

BILL ANALYSIS

Senate Research Center

C.S.S.B. 1406
By: Lucio
Natural Resources
4-17-97
Committee Report (Substituted)

DIGEST

Currently, the watermasters and water divisions of the Texas Natural Resource Conservation Commission are responsible for administering adjudicated water rights in Texas. The watermaster program is financed by local water right user fees. Under current law, the local water right user fees are transmitted to the state treasurer. On certain occasions, special legislation had to be approved so that these funds were not swept into the general fund at the end of a fiscal year. Additionally, local water rights holders who pay for the watermaster operation believe that there should be a formal mechanism which allows those individuals to express their concerns and ideas in the operation of the watermaster office. This bill will provide procedures regarding the duties and operations of a watermaster's office, reimbursement to the Texas Natural Resource Conservation Commission for the compensation and necessary expenses of a watermaster's office, and the creation and administration of the watermaster fund.

PURPOSE

As proposed, C.S.S.B. 1406 provides procedures regarding the duties and operations of a watermaster's office, reimbursement of the Texas Natural Resource Conservation Commission for the compensation and necessary expenses of a watermaster's office, and the creation and administration of the Watermaster Fund.

RULEMAKING AUTHORITY

Rulemaking authority is granted to the Texas Natural Resource Conservation Commission in SECTION 5 (Section 11.3291(a), Water Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 11.326, Water Code, to require the executive director of the Texas Natural Resource Conservation Commission (executive director) to supervise and generally direct a watermaster in the performance of the watermaster's duties as defined in Section 11.327.

SECTION 2. Amends Chapter 11G, Water Code, by adding Section 11.3261, as follows:

Sec. 11.3261. WATERMASTER ADVISORY COMMITTEE. Establishes a Watermaster Advisory Committee (committee). Sets forth regulations governing the committee.

SECTION 3. Amends Section 11.327, Water Code, to prohibit a watermaster's duties from including activities which relate to other programs of the Texas Natural Resource Conservation Commission (TNRCC), except in situations of imminent threat to public health, safety, or the environment.

SECTION 4. Amends Section 11.329, Water Code, to require necessary expenses to be limited to, rather than to authorize necessary expenses to include, costs associated with streamflow measurement and monitoring, water accounting, assessment billing and collection associated with a watermaster's operation, and other duties a watermaster may be required to perform under this subchapter. Requires the executive director, after the adjudication decree becomes final, and each fiscal year thereafter, to provide notice to each holder of water rights under the decree at least 30 days prior to TNRCC's holding a public hearing as provided in Subsection (c) of the proposed budget for their

watermaster operations showing the amount of compensation and expenses that will be required annually for the administration of water rights so determined. Requires this budget to be furnished to the watermaster advisory committee for comment at least 30 days prior to notification to each holder of water rights. Requires TNRCC to hold a public hearing on the proposed fiscal year budget for each watermaster operation. Authorizes TNRCC, at the request of the watermaster advisory committee, to modify a fiscal year budget for any water division. Requires the executive director to collect the assessments and to account for assessments separately for each water division and to deposit assessments collected to a special fund known as the watermaster fund (fund) established and governed by Section 11.3291. Deletes existing text requiring the executive director to transmit all collections to the state treasurer. Makes conforming and nonsubstantive changes.

SECTION 5. Amends Chapter 11G, Water Code, by adding Section 11.3291, as follows:

Sec. 11.3291. WATERMASTER FUND. Provides that the fund is created as a special fund in the state treasury and requires the fund to be administered by TNRCC under this chapter and rules adopted by TNRCC. Provides that the legislature hereby appropriates without further legislative action any funds deposited in the fund as provided by this subchapter. Requires the watermaster fund to be used to pay for certain items. Requires any amounts not used in one fiscal year to be carried over and used for the following fiscal year's operational expenses of the watermaster. Requires the fund to be accounted for separately according to the appropriate water division from which the watermaster's assessment is collected. Requires the watermaster fund to consist of certain monies. Authorizes TNRCC to invest, reinvest, and direct the investment of any available money in the fund as provided by law for the investment of money under Section 404.024, Government Code.

SECTION 6. Effective date: September 1, 1997.

SECTION 7. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends page 1, lines 20-21, to delete "directly."

SECTION 2.

(1) Amends page 2, lines 24-25, as follows:

"(1) Provides recommendations to the executive director regarding activities of"

(2) Makes nonsubstantive changes.

SECTION 3.

Amends Section 11.327(d), Water Code, to delete proposed text and to insert "A watermaster's duties shall not include activities which relate to other programs of the commission, except in situations of imminent threat to public health, safety, or the environment."

SECTION 4.

(1) Amends page 4, lines 15-16, by deleting the words "done by a watermaster" and inserting "associated with a watermaster's operation".

(2) Amends page 4, lines 18-26, by deleting lines 18-26, and substituting the following:

"(b) After the adjudication decree becomes final and each fiscal year thereafter, the executive director shall [strike "notify"] provide notice to each holder of water rights

under the decree at least thirty (30) days prior to the commission's holding a public hearing as provided in subsection (c) of the proposed budget for their watermaster operations showing the amount of compensation and expenses that will be required annually for the administration of the water rights so determined. This budget shall be furnished to the watermaster advisory committee for comment at least thirty (30) days prior to notification to each holder of water rights."

(3) Amends page 5, lines 1-13 by deleting the existing language and substituting the following:

"The commission shall hold a public hearing on the proposed fiscal year budget for each watermaster operation. The commission shall [strike "to"] determine the apportionment of the costs of administration of adjudicated water rights among the holders of the rights. After a public hearing the commission shall issue an order assessing the annual cost against the holder of water rights to whom the water will be distributed under the final decree. The commission shall equitably apportion the costs. The executive director may provide for payments in installments and shall specify the dates by which payments shall be made to the commission. At the request of the watermaster advisory committee the commission may modify a fiscal year budget for any water division."

(4) Amends page 5, line 16, by deleting the words "watermaster operation."

(5) Makes nonsubstantive changes.

SECTION 5.

(1) Amends page 6, lines 19-20, by deleting lines 19-20, and inserting the following:

"commission in an amount not greater than 10 percent times the approved annual budget under this subchapter in a".

(2) Makes nonsubstantive changes.