting on the request, the groundwater management area council shall obtain and consider the executive administrator's technical review and analysis of the science on which the request is based.

(c) The groundwater management area council:

(1) shall approve a district's proposed limit under Subsection (b) if the total reduction from the managed available groundwater does not exceed 12.5 percent; and

(2) may approve a limit resulting in a reduction greater than 12.5 percent.

SECTION \_\_\_\_\_. Subsections (a) and (b), Section 36.116, Water Code, are amended to read as follows:

(a) In order to minimize as far as practicable the drawdown of the water table or the reduction of artesian pressure, to control subsidence, to prevent interference between wells, to prevent degradation of water quality, or to prevent waste, a district by rule may regulate:

(1) the spacing of water wells by:

(A) requiring all water wells to be spaced a certain distance from property lines or adjoining wells;

(B) requiring wells with a certain production capacity, pump size, or other characteristic related to the construction or operation of and production from a well to be spaced a certain distance from property lines or adjoining wells; or

(C) imposing spacing requirements adopted by the board; and

(2) the production of groundwater by:

(A) setting production limits on wells;

(B) limiting the amount of water produced based on acreage or tract size;

(C) limiting the amount of water that may be produced from a defined number of acres assigned to an authorized well site;

(D) limiting the maximum amount of water that may be produced on the basis of acre-feet per acre or gallons per minute per well site per acre; [~~or~~]

(E) managed depletion; or

(F) any combination of the methods listed above in Paragraphs (A) through (E) [~~(D)~~].

(b) In promulgating any rules limiting groundwater production, the district may preserve historic or existing use before the effective date of the rules to the maximum extent practicable consistent with the district's comprehensive management plan under Section 36.1071 and as provided by Section 36.113.

SECTION \_\_\_\_\_. Subchapter D, Chapter 36, Water Code, is amended by adding Section 36.125 to read as follows:

Sec. 36.125. APPEAL OF DISTRICT ACTION TO DISPUTE RESOLUTION PANEL. (a) If a dispute arises between a district and a person affected by an action taken by the district under this subchapter, either the district or the affected person may file a petition with the commission requesting the appointment of a dispute resolution panel to assist the parties in reaching a resolution of the dispute. Not later than the 10th day after the date the petition is filed, any party may submit to the commission a written objection to the appointment of a panel.

(b) A petition filed under this section must include:

(1) the name of and contact information for each party;

(2) a brief summary of the dispute along with a copy of any relevant document, including a permit, an application, a timeline, the district's enabling statute, a rule, a groundwater management plan, or the groundwater management area plan; and

(3) other information required by the commission.

(c) Not later than the 60th day after the date the petition is filed, the commission shall review the petition and:

(1) dismiss it if the commission finds that the petition is baseless, is frivolous, or fails to present an issue that is appropriate for panel review or finds that there is reasonable basis for the objection filed under Subsection (a); or

(2) select a panel as provided by Subsection (e).

(d) If the petition is dismissed, the commission shall provide the reasons for the dismissal in writing to the district and the affected person.

(e) If the petition is not dismissed, the commission shall, in accordance with an interagency contract, request the Center for Public Policy Dispute Resolution to select a three-member dispute resolution panel. The panel shall be selected within 30 days of the commission's request. All panel members must be individuals who are not involved in or affected by the matter in dispute and whose expertise and knowledge may be useful in resolving the dispute. The presiding officer of the panel must also be an impartial third party, have expertise and classroom training in resolving public policy disputes, and have knowledge of groundwater law in Texas. The panel members' costs shall be shared equally among the parties, unless agreed to otherwise. The commission shall compensate the Center for its costs related to this subsection.

(f) Not later than the 45th day after the date the panel is selected, the panel shall review the petition and any information relevant to the petition and begin holding meetings with the parties to assist them in resolving the dispute. The panel may consolidate multiple parties, appoint a person to represent multiple parties, invite additional parties, or dismiss parties as the panel considers appropriate. The Texas Water Development Board and the commission shall provide technical and legal assistance as requested by the panel.

(g) Not later than the 90th day after the panel's first meeting with the parties, the panel shall report to the commission whether the parties have reached a settlement. If no settlement has been reached, the commission shall dissolve the panel and the parties may proceed with any other available remedy, including those provided under Subchapter H.

(h) A court of this state shall take judicial notice of a dispute resolution panel under this section and may stay an affected judicial proceeding pending a settlement of the dispute or the dissolution of the panel.

