

The Senate Natural Resources and the Environment Committee offered the following substitute to HB 1226:

A BILL TO BE ENTITLED
AN ACT

1 To amend Chapter 5 of Title 12 of the Official Code of Georgia Annotated, relating to water
2 resources, so as to extensively revise certain provisions relating to water supply; to confer
3 certain powers and duties upon a Water Supply Division of the Georgia Environmental
4 Facilities Authority; to change certain provisions relating to rules and regulations relative to
5 water conservation plans; to change certain provisions relating to permits for withdrawal,
6 diversion, or impoundment of surface waters generally and for farm use; to change certain
7 provisions relating to permits to withdraw, obtaining, or use of ground water; to change
8 certain provisions relating to a policy statement for comprehensive state-wide water
9 management planning, guiding principles, and requirements of plans; to amend Code Section
10 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from state sales
11 and use tax, so as to change the exemption from sales and use tax with respect to certain sales
12 of certain energy efficient products for a limited period of time; to provide for an exemption
13 with respect to certain sales of certain types of water efficient products for a limited period
14 of time; to amend Chapter 23 of Title 50 of the Official Code of Georgia Annotated, relating
15 to the Georgia Environmental Facilities Authority and the Division of Energy Resources, so
16 as to change certain provisions relating to definitions; to change certain provisions relating
17 to purpose, powers, and duties of the authority; to change certain provisions relating to
18 review of contracts and agreements by the Environmental Protection Division or the Georgia
19 Land Conservation Council; to change certain provisions relating to limitations on issue of
20 bonds; to provide for a Water Supply Division of the authority and its powers and duties; to
21 provide for a Georgia Reservoir Fund; to provide effective dates; to repeal conflicting laws;
22 and for other purposes.

23 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

PART I
SECTION 1-1.

Chapter 5 of Title 12 of the Official Code of Georgia Annotated, relating to water resources, is amended by revising Article 6, relating to water supply, as follows:

"ARTICLE 6

12-5-470.

This article shall be known and may be cited as the 'Georgia Water Supply Act of 2008.'

12-5-470.1.

(a) The exercise of any powers conferred by this article shall be subject to applicable law governing eminent domain and the allocation and distribution of the waters of the state.

(b) Nothing in this article shall alter or abrogate any provisions of this chapter or any rules, regulations, or state-wide or regional water plans pursuant thereto regarding interbasin or intrabasin transfer of waters.

(c) Projects provided for by this article shall comply with Article 8 of this chapter and any rules, regulations, or state-wide or regional water plans pursuant thereto.

(d) Nothing in this article shall be construed to diminish the full authority and responsibility of the director of the Environmental Protection Division of the department for existing statutory reviews and approvals.

12-5-471.

As used in this article, the term:

(1) 'Authority' means the Georgia Environmental Facilities Authority created by Code Section 50-23-3.

~~(1)~~(1.1) 'County' means any county created under the Constitution or laws of this state.

(1.2) 'Director' means the director of the division.

(1.3) 'Division' means the Water Supply Division of the Georgia Environmental Facilities Authority created by Code Section 50-23-26.

(2) 'Environmental services' means the provision, collectively or individually, of water facilities or management services.

(3) 'Lease' includes a lease or sublease and may, in the discretion of the ~~department~~ division, be in form and substance an estate for years, usufruct, license, concession, or any other right or privilege to use or occupy.

1 (4) 'Lessee' includes lessee or sublessee, tenant, licensee, concessionaire, or other person
 2 contracting for any estate for years, usufruct, license, concession, or other right or
 3 privilege referred to in paragraph (3) of this Code section.

4 (5) 'Local government' or 'local governing authority' means any municipal corporation
 5 or county, any local water district, or any state or local authority, board, or political
 6 subdivision created by the General Assembly or pursuant to the Constitution and laws of
 7 ~~the~~ this state.

8 (6) 'Management services' means technical, administrative, instructional, or
 9 informational services provided to any current or potential recipient in, but not limited
 10 to, the areas of service charge structure; accounting, capital improvements budgeting or
 11 financing; financial reporting, treasury management, debt structure or administration or
 12 related fields of financial management; contract or grant administration; management of
 13 water systems; and economic development administration or strategies. Management
 14 services may be furnished either directly, ~~on-site~~ on site, or through other written or oral
 15 means of communication and may consist of reports, studies, presentations, or other
 16 analyses of a written or oral nature.

17 (7) 'May' means permission and not command.

18 (8) 'Municipal corporation' or 'municipality' means any city or town in this state.

19 (9) 'Obligation' means any bond, revenue bond, note, lease, contract, evidence of
 20 indebtedness, debt, or other obligation of the state or local governments which are
 21 authorized to be issued under the Constitution or other laws of this state, including
 22 refunding bonds.

23 (10) 'Project' means and includes the acquisition of real property for water reservoirs; the
 24 construction and reconstruction or improvement of water reservoirs; the acquisition of
 25 real or personal property surrounding water reservoirs or any interest in such property;
 26 the acquisition of real or personal property or any interest therein for mitigation of any
 27 alteration of environmental resources by the construction of a water reservoir or water
 28 supply system; and all necessary and usual water facilities useful for obtaining one or
 29 more sources of water supply, the treatment of water, and the distribution and sale of
 30 water to users and consumers, including counties and municipalities for the purpose of
 31 resale, inside and outside the territorial boundaries of the users and consumers, and the
 32 operation, maintenance, additions, improvements, and extensions of such facilities so as
 33 to assure an adequate water utility system deemed ~~by the department~~ to be necessary or
 34 convenient for the efficient operation of such type of undertaking, including, but not
 35 limited to, the development or expansion of water facilities or systems so as to facilitate
 36 transitioning households and businesses served by private wells, septic tanks, and other
 37 nonreturning water systems to public water or sewerage systems, thereby promoting

1 water conservation, all for the essential public purpose of providing water facilities and
 2 services to meet public health and environmental standards and to aid the development
 3 of trade, commerce, industry, agriculture, and employment opportunities.

4 (11) 'Water facilities' means any projects, structures, and other real or personal property
 5 acquired, rehabilitated, constructed, or planned for the purposes of supplying,
 6 distributing, and treating water and diverting, channeling, or controlling water flow and
 7 head, including, but not limited to, surface or ground water, canals, reservoirs, channels,
 8 basins, dams, aqueducts, standpipes, penstocks, conduits, pipelines, mains, pumping
 9 stations, water distribution systems, compensating reservoirs, intake stations, waterworks
 10 or sources of water supply, wells, purification or filtration plants or other treatment plants
 11 and works, connections, water meters, mechanical equipment, electric generating
 12 equipment, rights of flowage or division, and other plant structures, equipment,
 13 conveyances, real or personal property or rights therein and appurtenances, furnishings,
 14 accessories, and devices thereto necessary or useful and convenient for the collection,
 15 conveyance, distribution, pumping, treatment, storing, or disposing of water.

16 (12) 'Waters of the state' has the meaning provided by Code Section 12-5-22.

17 12-5-472.

