By: Perry (Price)

S.B. No. 1511

Substitute the following for S.B. No. 1511:

By: Larson

C.S.S.B. No. 1511

## A BILL TO BE ENTITLED

1 AN ACT

- 2 relating to the state and regional water planning process and the
- 3 funding of projects included in the state water plan.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 15.439(a), Water Code, is amended to
- 6 read as follows:
- 7 (a) The board shall adopt rules providing for the use of
- 8 money in the fund that are consistent with this subchapter,
- 9 including rules:
- 10 (1) establishing standards for determining whether
- 11 projects meet the criteria provided by Section 15.434(b); and
- 12 (2) specifying the manner for prioritizing projects
- 13 for purposes of <u>Sections 15.436 and</u> [<del>Section</del>] 15.437.
- SECTION 2. Section 16.051(a-1), Water Code, is amended to
- 15 read as follows:
- 16 (a-1) The state water plan must include:
- 17 (1) an evaluation of the state's progress in meeting
- 18 future water needs, including an evaluation of the extent to which
- 19 water management strategies and projects implemented after the
- 20 adoption of the preceding state water plan have affected that
- 21 progress; [and]
- 22 (2) an analysis of the number of projects included in
- 23 the preceding state water plan that received financial assistance
- 24 from the board; and

- 1 (3) with respect to projects included in the preceding
- 2 state water plan that were given a high priority by the board for
- 3 purposes of providing financial assistance under Subchapter G,
- 4 Chapter 15:
- 5 (A) an assessment of the extent to which the
- 6 projects were implemented in the decade in which they were needed;
- 7 and
- 8 (B) an analysis of any impediments to the
- 9 implementation of any projects that were not implemented in the
- 10 decade in which they were needed.
- 11 SECTION 3. Subchapter C, Chapter 16, Water Code, is amended
- 12 by adding Section 16.052 to read as follows:
- 13 Sec. 16.052. INTERREGIONAL PLANNING COUNCIL. (a) The
- 14 board, at an appropriate time in each five-year cycle for the
- 15 adoption of a new state water plan, shall appoint an interregional
- 16 planning council. The members of the council serve until a new
- 17 state water plan is adopted.
- (b) The council consists of one member of each regional
- 19 water planning group. Each regional water planning group shall
- 20 nominate one or more members for appointment to the council, and the
- 21 board shall consider the nominations in making appointments to the
- 22 council.
- 23 (c) The purposes of the council are to:
- 24 (1) improve coordination among the regional water
- 25 planning groups, and between each regional water planning group and
- 26 the board, in meeting the goals of the state water planning process
- 27 and the water needs of the state as a whole;

- 1 (2) facilitate dialogue regarding water management
- 2 strategies that could affect multiple regional water planning
- 3 areas; and
- 4 (3) share best practices regarding operation of the
- 5 <u>regional water planning process.</u>
- 6 (d) The council shall:
- 7 (1) hold at least one public meeting; and
- 8 (2) prepare a report to the board on the council's
- 9 work.
- 10 SECTION 4. Section 16.053(c), Water Code, is amended to
- 11 read as follows:
- 12 (c) No later than 60 days after the designation of the
- 13 regions under Subsection (b), the board shall designate
- 14 representatives within each regional water planning area to serve
- 15 as the initial coordinating body for planning. The initial
- 16 coordinating body may then designate additional representatives to
- 17 serve on the regional water planning group. The initial
- 18 coordinating body shall designate additional representatives if
- 19 necessary to ensure adequate representation from the interests
- 20 comprising that region, including the public, counties,
- 21 municipalities, industries, agricultural interests, environmental
- 22 interests, small businesses, electric generating utilities, river
- 23 authorities, water districts, and water utilities. The regional
- 24 water planning group shall maintain adequate representation from
- 25 those interests. In addition, the groundwater conservation
- 26 districts located in each management area, as defined by Section
- 27 36.001, located in the regional water planning area shall appoint