SECTION \_\_\_\_\_. Section 36.301, Water Code, is amended to

read as follows:

Sec. 36.301. FAILURE TO SUBMIT A MANAGEMENT PLAN. If a board fails to submit a management plan or readopted management plan to receive approval [~~certification~~] of its management plan under Section 36.1072 or fails to submit or receive approval [~~certification~~] of an amendment to the management plan under Section 36.1073, the commission shall take appropriate action under Section 36.303.

SECTION \_\_\_\_\_. Section 36.3011, Water Code, is amended to read as follows:

Sec. 36.3011. FAILURE OF [A] DISTRICT TO COMPLY WITH GROUNDWATER MANAGEMENT AREA PLAN [~~CONDUCT JOINT PLANNING~~]. [~~(a) If the board of a district within a common management area fails to forward a copy of its new or revised certified management plan under Section 36.108, the commission shall take appropriate action under Section 36.303.~~

[~~(b)~~] Not later than the 45th day after receiving the review panel's report under Section 36.1081 [~~36.108~~], the executive director or the commission shall take action to implement any or all of the panel's recommendations. The commission may take any action against a district it considers necessary in accordance with Section 36.303 if [~~if~~] the commission finds that:

(1) a district [~~in the joint planning area~~] has failed to submit its plan to the executive administrator and the groundwater management area council;

(2) a district has failed to adopt rules;

(3) the rules adopted by the district are not designed to achieve the desired future condition of the groundwater resources in the groundwater management area established under the groundwater management area plan; or

(4) the district fails [~~, the groundwater in the management area is not adequately protected by the rules adopted by the district, or the groundwater in the management area is not adequately protected because of the district's failure~~] to enforce substantial compliance with its rules [~~, the commission may take any action it considers necessary in accordance with Section 36.303~~].

SECTION \_\_\_\_\_. Section 36.302, Water Code, is amended by



amending Subsection (d) and adding Subsection (d-1) to read as follows:

(d) The state auditor may perform the review under Subsection (a) following the first anniversary of the initial approval ~~[certification]~~ of the plan ~~[by the Texas Water Development Board]~~ under Section 36.1072 and at least as often as once every seven years after that date, subject to a risk assessment and to the legislative audit committee's approval of including the review in the audit plan under Section 321.013, Government Code.

(d-1) The state auditor shall review any district that has an accounts payable balance of \$25,000 or more that is more than 12 months past due for consulting fees, including fees for accountants, attorneys, financial advisors, engineers, and geologists.

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

(f) The authority may own, finance, design, ~~[contract with a person who uses water from the aquifer for the authority or that person to]~~ construct, operate, or ~~[own, finance, and]~~ maintain recharge ~~[water supply]~~ facilities or contract with a person who uses water from the aquifer for the authority or that person to own, finance, design, construct, operate, or maintain recharge facilities. ~~[Management fees or special fees may not be used for purchasing or operating these facilities.]~~ For the purpose of this subsection, "recharge ~~[water supply]~~ facility" means ~~[includes]~~ a dam, reservoir, ~~[treatment facility, transmission facility,]~~ or other method of recharge project and associated facilities, structures, or works.

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

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

- (1) protect the water quality of the aquifer;
- (2) protect the water quality of the surface streams

to which the aquifer provides springflow;

(3) achieve water conservation;

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

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

(6) protect aquatic and wildlife habitat;

(7) ~~[(6)]~~ protect species that are designated as threatened or endangered under applicable federal or state law; and

(8) ~~[(7)]~~ provide for instream uses, bays, and estuaries.

(c) Except as provided by Subsections ~~[(d),]~~ (f) ~~[(7)]~~ 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. If annexation occurs, the amount of permitted withdrawals may be adjusted to include permits issued for wells in the annexed area 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 665 ~~[650]~~ feet above mean sea level as measured at Well J-17, the authority may authorize withdrawal from the San Antonio pool, on an uninterrupted 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 uninterrupted basis, of permitted amounts. In accordance with Section 1.26 of this article, the ~~[The]~~ authority shall limit the additional withdrawals to ensure that springflows are not affected during critical drought conditions.

(h) To accomplish the purposes of this article, ~~[by June 1, 1994,]~~ the authority, through a program, shall implement and enforce water management practices, procedures, and methods to ensure that, not later than December 31, 2012, the continuous minimum springflows of the Comal Springs and the San Marcos Springs are maintained to protect endangered and threatened species to the

extent required by federal law and to achieve other purposes provided by Subsection (a) of this section and Section 1.26 of this article. The authority from time to time as appropriate may revise the practices, procedures, and methods. To meet this requirement, 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, including the authority's critical period management plan established under Section 1.26 of this article; or

(2) implementation of alternative management practices, procedures, and methods.

