

*Alfred D. Hastings* 76  
H.R.

**AMENDMENT TO H.R. 2419, AS REPORTED  
OFFERED BY MR. HASTINGS OF FLORIDA**

At the end of the bill, add the following new title:

1 **TITLE XII—NATIONAL DROUGHT**  
2 **PREPAREDNESS ACT**

3 **SEC. 12001. SHORT TITLE.**

4 (a) **SHORT TITLE.**—This title may be cited as the  
5 “National Drought Preparedness Act of 2007”.

6 (b) **TABLE OF CONTENTS.**—The table of contents of  
7 this title is as follows:

- Sec. 12001. Short title.
- Sec. 12002. Definitions.
- Sec. 12003. Effect of Act.

Subtitle A—National Drought Council

- Sec. 12101. Membership and voting.
- Sec. 12102. Duties of the Council.
- Sec. 12103. Powers of the Council.
- Sec. 12104. Council personnel matters.
- Sec. 12105. Authorization of appropriations.
- Sec. 12106. Termination of Council.

Subtitle B—National Office of Drought Preparedness

- Sec. 12201. Establishment.
- Sec. 12202. Director of the Office.
- Sec. 12203. Detail of government employees.

Subtitle C—Drought Preparedness Plans

- Sec. 12301. Drought Assistance Fund.
- Sec. 12302. Drought preparedness plans.
- Sec. 12303. Federal plans.
- Sec. 12304. State and Tribal plans.
- Sec. 12305. Regional and local plans.
- Sec. 12306. Plan elements.

1 **SEC. 12002. DEFINITIONS.**

2 In this title:

3 (1) **COUNCIL.**—The term “Council” means the  
4 National Drought Council established by section  
5 12101(a).

6 (2) **CRITICAL SERVICE PROVIDER.**—The term  
7 “critical service provider” means an entity that pro-  
8 vides power, water (including water provided by an  
9 irrigation organization or facility), sewer services, or  
10 wastewater treatment.

11 (3) **DROUGHT.**—The term “drought” means a  
12 natural disaster that is caused by a deficiency in  
13 precipitation—

14 (A) that may lead to a deficiency in sur-  
15 face and subsurface water supplies (including  
16 rivers, streams, wetlands, ground water, soil  
17 moisture, reservoir supplies, lake levels, and  
18 snow pack); and

19 (B) that causes or may cause—

20 (i) substantial economic or social im-  
21 pacts; or

22 (ii) physical damage or injury to indi-  
23 viduals, property, or the environment.

24 (4) **FUND.**—The term “Fund” means the  
25 Drought Assistance Fund established by section  
26 12301(a).

1           (5) INDIAN TRIBE.—The term “Indian tribe”  
2           has the meaning given the term in section 4 of the  
3           Indian Self-Determination and Education Assistance  
4           Act (25 U.S.C. 450b).

5           (6) INTERSTATE WATERSHED.—The term  
6           “interstate watershed” means a watershed that tran-  
7           scends State or Tribal boundaries, or both.

8           (7) LEAD FEDERAL COORDINATING AGEN-  
9           CIES.—The term “Lead Federal coordinating agen-  
10          cies” means the Federal departments and agencies  
11          identified in section 12101(f)(3).

12          (8) MEMBER.—The term “member”, with re-  
13          spect to the National Drought Council, means a  
14          member of the Council specified or appointed under  
15          section 12101(b) or, in the absence of the member,  
16          the member’s designee as authorized by such sec-  
17          tion.

18          (9) MITIGATION.—The term “mitigation”  
19          means a short- or long-term action, program, or pol-  
20          icy that is implemented in advance of or during a  
21          drought to minimize any risks and impacts of  
22          drought.

23          (10) NEIGHBORING COUNTRY.—The term  
24          “neighboring country” means Canada and Mexico.

1           (11) OFFICE.—The term “Office” means the  
2 National Office of Drought Preparedness established  
3 under section 12301.

4           (12) SECRETARY.—The term “Secretary”  
5 means the Secretary of Agriculture.

