By: Seliger S.B. No. 727

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to groundwater conservation district management plans.
3	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
4	SECTION 1. Subsections (a) and (b), Section 36.1071, Water
5	Code, are amended to read as follows:
6	(a) Following notice and hearing, the district shall, in
7	coordination with surface water management entities on a regional
8	basis, develop a [ <del>comprehensive</del> ] management plan <u>that</u> [ <del>which</del> ]
9	addresses the following management goals, as applicable:
10	(1) providing the most efficient use of groundwater;
11	(2) controlling and preventing waste of groundwater;
12	(3) controlling and preventing subsidence;
13	(4) addressing conjunctive surface water management
14	issues;
15	(5) addressing natural resource issues;
16	(6) addressing drought conditions;
17	(7) addressing conservation, recharge enhancement,
18	rainwater harvesting, precipitation enhancement, or brush control,
19	where appropriate and cost-effective; and
20	(8) addressing in a quantitative manner the desired
21	future conditions of the groundwater resources.
22	(b) $\underline{\text{The}}$ [A district] management plan, or any amendments to
23	the [a district management] plan, shall be developed [by the
24	district] using the district's best available data and forwarded to

- 1 the regional water planning group for use in their planning
- 2 process.
- 3 SECTION 2. Section 36.1072, Water Code, is amended by
- 4 amending Subsections (a) through (d), (f), and (g) and adding
- 5 Subsection (a-1) to read as follows:
- 6 (a) In this section, "development board" means the Texas
- 7 Water Development Board.
- 8 (a-1) A district shall, not later than three years after the
- 9 creation of the district or, if the district required confirmation,
- 10 not later than three years after the election confirming the
- 11 district's creation, submit the management plan required under
- 12 Section 36.1071 to the executive administrator for review and
- 13 approval.
- 14 (b) Within 60 days of receipt of a district's management
- 15 plan adopted under Section 36.1071, readopted under Subsection (e)
- 16 or (g) of this section, or amended under Section 36.1073, the
- 17 executive administrator shall approve the district's [a
- 18 management] plan if the plan is administratively complete. A
- 19 management plan is administratively complete when it contains the
- 20 information required to be submitted under Section 36.1071(a) and
- 21 (e). The executive administrator may determine whether conditions
- 22 justify waiver of the requirements under Section 36.1071(e)(4).
- 23 (c) Once the executive administrator has approved a
- 24 district's management plan:
- 25 (1) the executive administrator may not revoke but may
- 26 require revisions to the approved [groundwater conservation
- 27 district] management plan as provided by Subsection (g); and

- 1 (2) the executive administrator may request 2 additional information from the district if the information is 3 necessary to clarify, modify, or supplement previously submitted 4 material, but a request for additional information does not render 5 the management plan unapproved.
- 6 (d) A management plan takes effect on approval by the 7 executive administrator or, if appealed, on approval by the 8 development board [Texas Water Development Board].
- 9 (f) If the executive administrator does not approve the district's management plan, the executive administrator shall 10 11 provide to the district, in writing, the reasons for the action. Not later than the 180th day after the date a district receives 12 13 notice that its management plan has not been approved, the district may submit a revised management plan for review and approval. 14 15 executive administrator's decision may bе appealed 16 development board [Texas Water Development Board]. the development board [Texas Water Development Board] decides not to 17 approve the district's management plan on appeal, the district may 18 request that the conflict be mediated. The district and the board 19 20 may seek the assistance of the Center for Public Policy Dispute Resolution at The University of Texas School of Law or 21 alternative dispute resolution system established under Chapter 22 152, Civil Practice and Remedies Code, in obtaining a qualified 23 24 impartial third party to mediate the conflict. The cost of the 25 mediation services must be specified in the agreement between the parties and the Center for Public Policy Dispute Resolution or the 26 27 alternative dispute resolution system. If the parties do not

resolve the conflict through mediation, the decision of the 1 <u>development board</u> [Texas Water Development Board] not to approve 2 the district's management plan may be appealed to a district court 3 4 in Travis County. Costs for the appeal shall be set by the court hearing the appeal. An appeal under this subsection is by trial de 5 novo. The commission shall not take enforcement action against a 6 7 district under Subchapter I until the <a href="Latest"><u>latest</u></a> [later] of the expiration of the 180-day period, the date the development board 8 [Texas Water Development Board] has taken final action withholding 9 approval of a revised management plan, the date the mediation is 10 11 completed, or the date a final judgment upholding the board's decision is entered by a district court. An enforcement action may 12 13 not be taken against a district by the commission or the state auditor under Subchapter I because the district's management plan 14 15 and the approved regional water plan are in conflict while the 16 parties are attempting to resolve the conflict before the development board, in mediation, or in court. Rules of the district 17 continue in full force and effect until all appeals under this 18 subsection have been exhausted and the final judgment is adverse to 19 20 the district.