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

(c) The authority may issue regular permits, term permits, and emergency permits. Except as provided in Section 1.14(f) and Section 1.26 of this article, regular permits may not be issued on an interruptible basis, and the total withdrawals authorized by all regular permits issued by the authority may not exceed the limitations provided by Section 1.14 of this article.

SECTION \_\_. Subsection (b), Section 1.19, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

(b) Withdrawal of water under a term permit must be consistent with the authority's critical period management plan established under Section 1.26 of this article. A holder of a term permit may not withdraw water from the San Antonio pool of the aquifer unless the level of the aquifer is higher than 675 ~~[665]~~ feet above sea level, as measured at Well J-17, and the flow at Comal Springs as determined by Section 1.26(c) is greater than 350 cfs.

SECTION \_\_. Article 1, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended by amending Section 1.26 and adding Section 1.26A to read as follows:

Sec. 1.26. CRITICAL PERIOD MANAGEMENT PLAN. (a) After review of the recommendations received, as prescribed in Section 1.26A of this article, the ~~[The]~~ authority shall prepare and

coordinate implementation of a [~~plan for~~] critical period management plan in a manner consistent with Section 1.14(a) [~~on or before September 1, 1995~~]. The mechanisms must:

(1) distinguish between discretionary use and nondiscretionary use;

(2) require reductions of all discretionary use to the maximum extent feasible;

(3) require utility pricing, to the maximum extent feasible, to limit discretionary use by the customers of water utilities; and

(4) require reduction of nondiscretionary use by permitted or contractual users, to the extent further reductions are necessary, in the reverse order of the following water use preferences:

- (A) municipal, domestic, and livestock;
- (B) industrial and crop irrigation;
- (C) residential landscape irrigation;
- (D) recreational and pleasure; and
- (E) other uses that are authorized by law.

(b) In this subsection, "MSL" means the elevation, measured in feet, of the surface of the water in a well above mean sea level, and "CFS" means cubic feet per second. Not later than January 1, 2006, the authority shall, by rule, adopt and enforce a critical period management plan with withdrawal reduction percentages at no less than the amounts indicated in Tables 1 and 2 whether according to the index well levels or Comal Springs flow as may be applicable, for a maximum total in critical period Stage IV of 40 percent of the permitted withdrawals under Table 1 and 30 percent under Table 2:

TABLE 1 - CUMULATIVE CRITICAL PERIOD WITHDRAWAL REDUCTION STAGES  
FOR THE SAN ANTONIO POOL

<u>INDEX WELL</u>	<u>COMAL SPRINGS</u>
<u>J-17 LEVEL MSL</u>	<u>FLOW CFS</u>
<u>CRITICAL</u>	<u>WITHDRAWAL</u>
<u>PERIOD</u>	<u>REDUCTION</u>
<u>STAGE</u>	<u>PERCENTAGE</u>
<u>&lt;665</u>	<u>N/A</u>
<u>I</u>	<u>10%</u>
<u>&lt;650</u>	<u>N/A</u>
<u>II</u>	<u>10%</u>
<u>&lt;640</u>	<u>&lt;150</u>
<u>III</u>	<u>10%</u>
<u>&lt;630</u>	<u>&lt;100</u>
<u>IV</u>	<u>10%</u>

TABLE 2 - CUMULATIVE CRITICAL PERIOD WITHDRAWAL REDUCTION STAGES  
FOR THE UVALDE POOL

<u>INDEX WELL J-27 MSL</u>	<u>CRITICAL PERIOD</u>	<u>WITHDRAWAL</u>
<u>FOR UVALDE POOL</u>	<u>STAGE</u>	<u>REDUCTION</u>
		<u>PERCENTAGE</u>
<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
<u>N/A</u>	<u>II</u>	<u>N/A</u>
<u>&lt;845</u>	<u>III</u>	<u>15%</u>
<u>&lt;842</u>	<u>IV</u>	<u>15%</u>

(c) The authority shall continuously track the average daily discharge rate measured over each period of five consecutive days at Comal Springs to determine whether a reduction in withdrawals to the Stage III reduction level is required. The authority shall track the average daily discharge rate measured for any five days in a period of 10 consecutive days to determine whether a reduction in withdrawals to the Stage IV reduction level is required.

(d) Beginning September 1, 2005, the authority shall not allow the volume of permitted withdrawals to exceed an annualized rate of 340,000 acre-feet, under critical period Stage IV. After January 1, 2012, the authority shall not allow the volume of permitted withdrawals to exceed an annualized rate of 320,000 acre-feet, under critical period Stage IV. After January 1, 2020, the authority shall not allow the volume of permitted withdrawals to exceed an annualized rate of 288,000 acre-feet, under critical period Stage IV.