6           (13) STATE.—The term “State” means the sev-  
7 eral States, the District of Columbia, American  
8 Samoa, Guam, the Commonwealth of the Northern  
9 Mariana Islands, the Commonwealth of Puerto Rico,  
10 and the United States Virgin Islands.

11           (14) TRIGGER.—The term “trigger” means the  
12 thresholds or criteria that must be satisfied before  
13 mitigation or emergency assistance may be provided  
14 to an area—

15                   (A) in which drought is emerging; or

16                   (B) that is experiencing a drought.

17           (15) UNDER SECRETARY.—The term “Under  
18 Secretary” means the Under Secretary of Agri-  
19 culture for Natural Resources and Environment.

20           (16) WATERSHED.—The term “watershed”  
21 means a region or area with common hydrology, an  
22 area drained by a waterway that drains into a lake  
23 or reservoir, the total area above a given point on  
24 a stream that contributes water to the flow at that  
25 point, or the topographic dividing line from which

1 surface streams flow in two different directions. In  
2 no case shall a watershed be larger than a river  
3 basin.

4 (17) WATERSHED GROUP.—The term “water-  
5 shed group” means a group of individuals, formally  
6 recognized by the appropriate State or States, who  
7 represent the broad scope of relevant interests with-  
8 in a watershed and who work together in a collabo-  
9 rative manner to jointly plan the management of the  
10 natural resources contained within the watershed.

11 **SEC. 12003. EFFECT OF TITLE.**

12 This title does not affect—

13 (1) the authority of a State to allocate quan-  
14 tities of water under the jurisdiction of the State; or

15 (2) any State water rights established as of the  
16 date of enactment of this title.

17 **Subtitle A—National Drought**  
18 **Council**

19 **SEC. 12101. MEMBERSHIP AND VOTING.**

20 (a) IN GENERAL.—There is established in the Office  
21 of the Secretary of Agriculture a council to be known as  
22 the “National Drought Council”.

23 (b) MEMBERSHIP.—

24 (1) COMPOSITION.—The Council shall be com-  
25 posed of—

1 (A) the Secretary (or the designee of the  
2 Secretary);

3 (B) the Secretary of Commerce (or the  
4 designee of the Secretary of Commerce);

5 (C) the Secretary of the Army (or the des-  
6 ignedee of the Secretary of the Army);

7 (D) the Secretary of the Interior (or the  
8 designee of the Secretary of the Interior);

9 (E) the Director of the Federal Emergency  
10 Management Agency (or the designee of the Di-  
11 rector);

12 (F) the Administrator of the Environ-  
13 mental Protection Agency (or the designee of  
14 the Administrator);

15 (G) 4 members appointed by the Secretary,  
16 in coordination with the National Governors As-  
17 sociation, each of whom shall be the Governor  
18 of a State (or the designee of the Governor)  
19 and who collectively shall represent the geo-  
20 graphic diversity of the Nation;

21 (H) 1 member appointed by the Secretary,  
22 in coordination with the National Association of  
23 Counties;

1 (I) 1 member appointed by the Secretary,  
2 in coordination with the United States Con-  
3 ference of Mayors;

4 (J) 1 member appointed by the Secretary  
5 of the Interior, in coordination with Indian  
6 tribes, to represent the interests of tribal gov-  
7 ernments; and

8 (K) 1 member appointed by the Secretary,  
9 in coordination with the National Association of  
10 Conservation Districts, to represent local soil  
11 and water conservation districts.

12 (2) DATE OF APPOINTMENT.—The appointment  
13 of each member of the Council shall be made not  
14 later than 120 days after the date of enactment of  
15 this title.

16 (c) TERM; VACANCIES.—

17 (1) TERM.—A non-Federal member of the  
18 Council appointed under subparagraphs (G) through  
19 (K) of subsection (b)(1) shall be appointed for a  
20 term of two years.

