SUBJECT:	Transferring Coastal Coordination Council functions to the GLO
COMMITTEE:	Natural Resources — committee substitute recommended
VOTE:	9 ayes — Ritter, T. King, Beck, Creighton, Hopson, Larson, Lucio, D. Miller, Price
	0 nays
	2 absent — Keffer, Martinez Fischer
WITNESSES:	For — None
	Against — None
	On — Susan Biles, General Land Office (<i>Registered, but did not testify:</i> Amy Tripp, Sunset Advisory Commission)
BACKGROUND:	The Coastal Coordination Council is a 12-member interagency board charged with administering the state's coastal management program. To fulfill its mission of managing coastal resources and responding to coastal issues, the council:
	 awards competitive grants (\$1.7 million in 2009) to local entities for coastal projects, such as erosion control and restoring habitat; reviews state and federal actions for consistency with the coastal management plan; and employs staff to work in permitting assistance centers, which help individuals and small business comply with coastal permitting requirements.
	The council's coastal management program received federal approval in 1997 and allows the state to receive about \$2.5 million per year in federal coastal management funds. The council deploys the majority of these funds through its coastal grant program. In addition, the coastal management plan allows the state to review federal actions and other decisions affecting the coastal zone. Federal action on coastal projects must receive council approval. The council also may review state agency

HB 2250 House Research Organization page 2

	actions and rules affecting the coastal management program, but it has never exercised this authority.
	The council is made up of seven board members from agencies with a direct stake in coastal management, four gubernatorial appointments representing various coastal interests, and a nonvoting member from the Texas Sea Grant College Program and Texas A&M University.
	The General Land Office (GLO) provides administrative support for the Coastal Coordination Council. The fiscal 2010-11 general appropriations act appropriated a standard per diem payment for council members. The council last underwent Sunset review in 2001. Unless continued, the council would cease to exist on September 1, 2011.
DIGEST:	HB 2250 would abolish the Coastal Coordination Council and transfer its functions to the GLO effective September 1, 2011. The bill would establish a Coastal Coordination Advisory Committee — made up of the same members currently on the council — to advise the land commissioner on matters related to the coastal management program. The land commissioner, instead of the governor, would appoint the four members representing various coastal interests. The commissioner would establish the terms of office and duties of committee members.
	Before January 1, 2012, the land commissioner would evaluate the functions and usefulness of the permitting assistance group. The evaluation would have to include input from existing permitting assistance group members and the Coastal Coordination Advisory Committee. The commissioner could take appropriate action based on the evaluations.
	The land commissioner could not review a determination of consistency with the coastal management plan from the GLO, the land commissioner, or the School Land Board. The bill would establish procedures for the attorney general to conduct the review instead. The bill would delete a provision detailing the federal consistency review process.
	The bill would repeal provisions establishing and governing the coastal coordination council and would make other conforming changes to statute. It would provide for the transition of duties, funds, records, property, and other matters to the GLO.
	The bill would take effect September 1, 2011.

HB 2250 House Research Organization page 3

SUPPORTERS SAY: CSHB 2250 would implement Sunset Advisory Commission recommendations stemming from a review of the Coastal Coordination Council. The bill would abolish the council in its current form, transferring its current functions to the GLO. It also would implement recommendations from the Sunset Commission by charging the land commissioner with evaluating the need for the permitting assistance group currently under the council.

> While the Sunset Commission found an ongoing need for functions performed by the council, its current structure as an interagency council staffed by the GLO and chaired by the land commissioner is inefficient. The council, established in 1991, originally was tasked with developing and implementing the coastal management plan. Its primary task now is to administer the program and decide how to spend federal funds the state receives through the federal Coastal Zone Management Act. While an independent council may have served a need in developing the coastal management plan, it provides little advantage in administering the plan.

> The council's current functions would be best served by moving it into an advisory role in the agency that provides administrative support, which would house the former council's review functions with its administration. Giving the land commissioner authority to review the new coastal coordination advisory committee's permit assistance functions would establish a direct path of responsibility and increase accountability for those functions.

The bill would provide for a situation in which the land commissioner was responsible for reviewing an action for consistency with the coastal management plan that came from an agency on which the commissioner held a key position. In those cases, the bill would transfer this responsibility to the attorney general, who would be equipped to determine if the action was inconsistent with the plan. The attorney general is tasked with evaluating a variety of legal and statutory matters and could capably make a determination on this subject matter. This precaution is largely theoretical, however, because the council never has conducted such a review of a state agency action or rule.

The bill does not include a Sunset staff recommendation for development of a comprehensive coastal plan because it would be too costly and the Coastal Coordination Advisory Committee would have no authority to implement it.

HB 2250 House Research Organization page 4

OPPONENTS SAY:	CSHB 2250 would make structural changes to the Coastal Coordination Council without necessarily achieving a clear benefit. The Sunset Advisory Commission staff report found a continuing need for the council. The staff report, after significant research into the subject, identified no clear advantage from transferring the council's functions. In addition, the Legislative Budget Board has identified no significant fiscal benefit for the state in doing so.
	The report instead made recommendations, not included in this bill, to require the council to create a comprehensive, five-year coastal plan and use the plan to target funding and evaluate the success of grant funds. The coastal plan could synthesize existing plans developed by participating agencies to create overall goals for coastal management and protection. Implementing this recommendation would bring Texas in line with other states that have successfully developed planning processes and with approaches the state already has toward other natural resources, such as water.
	By reformulating the council as an advisory commission, the bill would consolidate in the GLO more authority over coastal coordination issues. This would create a conflict of interest when a coastal action was proposed by an agency or board on which the land commissioner served a key role. The attorney general, who would not have a position on the Coastal Coordination Advisory Committee, is tasked with other pressing legal matters of the state and would not have a good foundation from which to review this action.
NOTES:	The committee substitute added a provision prohibiting the land commissioner from reviewing a determination of consistency with the coastal management plan from the GLO, the land commissioner, or the School Land Board. It added procedures for the attorney general to conduct the review instead.
	The companion bill, SB 656 by Huffman, passed the Senate by 31-0 on

April 5 and was reported favorably, as substituted, by the House Natural Resources Committee on April 28.