

1-1 By: Lucio III (Senate Sponsor - Perry) H.B. No. 950
1-2 (In the Senate - Received from the House May 4, 2015;
1-3 May 5, 2015, read first time and referred to Committee on
1-4 Agriculture, Water, and Rural Affairs; May 26, 2015, reported
1-5 favorably by the following vote: Yeas 6, Nays 0; May 26, 2015, sent
1-6 to printer.)

1-7	COMMITTEE VOTE			
1-8		Yea	Nay	Absent
1-9	Perry	X		
1-10	Zaffirini			X
1-11	Creighton	X		
1-12	Hall	X		
1-13	Hinojosa	X		
1-14	Kolkhorst	X		
1-15	Rodríguez	X		

1-16 A BILL TO BE ENTITLED
1-17 AN ACT

1-18 relating to the review of groundwater conservation districts by the
1-19 state auditor.

1-20 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-21 SECTION 1. Section 35.018(b), Water Code, is amended to
1-22 read as follows:

1-23 (b) The report must include:

1-24 (1) the names and locations of all priority
1-25 groundwater management areas and districts created or attempted to
1-26 be created on or after November 5, 1985, the effective date of
1-27 Chapter 133 (H.B. No. 2), Acts of the 69th Legislature, Regular
1-28 Session, 1985;

1-29 (2) the authority under which each priority
1-30 groundwater management area and district was proposed for creation;

1-31 (3) a detailed analysis of each election held to
1-32 confirm the creation of a district, including analysis of election
1-33 results, possible reasons for the success or failure to confirm the
1-34 creation of a district, and the possibility for future voter
1-35 approval of districts in areas in which attempts to create
1-36 districts failed;

1-37 (4) a detailed analysis of the activities of each
1-38 district created, including those districts which are implementing
1-39 management plans certified under Section 36.1072;

1-40 (5) a report on ~~audits performed on districts under~~
1-41 ~~Section 36.302 and~~ remedial actions taken under Section 36.303;

1-42 (6) recommendations for changes in this chapter and
1-43 Chapter 36 that will facilitate the creation of priority
1-44 groundwater management areas and the creation and operation of
1-45 districts;

1-46 (7) a report on educational efforts in newly
1-47 designated priority groundwater management areas; and

1-48 (8) any other information and recommendations that the
1-49 commission considers relevant.

1-50 SECTION 2. Section 36.061(b), Water Code, is amended to
1-51 read as follows:

1-52 (b) The state auditor may conduct a financial audit ~~[the~~
1-53 ~~records]~~ of any district if the state auditor determines that the
1-54 audit is necessary.

1-55 SECTION 3. Section 36.1072(f), Water Code, is amended to
1-56 read as follows:

1-57 (f) If the executive administrator does not approve the
1-58 district's management plan, the executive administrator shall
1-59 provide to the district, in writing, the reasons for the
1-60 action. Not later than the 180th day after the date a district
1-61 receives notice that its management plan has not been approved, the

district may submit a revised management plan for review and approval. The executive administrator's decision may be appealed to the development board. If the development board decides not to approve the district's management plan on appeal, the district may request that the conflict be mediated. The district and the board may seek the assistance of the Center for Public Policy Dispute Resolution at The University of Texas School of Law or an alternative dispute resolution system established under Chapter 152, Civil Practice and Remedies Code, in obtaining a qualified impartial third party to mediate the conflict. The cost of the mediation services must be specified in the agreement between the parties and the Center for Public Policy Dispute Resolution or the alternative dispute resolution system. If the parties do not resolve the conflict through mediation, the decision of the development board not to approve the district's management plan may be appealed to a district court 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 novo. The commission shall not take enforcement action against a district under Subchapter I until the latest of the expiration of the 180-day period, the date the development board has taken final action withholding approval of a revised management plan, the date the mediation is completed, or the date a final judgment upholding the board's decision is entered by a district court. An enforcement action may not be taken against a district by the commission ~~[or the state auditor]~~ under Subchapter I because the district's management plan and the approved regional water plan are in conflict while the parties are attempting to resolve the conflict before the development board, in mediation, or in court. Rules of the district continue in full force and effect until all appeals under this subsection have been exhausted and the final judgment is adverse to the district.

SECTION 4. Section 36.303(a), Water Code, is amended to read as follows:

(a) If Section ~~[36.108,]~~ 36.301 or 36.3011~~[, or 36.302(f)]~~ applies, the commission, after notice and hearing in accordance with Chapter 2001, Government Code, shall take action the commission considers appropriate, including:

(1) issuing an order requiring the district to take certain actions or to refrain from taking certain actions;

(2) dissolving the board in accordance with Sections 36.305 and 36.307 and calling an election for the purpose of electing a new board;

(3) requesting the attorney general to bring suit for the appointment of a receiver to collect the assets and carry on the business of the groundwater conservation district; or

(4) dissolving the district in accordance with Sections 36.304, 36.305, and 36.308.

SECTION 5. Section 36.302, Water Code, is repealed.

SECTION 6. This Act takes effect immediately if it receives 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, 2015.

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