18 (a) The ~~department is authorized to acquire~~ division may acquire, design, construct, equip,
 19 operate, maintain, expand, and improve a ~~'project,' as such term is defined in paragraph~~
 20 ~~(10) of Code Section 12-5-471~~ project, in whole or in part, directly or under contract with
 21 others, including each of the facilities described in ~~said~~ paragraph (10) of Code Section
 22 12-5-471, for the purpose of promoting the use of the projects and the use of the industrial,
 23 recreational, commercial, and natural resources of the State of Georgia for the public good
 24 and general welfare; and, without limitation of the foregoing, the ~~department~~ division is
 25 authorized, ~~with the approval of the State Properties Commission~~, to acquire land for such
 26 purposes; provided, however, that the ~~department~~ division shall not engage in competition
 27 for customers for its environmental services with any local government offering or
 28 providing similar services.

29 (b)(1) Any project acquired, designed, constructed, equipped, operated, maintained,
 30 expanded, or improved by the ~~department~~ division or which is funded by ~~the Georgia~~
 31 ~~Environmental Facilities Authority~~ in whole or in part by the division shall conform to
 32 and meet standards and procedures promulgated by the Board of Natural Resources
 33 pursuant to specific statutory authorization and direction for watershed and wetlands
 34 protection.

35 (2) No such project shall include an electrical generation facility unless such facility does
 36 not cause the consumption of water from such reservoir for the generation of such power.

1 (3) All uses of any such water reservoirs and acquired surrounding lands shall be
 2 subordinate to the use of such reservoirs for water supply purposes.

3 ~~(c) As a condition precedent to the acquisition or construction of any project, the~~
 4 ~~department shall enter into an agreement with any local government, including any local~~
 5 ~~board of education, which will have property removed from, or converted to tax-exempt~~
 6 ~~status in, its ad valorem tax digest or tax base as a result of the acquisition or construction~~
 7 ~~of the project. Each such agreement shall provide that in each year following the year in~~
 8 ~~which the agreement is entered into the department will make payments in lieu of ad~~
 9 ~~valorem taxes to the affected local government with respect to the property removed from,~~
 10 ~~or converted to tax-exempt status in, the local government's tax digest or tax base. The~~
 11 ~~amount of payments to be made in each year shall be determined by applying the local~~
 12 ~~government's ad valorem tax millage rate for that year to the assessed value of the property~~
 13 ~~removed from, or placed in tax-exempt status in, the local government's tax digest or tax~~
 14 ~~base; and for this purpose the assessed value of such property shall be the assessed value~~
 15 ~~as determined for the year prior to the year in which the property is removed from, or~~
 16 ~~placed in tax-exempt status in, the tax digest or tax base. Such assessed value and payments~~
 17 ~~made shall be increased or decreased from year to year thereafter as the value of other~~
 18 ~~property having the same type and use as that of the project property when removed from~~
 19 ~~the digest shall increase or decrease; provided, however, that the department shall have all~~
 20 ~~rights of appeal available as to value pursuant to Code Section 48-5-311. Payments~~
 21 ~~provided for in this subsection shall be made from funds derived by the department and~~
 22 ~~subject to subsection (b) of Code Section 12-5-474 to the extent that such funds are~~
 23 ~~available; and to the extent that such funds are not available payments provided for in this~~
 24 ~~subsection shall be made from any funds appropriated to the department for this purpose,~~
 25 ~~which appropriated sums shall become a cost of the project or its operations. Deficiencies~~
 26 ~~in payments shall accrue from year to year until paid together with interest without penalty~~
 27 ~~as provided by law.~~

28 (c) The division, in cooperation with the department, shall take all reasonable steps at the
 29 earliest practicable date to inventory and survey feasible sites for water reservoirs within
 30 the State of Georgia. The director shall present a progress report of such inventory and
 31 survey to the legislative oversight committee created by Code Section 12-5-484 not later
 32 than October 1, 2008, together with a report describing measures undertaken by the
 33 division and the authority to expedite the accomplishment of the purposes of this article.
 34 The director shall thereafter report quarterly to such committee on the activities of the
 35 division and progress toward the accomplishment of such purposes in such format as may
 36 be directed by the cochairpersons of such committee. It is the intent of the General
 37 Assembly that the division take all reasonable and practicable steps to expedite the

1 accomplishment of such purposes and that the division utilize its reporting responsibilities
2 to apprise the committee promptly of legal, statutory, or other barriers to expedited
3 accomplishment of such purposes, together with recommended measures to mitigate or
4 avoid such barriers.

5 (d) The division may take all reasonable and practicable steps, in consultation with the
6 Environmental Protection Division of the department, the Department of Transportation,
7 and other appropriate state agencies, to create a wetlands mitigation bank or banks and a
8 stream mitigation bank or banks for the purpose of facilitating the construction of projects.
9 Costs and expenses of such bank or banks shall constitute costs of projects and shall be
10 allocated to projects when appropriate.

11 (e) Costs of projects and other expenses incurred by the division for purposes of this article
12 may be paid from funds made available to the division for such purposes and may be
13 financed or paid by the authority as provided by Article 1 of Chapter 23 of Title 50.

14 12-5-472.1.

15 (a) The division shall be authorized to assume by intergovernmental contract the
16 responsibility for procuring all permits, licenses, and permissions from the United States
17 of America or any agency or instrumentality thereof; the State of Georgia, its departments,
18 agencies, or authorities; or any county or municipality of this state as necessary or required
19 for the purpose of constructing any projects within this state on behalf of local governments
20 seeking to construct such projects. Such contract may provide for the reimbursement of
21 the division for costs and expenses associated with the procurement of such permits,
22 licenses, and permissions, but such reimbursement shall not be a prerequisite to the
23 assumption by the division of such procurement responsibility, and the division is
24 specifically authorized to delay, mitigate, or waive reimbursement when, in the judgment
25 of the director and the authority, the welfare and best interests of the people of this state are
26 served thereby. The terms of such contract shall provide for the assumption by such local
27 government of such permits, licenses, and permissions at such time as appropriate for the
28 construction of such projects.

29 (b) In discharging its duties and responsibilities pursuant to the terms of this article, and
30 specifically in identifying appropriate sites for projects and procuring permits, licenses, and
31 permissions for projects, whether owned by the division or otherwise, the division shall
32 utilize to the maximum extent practicable the procurement of services from the department
33 and private sector persons and entities qualified to perform such work. It is the intent of
34 General Assembly that the division minimize the hiring of officers and employees for the
35 purposes of this article.

1 (c) The division shall be designated as the principal state agency to cooperate with the
 2 Environmental Protection Division of the department, the United States Army Corps of
 3 Engineers, and all other federal agencies or instrumentalities in the planning and execution
 4 of projects in this state.

5 12-5-473.