21 (2) VACANCIES.—A vacancy on the Council—

22 (A) shall not affect the powers of the  
23 Council; and

24 (B) shall be filled in the same manner as  
25 the original appointment was made.

1           (3) TERMS OF MEMBERS FILLING VACAN-  
2           CIES.—Any member appointed to fill a vacancy oc-  
3           curring before the expiration of the term for which  
4           the member's predecessor was appointed shall be ap-  
5           pointed only for the remainder of that term.

6           (d) MEETINGS.—

7           (1) IN GENERAL.—The Council shall meet at  
8           the call of the co-chairs.

9           (2) FREQUENCY.—The Council shall meet at  
10          least semiannually.

11          (e) QUORUM.—A majority of the members of the  
12          Council shall constitute a quorum, but a lesser number  
13          may hold hearings or conduct other business.

14          (f) COUNCIL LEADERSHIP.—

15          (1) IN GENERAL.—There shall be a Federal co-  
16          chair and non-Federal co-chair of the Council.

17          (2) APPOINTMENT.—

18                  (A) FEDERAL CO-CHAIR.—The Secretary  
19                  shall be Federal co-chair.

20                  (B) NON-FEDERAL CO-CHAIR.—The Coun-  
21                  cil members appointed under subparagraphs  
22                  (G) through (K) of subsection (b)(1) shall se-  
23                  lect, on a biannual basis, a non-Federal co-chair  
24                  of the Council from among the members ap-  
25                  pointed under those subparagraphs.

1 (g) DIRECTOR OF THE OFFICE.—

2 (1) IN GENERAL.—The Director of the Office  
3 shall serve as Secretary of the Council.

4 (2) DUTIES.—The Director of the Office shall  
5 serve the interests of all members of the Council.

6 (h) COOPERATION FROM OTHER FEDERAL AGEN-  
7 CIES.—The head of each department and agency of the  
8 executive branch shall cooperate when appropriate with  
9 the Lead Federal coordinating agencies to carry out the  
10 requirements of section 12101(f)(3).

11 **SEC. 12102. DUTIES OF THE COUNCIL.**

12 (a) IN GENERAL.—The Council shall—

13 (1) not later than one year after the date of the  
14 first meeting of the Council, develop a comprehen-  
15 sive National Drought Policy Action Plan that—

16 (A)(i) delineates and integrates responsibil-  
17 ities for activities relating to drought (including  
18 drought preparedness, mitigation, research, risk  
19 management, training, and emergency relief)  
20 among Federal agencies; and

21 (ii) ensures that those activities are coordi-  
22 nated with the activities of the States, local  
23 governments, Indian tribes, and neighboring  
24 countries;

25 (B) is consistent with—

1 (i) this title and other applicable Fed-  
2 eral laws; and

3 (ii) the laws and policies of the States  
4 for water management;

5 (C) is integrated with drought manage-  
6 ment programs of the States, Indian tribes,  
7 local governments, watershed groups, and pri-  
8 vate entities; and

9 (D) avoids duplicating Federal, State, trib-  
10 al, local, watershed, and private drought pre-  
11 paredness and monitoring programs in exist-  
12 ence on the date of enactment of this title;

13 (2) evaluate Federal drought-related programs  
14 in existence on the date of enactment of this title  
15 and make recommendations to Congress and the  
16 President on means of eliminating—

17 (A) discrepancies between the goals of the  
18 programs and actual service delivery;

19 (B) duplication among programs; and

20 (C) any other circumstances that interfere  
21 with the effective operation of the programs;

22 (3) make recommendations to the President,  
23 Congress, and appropriate Federal Agencies on—

1 (A) the establishment of common inter-  
2 agency triggers for authorizing Federal drought  
3 mitigation programs; and

4 (B) improving the consistency and fairness  
5 of assistance among Federal drought relief pro-  
6 grams;

7 (4) encourage and facilitate the development of  
8 drought preparedness plans under subtitle C, includ-  
9 ing establishing the guidelines under sections  
10 12301(c) and 12302(a);

