Amend the senate committee printing of CSHB 725 by adding the following SECTIONS and renumbering the subsequent SECTIONS accordingly:

SECTION _____. Section 36.1071, Water Code, is amended by amending Subsections (c) and (f) and adding Subsection (f-1) to read as follows:

- shall provide technical assistance to a district in the development of the management plan required under Subsection (a) that [which] may include, if requested by the district, a preliminary review and comment on the plan prior to final approval by the Texas Water Development Board [board]. If such review and comment by the commission is requested, the commission shall provide comment not later than 30 days from the date the request is received.
- (f) [The district shall adopt rules necessary to implement the management plan.] Prior to the development of the <u>district's</u> first management plan and [its] approval of that plan under Section 36.1072, the district:
- (1) [may not adopt rules other than rules pertaining to the registration and interim permitting of new and existing wells and rules governing spacing and procedure before the district's board; however, the district may not adopt any rules limiting the production of wells, except rules requiring that groundwater produced from a well be put to a nonwasteful, beneficial use. The district] may accept applications for permits under Section 36.113, provided the district does not act on any such application until the district's management plan is approved as provided in Section 36.1072;
- (2) may adopt rules pertaining to the registration, interim permitting, metering, production reporting, spacing, and, where applicable, fee payment for authorized or actual production of water from new and existing wells;
- (3) may adopt rules governing procedure before the district's board; and
- (4) may not adopt any rules limiting the production of wells, except rules requiring that groundwater produced from a well be put to a nonwasteful, beneficial use.

- (f-1) After a management plan is finally approved under Section 36.1072, the district shall adopt or amend rules limiting the production of wells or allocating groundwater as necessary to implement the management plan and achieve the applicable desired future condition. A district may not adopt or amend rules limiting the production of wells or allocating groundwater if the district fails to:
- (1) adopt a management plan as required by this section;
- (2) submit a management plan to the executive administrator as required by Section 36.1072; and
- (3) receive approval of the management plan under Section 36.1072.

SECTION _____. Section 36.1072, Water Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

- (c) Once the executive administrator has <u>granted</u> administrative approval to [approved] a management plan:
- (1) the executive administrator may not revoke but may require revisions to the approved [groundwater conservation district] management plan as provided by Subsection (g); and
- (2) the executive administrator may request additional information from the district if the information is necessary to clarify, modify, or supplement previously submitted material[, but a request for additional information does not render the management plan unapproved].
- (c-1) Not later than the 60th day after the date of the administrative approval of a district's management plan under Subsection (c), the executive administrator shall review the management plan to determine whether goals of the management plan are consistent with the achievement of the desired future conditions established under Section 36.108(d) that are applicable to all or part of the district, considering any available information regarding groundwater levels, and:
 - (1) request additional information from the district;
- (2) recommend that the district make substantive changes to the management plan; or

(3) approve the management plan.

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

Sec. 36.1073. AMENDMENT TO MANAGEMENT PLAN. Any amendment to <u>a district's</u> [the] management plan shall be submitted to the executive administrator within 60 days following adoption of the amendment by the district's board. The executive administrator shall review and approve any amendment <u>that</u> [which] substantially affects the management plan in accordance with the procedures established under Section 36.1072.

SECTION ____. Subsection (n), Section 36.108, Water Code, is amended to read as follows:

(n) The districts shall prepare [a] revised <u>conditions</u> [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 districts shall revise the conditions and submit the conditions to the development board for review.

SECTION ____. Section 36.207, Water Code, is amended to read as follows:

Sec. 36.207. USE OF <u>PRODUCTION</u> [<u>PERMIT</u>] FEES AUTHORIZED BY SPECIAL LAW. A district may use funds obtained from <u>production</u> [<u>permit</u>] fees collected pursuant to the special law governing the district for any purpose consistent with the district's <u>approved</u> [<u>certified water</u>] management plan including, without limitation, making grants, loans, or contractual payments to achieve, facilitate, or expedite reductions in groundwater pumping or the development or distribution of alternative water supplies.

SECTION ____. Section 36.301, Water Code, is amended to read as follows:

Sec. 36.301. <u>VIOLATIONS RELATED TO [FAILURE TO SUBMIT A]</u>
MANAGEMENT PLAN. <u>The commission shall take appropriate action</u>
under Section 36.303 if:

- (1) a district adopts or amends a rule in violation of Section 36.1071(f-1);
 - (2) [If] a district [board] fails to submit a

management plan or to receive <u>approval</u> [certification] of <u>the</u> [its] management plan under Section 36.1072;

- (3) a district fails to timely readopt the management plan or to submit the readopted management plan to the executive administrator for approval in accordance with Section 36.1072(f);
- (4) the executive administrator determines that a readopted management plan does not meet the requirements for approval, and the district has exhausted all appeals; or
- (5) a district 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 _____. (a) Section 36.1071, Water Code, as amended by this Act, applies only to the rulemaking authority of a groundwater conservation district related to a management plan or an amendment to a management plan that is submitted by the district to the executive administrator of the Texas Water Development Board for review and approval on or after the effective date of this Act. A district's rulemaking authority related to a management plan or an amendment to a management plan that is submitted to the executive administrator of the Texas Water Development Board before the effective date of this Act is governed by the law in effect when the management plan or amendment was submitted, and the former law is continued in effect for that purpose.

(b) The change in law made by this Act to Section 36.301, Water Code, applies only to a violation by a groundwater conservation district that occurs on or after the effective date of this Act. A violation that occurs before the effective date of this Act is governed by the law in effect on the date the violation occurred, and the former law is continued in effect for that purpose.