

SUBJECT: Expanding state water conservation programs

COMMITTEE: Natural Resources — committee substitute recommended

VOTE: 6 ayes — Puente, Hamilton, Gattis, Creighton, Gallego, Hilderbran
0 nays
3 absent — Guillen, Laubenberg, O'Day

WITNESSES: For — Carole D. Baker, Harris Galveston Subsidence District; Chris Brown, Texas Section American Water Works Association - Conservation and Reuse Division; William P. Bulloch, Utility Conservation Consultants Inc.; Larry Casto, City of Dallas; Jim Conkwright, High Plains Underground Water Conservation District No. 1; Tony Gregg, City of Austin - Austin Water Utility; Karen Guz, San Antonio Water System; Myron Hess, National Wildlife Federation; Ken Kramer, Lone Star Chapter, Sierra Club; David Langford, Texas Wildlife Association; James Jim Parks, North Texas Municipal Water District; Gene Reagan, Texas Turf Irrigation Association; Dean Robbins, Texas Water Conservation Association; Glenda Single; Houston Gulf Coast Irrigation Association; C.E. Williams, Panhandle Groundwater Conservation District; Stefan Schuster; (*Registered, but did not testify*: Fred Aus, Lower Colorado River Authority; Carol Batterton, Water Environment Association of Texas; Mindy Ellmer, Tarrant Regional Water District; Debbie Hastings, Texas Oil and Gas Association; Billy Howe, Texas Farm Bureau; Mary Miksa, Texas Association of Business; Scott Norman, Texas Association of Builders; Clay Pope, City of Houston; Jim Reaves, Texas Nursery and Landscape Association; Gregory Rothe, San Antonio River Authority; Andrew Smith, City of San Antonio; Bob Turner, Texas Sheep and Goat Raisers and Texas Poultry Federation; Christina Wisdom, Texas Chemical Council; Jennifer Douglass Nations; Jeffrey Walls)

Against — None

On — William F. "Bill" Mullican, Texas Water Development Board; Ken Petersen, Texas Rural Water Association

BACKGROUND: In 2003, the 78th Legislature enacted SB 1094 by Duncan, which created the Water Conservation Implementation Task Force. The task force was charged with reviewing and recommending water conservation strategies and best management practices to the Legislature.

Under Water Code, sec. 16.053, regional water planning groups are required to submit a regional water plan that provides for the development, management, and conservation of water resources, including drought management.

DIGEST: CSHB 4 would create or expand several state water conservation programs.

Water conservation advisory council. The bill would establish a water conservation advisory council for the purpose of providing expertise in water conservation. The Texas Water Development Board (TWDB) would appoint 23 members to the council, representing each of the following groups:

- the Texas Commission on Environmental Quality;
- the Texas Department of Agriculture;
- the Texas Parks and Wildlife Department;
- the State Soil and Water Conservation Board;
- the Texas Water Development Board;
- regional water planning groups;
- federal agencies;
- municipalities;
- groundwater conservation districts;
- river authorities;
- environmental groups;
- irrigation districts;
- institutional water users;
- professional water conservation associations;
- higher education;
- agriculture groups;
- refining and chemical manufacturing;
- electric generation;
- mining and recovery of minerals;
- landscape irrigation and horticulture;
- water control and improvement districts;

- rural water users; and
- municipal utility districts.

Each entity or interest group could recommend an individual to fill its position on the council. Members would serve staggered six-year terms that would end on August 31 of each odd-numbered year. The council members would select a member to serve as presiding officer until that person's term expired. Members would serve without compensation but could be reimbursed for expenses by legislative appropriation.

The council would be charged with several duties. The council would:

- monitor trends in the implementation of water conservation;
- monitor new technologies for possible inclusion in the best management practices guide developed by the water conservation implementation task force;
- monitor the effectiveness of a statewide water conservation awareness program created under the bill;
- develop a state water management resource library;
- implement a public water conservation recognition program;
- monitor the implementation of water conservation strategies by users in regional water plans; and
- monitor water conservation guidelines to be considered by TWDB and TCEQ.

By December 1 of each even-numbered year, the council would submit a report on the progress in water conservation to the governor, the lieutenant governor, and the speaker of the House.

TWDB would provide any necessary staff to assist the council in its duties. The council could hold public meetings to fulfill its duties and would be subject to state open meetings and public information laws. The statute governing state agency advisory committees would not apply to the council.

Water conservation awareness program. The TWDB executive administrator would have to develop and implement a statewide public awareness program to educate Texas residents about water conservation. The TWDB executive administrator only would be required to develop and implement the program if the Legislature appropriated sufficient money for that purpose.

Water conservation plan. A retail public utility providing potable water service to 3,300 or more connections would have to submit to the TWDB chief administrator a water conservation plan based on specific goals generated in accordance with best management practices developed by TCEQ and TWDB.

