Amend SB 2038 (Senate committee printing) as follows:

(1) In SECTION 1 of the bill, in proposed Subchapter C, Chapter 8823, Special District Local Laws Code (page 3, between lines 5 and 6), insert a new Section 8823.101 as follows:

Sec. 8823.101. GROUNDWATER CONSERVATION DISTRICT POWERS AND DUTIES. Except as provided by this chapter, the district has the powers and duties provided by the general law of this state, including Chapter 36, Water Code, and Section 59, Article XVI, Texas Constitution, applicable to groundwater conservation districts.

(2) In SECTION 1 of the bill, in proposed Section 8823.101, Special District Local Laws Code (page 3, line 6), strike "<u>8823.101</u>" and substitute "<u>8823.102</u>".

(3) In SECTION 1 of the bill, in proposed Section 8823.102, Special District Local Laws Code (page 3, line 10), strike "<u>8823.102</u>" and substitute "<u>8823.103</u>".

(4) In SECTION 1 of the bill, in proposed Section 8823.102, Special District Local Laws Code (page 3, lines 22 and 23), strike proposed Subsection (c).

(5) In SECTION 1 of the bill, immediately following proposed Section 8823.102, Special District Local Laws Code (page 3, between lines 23 and 24), insert new Sections 8823.104 and 8823.105 as follows:

Sec. 8823.104. REGISTRATION AND REPORTING REQUIREMENTS FOR CERTAIN EXEMPT WELLS. The district may adopt rules that require the owner or operator of a well or class of wells exempt from permitting under Section 36.117, Water Code, to register the well with the district and, if the well is not exempt under Section 36.117(b)(1), Water Code, to report groundwater withdrawals from the well using reasonable and appropriate reporting methods and frequency.

Sec. 8823.105. WELL SPACING RULES; EXEMPTIONS. (a) Except as provided by Subsection (b), the district shall exempt from the well spacing requirements adopted by the district any well that is completed on or before the effective date of those requirements.

(b) The district may provide by rule that a well may lose its exemption under this section if the well is modified in a manner that substantially increases the capacity of the well after the

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effective date of the well spacing requirements adopted by the district.

(c) Except as provided by this section, the district may require any well or class of wells exempt from permitting under Chapter 36, Water Code, to comply with the well spacing requirements adopted by the district. The district shall apply well spacing requirements uniformly to any well or class of wells based on the size or capacity of the well and without regard to the type of use of the groundwater produced by the well.

(6) In SECTION 1 of the bill, in proposed Section 8823.103, Special District Local Laws Code (page 3, line 24), strike "8823.103" and substitute "8823.106".

(7) IN SECTION 1 of the bill, in proposed Section 8823.104, Special District Local Laws Code (page 3, line 33), strike "<u>8823.104</u>" and substitute "<u>8823.107</u>".

(8) IN SECTION 1 of the bill, in proposed Section 8823.105, Special District Local Laws Code (page 3, line 36), strike "<u>8823.105</u>" and substitute "<u>8823.108</u>".

(9) In SECTION 1 of the bill, in proposed Section 8823.106, Special District Local Laws Code (page 3, line 43), strike "<u>8823.106</u>" and substitute "<u>8823.109</u>".

(10) IN SECTION 1 of the bill, in proposed Subchapter C, Chapter 8823, Special District Local Laws Code (page 3, between lines 44 and 45), insert a new Section 8823.110 as follows:

Sec. 8823.110. DISTRICT TERRITORY REQUIREMENTS; DISSOLUTION OF DISTRICT. (a) On September 1, 2011, the district boundaries must include at least one county adjacent to Coryell <u>County.</u>

(b) As soon as practicable after September 1, 2011, the Texas Commission on Environmental Quality shall determine whether the district complies with Subsection (a).

(c) If the commission determines that the district does not comply with Subsection (a), the commission shall dissolve the district in accordance with Sections 36.304, 36.305, 36.307, 36.308, 36.309, and 36.310, Water Code, regardless of whether the district meets the criteria for dissolution under Section 36.304(a), Water Code.

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(d) This section expires September 1, 2013.