

## **BILL ANALYSIS**

C.S.H.B. 3339  
By: Dominguez  
Natural Resources  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Concerns have been raised regarding inconsistent requirements for water conservation plans when applying for Texas Water Development Board financial assistance programs. C.S.H.B. 3339 seeks to address these concerns by consolidating these requirements.

### **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 rulemaking authority is expressly granted to the Texas Water Development Board in SECTION 10 of this bill.

### **ANALYSIS**

C.S.H.B. 3339 amends the Water Code to set out water conservation plan requirements for an application for financial assistance under the following:

- the water loan assistance program;
- the water bond insurance program;
- the storage acquisition program;
- the state water implementation fund for Texas;
- the state water implementation revenue fund for Texas;
- financial assistance for water pollution control;
- the program for water and wastewater financial assistance for disadvantaged rural communities;
- the water infrastructure fund;
- the rural water assistance fund;
- provisions relating to the acquisition and development of facilities;
- provisions relating to the sale or lease of facilities;
- provisions relating to assistance to political subdivisions for water supply projects;
- financial assistance for water quality enhancement purposes;
- the revenue bond program;
- assistance to economically distressed areas for water supply and sewer service projects;  
and
- the water financial assistance bond program.

C.S.H.B. 3339 requires an applicant to submit with an application a description of the applicant's proposed or adopted water conservation plan. The bill sets out requirements and discretionary contents for a plan. The bill exempts an applicant from the requirement to submit a water conservation plan under certain conditions. The bill prohibits the Texas Water Development Board (TWDB) from providing financial assistance to an applicant unless the applicant demonstrates that it has adopted and implemented a water conservation plan that meets the bill's requirements for a plan. The bill requires the TWDB to establish an educational and technical assistance program to assist political subdivisions in developing comprehensive water conservation plans. The bill establishes that if the applicant will use the project to furnish water or services to another entity that will furnish the water or services to the ultimate consumer, the requirement for an applicant to demonstrate adoption and implementation of a water conservation plan can be met through contractual agreements between the applicant and the other entity providing for the adoption and implementation of a water conservation plan by the other entity. The bill requires rules adopted under the bill's provisions relating to water conservation plan requirements to state the criteria for preparation, review, and enforcement of an applicant's water conservation plan. The bill removes legislative findings relating to water use reporting. The bill makes conforming changes by amending and repealing provisions.

C.S.H.B. 3339 repeals the following provisions of the Water Code:

- Section 15.103(d)
- Sections 15.106(b), (b-1), (c), (d), (e), and (f)
- Sections 15.208(b), (c), and (d)
- Section 15.910(c)
- Section 15.975(b)
- Section 16.403, as added by Chapter 1233 (S.B. 660), Acts of the 82nd Legislature, Regular Session, 2011
- Sections 17.125(b), (b-1), (b-2), (c), (d), (e), and (f)
- Section 17.274(b)
- Sections 17.277(b), (b-1), (c), (d), (e), and (f)
- Sections 17.857(b), (b-1), (c), and (d)
- Section 17.927(c)

### **EFFECTIVE DATE**

September 1, 2019.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

While C.S.H.B. 3339 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes language, with regard to the exemption of an applicant for financial assistance from the requirement to submit a water conservation plan if the applicant demonstrates that the implementation of a water conservation plan is not reasonably necessary for conservation, to also require the TWDB to find that the implementation of the plan is not reasonably necessary for conservation.

The substitute changes the water conservation plan required to be adopted and implemented for the TWDB to provide financial assistance to an applicant from the plan described in the application to a plan that meets the bill's requirements for a water conservation plan.