- 1 one representative of a groundwater conservation district located
- 2 in the management area and in the regional water planning area to
- 3 serve on the regional water planning group. In addition,
- 4 representatives of the board, the Parks and Wildlife Department,
- 5 [and] the Department of Agriculture, and the State Soil and Water
- 6 <u>Conservation Board</u> shall serve as ex officio members of each
- 7 regional water planning group.
- 8 SECTION 5. Section 16.053(e), Water Code, as amended by
- 9 Chapters 756 (H.B. 2031), 990 (H.B. 30), and 1180 (S.B. 1101), Acts
- 10 of the 84th Legislature, Regular Session, 2015, is reenacted and
- 11 amended to read as follows:
- 12 (e) Each regional water planning group shall submit to the
- 13 development board a regional water plan that:
- 14 (1) is consistent with the guidance principles for the
- 15 state water plan adopted by the development board under Section
- 16 16.051(d);
- 17 (2) provides information based on data provided or
- 18 approved by the development board in a format consistent with the
- 19 guidelines provided by the development board under Subsection (d);
- 20 (2-a) is consistent with the desired future conditions
- 21 adopted under Section 36.108 for the relevant aquifers located in
- 22 the regional water planning area as of the date the board most
- 23 recently adopted a state water plan under Section 16.051 or, at the
- 24 option of the regional water planning group, established subsequent
- 25 to the adoption of the most recent plan; provided, however, that if
- 26 no groundwater conservation district exists within the area of the
- 27 regional water planning group, the regional water planning group

- 1 shall determine the supply of groundwater for regional planning
- 2 purposes; the Texas Water Development Board shall review and
- 3 approve, prior to inclusion in the regional water plan, that the
- 4 groundwater supply for the regional planning group without a
- 5 groundwater conservation district in its area is physically
- 6 compatible, using the board's groundwater availability models,
- 7 with the desired future conditions adopted under Section 36.108 for
- 8 the relevant aquifers in the groundwater management area that are
- 9 regulated by groundwater conservation districts;
- 10 (3) identifies:
- 11 (A) each source of water supply in the regional
- 12 water planning area, including information supplied by the
- 13 executive administrator on the amount of modeled available
- 14 groundwater in accordance with the guidelines provided by the
- 15 development board under Subsections (d) and (f);
- 16 (B) factors specific to each source of water
- 17 supply to be considered in determining whether to initiate a
- 18 drought response;
- 19 (C) actions to be taken as part of the response;
- 20 [and]
- 21 (D) existing major water infrastructure
- 22 facilities that may be used for interconnections in the event of an
- 23 emergency shortage of water; and
- (E) unnecessary or counterproductive variations
- 25 <u>in specific drought response strategies</u>, including outdoor
- 26 watering restrictions, among user groups in the regional water
- 27 planning area that may confuse the public or otherwise impede

## 1 drought response efforts;

- 2 (4) has specific provisions for water management
- 3 strategies to be used during a drought of record;
- 4 (5) includes but is not limited to consideration of
- 5 the following:
- 6 (A) any existing water or drought planning
- 7 efforts addressing all or a portion of the region and potential
- 8 impacts on public health, safety, or welfare in this state;
- 9 (B) approved groundwater conservation district
- 10 management plans and other plans submitted under Section 16.054;
- 11 (C) all potentially feasible water management
- 12 strategies, including but not limited to improved conservation,
- 13 reuse, and management of existing water supplies, conjunctive use,
- 14 acquisition of available existing water supplies, and development
- 15 of new water supplies;
- 16 (D) protection of existing water rights in the
- 17 region;
- 18 (E) opportunities for and the benefits of
- 19 developing regional water supply facilities or providing regional
- 20 management of water supply facilities;
- 21 (F) appropriate provision for environmental
- 22 water needs and for the effect of upstream development on the bays,
- 23 estuaries, and arms of the Gulf of Mexico and the effect of plans on
- 24 navigation;
- (G) provisions in Section 11.085(k)(1) if
- 26 interbasin transfers are contemplated;
- 27 (H) voluntary transfer of water within the region