6 The ~~department~~ division shall have the following powers:

7 (1) To acquire; real and personal property of every kind and character by purchase, gift,
 8 lease, or otherwise and to own, hold, improve, ~~and use and to use,~~ sell, convey, exchange,
 9 transfer, lease, sublease, and dispose of ~~real and personal property of every kind and~~
 10 ~~character~~ the same, or any interest therein, for its services, purposes, duties,
 11 responsibilities, or functions pursuant to this article; ~~and any local government is~~
 12 ~~authorized to~~ may grant, sell, or otherwise alienate leaseholds, real and personal property,
 13 or any interest therein to the ~~department~~ division. Site selection for a project shall be
 14 made after consideration of input from local governments to be served by the project;

15 (2) To make all contracts and to execute all instruments necessary or convenient to its
 16 services, purposes, duties, responsibilities, or functions pursuant to this article;

17 (3) To accept grants of money or materials or property of any kind from the United
 18 States of America or any agency or instrumentality thereof; the State of Georgia, its
 19 departments, agencies, or authorities; or any county or municipality of this state, upon the
 20 terms and conditions as may be imposed thereon to the extent the terms and conditions
 21 are not inconsistent with the limitations and laws of this state and are otherwise within
 22 the power of the ~~department~~ division;

23 (4) To make and execute contracts, lease agreements, and all other instruments necessary
 24 to exercise the powers of the ~~department~~ division to further the public purpose for which
 25 this article was enacted, such contracts, leases, or instruments to include contracts for
 26 construction, operation, management, or maintenance of projects and facilities owned by
 27 a local government or by the state or any state authority; and any and all local
 28 governments and departments, institutions, authorities, or agencies of the state ~~are~~
 29 ~~authorized to~~ may enter into contracts, leases, agreements, or other instruments with the
 30 ~~department~~ division upon such terms and to transfer real and personal property to the
 31 state for the use of the ~~department~~ division for such consideration and for such purposes
 32 as they deem advisable;

33 (5) To collect fees and charges in connection with its commitments, management
 34 services, and servicing; including, but not limited to, reimbursements of costs of
 35 financing, as the ~~department~~ division shall determine to be reasonable;

1 (6) To provide advisory, management, technical, consultative, training, educational, and
 2 project assistance services to the state and local governments and to enter into contracts
 3 with the state and local governments to provide such services. The state and local
 4 governments ~~are authorized to~~ may enter into contracts with the ~~department~~ division for
 5 such services and to pay for such services as may be provided them;

6 (7) To lease to local governments any state owned facilities or property which the
 7 ~~department~~ division is managing under contract with the state;

8 (8) To contract with state agencies or any local government for the use by the ~~department~~
 9 division of any property or facilities or services of the state or any such state agency or
 10 local government or for the use by any state agency or local government of any facilities
 11 or services of the ~~department~~ division, and such state agencies and local governments ~~are~~
 12 authorized to may enter into such contracts;

13 (9) To receive and use the proceeds of any tax levied by a local government to pay all
 14 or any part of the cost of any project or for any other purpose for which the ~~department~~
 15 division may use its own funds pursuant to this article;

16 (10) To cooperate and act in conjunction with industrial, commercial, medical, scientific,
 17 public interest, or educational organizations; with agencies of the federal government and
 18 this state and local governments; with other states and their political subdivisions; and
 19 with joint agencies thereof, and such state agencies, local governments, and joint agencies
 20 ~~are authorized and empowered to~~ may cooperate and act in conjunction, and to enter into
 21 contracts or agreements with the ~~department~~ division and local governments to achieve
 22 or further the policies of the state declared in this article; and

23 (11) To do all things necessary or convenient to carry out the powers conferred by this
 24 title article and to enter into such agreements with the department as are necessary and
 25 useful for such purpose. The department is expressly authorized to enter into agreements
 26 with the division for such purposes.

27 12-5-474.

28 (a) The ~~department is authorized to~~ division may fix rentals, fees, prices, and other charges
 29 which any user, concessionaire, franchisee, or vendor shall pay to the ~~department~~ division
 30 for the use of a project or part thereof or combination thereof, and for the goods and
 31 services provided by the ~~department~~ division in conjunction with such use, as the
 32 ~~department~~ division may deem necessary or appropriate to provide in connection with such
 33 use, and to charge and collect the same. Such rentals, fees, prices, and other charges shall
 34 be so fixed and adjusted in respect to the aggregate thereof from a project or any part
 35 thereof so as to be reasonably expected to provide a fund sufficient with other revenues of
 36 such project and funds available to the ~~department~~ division, if any, to pay the cost of

1 maintaining, repairing, and operating a project, including the reserves for extraordinary
 2 repairs and insurance, unless such cost shall be otherwise provided for, which costs shall
 3 be deemed to include the expenses incurred by the ~~department~~ division on account of a
 4 project for water, light, sewer, and other services furnished by other facilities at such
 5 project. Such fees shall be fixed after consideration of input from local governments served
 6 by the project to which the fees pertain.

7 ~~(b) Notwithstanding any other provision of law, the department is authorized to retain all~~
 8 ~~miscellaneous~~ All those funds generated by the operation of the projects for use in the
 9 ~~operation and maintenance of those sites and facilities. Any such funds not expended for~~
 10 ~~this purpose in the fiscal year in which they are generated~~ and paid to the division shall be
 11 deposited in the Georgia Reservoir Fund established by Code Section 50-23-28 state
 12 ~~treasury, provided that nothing in this Code section shall be construed so as to allow the~~
 13 ~~department to retain any funds required by the Constitution of Georgia to be paid into the~~
 14 ~~state treasury; provided, further, that the department shall comply with all provisions of~~
 15 ~~Part 1 of Article 4 of Chapter 12 of Title 45, the 'Budget Act,' except Code Section~~
 16 ~~45-12-92, prior to expending any such miscellaneous funds.~~

17 (c) The ~~department~~ division may establish the terms and conditions upon which any lessee,
 18 sublessee, licensee, user, franchisee, or vendor shall be authorized to use a project as the
 19 ~~department~~ division may determine necessary or appropriate; ~~and the department shall~~
 20 ~~require a water conservation plan approved pursuant to rules and regulations prescribed by~~
 21 ~~the Board of Natural Resources, subject to the limitations provided for by this article.~~

22 12-5-475.

23 (a) It shall be the duty of the ~~Board of Natural Resources~~ authority, in consultation with
 24 the Environmental Protection Division of the department, to prescribe rules and regulations
 25 governing the selection of sites for projects. Such rules and regulations shall include, but
 26 shall not be limited to, provisions for:

27 (1) The ~~department~~ division to notify in writing a county or municipality when a
 28 preliminary determination has been made for the location of a project within any portion
 29 of the territorial boundaries of the such county or municipality;

30 (2) Review and comment by the governing authority of a county or municipality
 31 receiving a notice provided for in paragraph (1) of this subsection before the ~~department~~
 32 division makes a final determination of the project site; and

33 (3) At least one public hearing within the territorial boundaries of a county or
 34 municipality receiving a notice provided for in paragraph (1) of this subsection before the
 35 ~~department~~ division makes a final determination of the project site.