11 (5) based on a review of drought preparedness  
12 plans, develop and make available to the public  
13 drought planning models to reduce water resource  
14 conflicts relating to water conservation and  
15 droughts;

16 (6) develop and coordinate public awareness ac-  
17 tivities to provide the public with access to under-  
18 standable, and informative materials on drought, in-  
19 cluding—

20 (A) explanations of the causes of drought,  
21 the impacts of drought, and the damages from  
22 drought;

23 (B) descriptions of the value and benefits  
24 of land stewardship to reduce the impacts of  
25 drought and to protect the environment;

1 (C) clear instructions for appropriate re-  
2 sponses to drought, including water conserva-  
3 tion, water reuse, and detection and elimination  
4 of water leaks;

5 (D) information on State and local laws  
6 applicable to drought; and

7 (E) opportunities for assistance to re-  
8 source-dependent businesses and industries in  
9 times of drought; and

10 (7) establish operating procedures for the Coun-  
11 cil.

12 (b) CONSULTATION.—In carrying out this section,  
13 the Council shall consult with groups affected by drought  
14 emergencies.

15 (c) REPORTS TO CONGRESS.—

16 (1) ANNUAL REPORT.—

17 (A) IN GENERAL.—Not later than one year  
18 after the date of the first meeting of the Coun-  
19 cil, and annually thereafter, the Council shall  
20 submit to Congress a report on the activities  
21 carried out under this title.

22 (B) INCLUSIONS.—

23 (i) IN GENERAL.—The annual report  
24 shall include a summary of drought pre-  
25 paredness plans completed under title III.

1 (ii) INITIAL REPORT.—The initial re-  
2 port submitted under subparagraph (A)  
3 shall include any recommendations of the  
4 Council under paragraph (2) or (3) of sub-  
5 section (a).

6 (2) FINAL REPORT.—Not later than seven  
7 years after the date of enactment of this title, the  
8 Council shall submit to Congress a report that rec-  
9 ommends—

10 (A) amendments to this title; and

11 (B) whether the Council should continue.

12 **SEC. 12103. POWERS OF THE COUNCIL.**

13 (a) HEARINGS.—The Council may hold hearings,  
14 meet and act at any time and place, take any testimony  
15 and receive any evidence that the Council considers advis-  
16 able to carry out this title.

17 (b) INFORMATION FROM FEDERAL AGENCIES.—

18 (1) IN GENERAL.—The Council may obtain di-  
19 rectly from any Federal agency any information that  
20 the Council considers necessary to carry out this  
21 title.

22 (2) PROVISION OF INFORMATION.—

23 (A) IN GENERAL.—Except as provided in  
24 subparagraph (B), on request of the Secretary  
25 or the non-Federal co-chair of the Council, the

1 head of a Federal agency may provide informa-  
2 tion to the Council.

3 (B) LIMITATION.—The head of a Federal  
4 agency shall not provide any information to the  
5 Council that the Federal agency head deter-  
6 mines the disclosure of which may cause harm  
7 to national security interests.

8 (c) POSTAL SERVICES.—The Council may use the  
9 United States mail in the same manner and under the  
10 same conditions as other agencies of the Federal Govern-  
11 ment.

12 (d) GIFTS.—The Council may accept, use, and dis-  
13 pose of gifts or donations of services or property.

14 **SEC. 12104. COUNCIL PERSONNEL MATTERS.**

15 (a) COMPENSATION OF MEMBERS.—

16 (1) NON-FEDERAL EMPLOYEES.—A member of  
17 the Council who is not an officer or employee of the  
18 Federal Government shall serve without compensa-  
19 tion.

20 (2) FEDERAL EMPLOYEES.—A member of the  
21 Council who is an officer or employee of the United  
22 States shall serve without compensation in addition  
23 to the compensation received for services of the  
24 member as an officer or employee of the Federal  
25 Government.

1 (b) TRAVEL EXPENSES.—A member of the Council  
2 shall be allowed travel expenses at rates authorized for an  
3 employee of an agency under subchapter I of chapter 57  
4 of title 5, United States Code, while away from the home  
5 or regular place of business of the member in the perform-  
6 ance of the duties of the Council.

