

SUBJECT: Repealing requirement that TWDB develop a capital spending plan.

COMMITTEE: Natural Resources — committee substitute recommended

VOTE: 7 ayes — Puente, Callegari, Bonnen, Campbell, Geren, Hilderbran, Hope
0 nays
2 absent — Hardcastle, Laney

WITNESSES: For — None
Against — None
On — J. Kevin Ward, Texas Water Development Board

BACKGROUND: Water Code, sec. 6.110 requires the executive administrator of the Texas Water Development Board (TWDB) to develop and submit for board approval a capital spending plan for state-funded programs. The plan must identify water funding needs in the state and establish a basis for allocating state funds for those needs. Upon approval by the board, the plan is submitted to the Legislature and the Legislative Budget Board before January 1 of each odd numbered year.

DIGEST: CSHB 356 would repeal Water Code, sec. 6.110. The bill specifies that it would not affect the use of money in any fund administered by TWDB.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2005.

SUPPORTERS SAY: CSHB 356 would eliminate a duplicative report that contains information found in other sources. The information currently included in the capital spending plan also can be found in other reports, including the TWDB's legislative appropriations request. While the information included in the capital spending plan is important and the process of prioritizing water projects is necessary, these procedures substantively would be unaffected

by the bill. Rather, TWDB would be able to devote time and resources to other agency priorities designated by the Legislature.

TWDB has stated that eliminating the capital spending plan would not diminish any programs, services, or responsibilities of the board. In addition, the bill would not affect funding levels for programs administered by the board. Since enactment of the TWDB Sunset bill, which created this plan in 2001, the board's performance measures have been revised to more accurately reflect strategic planning regarding the expenditure of funds, the goal of the capital plan in the first place. The bill simply would free staff resources to be reallocated to other priorities, a fiscally prudent strategy that the state has encouraged among other agencies.

**OPPONENTS
SAY:**

It would be unwise to abolish the capital funding plan, an important document that helps maximize the use of state resources for assistance programs. While the information in this report may be found elsewhere, there is substantial value to the Legislature in having a compiled report on these programs that members can use in ensuring greater accountability for the selection of state-funded projects.

NOTES:

The committee substitute specified that the bill would not affect the use of money in any fund administered by TWDB.

The companion bill, SB 374 by Jackson, passed the Senate on April 14 by voice vote and was reported favorably, as substituted, by the House Natural Resources Committee on April 25, making it eligible to be considered in lieu of HB 356.