Water conservation plan review. Each entity required to submit a water conservation plan to TCEQ would have to submit a copy of the plan and report on implementation to the TWDB executive administrator. The executive administrator would review the plan and report to determine compliance with rules adopted by TWDB and TCEQ. Those rules would identify the minimum requirements for the plan. TWDB could notify TCEQ if an entity had violated its requirements. The entity would be subject to enforcement actions by TCEQ if it committed a violation.

Water conservation training facilities. The water conservation advisory council would be directed to evaluate whether TWDB should designate as certified water conservation training facilities entities that provided assistance to retail public utilities that were developing water conservation plans. The council also would study whether the TWDB should give preference to these facilities in making grants and loans for water conservation training and education. The council would be directed to submit a report on these findings to the governor, the lieutenant governor, and the speaker of the House by December 1, 2008.

Water reclamation. The Texas Higher Education Coordinating Board would have to encourage each higher education institution to develop curriculum and provide instruction on reclaimed system technologies, including rainwater harvesting, condensate collection, or cooling tower blow down.

The bill would require the comptroller's state energy conservation office to include in its design standards for new or substantially renovated state office buildings on-site reclaimed system technologies for non-potable indoor use and landscape watering. These standards would apply to the design and construction of each new building with a roof of at least 10,000 square feet and any other state building for which such systems were feasible. This would include a new building or major renovation project at a state-supported institution of higher education.

TCEQ would be directed to adopt rules providing that if a structure were connected to a public water supply system and had a rainwater harvesting system for indoor use, the structure would have to have cross-contamination safeguards to prevent contamination and the system only could be used for nonpotable purposes. These standards would not apply to a person harvesting rainwater for domestic use whose property was not connected to a public drinking water supply system.

Water conservation by home-rule municipalities. A home-rule municipality would be able to enforce ordinances requiring water conservation in the municipality and by customers of the municipally owned water and sewer utility who were located in the municipality's extraterritorial jurisdiction.

Irrigation standards. TCEQ would have to adopt by rule and enforce standards governing:

- the design, installation, and operation of irrigation systems;
- water conservation; and
- the duties and responsibilities of licensed irrigators.

TCEQ would have to consult with the water conservation advisory council when adopting these rules.

Water assistance fund. The TWDB water assistance fund could be used to provide grants for water conservation.

Land stewardship. CSHB 4 would state that it was the policy of the state to encourage voluntary land stewardship to benefit the water of the state.

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, 2007.

SUPPORTERS
SAY:

Water conservation. CSHB 4 would establish and expand several important programs to encourage conservation of water resources in the state. Many of these recommendations were studied and agreed upon by the Water Conservation Implementation Task Force, a diverse group of governmental, commercial, environmental, and public interest entities that met during the interim of the 78th Legislature. Other recommendations were approved by the Texas Rainwater Harvesting Evaluation Committee,

which was created under HB 2430 by Puente, 79th Legislature. The proposals in CSHB 4 would incorporate state-of-the-art industry standards and techniques to realize efficient use of water resources. The bill would recognize the importance of such strategies as private land stewardship and residential conservation measures, while moving cities toward more efficient use of the state's limited water resources.

Water conservation is an increasingly important strategy for addressing the water needs of Texas' growing population and expanding economy. In the 2007 State Water Plan, conservation accounts for nearly 23 percent of the amount necessary to achieve the state's water needs in 2060. Water conservation is the most efficient and cost-effective method for meeting water demands, and such strategies could reduce the need for more costly and ecologically disruptive water supply projects.

The bill would direct TCEQ to establish a statewide water conservation public awareness program to educate Texans about the importance of conserving water resources. This program would be similar to the Department of Transportation's "Don't Mess With Texas" campaign, which so effectively has encouraged Texans not to litter. Research commissioned by TWDB has indicated that Texans are responsive to water conservation appeals when they are well informed about the origin and scarcity of their local water resources. A statewide public awareness program would be a cost effective way to educate Texans across the state about the needs for prudent use of a limited resource.

The requirement that retail public utilities develop a water conservation plan would be an essential strategy to ensure that municipal water conservation goals are achieved. The bill is not prescriptive with respect to specific strategies that a utility would have to use, allowing for flexibility regarding the types of strategies a utility would have to incorporate or the amount of savings a utility would have to realize. The requirement simply would ensure that a utility formally recognized the importance of conservation and developed the vision and capacity to incorporate successful conservation solutions into its planning process.

**OPPONENTS
SAY:**

CSHB 4 would place unfunded mandates on local governments that would have to comply with the bill's extensive water conservation requirements. For example, water utilities would have to develop and abide by water conservation plans, and municipalities would have to regulate more extensively residential irrigation facilities and installers. It would be

inappropriate for the state to mandate these requirements without providing the funds to implement them.

NOTES:

According to the LBB, CSHB 4 would cost \$678,146 in general revenue in fiscal 2008-09.

As filed, HB 4 would have included only 17 members on the Water Conservation Advisory Council. The committee substitute added provisions related to:

- water reclamation;
- water conservation training facilities;
- water conservation by home-rule municipalities; and
- irrigation standards.