

SUBJECT: Adopting certain Sunset recommendations for the Nueces River Authority

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 9 ayes — Larson, Metcalf, Farrar, Harris, T. King, Lang, Nevárez,
Oliverson, Ramos

0 nays

2 absent — Dominguez, Price

SENATE VOTE: On final passage, April 8 — 30-0

WITNESSES: None

BACKGROUND: The Nueces River Authority (NRA) was created by the Legislature in 1935 to develop the natural resources of the Nueces River basin in southwestern Texas.

Functions. The authority is authorized to build and operate reservoirs, conduct wastewater treatment, sell raw and treated water, engage in flood control, generate and sell hydroelectric power, acquire property through eminent domain, build and manage recreational areas within its river basin, and test and monitor water quality. NRA also serves as a voting member of Region L and Region N regional water planning groups and the designated administrative agent for Region N.

Governing structure. The authority is governed by a 21-member board appointed by the governor. Four board members must reside in Nueces County, and two each must reside in San Patricio and Jim Wells counties. The other members may reside in any of the other 19 counties in NRA's jurisdiction, with no more than two members coming from any one county. Board members serve staggered, six-year terms, and the board meets quarterly, with yearly elections for the chairmanship.

Funding. NRA receives no state appropriations and is not authorized to

assess taxes. In fiscal 2017, the authority collected and spent about \$6.5 million. About 83 percent of its funding is received through wastewater grants, and about the same percentage of its budget in fiscal 2017 was dedicated to a wastewater project in Leakey and other parts of Real County.

Staffing. In fiscal 2017, NRA employed nine full-time staff, three of whom worked in NRA's headquarters in Uvalde, four in a Corpus Christi field office and two in its Utility Division office in Leakey. NRA also employs six part-time staffers to assist in administering public education programs.

SB 523 by Birdwell, enacted by the 84th Legislature in 2015, subjected the Nueces River Authority to limited Sunset review every 12 years as if it were a state agency, except that the authority may not be abolished.

DIGEST:

SB 625 would adopt certain Sunset Advisory Commission recommendations for the Nueces River Authority (NRA). The bill also would require the authority to undergo Sunset review again as if it were a state agency scheduled to be abolished September 1, 2031.

NRA would be required to adopt and regularly update a five-year strategic plan to establish its mission and anticipate activities. The plan would be published on the authority's website.

Standard recommendations. SB 625 would apply standard Sunset provisions requiring that:

- the governor designate a board member as the presiding officer;
- certain per diems for board members be repealed;
- the board develop policies to clearly separate the policymaking duties of the board and the management duties of the manager and staff;
- board members receive appropriate training on the laws and policies relating to the authority;
- the board develop alternative dispute resolution procedures to

- resolve disputes within the authority's jurisdiction; and
- the board develop and implement policies for public engagement at board meetings and a system to track and act on complaints.

The bill would take effect September 1, 2019.

**SUPPORTERS
SAY:**

SB 625 would apply good government practices to increase the transparency and public accountability of the Nueces River Authority. The bill also would benefit the authority and its customers by ensuring that it had a strategic plan in place to serve the long-term needs of the authority's mission in the river basin.

The bill would adopt certain across-the-board recommendations from Sunset, including a provision requiring the governor to appoint the presiding officer of the board, which would ensure that the river authority's policy goals were integrated with those of the rest of the state.

**OPPONENTS
SAY:**

SB 625 could deprive the river authority of locally oriented leadership by requiring that the president of the board be appointed by the governor rather than by peers in the river authority. The current practice avoids this unnecessary political appointment by trusting members from local communities to select an appropriate president based on earned respect and leadership ability.