(g) [In this subsection, "development board" means the Texas Water Development Board.] A person with a legally defined interest in groundwater in a district, or the regional water planning group, may file a petition with the development board stating that a conflict requiring resolution may exist between the district's approved management plan developed under Section 36.1071 and the state water plan. If a conflict exists, the

## S.B. No. 727

development board shall provide technical assistance to and 1 2 facilitate coordination between the involved person or regional water planning group and the district to resolve the conflict. Not 3 4 later than the 45th day after the date the person or the regional water planning group files a petition with the development board, 5 if the conflict has not been resolved, the district and the involved 6 7 person or regional planning group may mediate the conflict. district and the involved person or regional planning group may 8 9 seek the assistance of the Center for Public Policy Dispute Resolution at The University of Texas School of Law or 10 11 alternative dispute resolution system established under Chapter 152, Civil Practice and Remedies Code, in obtaining a qualified 12 13 impartial third party to mediate the conflict. The cost of the mediation services must be specified in the agreement between the 14 parties and the Center for Public Policy Dispute Resolution or the 15 16 alternative dispute resolution system. If the district and the involved person or regional planning group cannot resolve the 17 conflict through mediation, the development board shall resolve the 18 conflict not later than the 60th day after the date the mediation is 19 20 completed. The development board action under this provision may be consolidated, at the option of the board, with related action 21 under Section 16.053(p). If the development board determines that 22 resolution of the conflict requires a revision of the approved 23 24 [groundwater conservation district] management plan, 25 development board shall provide information to the district. district shall prepare any revisions to the plan based on the 26 27 information provided by the development board and shall hold, after

- notice, at least one public hearing at some central location within 1 2 the district. The district shall consider all public development board comments, prepare, revise, and adopt 3 4 management plan, and submit the revised management plan to the development board for approval. On the request of the district or 5 the regional water planning group, the development board shall 6 7 include discussion of the conflict and its resolution in the state water plan that the development board provides to the governor, the 8 9 lieutenant governor, and the speaker of the 10 representatives under Section 16.051(e). Ιf the groundwater of 11 conservation district disagrees with the decision development board under this subsection, the district may appeal 12 the decision to a district court in Travis County. Costs for the 13 appeal shall be set by the court hearing the appeal. 14 15 under this subsection is by trial de novo.
- SECTION 3. Subsections (b) and (c), Section 36.108, Water Code, are amended to read as follows:
- 18 (b) If two or more districts are located within boundaries of the same management area, each district shall 19 20 [prepare a comprehensive management plan as required by Section 36.1071 covering that district's respective territory. On 21 completion and approval of the plan as required by Section 36.1072, 22 each district shall] forward a copy of that district's [the] new or 23 24 revised management plan to the other districts in the management 25 The boards of the districts shall consider the plans individually and shall compare them to other management plans then 26 27 in force in the management area.

- 1 (c) The presiding officer, or the presiding officer's 2 designee, of each district located in whole or in part in the 3 management area shall meet at least annually to conduct joint 4 planning with the other districts in the management area and to
- 5 review the management plans and accomplishments for the management
- 6 area. In reviewing the management plans, the districts shall
- 7 consider:
- 8 (1) the goals of each management plan and its impact on 9 planning throughout the management area;
- 10 (2) the effectiveness of the measures established by
- 11 each <u>district's</u> management plan for conserving and protecting
- 12 groundwater and preventing waste, and the effectiveness of these
- 13 measures in the management area generally;
- 14 (3) any other matters that the boards consider
- 15 relevant to the protection and conservation of groundwater and the
- 16 prevention of waste in the management area; and
- 17 (4) the degree to which each management plan achieves
- 18 the desired future conditions established during the joint planning
- 19 process.
- SECTION 4. Subsection (d), Section 36.113, Water Code, is
- 21 amended to read as follows:
- 22 (d) Before granting or denying a permit or permit amendment,
- 23 the district shall consider whether:
- 24 (1) the application conforms to the requirements
- 25 prescribed by this chapter and is accompanied by the prescribed
- 26 fees;
- 27 (2) the proposed use of water unreasonably affects