1 (b) It shall be the duty of the ~~Board of Natural Resources~~ authority to prescribe rules and
 2 regulations for the operation of and governing the use of each project constructed under the
 3 provisions of this article. Such rules shall be prescribed after consideration of input from
 4 local governments served or to be served by the project to which the rules pertain. ~~The~~
 5 ~~initial plan for the activities for each project, other than for water supply, shall be approved~~
 6 ~~by the Project Site Control Advisory Council. Any subsequent change in the initial plan~~
 7 ~~shall be subject to the provisions of Chapter 13 of Title 50, the 'Georgia Administrative~~
 8 ~~Procedure Act.'~~

9 12-5-476.

10 (a) ~~The department is authorized to~~ division may contract with any local government to
 11 exercise on behalf of ~~the~~ such local government such responsibility in connection with the
 12 planning, design, acquisition, construction, operation, management, and maintenance of
 13 a project of such local government, as is now or may be hereafter vested in the local
 14 government, and to provide to the local government goods or services of the ~~department~~
 15 division in connection with the planning, design, acquisition, construction, operation,
 16 management, and maintenance of any project of the local government, all as the parties to
 17 the contract may determine appropriate. Any such local government is shall be authorized
 18 by such contract to delegate to the ~~department~~ division all or such goods or services of the
 19 ~~department~~ division in connection with the planning, design, acquisition, construction,
 20 operation, management, and maintenance of a project as the parties may by contract
 21 determine appropriate.

22 (b) Except as otherwise provided in ~~subsection (c) of Code Section 12-5-472~~ this article,
 23 any such contract shall provide that the local government shall reimburse the ~~department~~
 24 division for all of the costs, liabilities, and expenses of the ~~department~~ division incurred by
 25 the ~~department~~ division in exercising such powers or providing such goods or services; and
 26 the ~~department~~ division shall not directly or indirectly be liable for any liability, cost, or
 27 expense incurred by such local government in the acquisition, construction, operation,
 28 management, or maintenance of a project.

29 (c) If, in order to accomplish the objectives of this article, it is advisable, in the judgment
 30 of the director and the authority, to construct a project that is larger than one which a local
 31 government proposes to construct, the division may participate by agreement with such
 32 local government in planning, designing, constructing, operating, and maintaining such
 33 project and, in so participating, shall finance those costs of the project allocated to the state
 34 and such other and further costs as may be agreed upon between the parties, such that the
 35 project shall accomplish the maximum water development objectives at a minimum total
 36 expenditure.

1 (d) The division shall coordinate with the Environmental Protection Division of the
2 department and local governments for the purpose of producing appropriate and necessary
3 needs analyses for projects. In the event that the director, with the approval of the
4 authority, determines that construction of a project is in the best interests of the people of
5 this state but any affected county or municipality is willing but unable to engage in an
6 appropriate needs analysis, the division may conduct such analysis for and on behalf of
7 such county or municipality, and such analysis shall be the needs analysis of such county
8 or municipality with respect to such project for all purposes. Such needs analysis shall be
9 consistent with water demand projections provided by an applicable regional water
10 development and conservation plan developed pursuant to Article 8 of this chapter, if
11 available.

12 12-5-476.1.

13 (a) The division and the department may enter into agreements with local governments,
14 setting fees to be paid to the division or the department for the purpose of enabling the
15 division or the department to expedite or enhance the state regulatory process and to
16 provide services voluntarily requested under the agreement with respect to projects.
17 Pursuant to such an agreement, the division or the department may hire additional
18 temporary staff members, contract for services, or provide additional services that are
19 within the powers of the division and the department to provide. Such service costs shall
20 constitute a cost of project for purposes of this article and Chapter 23 of Title 50. As part
21 of an agreement entered into under this subsection, the division and the department may
22 waive all or part of a fee imposed for a service. The division and the department shall not
23 require that a local government pay more for a service under an agreement entered into
24 under this subsection than the cost to the division or the department in providing such
25 service to such local government.

26 (b) The division and the department may enter into agreements with agencies or
27 instrumentalities of the federal government, setting fees to be paid by the division or the
28 department for the purpose of enabling the division or the department to expedite or
29 enhance the federal regulatory process and to provide services requested under the
30 agreement with respect to projects. Pursuant to such agreement, the division and the
31 department may fund the cost of hiring additional temporary staff members, contracts for
32 services, or the provision of additional services for the purposes of this article. Such fees
33 shall constitute a cost of project for purposes of this article and Chapter 23 of Title 50.

1 12-5-477.

2 The foregoing provisions of this article shall be deemed to provide an additional and
3 alternative method for the doing of things authorized by this article and shall be regarded
4 as supplemental and additional to powers conferred by the Constitution and laws of the
5 State of Georgia and shall not be regarded as in derogation of any powers now existing.

6 12-5-478.

7 This article, being for the welfare of ~~the~~ this state and its inhabitants, shall be liberally
8 construed to effect the purposes hereof.

9 12-5-479.

10 (a) In the exercise of its powers under this article, the ~~department~~ division may contract
11 with any public entity which shall include the state or any institution, department, or other
12 agency thereof or any county, municipality, school district, or other political subdivision
13 of the state or with any other public agency, public corporation, or public authority, for
14 joint services, for the provision of services, or for the joint or separate use of facilities or
15 equipment with respect to such activities, services, or facilities which the contracting
16 parties are authorized by law to undertake or provide.

17 (b) Pursuant to any such contract, in connection with any facility authorized under this
18 article, the ~~department~~ division may undertake such facility or provide such services or
19 facilities of the ~~department~~ division, in whole or in part, to or for the benefit of the public
20 entity contracting with the ~~department~~ division with respect to those activities, services, or
21 facilities which the contracting public entity is authorized by the Constitution and law to
22 provide, including, but not limited to, those set forth in Article IX, Section III, Paragraph
23 I of the Constitution, and any such contracting public entity ~~is authorized to~~ may undertake
24 to pay the ~~department~~ division for such activities, services, or facilities such amounts and
25 upon such terms as the parties may determine.

26 (c) The state and each institution, department, or other agency thereof or each county,
27 municipality, school district, or other political subdivision of this state and each public
28 agency, public corporation, or public authority ~~is authorized to~~ may contract with the
29 ~~department~~ division in connection with any activity, service, or facility which such public
30 entity is otherwise authorized to provide to obtain the performance of such activity or
31 provision of such services or facilities through the ~~department~~ division.

32 (d) In connection with its operations, the ~~department~~ division may similarly obtain from,
33 and each public entity may provide, such activities, services, or facilities which the
34 ~~department~~ division is authorized to provide.

