BILL ANALYSIS

C.S.H.B. 1290 By: Keffer Natural Resources Committee Report (Substituted)

BACKGROUND AND PURPOSE

River authorities are created by the Texas Legislature to ensure the state's water resources are managed in the public interest. Interested parties assert that it would be beneficial to create a sunset review process for these entities in order to ensure their periodic review and provide for legislative input. C.S.H.B. 1290 seeks to address this need.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1290 amends the Government Code to subject the following river authorities to a limited review under the Texas Sunset Act as if the authorities were state agencies but prohibits the authorities from being abolished: Angelina and Neches River Authority, Bandera County River Authority and Groundwater District, Brazos River Authority, Central Colorado River Authority, Guadalupe-Blanco River Authority, Lavaca-Navidad River Authority, Lower Colorado River Authority, Lower Neches Valley Authority, Nueces River Authority, Palo Duro River Authority, Red River Authority of Texas, Sabine River Authority of Texas, San Antonio River Authority, San Jacinto River Authority, Sulphur River Basin Authority, Trinity River Authority of Texas, Upper Colorado River Authority, and Upper Guadalupe River Authority. The bill requires the limited review to assess each authority's governance, management, operating structure, and compliance with legislative requirements. The bill requires an authority to pay the cost incurred by the Sunset Advisory Commission in performing the review of the authority, requires the commission to determine the cost, and requires the authority to pay the amount promptly on receipt of a statement from the commission detailing the cost. The bill prohibits an authority reviewed by the commission from being required to conduct a management audit under certain Texas Administrative Code provisions during the five-year period after the year in which, if the authority were a state agency, the authority would be scheduled to be abolished under the Texas Sunset Act.

C.S.H.B. 1290 amends the following to make related changes to the enabling legislation of the river authorities subject to review, including establishing staggered review cycles, prohibiting the review of the Lower Colorado River Authority from including the management of or the generation or transmission of electricity under the wholesale electricity operation of the authority, and removing a provision providing for the abolishment of the Sulphur River Basin Authority unless continued in existence:

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- the Special District Local Laws Code;
- Chapter 629, Acts of the 62nd Legislature, Regular Session, 1971;
- Chapter 75, Acts of the 43rd Legislature, 1st Called Session, 1933;
- Chapter 186, Acts of the 50th Legislature, Regular Session, 1947;
- Chapter 427, Acts of the 44th Legislature, 1st Called Session, 1935;
- Chapter 438, Acts of the 63rd Legislature, Regular Session, 1973;
- Chapter 279, Acts of the 56th Legislature, Regular Session, 1959;
- Chapter 110, Acts of the 51st Legislature, Regular Session, 1949;
- Chapter 276, Acts of the 45th Legislature, Regular Session, 1937;
- Chapter 426, Acts of the 45th Legislature, Regular Session, 1937;
- Chapter 3, Acts of the 69th Legislature, 1st Called Session, 1985;
- Chapter 518, Acts of the 54th Legislature, Regular Session, 1955;
- Chapter 126, General Laws, Acts of the 44th Legislature, Regular Session, 1935; and
- Chapter 5, page 1062, Special Laws, Acts of the 46th Legislature, Regular Session, 1939.

C.S.H.B. 1290 repeals Sections 1A(b) and (d), Chapter 3, Acts of the 69th Legislature, 1st Called Session, 1985.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1290 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. SUNSET ACT. Chapter 325, Government Code, is amended by adding Section 325.025 to read as follows:

Sec. 325.025. RIVER AUTHORITIES SUBJECT TO REVIEW. (a) A river authority listed in Subsection (b) is subject to a limited review under this chapter as if it were a state agency but may not be abolished.

- (b) This section applies to the:
- (1) Angelina and Neches River Authority;
- (2) Bandera County River Authority and Groundwater District;
- (3) Brazos River Authority;
- (4) Central Colorado River Authority;
- (5) Guadalupe-Blanco River Authority;
- (6) Lavaca-Navidad River Authority;
- (7) Lower Colorado River Authority;
- (8) Lower Neches Valley Authority;
- (9) Nueces River Authority;
- (10) Palo Duro River Authority;
- (11) Red River Authority of Texas;
- (12) Sabine River Authority of Texas;
- (13) San Antonio River Authority;

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. SUNSET ACT. Chapter 325, Government Code, is amended by adding Section 325.025 to read as follows:

Sec. 325.025. RIVER AUTHORITIES SUBJECT TO REVIEW. (a) A river authority listed in Subsection (b) is subject to a limited review under this chapter as if it were a state agency but may not be abolished.

