By: Geren H.B. No. 1378

## A BILL TO BE ENTITLED

1 AN ACT

2 relating to the duties of the Texas Water Development Board and the

- 3 executive administrator of the board.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Sections 15.005(a), (b), and (d), Water Code,
- 6 are amended to read as follows:
- 7 (a) On submission of a project application under this
- 8 chapter, the <u>executive administrator</u> [<u>development fund manager</u>]
- 9 shall determine if the application includes a project that will
- 10 have flood control as one of its purposes and if the political
- 11 subdivision submitting the application includes all of the
- 12 watershed in which the project is to be located.
- 13 (b) If the executive administrator [development fund
- 14 manager] finds that the application includes a project that has
- 15 flood control as one of its purposes and that the watershed in which
- 16 the project is located is partially located outside the political
- 17 subdivision making the application, the <u>executive administrator</u>
- 18 [development fund manager] shall require the applicant to submit a
- 19 written memorandum of understanding relating to the management of
- the watershed in which the project is to be located.
- 21 (d) The board shall not consider any application for which a
- 22 memorandum of understanding must be filed under this section until
- 23 that memorandum of understanding is filed with the executive
- 24 administrator [development fund manager].

1 SECTION 2. Section 16.012(m), Water Code, is amended to 2 read as follows:

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

21

22

23

24

25

26

27

- The executive administrator may conduct surveys of entities using groundwater and surface water at determined appropriate by the executive administrator to gather data to be used for long-term water supply planning. Recipients of the survey shall complete and return the survey to the executive administrator. A person who fails to timely complete and return the survey is not eligible for funding from the board for board programs and is ineligible to obtain permits, permit amendments, or permit renewals from the commission under Chapter 11. A person who fails to complete and return the survey commits an offense that is punishable as a Class C misdemeanor. [Surveys obtained by the board from nongovernmental entities are excepted from the requirements of Section 552.021, Government Code, unless otherwise directed in writing by the person completing the survey. This subsection does not apply to survey information regarding windmills used for domestic and livestock use.
- 19 SECTION 3. Section 16.053(d), Water Code, is amended to 20 read as follows:
  - (d) The board shall provide guidelines for the consideration of existing regional planning efforts by regional water planning groups. The board shall provide guidelines for the format in which information shall be presented in the regional water plans. [The board by rule shall require a holder of a surface water permit, a certified filing, or a certificate of adjudication for surface water, a holder of a permit for the export of

- 1 groundwater from a groundwater conservation district, a retail
- 2 public water supplier, a wholesale water provider, an irrigation
- 3 district, and any other person who is transporting groundwater or
- 4 surface water 20 miles or more to report to the board information on
- 5 certain water pipelines and other facilities that can be used for
- 6 water conveyance. Nothing in the initial planning effort shall
- 7 prevent development of a management plan or project where local or
- 8 regional needs require action prior to completion of the initial
- 9 regional water plan under this section.
- SECTION 4. Section 17.183, Water Code, is amended to read as
- 11 follows:
- 12 Sec. 17.183. CONSTRUCTION CONTRACT REQUIREMENTS. The
- 13 governing body of each political subdivision receiving financial
- 14 assistance from the board shall require in all contracts for the
- 15 construction of a project:
- 16 (1) that each bidder furnish a bid guarantee
- 17 equivalent to five percent of the bid price;
- 18 (2) that each contractor awarded a construction
- 19 contract furnish performance and payment bonds:
- 20 (A) the performance bond shall include without
- 21 limitation guarantees that work done under the contract will be
- 22 completed and performed according to approved plans and
- 23 specifications and in accordance with sound construction
- 24 principles and practices; and
- 25 (B) the performance and payment bonds shall be in
- 26 a penal sum of not less than 100 percent of the contract price and
- 27 remain in effect for one year beyond the date of approval by the

- 1 engineer of the political subdivision; and
- 2 (3) that payment be made in partial payments as the
- 3 work progresses;
- 4 (4) that each partial payment shall not exceed 95
- 5 percent of the amount due at the time of the payment as shown by the
- 6 engineer of the project, but, if the project is substantially
- 7 complete, a partial release of the five percent retainage may be
- 8 made by the political subdivision with approval of the executive
- 9 administrator;
- 10 (5) that payment of the retainage remaining due upon
- 11 completion of the contract shall be made only after:
- 12 (A) approval by the engineer for the political
- 13 subdivision as required under the bond proceedings;
- 14 (B) approval by the governing body of the
- political subdivision by a resolution or other formal action; and
- 16 (C) certification by the executive administrator
- 17 [development fund manager] in accordance with the rules of the
- 18 board that the work to be done under the contract has been completed
- 19 and performed in a satisfactory manner and in accordance with sound
- 20 engineering principles and practices;
- 21 (6) that no valid approval may be granted unless the
- 22 work done under the contract has been completed and performed in a
- 23 satisfactory manner according to approved plans and
- 24 specifications; and
- 25 (7) that, if a political subdivision receiving
- 26 financial assistance under Subchapter K of this chapter, labor
- 27 from inside the political subdivision be used to the extent