1 (e) ~~The department shall establish prior to the commencement of each project a Project~~
 2 ~~Water Users Advisory Council and a Project Site Control Advisory Council. The~~
 3 ~~membership of the Project Water Users Advisory Council shall include the chief executive~~
 4 ~~officers, or their designees, of each local government purchasing water from the project.~~
 5 ~~The membership of the Project Site Control Advisory Council shall include the chief~~
 6 ~~executive officers, or their designees, of each local government within which any part of~~
 7 ~~the project is located. The commissioner, or his designee, shall serve as an ex officio~~
 8 ~~member of each advisory council. Each advisory council formed shall meet from time to~~
 9 ~~time as provided by rule and regulation of the Board of Natural Resources and shall elect~~
 10 ~~its own officers and establish such bylaws as its membership may deem appropriate for the~~
 11 ~~conduct of its business. Each Project Water Users Advisory Council shall consult with and~~
 12 ~~advise the department concerning the operation and management of the project for which~~
 13 ~~it was formed. The operation and management of a project shall be subject to the review~~
 14 ~~of the Project Site Control Advisory Council formed for such project. Reserved.~~

15 (f) A local government by resolution of its governing body may enter into a user
 16 agreement for the provision of environmental services utilizing facilities owned by the state
 17 upon such terms and conditions as the ~~department~~ division shall determine to be
 18 reasonable, including, but not limited to, the reimbursement of all costs of construction and
 19 financing and claims arising therefrom.

20 (g) No user agreement shall be deemed to be a contract subject to any law requiring that
 21 contracts shall be let only after receipt of competitive bids.

22 (h) Any user agreement directly between the state or ~~department~~ division and a local
 23 government may contain provisions requiring the local government:

24 (1) To establish and collect rents, rates, fees, and charges so as to produce revenues
 25 sufficient to pay all or a specified portion of:

26 (A) The costs of operation, maintenance, renewal, and repairs of the water facility; and

27 (B) Outstanding bonds, revenue bonds, notes, or other obligations incurred for the
 28 purposes of such water facility and to provide for the payment of all amounts as they
 29 shall become due and payable under the terms of such agreement, including amounts
 30 for the creation and maintenance of any required reserves;

31 (2) To create and maintain reasonable reserves or other special funds;

32 (3) To create and maintain a special fund or funds as additional security for the punctual
 33 payment of any rentals due under such user agreement and for the deposit therein of such
 34 revenues as shall be sufficient to pay all user fees and any other amounts becoming due
 35 under such user agreements as the same shall become due and payable; or

36 (4) To perform such other acts and take such other action as may be deemed necessary
 37 and desirable by the ~~department~~ division to secure the complete and punctual

1 performance by such local government of such lease agreements and to provide for the
 2 remedies of the ~~department~~ division in the event of a default by such local government
 3 in such payment.

4 12-5-480.

5 The ~~department~~ division shall be authorized to utilize the financial advisory and
 6 construction related services of the Georgia State Financing and Investment Commission
 7 with respect to the acquisition, design, planning, and construction of any of the projects.
 8 ~~Chapter 22 of Title 50 Code Section 50-22-9~~ shall be applicable to the selection of persons
 9 to provide professional services for any project or any portion thereof authorized by this
 10 article until such time as the director, with the approval of the authority and consistent with
 11 any state-wide water plan provided pursuant to Article 8 of this chapter, certifies that this
 12 state and its local governments have constructed or otherwise acquired sufficient reservoir
 13 capacity to meet current and reasonably projected future needs, taking into account
 14 projected population growth and historical and anticipated cycles or incidents of drought,
 15 whereupon the whole of Chapter 22 of Title 50 shall be applicable.

16 12-5-481.

17 It is found, determined, and declared that the carrying out of the purposes of the ~~department~~
 18 division as defined in this article is in all respects for the benefit of the people of this state
 19 and that the purposes are public purposes; that the ~~department~~ division will be performing
 20 an essential governmental function in the exercise of the powers conferred upon it by this
 21 article; and that the activities authorized in this article will develop and promote trade,
 22 commerce, industry, and employment opportunities to the public good and the general
 23 welfare and promote the general welfare of the state.

24 12-5-482.

25 (a) In the event of a failure of any local government to collect and remit in full all amounts
 26 ~~due to the department and all amounts due to others,~~ which involve the credit or guarantee
 27 of the state or the authority, it shall be the duty of the ~~department to notify the~~ director of
 28 the Office of Treasury and Fiscal Services ~~who shall~~ or the duty of the authority to
 29 withhold all funds of the state and all funds administered by the state, its agencies, boards,
 30 and instrumentalities or all funds of the authority allotted to such local government until
 31 such local government has collected and remitted in full all sums due and cured or
 32 remedied all defaults, unless such amounts have been waived pursuant to this article.

33 (b) Nothing contained in this Code section shall mandate the withholding of funds
 34 allocated to a local government which would violate contracts to which the state or the

1 authority is a party, the requirements of federal law imposed on the state or the authority,
 2 or judgments of any court binding the state or the authority.

3 12-5-483.

4 Any waiver by the division or the department of any costs or fees owed by any local
 5 government to the division or the department under this article shall constitute a grant in
 6 the amount of such waiver to such local government pursuant to Code Section 50-23-6 or
 7 Article VII, Section III, Paragraph II of the Constitution.

8 12-5-484.

9 There is created as a joint committee of the General Assembly the Georgia Water Supply
 10 Act Legislative Oversight Committee, to be composed of the members of the House
 11 Committee on Natural Resources and Environment and the Senate Natural Resources and
 12 the Environment Committee. The chairpersons of such committees shall serve as
 13 cochairpersons of the oversight committee. The oversight committee shall periodically
 14 inquire into and review the operations of the division, as well as periodically review and
 15 evaluate the success with which the division is accomplishing its statutory duties and
 16 functions as provided in this article. The oversight committee may conduct any
 17 independent audit or investigation of the division it deems necessary.

18 SECTION 1-2.

19 Chapter 23 of Title 50 of the Official Code of Georgia Annotated, relating to the Georgia
 20 Environmental Facilities Authority and the Division of Energy Resources, is amended by
 21 revising paragraph (12) of Code Section 50-23-4, relating to definitions, as follows:

22 "(12) 'Project' means:

23 (A) The ~~the~~ acquisition, construction, installation, modification, renovation, repair,
 24 extension, renewal, replacement, or rehabilitation of land, interest in land, buildings,
 25 structures, facilities, or other improvements and the acquisition, installation,
 26 modification, renovation, repair, extension, renewal, replacement, rehabilitation, or
 27 furnishing of fixtures, machinery, equipment, furniture, or other property of any nature
 28 whatsoever used on, in, or in connection with any such land, interest in land, building,
 29 structure, facility, or other improvement, all for the essential public purpose of
 30 providing environmental facilities and services so as to meet public health and
 31 environmental standards, protect the state's valuable natural resources, or aid the
 32 development of trade, commerce, industry, agriculture, and employment opportunities,
 33 including, but not limited to, any project as defined by Code Section 12-5-471; and

1 (B) Projects ~~or projects~~ authorized by the Georgia Regional Transportation Authority
 2 created by Chapter 32 of this title as defined in such chapter, where the authority has
 3 been directed to issue revenue bonds, bonds, notes, or other obligations to finance such
 4 project or the cost of a project in whole or in part, provided that the authority's power
 5 with respect to such projects authorized by the Georgia Regional Transportation
 6 Authority shall be limited to providing such financing and related matters as authorized
 7 by the Georgia Regional Transportation Authority."