7 **SEC. 12105. AUTHORIZATION OF APPROPRIATIONS.**

8 There is authorized to be appropriated to carry out  
9 this title \$2,000,000 for the first fiscal year beginning on  
10 or after the date of the enactment of this title and for  
11 each of the subsequent seven fiscal years.

12 **SEC. 12106. TERMINATION OF COUNCIL.**

13 The Council shall terminate at the end of the eighth  
14 fiscal year beginning on or after the date of the enactment  
15 of this title.

16 **Subtitle B—National Office of**  
17 **Drought Preparedness**

18 **SEC. 12201. ESTABLISHMENT.**

19 The Secretary shall establish an office to be known  
20 as the “National Office of Drought Preparedness” to pro-  
21 vide assistance to the Council in carrying out this title.

22 **SEC. 12202. DIRECTOR OF THE OFFICE.**

23 (a) APPOINTMENT.—

1           (1) IN GENERAL.—The Under Secretary shall  
2           appoint a Director of the Office under sections 3371  
3           through 3375 of title 5, United States Code.

4           (2) QUALIFICATIONS.—The Director of the Of-  
5           fice shall be a person who has experience in—

6                     (A) public administration; and

7                     (B) drought mitigation or drought man-  
8                     agement.

9           (b) POWERS.—The Director of the Office may hire  
10          such other additional personnel or contract for services  
11          with other entities as necessary to carry out the duties  
12          of the Office.

13   **SEC. 12203. DETAIL OF GOVERNMENT EMPLOYEES.**

14          (a) IN GENERAL.—Except for the requirements of  
15          section 12204, an employee of the Federal Government  
16          may be detailed to the Office without reimbursement, un-  
17          less the Secretary, on the recommendation of the Director  
18          of the Office, determines that reimbursement is appro-  
19          priate.

20          (b) CIVIL SERVICE STATUS.—The detail of an em-  
21          ployee shall be without interruption or loss of civil service  
22          status or privilege.

1 **Subtitle C—Drought Preparedness**  
2 **Plans**

3 **SEC. 12301. DROUGHT ASSISTANCE FUND.**

4 (a) ESTABLISHMENT.—There is established within  
5 the Department of Agriculture a fund to be known as the  
6 “Drought Assistance Fund”.

7 (b) PURPOSE.—The Fund shall be used to pay the  
8 costs of—

9 (1) providing technical and financial assistance  
10 (including grants and cooperative assistance) to  
11 States, Indian tribes, local governments, watershed  
12 groups, and critical service providers for the develop-  
13 ment and implementation of drought preparedness  
14 plans under title III;

15 (2) providing to States, Indian tribes, local gov-  
16 ernments, watershed groups, and critical service pro-  
17 viders the Federal share, as determined by the Sec-  
18 retary, in consultation with the other members of  
19 the Council, of the cost of mitigating the overall risk  
20 and impacts of droughts;

21 (3) assisting States, Indian tribes, local govern-  
22 ments, watershed groups, and critical service pro-  
23 viders in the development of mitigation measures to  
24 address environmental, economic, and human health  
25 and safety issues relating to drought; and

1 (4) expanding the technology transfer of  
2 drought and water conservation strategies and inno-  
3 vative water supply techniques.

4 (c) GUIDELINES.—

5 (1) IN GENERAL.—The Secretary, in consulta-  
6 tion with the non-Federal co-chair of the Council  
7 and with the concurrence of the Council, shall de-  
8 velop and promulgate guidelines to implement this  
9 section.

10 (2) REQUIREMENTS.—The guidelines shall ad-  
11 dress the following:

12 (A) Ensure the distribution of amounts  
13 from the Fund within a reasonable period of  
14 time.

15 (B) Take into consideration regional dif-  
16 ferences.

17 (C) Take into consideration all impacts of  
18 drought in a balanced manner.