- 1 possible.
- 2 SECTION 5. Section 17.276(a), Water Code, is amended to
- 3 read as follows:
- 4 (a) After an application is received for financial
- 5 assistance, the <u>executive administrator</u> [<u>development fund manager</u>]
- 6 shall submit the application to the board together with comments
- 7 and recommendations concerning the best method of making financial
- 8 assistance available.
- 9 SECTION 6. Section 11.155(c), Water Code, is repealed.
- 10 SECTION 7. This Act takes effect immediately if it receives
- 11 a vote of two-thirds of all the members elected to each house, as
- 12 provided by Section 39, Article III, Texas Constitution. If this
- 13 Act does not receive the vote necessary for immediate effect, this
- 14 Act takes effect September 1, 2003.

## 1 COMMITTEE AMENDMENT NO. 1 Amend H.B. 1378 as follows: 2 On page 2, line 4, between "water" and "at", insert "for 3 municipal, industrial, power generation or mining purposes". 4 5 On page 2, line 19, between "Section 16.053 (d)" and the (2) 6 comma, insert "and (e)" On page 3, after line 9, insert the following: 7 (3) 8 Each regional water planning group shall submit to the board a regional water plan that: 9 is consistent with the guidance principles for the 10 state water plan adopted by the board under Section 16.051(d); 11 provides information based on data provided or 12 approved by the board in a format consistent with the guidelines 13 14 provided by the board under Subsection (d); 15 (3) identifies: 16 (A) each source of water supply in the regional 17 water planning area in accordance with the guidelines provided by the board under Subsections (d) and (f); 18 factors specific to each source of water 19 supply to be considered in determining whether to initiate a 20 21 drought response; and (C) actions to be taken as part of the response; 22 23 [and] 24 [(D) information on water pipelines and other 25 facilities that can be used for water conveyance, including, but 26 limited to, currently used and abandoned oil, gas, and water

pipelines, as provided by board rules and guidelines;

27

- 1 (4) has specific provisions for water management
- 2 strategies to be used during a drought of record;
- 3 (5) includes but is not limited to consideration of
- 4 the following:
- 5 (A) any existing water or drought planning
- 6 efforts addressing all or a portion of the region;
- 7 (B) certified groundwater conservation district
- 8 management plans and other plans submitted under Section 16.054;
- 9 (C) all potentially feasible water management
- 10 strategies, including but not limited to improved conservation,
- 11 reuse, and management of existing water supplies, acquisition of
- 12 available existing water supplies, and development of new water
- 13 supplies;
- 14 (D) protection of existing water rights in the
- 15 region;
- 16 (E) opportunities for and the benefits of
- developing regional water supply facilities or providing regional
- 18 management of water supply facilities;
- 19 (F) appropriate provision for environmental
- 20 water needs and for the effect of upstream development on the bays,
- 21 estuaries, and arms of the Gulf of Mexico and the effect of plans on
- 22 navigation;
- 23 (G) provisions in Section 11.085(k)(1) if
- 24 interbasin transfers are contemplated;
- 25 (H) voluntary transfer of water within the region
- 26 using, but not limited to, regional water banks, sales, leases,
- options, subordination agreements, and financing agreements; and

- 1 (I) emergency transfer of water under Section
- 2 11.139, including information on the part of each permit, certified
- 3 filing, or certificate of adjudication for nonmunicipal use in the
- 4 region that may be transferred without causing unreasonable damage
- 5 to the property of the nonmunicipal water rights holder;
- 6 (6) identifies river and stream segments of unique
- 7 ecological value and sites of unique value for the construction of
- 8 reservoirs that the regional water planning group recommends for
- 9 protection under Section 16.051;
- 10 (7) assesses the impact of the plan on unique river and
- 11 stream segments identified in Subdivision (6) if the regional water
- 12 planning group or the legislature determines that a site of unique
- 13 ecological value exists; and
- 14 (8) describes the impact of proposed water projects on
- 15 water quality."

16 Puente