8 SECTION 1-3.

9 Said chapter is further amended by revising paragraphs (30) and (31) of Code Section
 10 50-23-5, relating to purpose, powers, and duties of the Georgia Environmental Facilities
 11 Authority, and by adding after said paragraphs new paragraphs (31.1) and (31.2), as follows:

12 "(30) To administer funds granted to the state by the administrator of the federal
 13 Environmental Protection Agency pursuant to Title VI of the Federal Water Pollution
 14 Control Act and Title XIV of the federal Safe Drinking Water Act, as now or hereafter
 15 amended, for the purpose of providing assistance to municipalities or counties or any
 16 combination thereof or to any public authority or, if authorized by law, any private
 17 agency, commission, or institution for construction of treatment works as that term is
 18 defined in Section 212 of the federal Clean Water Act of 1977, P.L. 95-217, which are
 19 publicly owned. The authority ~~is further authorized to~~ may also administer funds granted
 20 to the state by the administrator of the federal Environmental Protection Agency pursuant
 21 to Title XIV of the federal Safe Drinking Water Act, as now or hereafter amended, for
 22 the purpose of providing assistance to municipalities or counties or any combination
 23 thereof or any public or, if authorized by law, any private authority, agency, commission,
 24 or institution for the construction of public drinking water works as such term is defined
 25 in Section 1401 of the federal Safe Drinking Water Act Amendments of 1986, P.L.
 26 99-339. The authority ~~is further authorized to~~ may also administer funds granted to the
 27 state by the administrator of the federal Environmental Protection Agency pursuant to 33
 28 U.S.C.A. Section 1381, et seq., for the purpose of providing financial assistance for any
 29 eligible water pollution control project. The authority shall deposit any such funds
 30 received from the administrator of the federal Environmental Protection Agency into a
 31 separate water pollution control revolving fund or a drinking water revolving fund
 32 transferred to the authority from the Environmental Protection Division of the
 33 Department of Natural Resources or hereafter established; provided, however, that where
 34 appropriate, the authority may deposit funds received from the administrator of the
 35 federal Environmental Protection Agency into the Georgia Reservoir Fund established

1 by Code Section 50-23-28. The forms and administration of such funds shall be
 2 established by the authority in accordance with federal requirements;"

3 "(31) To contract with ~~the director~~ of the Environmental Protection Division of the
 4 Department of Natural Resources for the implementation and operation, in whole or in
 5 part, of any drought protection or reservoir program and for the purposes of Article 6 of
 6 Chapter 5 of Title 12; and

7 (31.1) To fund, or partially fund, the Georgia Reservoir Fund established by Code
 8 Section 50-23-28. Proceeds of any bonds authorized by the General Assembly for the
 9 purposes of said Code section, and any repayment of such proceeds after their
 10 expenditure, may be deposited in such fund;

11 (31.2) For the purpose of supplementing and extending the ability of the authority to
 12 expedite and accommodate the construction of projects, to enter into arrangements,
 13 consistent with existing bond indenture and other obligations of the authority, whereby
 14 the authority agrees to enter into one or more notes with a financial institution or other
 15 lender, the proceeds of which shall be payable to the authority and which constitute an
 16 obligation of the authority, together with a companion note or notes on substantially the
 17 same terms payable from the authority to a local government, with such companion notes,
 18 and the obligation of repayment thereon, pledged as security for the repayment of such
 19 notes, on such terms as may be agreeable to the parties thereto; and"

20 SECTION 1-4.

21 Said chapter is further amended by revising Code Section 50-23-9, relating to review of
 22 contracts and agreements by Environmental Protection Division or Georgia Land
 23 Conservation Council, as follows:

24 "50-23-9.

25 (a) Except as otherwise provided by Article 6 of Chapter 5 of Title 12, the ~~The~~ authority
 26 shall not enter into any contract or agreement with any local government with respect to
 27 the financing of any environmental facility pursuant to this article, unless the director of
 28 the Environmental Protection Division of the Department of Natural Resources, shall have
 29 completed all existing statutory reviews and approvals with respect to such project.
 30 Nothing in this article shall be construed to diminish the full authority and responsibility
 31 of the director of the Environmental Protection Division of the Department of Natural
 32 Resources for existing statutory reviews and approvals.

33 (b) The authority shall not enter into any contract or agreement with any local government
 34 or the Department of Natural Resources with respect to the financing, by loan or grant, of
 35 any community land conservation project or state land conservation project pursuant to
 36 Chapter 22 of Title 36 unless the Georgia Land Conservation Council has approved the

1 community land conservation project or state land conservation project and the chairperson
 2 has directed the authority to execute the approval decision of the Georgia Land
 3 Conservation Council. Nothing in this article shall be construed to diminish the full
 4 authority and responsibility of the Georgia Land Conservation Council's existing statutory
 5 reviews and approvals."

6 **SECTION 1-5.**

7 Said chapter is further amended by revising Code Section 50-23-19, relating to limitations
 8 on issue of bonds, as follows:

9 "50-23-19.

10 Nothing contained in this article shall permit the authority to issue bonds or revenue bonds
 11 at any time when the sum of:

12 (1) The highest aggregate annual debt service requirements for the then current fiscal
 13 year or any subsequent fiscal year for outstanding authority bonds or revenue bonds,
 14 including the proposed bonds or revenue bonds; and

15 (2) The highest annual debt service requirements for the then current fiscal year or any
 16 subsequent fiscal year on general obligation debt of the state issued for authority projects
 17 exceeds 1 percent of the total revenue receipts, less refunds, of the state treasury in the
 18 fiscal year immediately preceding the year in which any such bond or revenue bond is to
 19 be issued; provided, however, that unless the director of the Water Supply Division of the
 20 authority has issued the certification provided for by Code Section 12-5-480, the authority,
 21 with the approval of the Governor and the commission established by Article VII, Section
 22 IV, Paragraph VII of the Constitution, may issue bonds for the purposes of Article 6 of
 23 Chapter 5 of Title 12 notwithstanding such limitations."

24 **SECTION 1-6.**

25 Said chapter is further amended by designating the existing provisions of Article 1 as Part 1
 26 of said article and adding a new part to read as follows:

27 "Part 2

28 50-23-25.

29 As used in this part, the term 'division' means the Water Supply Division of the Georgia
 30 Environmental Facilities Authority created by Code Section 50-23-26.

1 50-23-26.

2 There is created within the Georgia Environmental Facilities Authority a Water Supply
3 Division. The executive director of the authority or an employee of the authority
4 designated by the director shall serve as the director of the division and shall have full
5 authority over the operation, personnel, and facilities of the division.

6 50-23-27.

7 The division shall have the authority and responsibility to:

8 (1) Administer this part;

9 (2) Coordinate with the Department of Natural Resources and with other departments,
10 divisions, agencies, or officials of this state or political subdivisions thereof and
11 appropriate private and professional organizations in matters related to water supply. The
12 division and any other department, educational institution, agency, or official of this state
13 or political subdivision thereof which in any way would affect the administration or
14 enforcement of this part or Article 6 of Chapter 5 of Title 12 shall be required to
15 coordinate all such activities with the division to assure orderly and efficient
16 administration and enforcement of this part;

17 (3) Do all things necessary to cooperate with the United States government and qualify
18 for, accept, and disburse any public or private grant intended for the administration of this
19 part;

20 (4) Apply for, receive, accept, and administer federal funds and programs made available
21 to this state for the purposes of this part;

22 (5) Contract for services if such services cannot be satisfactorily performed by
23 employees of the division or by any other state agency;

24 (6) Design and implement programs to assist local governing authorities and other
25 entities in implementing water supply projects; and

26 (7) Exercise such powers and perform such duties as assigned or contracted to the
27 division or the authority under Article 6 of Chapter 5 of Title 12.

