

BILL ANALYSIS

C.S.H.B. 3128
By: Eiland
Land & Resource Management
Committee Report (Substituted)

BACKGROUND AND PURPOSE

In 1999, the Texas Legislature responded to the need for beach nourishment by enacting the Coastal Erosion and Response Act (CEPRA), in the Natural Resources Code. CEPRA provides funding for beach nourishment projects in partnership with local governmental subdivisions that must provide some matching funds. For the first two biennia of the CEPRA program, funds for CEPRA were appropriated from General Revenue. Because of severe budget restraints for the 2003-2004 biennium, no General Revenue funding was available for CEPRA. Instead, the program was funded with an appropriation from the Coastal Protection Fund (CPF).

In 2004, both the Texas House Subcommittee on Land and Resource Management and the Texas Senate Committee on Natural Resources, in their respective interim reports to the 79th Legislature, recommended that the state continue to fund CEPRA, and that the state find stable, dedicated funding to protect the Texas coastline. The House Committee also recommended that such funding should come from a variety of sources, including parties that cause erosion and parties that benefit from the use of the beaches.

The purpose of CSHB 3128 is to provide a permanent dedicated funding source for CEPRA.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Comptroller of Public Accounts in SECTIONS 2 and 7 of this bill.

ANALYSIS

SECTION 1. *Amends Section 33.604, Natural Resources Code, as follows:*

Lists a waste tire fee as the primary source of dedicated revenue established in another section of the bill **and** creates the CEPRA account as an account in the coastal protection fund.

SECTION 2. *Amends Subchapter H, Chapter 33, Natural Resources Code, by adding Section 33.6045, as follows:*

Imposes a fee (75 cents per tire) on the sale of each new tire. The fee is collected by the tire dealer, paid to the comptroller, and deposited in the CEPRA account. States other procedures and requirements.

SECTION 3. *Amends Section 33.605(a), Natural Resources Code, as follows:*

Includes "coastal coordination" projects (instead of just "coastal management " projects) as projects that can be funded by the fund.

SECTION 4. *Amends Section 40.151 (a) and (b), Natural Resources Code, as follows:*

Includes implementation of the coastal management program as a potential receiver of coastal protections funds.

Creates a separate CEPRA account within the coastal protection fund whose balance is not included in the \$50 million cap placed on the coastal protection fund.

SECTION 5. *Amends Section 40.152(a), Natural Resources Code, as follows:*

Provides that no more than \$32 million per biennium from the coastal protection fund may be used for CEPRA and for costs necessary to administer the coastal management program.

SECTION 6. *Amends Section 40.155, Natural Resources Code, as follows:*

Clarifies that the current operation of the coastal protection fund is unaffected by the inclusion of the CEPRA account within that fund.

SECTION 7. Transition Clause.

SECTION 8. Effective Date.

EFFECTIVE DATE

Effective date is September 1, 2005 or immediately if approved by two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution.

COMPARISON OF ORIGINAL TO SUBSTITUTE

SECTION 1. The Original lists 13 revenue sources for the CEPRA account, while the Substitute contains only 1 revenue source.

SECTION 2. The Original provision is moved to SECTION 3 in the substitute, while the Substitute contains provisions regarding the waste tire fee.

SECTION 3. The Original is moved to SECTION 4 in the substitute, while the Substitute includes the original SECTION 2.

SECTION 4. The Original is moved to SECTION 5 in the substitute, while the Substitute includes the original SECTION 3 and deletes the original inclusion of Subsection (c).

SECTION 5. The Original is moved to SECTION 6 in the substitute, while the Substitute includes the original SECTION 4 excluding Subsection (c).

SECTION 6. The Substitute includes the original SECTION 5.

SECTION 7. The Substitute includes the Transition Clause.

SECTION 8. The Substitute includes Effective Date.

SECTIONS 6 through 21 in the Original are deleted.