1-1 By: Seliger

(In the Senate - Filed January 31, 2013; February 5, 2013, read first time and referred to Committee on Natural Resources; 1-4 April 2, 2013, reported adversely, with favorable Committee 1-5 Substitute by the following vote: Yeas 9, Nays 1; April 2, 2013, sent to printer.)

1-7 COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Fraser	X	-		
1-10	Estes	X			
1-11	Deuell	X			
1-12	Duncan	X			
1-13	Ellis	X			
1-14	Eltife	X			
1-15	Hegar	X			
1-16	Hinojosa	X			
1-17	Nichols		X		
1-18	Seliger	X			
1-19	Uresti			X	

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 302

By: Seliger

1-21 A BILL TO BE ENTITLED AN ACT

relating to the management, operation, rulemaking authority, and oversight of groundwater conservation districts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 36.1071, Water Code, is amended by amending Subsections (c) and (f) and adding Subsections (f-1) and (i) 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 district's management plan and the final [its] approval of that plan under Section 36.1072, the district:
- (1) may accept applications for permits submitted to the district under Section 36.113;
- (2) may issue interim permits as provided by Section

1-44 <u>36.1133;</u> 1-45

1-23

1-24

1-25

1-26 1-27

1-28

1-29

1-30

1-31 1-32 1-33

1**-**34 1**-**35

1-36

1**-**37 1**-**38

1-39 1-40

1-41 1-42

1-43

1-46 1-47 1-48 1-49 1-50

1-51

1**-**52 1**-**53

1-54

1-55

1-56

(3) may [not] adopt rules relating to:

(A) [other than rules pertaining to] the registration of, [and] interim permitting of, metering of, reporting of production from, spacing of, and assessment of fees based on authorized or actual production of water from new and existing wells; and

(B) [and rules governing spacing and] procedure before the district's board; and

(4) [however, the district] may not:

(A) adopt any rules limiting the production of wells, except rules requiring that groundwater produced from a well be put to a nonwasteful, beneficial use; or

(B) take any action regarding a permit[. The

1-57 (B) take any action regarding a permit[. The
1-58 district may accept applications for permits under Section 36.113,
1-59 provided the district does not act on any such] application, other
1-60 than an application for an interim permit [until the district's

C.S.S.B. No. 302

management plan is approved as provided in Section 36.1072].

(f-1) After the district's management plan is approved under Section 36.1072, the district shall adopt or amend rules limiting the production of wells or allocating groundwater and review and amend the terms of any interim permits issued by the district as necessary to implement the management plan and achieve the applicable desired future conditions. The 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

2-11 section; 2-12

2-1

2-2

2-3

2-4

2**-**5 2-6

2-7 2-8

2-9 2-10

2-13 2-14

2**-**15 2**-**16

2-17

2-18 2-19

2**-**20 2**-**21

2-22

2-23

2-24

2**-**25 2**-**26

2-27

2-28

2-29

2-30 2-31 2-32

2-33

2-34 2-35 2-36 2-37

2-38 2-39 2-40 2-41 2-42

2-43 2-44

2-45 2-46 2-47

2-48

2-49 2-50 2-51 2-52

2-53

2-54

2-55

2-56 2-57

2-58 2-59

2-60 2-61

2-62

2-63 2-64 2-65

- (2) plan submit management the executive а administrator as required by Section 36.1072; and
- (3) receive approval of the management plan under Section 36.1072.
- The commission shall take action under Section 36.303 pursuant to a petition filed under Section 36.1082 to ensure that all districts in the state comply with the requirements of this section.
- SECTION 2. 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 granted administrative approval to [approved] a district's management
- (1) the executive administrator may not revoke but may require revisions to the approved management plan as provided by Subsection (g); and
- executive (2) the 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 3. 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 that [which] substantially affects the management plan in accordance with the procedures established under Section 36.1072.

Subsection (b), Section 36.1082, Water Code, is SECTION 4. amended to read as follows:

- (b) An affected person may file a petition with the commission requesting an inquiry for any of the following reasons:
- (1) a district fails to submit its management plan to the executive administrator;
- (2) a district fails to participate in the joint planning process under Section 36.108;
- (3) a district fails to adopt rules; (4) a district fails to adopt the applicable desired future conditions adopted by the management area at a joint meeting;
- 2-66 2-67 a district fails to update its management plan before the second anniversary of the adoption of desired future 2-68 2-69 conditions by the management area;

C.S.S.B. No. 302

a district fails to update its rules to implement applicable desired future conditions before the first anniversary of the date it updated its management plan with the adopted desired future conditions;

3 - 1

3-2 3-3

3 - 4

3**-**5 3**-**6 3-7

3-8

3-9

3-10 3**-**11 3-12 3-13

3-14

3**-**15 3**-**16

3-17

3-18

3-19

3**-**20 3**-**21 3-22 3-23

3-24 3-25 3**-**26

3-27

3-28

3-29 3-30 3-31

3-32 3-33

3-34 3-35 3**-**36 3-37

3-38 3-39

3-40 3-41

3-42 3-43

3-44

3-45 3-46 3-47

3-48

3-49 3-50 3**-**51 3-52

3**-**53

3-54

3-55 3-56 3-57

3-58 3-59 3-60

3-61 3-62

3-63

3-64 3**-**65 3-66

3-67 3-68

3-69

- (7) the rules adopted by a district are not designed to achieve the desired future conditions adopted by the management area during the joint planning process;
- (8) the rules adopted by the district do not achieve the applicable desired future conditions;
- (9) the groundwater in the management area is not adequately protected by the rules adopted by a district; or (10) [(9)] the groundwater in the management area is
- not adequately protected due to the failure of a district to enforce substantial compliance with its rules.
- SECTION 5. Subsection (d), Section 36.1083, Water Code, is amended to read as follows:
- (d) The districts shall prepare [a] revised conditions [plan] in accordance with development board recommendations and hold, after notice, at least one public hearing at a central location in the 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 6. Subchapter D, Chapter 36, Water Code, is amended by adding Section 36.1133 to read as follows:
- Sec. 36.1133. INTERIM PERMITS. (a) Before a district's first management plan is finally approved under Section 36.1072, a district may issue an interim permit for any activity regulated by the district for which a permit is required, subject to:

 (1) rules adopted by the district; and
 (2) modification of the terms of the interim permit as
- necessary to implement the district's management plan and achieve the applicable desired future conditions after the management plan
- is finally approved under that section.

 (b) Section 36.113 and the provisions of this chapter relating to permits issued under that section apply to a permit issued under this section to the extent those provisions may be made applicable.
- SECTION 7. Section 36.301, Water Code, is amended to read as follows:
- 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 fails to submit a management plan
- or to receive approval of the [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(e);
- (4) the executive administrator determines that management plan does not meet the requirements for readopted approval, and the district has exhausted all appeals; $[\tau]$ or
- (5) a district fails to submit or receive approval of an amendment to the management plan under Section 36.1073[, the commission shall take appropriate action under Section 36.303].
- SECTION 8. (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 ar after the Company of the compan 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.

SECTION 9. This Act takes effect immediately if it receives 4-8 a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013. 4-9 4-10 4-11 4-12

* * * * * 4-13

4-1 4-2

4-3 4-4

4**-**5 4**-**6

4-7