- 1 existing groundwater and surface water resources or existing permit
- 2 holders;
- 3 (3) the proposed use of water is dedicated to any
- 4 beneficial use;
- 5 (4) the proposed use of water is consistent with the
- 6 district's approved [certified water] management plan;
- 7 (5) if the well will be located in the Hill Country
- 8 Priority Groundwater Management Area, the proposed use of water
- 9 from the well is wholly or partly to provide water to a pond, lake,
- 10 or reservoir to enhance the appearance of the landscape;
- 11 (6) the applicant has agreed to avoid waste and
- 12 achieve water conservation; and
- 13 (7) the applicant has agreed that reasonable diligence
- 14 will be used to protect groundwater quality and that the applicant
- 15 will follow well plugging guidelines at the time of well closure.
- SECTION 5. Subsection (b), Section 36.116, Water Code, is
- 17 amended to read as follows:
- 18 (b) In promulgating any rules limiting groundwater
- 19 production, the district may preserve historic or existing use
- 20 before the effective date of the rules to the maximum extent
- 21 practicable consistent with the district's [comprehensive]
- 22 management plan under Section 36.1071 and as provided by Section
- 23 36.113.
- SECTION 6. Subsection (f), Section 36.122, Water Code, is
- 25 amended to read as follows:
- 26 (f) In reviewing a proposed transfer of groundwater out of
- 27 the district, the district shall consider:

- 1 (1) the availability of water in the district and in
- 2 the proposed receiving area during the period for which the water
- 3 supply is requested;
- 4 (2) the projected effect of the proposed transfer on
- 5 aquifer conditions, depletion, subsidence, or effects on existing
- 6 permit holders or other groundwater users within the district; and
- 7 (3) the approved regional water plan and <u>approved</u>
- 8 [certified] district management plan.
- 9 SECTION 7. Section 36.207, Water Code, is amended to read as
- 10 follows:
- 11 Sec. 36.207. USE OF PERMIT FEES AUTHORIZED BY SPECIAL LAW.
- 12 A district may use funds obtained from permit fees collected
- 13 pursuant to the special law governing the district for any purpose
- 14 consistent with the district's approved [certified water]
- 15 management plan including, without limitation, making grants,
- 16 loans, or contractual payments to achieve, facilitate, or expedite
- 17 reductions in groundwater pumping or the development or
- 18 distribution of alternative water supplies.
- 19 SECTION 8. Section 36.301, Water Code, is amended to read as
- 20 follows:
- Sec. 36.301. FAILURE TO SUBMIT A MANAGEMENT PLAN. If a
- 22 <u>district</u> [board] fails to submit a management plan or to receive
- 23 approval [certification] of its management plan under Section
- 24 36.1072, or fails to submit or receive approval [certification] of
- 25 an amendment to the management plan under Section 36.1073, the
- 26 commission shall take appropriate action under Section 36.303.
- SECTION 9. Section 36.3011, Water Code, is amended to read

- 1 as follows:
- 2 Sec. 36.3011. FAILURE OF DISTRICT TO CONDUCT JOINT
- 3 PLANNING. Not later than the 45th day after receiving the review
- 4 panel's report under Section 36.108, the executive director or the
- 5 commission shall take action to implement any or all of the panel's
- 6 recommendations. The commission may take any action against a
- 7 district it considers necessary in accordance with Section 36.303
- 8 if the commission finds that:
- 9 (1) a district has failed to submit its management
- 10 plan to the executive administrator;
- 11 (2) a district has failed to adopt rules;
- 12 (3) the rules adopted by the district are not designed
- 13 to achieve the desired future condition of the groundwater
- 14 resources in the groundwater management area; or
- 15 (4) the groundwater in the management area is not
- 16 adequately protected by the rules adopted by the district, or the
- 17 groundwater in the management area is not adequately protected
- 18 because of the district's failure to enforce substantial compliance
- 19 with its rules.
- 20 SECTION 10. This Act takes effect immediately if it
- 21 receives a vote of two-thirds of all the members elected to each
- 22 house, as provided by Section 39, Article III, Texas Constitution.
- 23 If this Act does not receive the vote necessary for immediate
- 24 effect, this Act takes effect September 1, 2011.