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C.S.S.B. No. 1511
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- 1 using, but not limited to, regional water banks, sales, leases,
- 2 options, subordination agreements, and financing agreements;
- 3 (I) emergency transfer of water under Section
- 4 11.139, including information on the part of each permit, certified
- 5 filing, or certificate of adjudication for nonmunicipal use in the
- 6 region that may be transferred without causing unreasonable damage
- 7 to the property of the nonmunicipal water rights holder; and
- 8 (J) opportunities for and the benefits of
- 9 developing large-scale desalination facilities for  $\underline{:}$
- 10 <u>(i)</u> marine seawater that serve local or
- 11 regional entities; and
- 12 <u>(ii)</u> [<del>(J) opportunities for and the</del>
- 13 benefits of developing large-scale desalination facilities for
- 14 seawater or] brackish groundwater that serve local or regional
- 15 brackish groundwater production zones identified and designated
- 16 under Section 16.060(b)(5);
- 17 (6) identifies river and stream segments of unique
- 18 ecological value and sites of unique value for the construction of
- 19 reservoirs that the regional water planning group recommends for
- 20 protection under Section 16.051;
- 21 (7) assesses the impact of the plan on unique river and
- 22 stream segments identified in Subdivision (6) if the regional water
- 23 planning group or the legislature determines that a site of unique
- 24 ecological value exists;
- 25 (8) describes the impact of proposed water projects on
- 26 water quality; [and]
- 27 (9) includes information on:

- 1 (A) projected water use and conservation in the
- 2 regional water planning area; and
- 3 (B) the implementation of state and regional
- 4 water plan projects, including water conservation strategies,
- 5 necessary to meet the state's projected water demands;
- 6 (10) if the regional water planning area has
- 7 significant identified water needs, provides a specific assessment
- 8 of the potential for aquifer storage and recovery projects to meet
- 9 those needs;
- 10 (11) sets one or more specific goals for gallons of
- 11 water use per capita per day in each decade of the period covered by
- 12 the plan for the municipal water user groups in the regional water
- 13 planning area; and
- 14 (12) assesses the progress of the regional water
- 15 planning area in encouraging cooperation between water user groups
- 16 for the purpose of achieving economies of scale and otherwise
- 17 incentivizing strategies that benefit the entire region.
- 18 SECTION 6. Sections 16.053(h)(1), (3), (6), and (10), Water
- 19 Code, are amended to read as follows:
- 20 (1) Prior to the preparation of the regional water
- 21 plan, the regional water planning group shall, after notice, hold
- 22 at least one public meeting at some central location readily
- 23 <u>accessible to the public</u> within the regional <u>water</u> planning area to
- 24 gather suggestions and recommendations from the public as to issues
- 25 that should be addressed in the plan or provisions that should be
- 26 considered for inclusion in the plan.
- 27 (3) After the regional water plan is initially

- 1 prepared, the regional water planning group shall, after notice,
- 2 hold at least one public hearing at some central location readily
- 3 accessible to the public within the regional water planning area.
- 4 The group shall make copies of the plan available for public
- 5 inspection at least one month before the hearing by providing a copy
- 6 of the plan in the county courthouse and at least one public library
- 7 of each county having land in the region. Notice for the hearing
- 8 shall include a listing of these and any other location where the
- 9 plan is available for review.
- 10 (6) If an interregional conflict exists, the board
- 11 shall facilitate coordination between the involved regions to
- 12 resolve the conflict. If conflict remains, the board shall resolve
- 13 the conflict. On resolution of the conflict, the involved regional
- 14 water planning groups shall prepare revisions to their respective
- 15 plans and hold, after notice, at least one public hearing at some
- 16 central location readily accessible to the public within their
- 17 respective regional water planning areas. The regional water
- 18 planning groups shall consider all public and board comments;
- 19 prepare, revise, and adopt their respective plans; and submit their
- 20 plans to the board for approval and inclusion in the state water
- 21 plan.
- 22 (10) The regional water planning group may amend the
- 23 regional water plan after the plan has been approved by the board.
- 24 If, after the regional water plan has been approved by the board,
- 25 the plan includes a water management strategy or project that
- 26 ceases to be feasible, the regional water planning group shall
- 27 amend the plan to exclude that water management strategy or project