28 50-23-28.

29 (a) There shall be established the Georgia Reservoir Fund, to consist of proceeds of bonds
30 issued under this article for purposes of this part, any moneys paid to the authority under
31 intergovernmental contracts for purposes of this part, voluntary contributions to such fund,
32 and any federal moneys deposited in such fund. Moneys which are restricted as to their
33 usage, including, but not limited to, restrictions on the kinds of projects for which the
34 moneys may be expended or loaned, on the entity that may receive grants or loans of such
35 moneys, on the manner in which such moneys may be expended or loaned, and any other

1 condition, limitation, or restriction, may nevertheless be deposited in the fund so long as
 2 any such restriction shall not prevent the moneys so deposited from being expended,
 3 loaned, or otherwise used in a manner that is consistent with the purposes of this part. All
 4 balances in the fund shall be deposited in interest-bearing accounts.

5 (b) The authority shall administer the fund and may use the fund for projects as defined
 6 by Code Section 12-5-471, in accordance with this article and Article 6 of Chapter 5 of
 7 Title 12.

8 (c) The authority shall prepare, by September 30 of each year, an accounting of the
 9 moneys received and expended from the fund for the most recently completed fiscal year.
 10 The report shall be made available electronically to the members of the General Assembly
 11 and shall be public record.

12 (d) Principal and interest payments on loans made from the fund may be deferred for a
 13 maximum of 20 years or until construction of the project is completed, whichever is later.

14 (e) The authority may expend moneys from the fund for the costs of planning, engineering,
 15 architectural, legal, title, fiscal, or economic investigation, studies, surveys, or designs
 16 without the designation of such funds to a specific project or the final regulatory or
 17 statutory review and approval of such project if the director determines that a reasonable
 18 expectation exists that the expenditure of such funds will further the purposes of this part
 19 or Article 6 of Chapter 5 of Title 12.

20 50-23-29.

21 The authority may promulgate and adopt rules and regulations to carry out the purposes of
 22 this part."

23 PART II

24 SECTION 2-1.

25 Code Section 48-8-3 of the Official Code of Georgia Annotated, relating to exemptions from
 26 state sales and use tax, is amended by revising paragraph (82) as follows:

27 "(82)(A) Purchase of energy efficient products or water efficient products with a sales
 28 price of \$1,500.00 or less per product purchased for noncommercial home or personal
 29 use. The exemption provided by this paragraph shall apply only to sales occurring
 30 during a period commencing at 12:01 A.M. on ~~October 4, 2007~~ October 2, 2008, and
 31 concluding at 12:00 Midnight on ~~October 7, 2007~~ October 5, 2008.

32 (B) For the purposes of this exemption, an energy efficient product is As used in this
 33 paragraph, the term:

34 (i) 'Energy efficient product' means any energy efficient product for noncommercial
 35 home or personal use consisting of any dishwasher, clothes washer, air conditioner,

1 ceiling fan, fluorescent light bulb, dehumidifier, programmable thermostat,
 2 refrigerator, door, or window, ~~the energy efficiency of which has been designated by~~
 3 the United States Environmental Protection Agency and the United States Department
 4 of Energy as meeting or exceeding each such agency's energy saving efficiency
 5 requirements or which have been designated as meeting or exceeding such
 6 requirements under each such agency's Energy Star program.

7 (ii) 'Water efficient product' means any product used for the conservation or efficient
 8 use of water which has been designated by the United States Environmental
 9 Protection Agency as meeting or exceeding such agency's water saving efficiency
 10 requirements or which has been designated as meeting or exceeding such
 11 requirements under such agency's Water Sense program.

12 (C) The exemption provided for in subparagraph (A) of this paragraph shall not apply
 13 to purchases of energy efficient products or water efficient products purchased for
 14 trade, business, or resale.

15 ~~(D) Reserved:~~

16 ~~(E)~~(D) The commissioner shall promulgate any rules and regulations necessary to
 17 implement and administer this paragraph;"

18 PART III

19 SECTION 3-1.

20 Chapter 5 of Title 12 of the Official Code of Georgia Annotated, relating to water resources,
 21 is amended by revising Code Section 12-5-4, relating to rules and regulations relative to
 22 water conservation plans, as follows:

23 "12-5-4.

24 ~~(a) The Board of Natural Resources shall adopt rules and regulations relating to the~~
 25 ~~conduct, content, and submission of the water conservation plans required by Code~~
 26 ~~Sections 12-5-31 and 12-5-96.~~

27 ~~(b) The director of the Environmental Protection Division of the Department of Natural~~
 28 ~~Resources shall appoint a task force to assist in the writing of the rules and regulations~~
 29 ~~required by subsection (a) of this Code section. The task force shall have 12 members.~~
 30 ~~Three members shall represent the business and industry community, three shall represent~~
 31 ~~the agriculture industry, three shall represent local governments, and three shall represent~~
 32 ~~environmental and citizens groups. The members of the task force shall serve without~~
 33 ~~compensation or reimbursement of expenses. The task force shall disband upon the~~
 34 ~~adoption by the Board of Natural Resources of the rules and regulations provided for in~~
 35 ~~subsection (a) of this Code section. Reserved.~~"

SECTION 3-2.

Said chapter is further amended by revising subsections (e), (h), and (n) of Code Section 12-5-31, relating to permits for withdrawal, diversion, or impoundment of surface waters generally and for farm use, as follows:

"(e) Subject to subsection (g) of this Code section, the Board of Natural Resources shall by rule or regulation establish a reasonable system of classification for application in situations involving competing uses, existing or proposed, for a supply of available surface waters. Such classifications shall be based upon but not necessarily limited to the following factors:

- (1) The number of persons using the particular water source and the object, extent, and necessity of their respective withdrawals, diversions, or impoundments;
- (2) The nature and size of the water source;
- (3) The physical and chemical nature of any impairment of the water source adversely affecting its availability or fitness for other water uses;
- (4) The probable severity and duration of such impairment under foreseeable conditions;
- (5) The injury to public health, safety, or welfare which would result if such impairment were not prevented or abated;
- (6) The kinds of businesses or activities to which the various uses are related and the economic consequences;
- (7) The importance and necessity of the uses, including farm uses, claimed by permit applicants and the extent of any injury or detriment caused or expected to be caused to other water uses;
- (8) Diversion from or reduction of flows in other watercourses in accordance with Article 8 of this chapter or any state-wide water plan provided pursuant thereto;
- (9) The prior investments of any person in lands, and plans for the usage of water in connection with such lands which plans have been submitted to the director within a reasonable time after July 1, 1977, or, if for farm uses, after July 1, 1988; provided, however, that the granting of such permit shall not have unreasonably adverse effects upon other water uses in the area, including potential as well as present use; and
- (10) The varying circumstances of each case."

