



Legislative Update

9th Annual North Central Texas Chapter of
Texas AWWA
Drinking Water Seminar Program
October 22, 2010

Presented by:

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Overview

- Major Themes for 82nd Texas Legislature
- Legislative Interim Charges and Activities
- Sunset Advisory Commission
- House Select Committee on Special Purpose Districts
- Possible Legislation - Ownership of Groundwater
- State Agency Rules Implementation
- Important Dates



Major Legislative Themes

- Budget
 - Projected Budget Shortfall
 - State Agency Budget Cuts
- Redistricting
 - Texas Legislature
 - U.S. Congress



Projected Budget Shortfall

- Texas Legislature adopting two year budget for 2012-2013
- Texas projected to have a \$18 to \$21 billion budget shortfall



State Agency Budget Cuts

- State agencies required to implement 5% budget cuts for 2010-2011 budget
- Agencies directed to identify 10% cuts in next budget cycle (2011-2012)

Redistricting

- Conducted after U.S. Census completed
- Texas Legislative District Boundaries
- U. S. Congressional District Boundaries

Water-Related Interim State Legislative Charges

- Texas Senate Committee on Natural Resources
- Texas House Committee on Natural Resources
- Texas House Select Committee on Special Purpose Districts



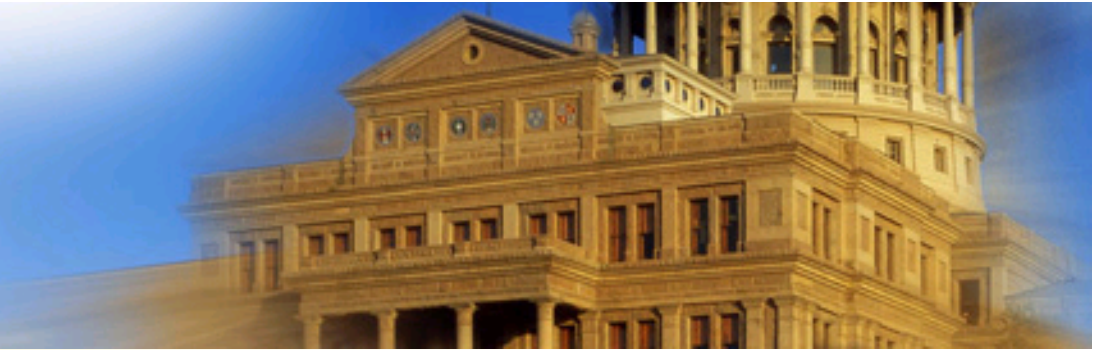
Senate Committee on Natural Resources

- State Water Plan implementation and development of infrastructure projects listed in State Water Plan
- Joint planning process for groundwater management and resources necessary to promote sound groundwater management
- Monitor need for regulation of water well drilling near Texas rivers
- Monitor legislation passed by 81st Legislature (2009), including monitoring of environmental impacts, such as water usage in oil and gas development



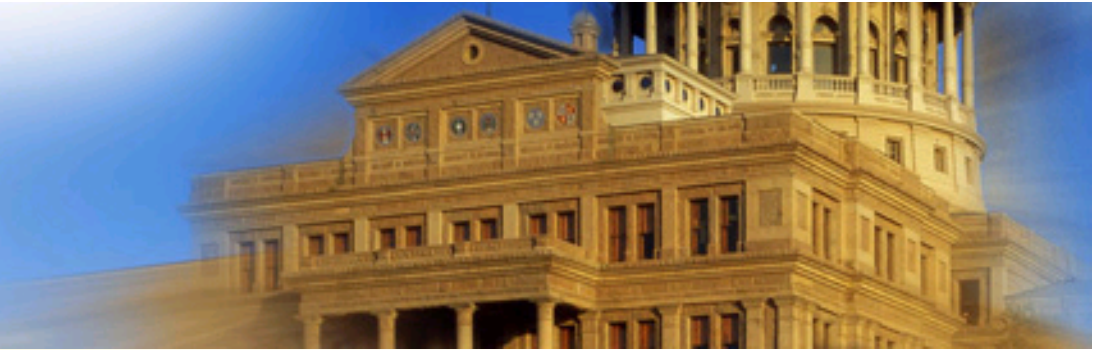
House Committee on Natural Resources

- Evaluate groundwater regulations and permitting processes, role of state agencies, development of Desired Future Conditions of aquifers, and adoption of Management Plans
- Monitor federal initiatives that could impact implementation of State Water Plan and evaluate other states' approach to dealing with water issues
- Monitor drought conditions and water conservation initiatives
- Evaluate Regulatory Model for water and sewer IOUs
- Monitor agencies and related programs