- 1 and shall consider amending the plan to include a feasible water 2 management strategy or project in order to meet the need that was to be addressed by the infeasible water management strategy or 3 project. For purposes of this subdivision, a water management 4 strategy or project is considered infeasible if the proposed 5 sponsor of the water management strategy or project has not taken an 6 7 affirmative vote or other action to make expenditures necessary to 8 construct or file applications for permits required in connection with the implementation of the water management strategy or project 9 10 under federal or state law on a schedule that is consistent with the completion of the implementation of the water management strategy 11 12 or project by the time the water management strategy or project is projected by the regional water plan or the state water plan to be 13 needed. Subdivisions (1)-(9) apply to an amendment to the plan in 14 15 the same manner as those subdivisions apply to the plan.
- SECTION 7. Sections 16.053(i), (p-1), and (p-2), Water 17 Code, are amended to read as follows:
- The regional water planning groups shall submit their 18 19 adopted regional water plans to the board by January 5, 2001, for approval and inclusion in the state water plan. In conjunction with 20 the submission of regional water plans, each planning group should 21 22 make legislative recommendations, if any, to facilitate more voluntary water transfers in the region or for any other changes 23 24 that the members of the planning group believe would improve the water planning process. Subsequent regional water plans shall be 25 26 submitted at least every five years thereafter, except that a 27 regional water planning group may elect to implement simplified

- 1 planning, not more often than every other five-year planning cycle and in accordance with guidance provided by the board, if the group, 2 based on an analysis by the group using updated information 3 relating to groundwater and surface water availability, determines 4 that no significant changes to water availability, water supplies, 5 or water demands in the regional water planning area have occurred 6 since the most recent regional water plan was adopted. At a 7 minimum, simplified planning requires updating information in the 8 regional water plan relating to groundwater and surface water 9 10 availability, meeting any new statutory or other planning requirements that come into effect during each five-year planning 11 12 cycle, and formally adopting and submitting the regional water plan for approval. Public participation for revised regional plans 13 14 shall follow the procedures under Subsection (h).
- 15 (p-1) If the development board determines that resolution of the conflict requires a revision of an approved regional water 16 plan, the development board shall suspend the approval of that plan 17 and provide information to the regional water planning group. The 18 19 regional water planning group shall prepare any revisions to its plan specified by the development board and shall hold, after 20 notice, at least one public hearing at some central location 21 readily accessible to the public within the regional water planning 22 23 area. The regional water planning group shall consider all public 24 and development board comments, prepare, revise, and adopt its plan, and submit the revised plan to the development board for 25 26 approval and inclusion in the state water plan.
- 27 (p-2) If the development board determines that resolution

- 1 of the conflict requires a revision of the district's approved
- 2 groundwater conservation district management plan, the development
- 3 board shall provide information to the district. The groundwater
- 4 district shall prepare any revisions to its plan based on the
- 5 information provided by the development board and shall hold, after
- 6 notice, at least one public hearing at some central location
- 7 readily accessible to the public within the district. The
- 8 groundwater district shall consider all public and development
- 9 board comments, prepare, revise, and adopt its plan, and submit the
- 10 revised plan to the development board.
- 11 SECTION 8. To the extent of any conflict, this Act prevails
- 12 over another Act of the 85th Legislature, Regular Session, 2017,
- 13 relating to nonsubstantive additions to and corrections in enacted
- 14 codes.
- 15 SECTION 9. The Texas Water Development Board shall appoint
- 16 the members of the initial interregional planning council under
- 17 Section 16.052, Water Code, as added by this Act, not later than
- 18 September 1, 2018.
- 19 SECTION 10. This Act takes effect September 1, 2017.