"(h) Except for applications filed pursuant to paragraph (3) of subsection (a) of this Code section, permits may be granted for any period of time not less than ten years, unless the applicant requests a shorter period of time, nor more than 50 years. The director may base the duration of such permits on any reasonable system of classification based upon but not necessarily limited to such factors as source of supply and type of use. In evaluating any application for a permit for the use of water ~~for a period of 25 years or more~~, the director shall evaluate the condition of the water supply to assure that the supply is adequate to

1 meet the multiple needs of the citizens of the state as can reasonably be projected for the
 2 term of the permit and ensure that the issuance of such permit is based upon a water
 3 development and conservation ~~plan~~ plans for the applicant ~~or~~ and for the region in
 4 accordance with Article 8 of this chapter. Such water development and conservation ~~plan~~
 5 plans for the applicant ~~or~~ and for the region shall promote the conservation and reuse of
 6 water within the state, guard against a shortage of water within the state, promote the
 7 efficient use of the water resource, and be consistent with the public welfare of the state,
 8 in accordance with Article 8 of this chapter. The board shall promulgate regulations for
 9 implementation of this subsection, including provisions for review of such permits
 10 periodically or upon a substantial reduction in average annual volume of the water resource
 11 which adversely affects water supplies to determine that the permittee continues in
 12 compliance with the conditions of the permit and that the plan continues to meet the overall
 13 supply requirements for the term of the permit. ~~In the event the director determines that a~~
 14 ~~regional plan is required in connection with any application for a permit for the use of~~
 15 ~~water for a period of 25 years or more, the division or a person or entity designated by the~~
 16 ~~division may develop such a plan. Regional water plans shall be developed in accordance~~
 17 with Article 8 of this chapter. Such regional ~~plan~~ plans shall include water development,
 18 conservation, and sustainable use and shall be based upon detailed scientific analysis of the
 19 water source, the projected future condition of the resource, current demand, and estimated
 20 future demands on the resource, in accordance with Article 8 of this chapter."

21 "(n) In the consideration of applications for permits which if granted would authorize the
 22 withdrawal and transfer of surface waters across natural basins, the director shall be bound
 23 by any factors related thereto under Article 8 of this chapter or any state-wide water plan
 24 provided pursuant thereto and the following requirements:

25 (1) The director shall give due consideration to competing existing uses and applications
 26 for permits which would not involve interbasin transfers of surface water and, subject to
 27 subsection (e) of this Code section, shall endeavor to allocate a reasonable supply of
 28 surface waters to such users and applicants; and

29 (2) The director shall provide a press release regarding the proposed issuance of all
 30 permits authorizing such interbasin transfer of surface waters to newspapers of general
 31 circulation in all areas of the state which would be affected by such issuance. The press
 32 release shall be provided at least seven days before the issuance of these permits. If the
 33 director should determine that sufficient public interest warrants a public hearing on the
 34 issuance of these permits, he or she shall cause such a hearing to be held somewhere in
 35 the area affected prior to the issuance of these permits."

SECTION 3-3.

Said chapter is further amended by revising subsections (d) and (e) of Code Section 12-5-96, relating to permits to withdraw, obtaining, or use of ground water, as follows:

"(d) In adopting any regulations pursuant to Code Section 12-5-95 and in considering permit applications, revocations, or modifications under this Code section, the Board of Natural Resources or the division shall consider:

(1) The number of persons using an aquifer and the object, extent, and necessity of their respective withdrawals or uses;

(2) The nature and size of the aquifer;

(3) The physical and chemical nature of any impairment of the aquifer adversely affecting its availability or fitness for other water uses, including public use;

(4) The probable severity and duration of such impairment under foreseeable conditions;

(5) The injury to public health, safety, or welfare which would result if such impairment were not prevented or abated;

(6) The kinds of businesses or activities to which the various uses are related;

(7) The importance and necessity of the uses, including farm uses, claimed by permit applicants under this Code section, or of the water uses of the area under Code Section 12-5-95, and the extent of any injury or detriment caused or expected to be caused to other water uses, including public use;

(8) Diversion from or reduction of flows in other watercourses or aquifers; in accordance with Article 8 of this chapter or any state-wide water plan provided pursuant thereto; and

~~(9) A regional water development conservation and sustainable use plan, where applicable; and~~

~~(10)~~(9) Any other relevant factors.

(e) ~~The division or a party designated by the division may develop a regional~~ Regional water development and conservation ~~plan~~ plans for the state's major aquifers or any portion thereof shall be developed in accordance with Article 8 of this chapter. Such ~~plan~~ plans shall include water development, conservation, and sustainable use and shall be based on detailed scientific analysis of the aquifer, the projected future condition of the aquifer, and current demand and estimated future demands on the aquifer, in accordance with Article 8 of this chapter. Such ~~plan~~ plans shall serve to promote the conservation and reuse of water within the state, guard against a shortage of water within the state and each region, and promote the efficient use of the water resource and shall be consistent with the general welfare and public interest of the state as provided in Code Section 12-5-91, in accordance with Article 8 of this chapter. Upon adoption of a regional plan, all permits issued by the division shall be consistent with such plan. The term of any permit and all provisions of any permit for which an application for renewal is made prior to the completion of any

1 regional plan shall be extended at least until the completion of such plan. Applications for
 2 new permits shall be subject to review by the division, and the division may issue such
 3 permits as appropriate pending completion of a regional plan."

4 SECTION 3-4.

5 Said chapter is further amended by revising subsections (d) and (e) of Code
 6 Section 12-5-522, relating to a policy statement for comprehensive state-wide water
 7 management planning, guiding principles, and requirements of plans, as follows:

8 "(d) The proposed comprehensive state-wide water management plan may include a
 9 process for creating draft river basin management plans and draft ground-water
 10 management plans and how such plans are finalized and revised, including the designation
 11 of persons responsible for developing regional water development and conservation plans,
 12 required contents of such plans, and how the public may participate in the creation and
 13 revision of such plans.

14 (e) The division shall make all water withdrawal permitting decisions in accordance with
 15 this chapter ~~and~~ the comprehensive state-wide water management plan that has been
 16 approved or enacted by the General Assembly as provided by this article, and any
 17 applicable regional water development and conservation plan, including, but not limited
 18 to, restrictions, if any, on diversion from or reduction of flows in other watercourses. Any
 19 political subdivision or local water authority that is not in compliance with the plan shall
 20 be ineligible for state grants or loans for water projects, except for those projects designed
 21 to bring such political subdivision or local water authority into compliance with the plan."

22 PART IV

23 SECTION 4-1.

24 (a) This part and Parts II and III of this Act shall become effective upon approval of this Act
 25 by the Governor or upon this Act becoming law without such approval.

26 (b) Part I of this Act shall become effective on July 1, 2008.

27 SECTION 4-2.

28 All laws and parts of laws in conflict with this Act are repealed.