Sunset Advisory Commission

- 12 members total
 - 5 members from Texas Senate
 - 5 members from Texas House
 - 2 members of public appointed by Lt. Governor and Speaker of House



Sunset Advisory Commission

- Members from Texas Senate
 - Glenn Hegar, Chairman – Katy
 - Juan “Chuy” Hinojosa – McAllen
 - Joan Huffman – Houston
 - Robert Nichols – Jacksonville
 - John Whitmire - Houston



Sunset Advisory Commission

- Members from Texas House
 - Dennis Bonnen, Vice Chair – Angleton
 - Rafael Anchia – Dallas
 - Byron Cook – Corsicana
 - Linda Harper-Brown – Irving
 - Larry Taylor – League City



Sunset Advisory Commission

- Public members
 - Charles McMahan - Houston
 - Lamont Jefferson – San Antonio

Sunset Advisory Commission

- Typically, state agencies undergo a review by the Sunset Advisory Commission every 12 years.
- Timing of TCEQ and TWDB Sunset review was moved up 2 years. Both agencies were last reviewed in 1990-91.
- Sunset review includes reviewing the need for the agency and evaluation of how the agency can improve its performance and efficiency.



Sunset Advisory Commission - Schedule

- Nov. 16, 2010 – Public Testimony on TWDB
- Dec. 15 and 16, 2010 – Public Testimony on TCEQ and decision on TWDB
- January 12, 2011 – Decision on TCEQ and SAC recommendations to Legislature



Sunset Advisory Commission – Result

- Legislation will be filed during 2011 legislative session to continue or abolish agencies
- Sunset Advisory Commission Website:
www.sunset.state.tx.us



New Committee: House Select Committee on Special Purpose Districts

- New House Committee created in February 2010 to evaluate special purpose district with emphasis on water-related districts
- Harvey Hilderbran, Chairman – Kerrville



House Select Committee on Special Purpose Districts

- Study and make recommendations for improving public accountability and transparency in governance and operation of special purpose districts
 - Particular focus on water-related districts
- Consider effects of multiple, overlapping districts on the taxpayer



House Select Committee on Special Purpose Districts - Interim Charges

- To date, the committee has met to hear testimony on:
 - Water and Wastewater Districts
 - Groundwater Conservation Districts
 - Water Control and Improvement Districts
 - Water Improvement Districts
 - Irrigation Districts
 - Municipal Utility Districts
 - Navigation Districts
 - River Authorities



Emphasis on Groundwater

- Ownership of groundwater
 - Stakeholders working together for possible consensus legislation
- Sept. 1, 2010 deadline for Desired Future Conditions of aquifers in Texas
- Water use associated with oil and gas production



Environmental Flow Standards

- Current standards must be set according to legislation passed in 2007 (Senate Bill 3)
- *The Aransas Project* case — will federal court reshape e-flows process and will Texas Legislature be called upon to make changes?



Agency Rules Implementation - TCEQ

- Rules implemented as a result of legislation
- TCEQ:
 - Modification of Regulations on Discharge of Pesticides
 - Texas Parks and Wildlife petition requesting modification
 - Discharge of pesticides into/over/near Highland Lakes
 - Districts allowable cost participation
 - Petition for rulemaking
 - Disconnection of submetered or allocation service
 - Repeal section 291.126 to conform to Property Code



Agency Rules Implementation – TCEQ (cont.)

- Revisions to clarify safety recommendations to public in case of a wastewater spill
- Implementation of new federal construction storm water rules and clarification of TPDES delegation language
- Financial assurance for sewage sludge
- Injection and Storage of Anthropogenic CO₂
 - Result of SB 1387 in 2009 session – requiring TCEQ Executive Director to take advisory role in Railroad Commission permit applications for CO₂ storage in order to protect water sources



Agency Rules Implementation – TCEQ (cont.)

- Water quality management in Barton Creek/Onion Creek watersheds
- Revisions to lead and copper standards in drinking water
 - Implement EPA rules
- Revisions to CAFO rules
 - Implement EPA CAFO rules
- Environmental Flow Standards
 - Result of SB 3 / HB 3 from 2007 session



Agency Rules Implementation - TWDB

- Proposed repeal of Ch. 368, Flood Mitigation Program
- Possible changes to DFC petition process rules in the future

Important Dates

- November 2, 2010 – General election for congressional, legislative, and other offices
- November 8, 2010 – Prefiling of legislation for the 82nd Texas Legislature begins
- January 11, 2011 – Regular Session of 82nd Texsa Legislature begins
- May 30, 2011 – Regular Session ends



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