19 (D) Prohibit the use of amounts from the  
20 Fund for Federal salaries that are not directly  
21 related to the provision of drought assistance.

22 (E) Require that distribution of amounts  
23 from the Fund granted to States, local govern-  
24 ments, watershed groups, and critical service  
25 providers to meet the requirements of sub-

1 section (b)(1) be coordinated with and managed  
2 by the State in which such local government or  
3 critical service provider is located, consistent  
4 with the drought preparedness priorities and  
5 relevant water management plans within the  
6 State.

7 (F) Require that distribution of amounts  
8 from the Fund granted to Indian tribes to meet  
9 the requirements of subsection (b)(1) be used to  
10 implement plans that are, to the extent prac-  
11 ticable, in coordination with each State in which  
12 lands of the Indian tribe are located and con-  
13 sistent with existing drought preparedness and  
14 water management plans of such States.

15 (G) Require that a State, Indian tribe,  
16 local government, watershed group, or critical  
17 service provider that receives Federal funds  
18 under paragraph (2) or (3) of subsection (b)  
19 cover not less than 25 percent of the overall  
20 cost incurred in carrying out the project for  
21 which the Federal funds are provided. This cost  
22 sharing requirement may be satisfied using  
23 non-Federal grants or cash donations made by  
24 non-Federal third parties.

1 (d) SPECIAL REQUIREMENT FOR INTERSTATE WA-  
2 TERSHEDS.—

3 (1) DEVELOPMENT OF DROUGHT PREPARED-  
4 NESS PLANS.—In order to receive funds under sub-  
5 section (b)(1) to develop drought preparedness plans  
6 for interstate watersheds, the guidelines shall also  
7 require the relevant States, Indian tribes, or both, in  
8 which the watershed is located, to coordinate in the  
9 development of the drought preparedness plan. The  
10 development of such plans shall—

11 (A) be consistent with the relevant States'  
12 and Tribal water laws, policies, and agreements;

13 (B) be consistent and coordinated with any  
14 existing interstate stream compacts;

15 (C) include the participation of any rel-  
16 evant watershed groups located in the relevant  
17 States, Indian tribes, or both; and

18 (D) recognize that implementation of the  
19 interstate drought preparedness plan will in-  
20 volve further coordination among the relevant  
21 States, Indian tribes, or both, except that each  
22 State and Indian tribe has sole jurisdiction over  
23 implementation of that portion of the watershed  
24 that exists within their boundaries.

1           (2) IMPLEMENTATION OF DROUGHT PREPARED-  
2           NESS PLANS.—In order to receive funds under sub-  
3           section (b)(1) to implement drought preparedness  
4           plans for interstate watersheds, the guidelines shall  
5           also require, to the extent practicable, the relevant  
6           States, Indian tribes, or both, in which the water-  
7           shed is located, to coordinate in the implementation  
8           of the drought preparedness plan, recognizing the  
9           sovereignty of the States and Indian tribes. Imple-  
10          mentation of interstate drought preparedness plans  
11          under subsection (b)(1) shall—

12                   (A) be contingent upon the existence of a  
13                   drought preparedness plan, but not require the  
14                   distribution of funds to all States and Indian  
15                   tribes in which the watershed is located;

16                   (B) consider the level of impact within the  
17                   watershed on each of the relevant States, In-  
18                   dian tribes, or both; and

19                   (C) not impede on State water rights es-  
20                   tablished as of the date of enactment of this  
21                   title.

22          (e) AUTHORIZATION OF APPROPRIATIONS.—There  
23          are authorized to be appropriated to the Fund such sums  
24          as are necessary to carry out subsection (b).

1 **SEC. 12302. DROUGHT PREPAREDNESS PLANS.**

2 (a) IN GENERAL.—The Secretary shall—

3 (1) with the concurrence of the Council, jointly  
4 develop guidelines for administering a national pro-  
5 gram to provide technical and financial assistance to  
6 States, Indian tribes, local governments, watershed  
7 groups, and critical service providers for the develop-  
8 ment, maintenance, and implementation of drought  
9 preparedness plans; and

10 (2) promulgate the guidelines developed under  
11 paragraph (1).