(e) From time to time, the authority by rule may amend the withdrawal reduction criteria of the authority's critical period management plan as set forth in Subsections (b) and (c), after review and consideration of the recommendations from the Texas Water Development Board, the Edwards Aquifer area expert science team, and the Edwards Aquifer area stakeholders committee, as prescribed in Section 1.26A of this article. The amended plan must be consistent with Section 1.14(a) of this article.

Sec. 1.26A. DEVELOPMENT OF WITHDRAWAL REDUCTION LEVELS AND STAGES FOR CRITICAL PERIOD MANAGEMENT. (a) The Texas Water Development Board shall appoint a 15-member Edwards Aquifer area stakeholders committee not later than January 1, 2006. The composition of the committee will be as follows:

(1) five holders of municipal permits issued by the authority;

(2) two holders of irrigation permits issued by the authority;

(3) three holders of industrial permits issued by the authority;

(4) four downstream water rights holders in the Guadalupe River basin; and

(5) one representative of a public interest group related to instream flows in the Guadalupe River basin and bay and estuary inflows from the Guadalupe River.

(b) The Edwards Aquifer area stakeholders committee shall appoint a seven-member Edwards Aquifer area expert science team not later than April 30, 2006. The expert science team must be composed of technical experts with special expertise regarding the Edwards Aquifer system, springflows, or the development of withdrawal limitations. Chapter 2110, Government Code, does not apply to the size, composition, or duration of the expert science team.

(c) The expert science team shall develop an analysis of spring discharge rates and aquifer levels as a function of withdrawal levels. Based upon this analysis and the required elements to be considered by the authority in Section 1.14 of this article, the Edwards Aquifer area expert science team shall, through a collaborative process designed to achieve consensus,

create recommendations for withdrawal reduction levels and stages for critical period management and submit them to the Edwards Aquifer area stakeholders committee, the Texas Water Development Board, and the authority. The initial recommendations must be completed and submitted no later than September 30, 2006.

(d) In developing its recommendations, the Edwards Aquifer area expert science team must consider all reasonably available science, including any Edwards Aquifer specific studies, and the recommendations must be based solely on the best science available. The Edwards Aquifer area stakeholders committee may not change the recommendations of the Edwards Aquifer area expert science team regarding the withdrawal limitations appropriate to achieve the purposes of Section 1.14 of this article.

(e) The Edwards Aquifer area stakeholders committee shall review the withdrawal limitation and critical period management recommendations submitted by the expert science team and shall consider them in conjunction with other factors, including the present and future needs for water for other uses related to water supply planning in the Edwards Aquifer area and the required elements to be considered by the authority in Section 1.14 of this article. The stakeholders committee shall develop recommendations regarding a critical period management plan and submit its recommendations to the authority and to the Texas Water Development Board. In developing its recommendations, the stakeholders committee shall operate on a consensus basis to the maximum extent possible. The initial recommendations must be completed and submitted no later than October 31, 2006.

(f) The Texas Water Development Board shall submit to the authority its comments on and recommendations regarding the Edwards Aquifer area expert science team's recommended withdrawal reduction levels and stages for critical period management needed to maintain target spring discharge and aquifer levels. The withdrawal reduction recommendations shall be based upon a combination of spring discharge rates of the San Marcos and Comal Springs and levels at the J-17 and J-27 wells.

(g) The Edwards Aquifer area expert science team, Edwards Aquifer area stakeholders committee, and the Texas Water



Development Board shall submit recommendations to the authority for use in developing its rules relative to establishing the critical period management plan.

(h) Where reasonably practicable, meetings of the Edwards Aquifer area expert science team and Edwards Aquifer area stakeholders committee must be open to the public.

(i) In recognition of the importance of critical period management to adapt to changed conditions or information, after submitting its recommendations regarding withdrawal limitations and strategies to meet the spring flow needs to the authority, the stakeholders committee, with the assistance of the expert science team, shall prepare and submit to the Texas Water Development Board a work plan. The work plan must:

(1) establish a periodic review of the critical period management plan, to occur at least once every five years;

(2) prescribe specific monitoring, studies, and activities; and

(3) establish a schedule for continuing the validation or refinement of the critical period management plan adopted by the authority, and the strategies to achieve the plan.

(j) To assist the Texas Water Development Board to assess the extent to which the recommendations of the Edwards Aquifer area expert science team are considered and implemented, the authority shall provide written reports to the development board, at intervals determined by the development board, that describe:

(1) the actions taken in response to each recommendation; and

(2) for each recommendation not implemented, the reason it was not implemented.

