

**SUBJECT:** Amending TWDB duties and responsibilities of the executive director.

**COMMITTEE:** Natural Resources — favorable, as amended

**VOTE:** 8 ayes — Puente, Callegari, Hope, Campbell, R. Cook, Geren, Hamilton, Hardcastle

0 nays

1 absent — Wolens

**WITNESSES:** For — None

Against — None

On — Leonard Olson, Texas Water Development Board

**BACKGROUND:** The Texas Water Development Board (TWDB) provides financial assistance for the planning, design, and construction of water projects and develops the state water plan from regional plans submitted by regional water planning groups. TWDB operates a number of financial assistance programs for political subdivisions seeking to develop water supply, wastewater treatment, flood control, or agricultural conservation projects. The 75th Legislature enacted SB 1 by Brown, initiating development of a state water plan based on a planning process beginning at the local and regional levels. In 2001, the 77th Legislature revisited water resource planning and management. SB 2 by Brown amended TWDB duties, revised the authority of groundwater conservation districts, and created a water advisory council and new funds for financial assistance.

In April 2002, TWDB changed the agency's organizational structure, including amending the responsibilities of the development fund manager.

**DIGEST:** HB 1378, as amended, would eliminate some specific duties that TWDB is required to perform and transfer certain responsibilities of the development fund manager to the agency's executive administrator.

The bill also would specify that the executive administrator may conduct surveys of entities using groundwater and surface water only “for municipal, industrial, power generation or mining purposes” to gather data for long-term water supply planning. It also would amend current law to eliminate an exception from public information requirements for survey information from nongovernmental entities.

The bill would eliminate several provisions in current law, including:

- a requirement that TWDB require surface water rights holders, certain groundwater permit holders, water utilities, irrigation districts, or anyone transporting water 20 miles or more, to report to TWDB on pipelines or other facilities that can be used for water conveyance;
- a requirement that a regional water plan include information on pipelines or other facilities that could be used for water conveyance;
- a requirement that nothing in the initial regional efforts to develop a state water plan prevent development of a local plan or project requiring action before completion of the initial regional plan; and
- a requirement that TWDB prepare and provide a report every two years to the Legislature on the progress of aquifer storage pilot projects.

HB 1378 would transfer certain duties from the development fund manager to the executive administrator, including:

- determining if an application for financial assistance for water supply, wastewater, or flood control included a flood control component and if the political subdivision submitting the project contained all of the watershed in which the project would be located;
- requiring the applicant for financial assistance to submit a memorandum of understanding on the management of the project’s watershed if it extended beyond the political subdivision’s boundaries;
- receiving a political subdivision’s memorandum of understanding on management of a watershed that extended beyond its boundaries so that TWDB could consider the political subdivision’s application for financial assistance;
- certifying that construction work to be done under a contract funded with financial assistance from TWDB had been completed and performed in a satisfactory manner; and

- submitting an application for financial assistance to the board with suggestions on the best method of providing financial assistance.

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, 2003.

**SUPPORTERS  
SAY:**

HB 1378 would make it easier for TWDB to share information with regional water planning groups. The provision in current law excepting TWDB survey information obtained from nongovernmental entities from public information requirements hinders TWDB's ability to provide water demand data to regional water planning groups. TWDB sends out annual surveys to about 1,000 water supply entities, 76 percent of which are considered nongovernmental, in order to develop estimates of future water demand. Regional groups need the survey data to develop their regional water plans. The bill would allow TWDB to share survey information with regional water planning groups without having to obtain written permission from nongovernmental survey recipients. It would not burden nongovernmental entities to eliminate this exception because TWDB would be responsible for providing the survey information for public inspection.

HB 1378 would eliminate unnecessary and obsolete provisions in the Water Code. Legislation enacted last session (SB2 by Brown) required TWDB to collect information on pipelines and other facilities that could be used for water conveyance. However, regional planning groups have indicated that this information would be of little or no benefit in developing their regional plans. Moreover, in light of new homeland security concerns regarding pipelines and water supplies, this information is better left uncollected.

The bill also would eliminate the requirement that TWDB prepare and provide a report to the Legislature every two years on the progress of Aquifer Storage and Recovery (ASR) pilot projects. The 74th Legislature established the ASR pilot program. TWDB has completed its studies of ASR pilot projects — no projects are underway, and the Texas Commission on Environmental Quality indicates it has not received any new applications for the pilot program. With no projects underway or upcoming, there is no reason to require TWDB to submit biennially a progress report to the Legislature.

HB 1378 would eliminate only the biennial progress report requirement. If a new project were initiated, TWDB still would be required to prepare and provide a report upon completion of the pilot project.

HB 1378 would amend the Water Code to reflect organizational changes at TWDB. The agency restructured management of its bond fund programs in 2002, changing the responsibilities of the development fund manager. The development fund manager now is responsible primarily for fund investments, bond sales, and loan closings. The executive administrator has taken over some of the former administrative responsibilities of the development fund manager. The bill would update the law to conform to the agency's current structure.

**OPPONENTS  
SAY:**

No apparent opposition.

**NOTES:**

The committee amendment would modify the original bill to specify that the executive administrator may conduct surveys of entities using surface or groundwater only "for municipal, industrial, power generation or mining purposes" and eliminate a requirement that a regional water plan include information on pipelines or other facilities that could be used for water conveyance.