- (b) This section applies to the:
- (1) Angelina and Neches River Authority;
- (2) Bandera County River Authority and Groundwater District;
- (3) Brazos River Authority;
- (4) Central Colorado River Authority;
- (5) Guadalupe-Blanco River Authority;
- (6) Lavaca-Navidad River Authority;
- (7) Lower Colorado River Authority;
- (8) Lower Neches Valley Authority;
- (9) Nueces River Authority;(10) Palo Duro River Authority;
- (11) Red River Authority of Texas;
- (12) Sabine River Authority of Texas;
- (13) San Antonio River Authority;

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- (14) San Jacinto River Authority;
- (15) Sulphur River Basin Authority;
- (16) Trinity River Authority of Texas;
- (17) Upper Colorado River Authority; and
- (18) Upper Guadalupe River Authority.
- (c) The limited review under this chapter must assess each river authority's:
- (1) governance;
- (2) management;
- (3) operating structure; and
- (4) compliance with legislative requirements.
- (d) A river authority shall pay the cost incurred by the commission in performing a review of the authority under this section. The commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the commission detailing the cost.

SECTION 2. ANGELINA AND NECHES RIVER AUTHORITY. Subchapter A, Chapter 8501, Special District Local Laws Code, is amended.

SECTION 3. BANDERA COUNTY RIVER AUTHORITY AND GROUNDWATER DISTRICT. Chapter 629, Acts of the 62nd Legislature, Regular Session, 1971, is amended by adding Section 1A to read as follows:

Sec. 1A. (a) The district is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the district were a state agency scheduled to be abolished September 1, 2017, and every 12th year after that year.

(b) The district shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the district shall pay the amount promptly on receipt of a statement from the

- (14) San Jacinto River Authority;
- (15) Sulphur River Basin Authority;
- (16) Trinity River Authority of Texas;
- (17) Upper Colorado River Authority; and
- (18) Upper Guadalupe River Authority.
- (c) The limited review under this chapter must assess each river authority's:
- (1) governance;
- (2) management;
- (3) operating structure; and
- (4) compliance with legislative requirements.
- (d) A river authority shall pay the cost incurred by the commission in performing a review of the authority under this section. The commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the commission detailing the cost.
- (e) A river authority reviewed by the commission under this section may not be required to conduct a management audit under Chapter 292, Title 30, Texas Administrative Code, during the five-year period after the year in which, if the authority were a state agency, the authority would be scheduled to be abolished under this chapter.

SECTION 2. Same as introduced version.

SECTION 3. BANDERA COUNTY RIVER AUTHORITY AND GROUNDWATER DISTRICT. Chapter 629, Acts of the 62nd Legislature, Regular Session, 1971, is amended by adding Section 1A to read as follows:

Sec. 1A. (a) The district is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the district were a state agency scheduled to be abolished September 1, 2023, and every 12th year after that year.

(b) The district shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the district shall pay the amount promptly on receipt of a statement from the

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<u>Sunset Advisory Commission detailing the cost.</u>

SECTION 4. BRAZOS RIVER AUTHORITY. Chapter 8502, Special District Local Laws Code, is amended by adding Section 8502.0021 to read as follows:

Sec. 8502.0021. APPLICATION OF SUNSET ACT. (a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2017, and every 12th year after that year.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

SECTION 5. CENTRAL COLORADO RIVER AUTHORITY. Subchapter A, Chapter 8505, Special District Local Laws Code, is amended.

SECTION 6. GUADALUPE-BLANCO RIVER AUTHORITY. Chapter 75, Acts of the 43rd Legislature, 1st Called Session, 1933, is amended by adding Section 1A to read as follows:

Sec. 1A. (a) The District is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the District were a state agency scheduled to be abolished September 1, 2019, and every 12th year after that year.

(b) The District shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the District shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

<u>Sunset Advisory Commission detailing the cost.</u>

SECTION 13. BRAZOS RIVER AUTHORITY. Chapter 8502, Special District Local Laws Code, is amended by adding Section 8502.0021 to read as follows:

Sec. 8502.0021. APPLICATION OF SUNSET ACT. (a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2023, and every 12th year after that year.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

SECTION 4. Same as introduced version.

SECTION 5. GUADALUPE-BLANCO RIVER AUTHORITY. Chapter 75, Acts of the 43rd Legislature, 1st Called Session, 1933, is amended by adding Section 1A to read as follows:

Sec. 1A. (a) The District is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the District were a state agency scheduled to be abolished September 1, 2017, and every 12th year after that year.

