SUBJECT: Installation of water conservation systems in 15 correctional facilities

COMMITTEE: Corrections — committee substitute recommended

VOTE: 7 ayes — Madden, D. Jones, Haggerty, R. Allen, Hochberg, McReynolds,

Noriega

0 nays

WITNESSES: For — Michael Miller, Bottom Line Utility Solutions, Inc., ICON

Systems; Rick Lord, Texas Pipe Trades

Against — None

On — Brad Livingston, Texas Department of Criminal Justice

DIGEST: CSHB 2905 would require the Texas Department of Criminal Justice

(TDCJ) to contract with a private vendor, at no cost to the state, to install electronic water conservation systems on toilets, sinks, and showers in at

least 15 correctional facilities.

Private vendors would have to demonstrate that water conservation systems would result in an annual cost savings of at least 50 percent of the amount of current costs. The vendors also would have to have a minimum of five years' experience with retrofitting prison plumbing systems and use equipment that had been used for at least five years in correctional facilities.

A contract would include a provision to ensure a budget-neutral or positive fiscal impact to the state. Private vendors would be prohibited from receiving any remuneration until cost savings to the state had been verified.

When deciding which facilities would have the system installed, TDCJ would be required to consider the facility where the greatest savings could be achieved, the age of the facility, and potential operational and security concerns.

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TDCJ would have to submit a progress report on the system to the lieutenant governor, speaker of the House, and the Legislative Budget Board by December 31, 2006. The report would have to include an evaluation of the initial installation of the system, its effectiveness, and the amount of savings to the state.

By October 1, 2005, TDCJ would have to submit requests for proposal for the water conservation system. The initial installation would have to begin by February 1, 2006, and be completed by January 1, 2008.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

SUPPORTERS SAY:

CSHB 2905 could pave the way for the state to save a significant amount of money in the long run by requiring the use of water conservation equipment in prisons. Currently, TDCJ spends about \$26 million per year on water and wastewater related to the use of toilets, showers, sinks, laundry, and kitchens. An estimated 50 percent to 60 percent of TDCJ's water is used by inmates in the cell blocks. Some of this water usage comes from waste by inmates who deliberately flood their cells by stopping up toilets and letting tap water run. CSHB 2095 would help stop these actions and thereby save the state money on water and plumbing upkeep, which could help state government lead the way in water conservation.

Technology exists and is used in other states to help stop the deliberate wasting of water by inmates. This technology works through electronic controls which can be set to limit how often toilets can be flushed and can control the amount of water flow into a sink. For example, after one gallon had been used, the controls could prohibit another gallon from being dispensed for a set amount of time, such as one hour. These electronic controls would not totally eliminate the ability of inmates to clog toilets or other plumbing misuse but would make these actions much more difficult. In addition to direct savings on the cost of water, other states have found a reduction in time and expense in maintaining plumbing.

CSHB 2905 is crafted carefully to protect the state from losing money. The contract would have to be entered into at no cost to the state and a contractor would have to demonstrate that the system would result in an annual savings of at least half of the current plumbing operations costs. In

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addition, a contract would have to have a positive fiscal impact or be neutral to the state.

CSHB 2905 would take a reasonable approach to implementing this new technology by requiring it to be placed in only a minimum of 15 facilities. The fiscal note estimates savings to the state of about \$835,000 annually, which could be used to remunerate the vendor in the beginning of the program. However, if the technology prove d successful, other facilities could be added, and once the vendor had been paid out of the savings, the state could see a positive fiscal impact through reductions in TDCJ's water bills. Oversight of the installation and maintenance of the devices could be performed by existing TDCJ staff and should present no security issues for the agency.

It is entirely appropriate and common for the Legislature to direct a state agency to take certain actions. In this case the requirements in the bill are necessary to give the agency legislative direction and to ensure that the agency explores and tests the new technology available for plumbing.

OPPONENTS SAY:

The Legislature should not micromanage the operations of any state agency by requiring it to procure specific types of systems or equipment or that contracts include specific parameters. State governing boards have the necessary authority to enter into these types of contracts.

OTHER OPPONENTS SAY: The contract requirements in CSHB 2905 are so specific that they could exclude some qualified vendors.

NOTES:

The committee substitute made several changes to the original bill, including changing the requirement for installation from all of TDCJ's correctional facilities to a minimum of 15 facilities.