12 (b) REQUIREMENTS.—To build on the experience and  
13 avoid duplication of efforts of Federal, State, local, tribal,  
14 and regional drought plans in existence on the date of en-  
15 actment of this title, the guidelines may recognize and in-  
16 corporate those plans.

17 **SEC. 12303. FEDERAL PLANS.**

18 (a) IN GENERAL.—The Secretary and other appro-  
19 priate Federal agency heads shall develop and implement  
20 Federal drought preparedness plans for agencies under  
21 the jurisdiction of the appropriate Federal agency head.

22 (b) REQUIREMENTS.—The Federal plans—

23 (1) shall be integrated with each other;

24 (2) may be included as components of other  
25 Federal planning requirements;

1           (3) shall be integrated with drought prepared-  
2           ness plans of State, tribal, and local governments  
3           that are affected by Federal projects and programs;  
4           and

5           (4) shall be completed not later than two years  
6           after the date of the enactment of this title.

7   **SEC. 12304. STATE AND TRIBAL PLANS.**

8           States and Indian tribes may develop and implement  
9   State and tribal drought preparedness plans that—

10           (1) address monitoring of resource conditions  
11           that are related to drought;

12           (2) identify areas that are at a high risk for  
13           drought;

14           (3) describes mitigation strategies to address  
15           and reduce the vulnerability of an area to drought;  
16           and

17           (4) are integrated with State, tribal, and local  
18           water plans in existence on the date of enactment of  
19           this title.

20   **SEC. 12305. REGIONAL AND LOCAL PLANS.**

21           Local governments, watershed groups, and regional  
22   water providers may develop and implement drought pre-  
23   paredness plans that—

24           (1) address monitoring of resource conditions  
25           that are related to drought;

1           (2) identify areas that are at a high risk for  
2 drought;

3           (3) describe mitigation strategies to address  
4 and reduce the vulnerability of an area to drought;  
5 and

6           (4) are integrated with corresponding State  
7 plans.

8 **SEC. 12306. PLAN ELEMENTS.**

9           The drought preparedness plans developed under this  
10 title—

11           (1) shall be consistent with Federal and State  
12 laws, contracts, and policies;

13           (2) shall allow each State to continue to man-  
14 age water and wildlife in the State;

15           (3) shall address the health, safety, and eco-  
16 nomic interests of those persons directly affected by  
17 drought;

18           (4) shall address the economic impact on re-  
19 source-dependent businesses and industries, includ-  
20 ing regional tourism;

21           (5) may include—

22           (A) provisions for water management  
23 strategies to be used during various drought or  
24 water shortage thresholds, consistent with State  
25 water law;

1 (B) provisions to address key issues relat-  
2 ing to drought (including public health, safety,  
3 economic factors, and environmental issues such  
4 as water quality, water quantity, protection of  
5 threatened and endangered species, and fire  
6 management);

7 (C) provisions that allow for public partici-  
8 pation in the development, adoption, and imple-  
9 mentation of drought plans;

10 (D) provisions for periodic drought exer-  
11 cises, revisions, and updates;

12 (E) a hydrologic characterization study to  
13 determine how water is being used during times  
14 of normal water supply availability to anticipate  
15 the types of drought mitigation actions that  
16 would most effectively improve water manage-  
17 ment during a drought;

18 (F) drought triggers;

19 (G) specific implementation actions for  
20 droughts;

21 (H) a water shortage allocation plan, con-  
22 sistent with State water law; and

23 (I) comprehensive insurance and financial  
24 strategies to manage the risks and financial im-  
25 pacts of droughts; and

- 1           (6) shall take into consideration—
- 2                   (A) the financial impact of the plan on the
- 3           ability of the utilities to ensure rate stability
- 4           and revenue stream; and
- 5                   (B) economic impacts from water short-
- 6           ages.