(b) The District shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the District shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

SECTION 7. LAVACA-NAVIDAD RIVER AUTHORITY. Chapter 186, Acts of the 50th Legislature, Regular Session, 1947, is amended.

SECTION 8. LOWER COLORADO RIVER AUTHORITY. Chapter 8503, Special District Local Laws Code, is amended by adding Section 8503.0021 to read as follows:

Sec. 8503.0021. APPLICATION OF SUNSET ACT. (a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2019, and every 12th year after that year.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

SECTION 9. LOWER NECHES VALLEY AUTHORITY. Subchapter A, Chapter 8504, Special District Local Laws Code, is amended.

SECTION 10. NUECES RIVER AUTHORITY. Chapter 427, Acts of the 44th Legislature, 1st Called Session, 1935, is amended by adding Section 1.02A to read as follows:

Sec. 1.02A. APPLICATION OF SUNSET ACT. (a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2021, and every 12th year after that year.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in

SECTION 6. Same as introduced version.

SECTION 7. LOWER COLORADO RIVER AUTHORITY. Chapter 8503, Special District Local Laws Code, is amended by adding Section 8503.0021 to read as follows:

8503.0021. APPLICATION OF SUNSET ACT. (a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall not include the management of or the generation or transmission of electricity under the wholesale electricity operation of The review shall be the authority. conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2019, and every 12th year after that year.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

SECTION 8. Same as introduced version.

SECTION 9. NUECES RIVER AUTHORITY. Chapter 427, Acts of the 44th Legislature, 1st Called Session, 1935, is amended by adding Section 1.02A to read as follows:

Sec. 1.02A. APPLICATION OF SUNSET ACT. (a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2019, and every 12th year after that year.

(b) The authority shall pay the cost incurred by the Sunset Advisory Commission in

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performing the review. The Sunset Advisory Commission shall determine the cost, and the authority shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

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SECTION 11. PALO DURO RIVER AUTHORITY. Chapter 438, Acts of the 63rd Legislature, Regular Session, 1973, is amended.

SECTION 10. Same as introduced version.

SECTION 12. RED RIVER AUTHORITY OF TEXAS. Chapter 279, Acts of the 56th Legislature, Regular Session, 1959, is amended.

SECTION 11. Same as introduced version.

SECTION 13. SABINE RIVER AUTHORITY OF TEXAS. Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, is amended by adding Section 2A to read as follows:

Sec. 2A. (a) The district is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the district were a state agency scheduled to be abolished September 1, 2023, and every 12th year

(b) The district shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the district shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

after that year.

SECTION 12. SABINE RIVER AUTHORITY OF TEXAS. Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, is amended by adding Section 2A to read as follows:

Sec. 2A. (a) The district is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the district were a state agency scheduled to be abolished September 1, 2021, and every 12th year after that year.

(b) The district shall pay the cost incurred by the Sunset Advisory Commission in performing the review. The Sunset Advisory Commission shall determine the cost, and the district shall pay the amount promptly on receipt of a statement from the Sunset Advisory Commission detailing the cost.

SECTION 14. SAN ANTONIO RIVER AUTHORITY. Chapter 276, Acts of the 45th Legislature, Regular Session, 1937, is amended.

SECTION 14. Same as introduced version.

SECTION 15. SAN JACINTO RIVER AUTHORITY. Chapter 426, Acts of the 45th Legislature, Regular Session, 1937, is amended.

SECTION 15. Same as introduced version.

SECTION 16. SULPHUR RIVER BASIN AUTHORITY. Sections 1A(a) and (c), Chapter 3, Acts of the 69th Legislature, 1st

SECTION 16. Same as introduced version.

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Called Session, 1985, are amended.

SECTION 17. TRINITY RIVER AUTHORITY OF TEXAS. Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, is amended.

SECTION 17. Same as introduced version.

SECTION 18. UPPER COLORADO RIVER AUTHORITY. Chapter 126, General Laws, Acts of the 44th Legislature, Regular Session, 1935, is amended.

SECTION 18. Same as introduced version.

SECTION 19. UPPER GUADALUPE RIVER AUTHORITY. Chapter 5, page 1062, Special Laws, Acts of the 46th Legislature, Regular Session, 1939, is amended.

SECTION 19. Same as introduced version.

SECTION 20. REPEALER. Sections 1A(b) and (d), Chapter 3, Acts of the 69th Legislature, 1st Called Session, 1985, are repealed.

SECTION 20. Same as introduced version.

SECTION 21. EFFECTIVE DATE. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2015.

SECTION 21. Same as introduced version.