SECTION \_\_\_\_ Subsections (b) and (i), Section 1.29, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, are amended to read as follows:

(b) The authority shall assess equitable aquifer management fees based on aquifer use under the water management plan to finance its administrative expenses and programs authorized under this article. Each water district governed by Chapter 36 ~~[52]~~, Water Code, that is within the authority's boundaries may contract with

the authority to pay expenses of the authority through taxes in lieu 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 amount that the water users in the district would have paid through user fees. The authority may not collect a total amount of fees and taxes that is more than is reasonably necessary for the 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.

SECTION \_\_\_\_\_. Subsection (a), Section 1.45, Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, is amended to read as follows:

(a) The authority may own, finance, design, construct, [~~build or~~] operate, and maintain recharge dams and associated facilities, structures, or works in the contributing or recharge area of the aquifer if the recharge is made to increase the yield of the aquifer and the recharge project does not impair senior water rights or vested riparian rights.

SECTION \_\_\_\_\_. The following sections of Chapter 626, Acts of the 73rd Legislature, Regular Session, 1993, are repealed:

- (1) Subsections (b) and (d), Section 1.14;
- (2) Section 1.21; and
- (3) Subsections (a), (c), (d), and (h), Section 1.29.

SECTION \_\_\_\_\_. (a) The executive administrator of the Texas Water Development Board shall appoint the initial appointed representatives for each groundwater management area council as provided by Section 36.108, Water Code, as amended by this Act, as soon as practicable on or after the effective date of this Act. The terms of the initial representatives for each groundwater management area council expire August 31, 2007.

(b) The Texas Water Development Board shall convene the groundwater management area councils required under Section 36.108, Water Code, as amended by this Act, not later than September

1, 2006.

(c) The Texas Commission on Environmental Quality and the Texas Water Development Board shall adopt any rules, models, and forms necessary for the implementation of the groundwater management area planning functions required by this Act not later than September 1, 2006.

SECTION \_\_\_\_\_. (a) A statewide groundwater management district consolidation stakeholders committee is established to study issues concerning the management of groundwater.

(b) The committee is composed of the following members:

(1) five members appointed by the lieutenant governor;

(2) five members appointed by the speaker of the house of representatives;

(3) one member representing the Parks and Wildlife Department appointed by the Parks and Wildlife Commission;

(4) one member representing administrators of state-owned land overlying producible groundwater resources;

(5) one member representing the Texas Commission on Environmental Quality appointed by that commission; and

(6) one member representing the Texas Water Development Board appointed by that board.

(c) Of the members appointed under Subsection (b)(1):

(1) one member must represent municipalities using groundwater;

(2) one member must represent agricultural users of groundwater;

(3) one member must represent industrial users of groundwater;

(4) one member must represent groundwater conservation districts; and

(5) one member must represent owners of land that overlies producible groundwater.

(d) Of the members appointed under Subsection (b)(2):

(1) one member must represent municipalities using groundwater;

(2) one member must represent agricultural users of groundwater;

(3) one member must represent industrial users of groundwater;

(4) one member must represent groundwater conservation districts; and

(5) one member must represent owners of land that overlies producible groundwater.

(e) The groundwater management district consolidation stakeholders committee may appoint a technical advisory committee of up to nine members to assist the stakeholders committee in addressing the technical aspects of the issues to be studied.

(f) For each groundwater management area, the groundwater management district consolidation stakeholders committee shall address the following issues:

(1) the appropriate management goals for groundwater in the groundwater management area;

(2) the appropriate science to use to determine the availability of groundwater in the groundwater management area;

(3) the well permitting strategy of each groundwater conservation district in the groundwater management area;

(4) the effect of each well permitting strategy used in the groundwater management area on landowners in the groundwater management area;

(5) the effect of each well permitting strategy used in the groundwater management area on users of water produced from land in the groundwater management area;

(6) the effectiveness of each well permitting strategy used in the groundwater management area in meeting the management goals of the groundwater management area;

(7) whether the differences in well permitting strategies used in the groundwater management area are justified by differences in groundwater resources in the groundwater management area; and

(8) whether the public interest would be advanced by the consolidation of one or more groundwater conservation districts with other groundwater conservation districts in the groundwater management area.

(g) Not later than December 1, 2006, the groundwater

management district consolidation stakeholders committee shall report the results of its study of the issues described by Subsection (f) to the governor, lieutenant governor, speaker of the house of representatives, and presiding officer of each standing committee of the senate and house of representatives having jurisdiction over groundwater issues.