

## **BILL ANALYSIS**

Senate Research Center  
77R2214 QS-F

C.S.S.B. 649  
By: Truan  
Natural Resources  
2/21/2001  
Committee Report (Substituted)

### **DIGEST AND PURPOSE**

Currently, operators of water systems are required to be certified to ensure human health and safety and environmental protection. Additionally, the Texas Natural Resource Conservation Commission (TNRCC) evaluates water systems regarding their financial, managerial and technical capacity. Current training and certification does not address financial or managerial issues. As proposed, C.S.S.B. 649 requires training for applicants for and recipients of financial assistance from the economically distressed areas program.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Water Development Board in SECTION 1 (Section 17.992, Water Code) and to the Texas Natural Resource Conservation Commission in SECTION 1 (Section 17.993, Water Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 17, Water Code, by adding Subchapter M, as follows:

#### **SUBCHAPTER M. REQUIRED TRAINING FOR APPLICANTS FOR AND RECIPIENTS OF ECONOMICALLY DISTRESSED AREAS PROGRAM FINANCIAL ASSISTANCE**

Sec. 17.991. DEFINITIONS. Defines “operating entity” and “political subdivision.”

Sec. 17.992. TRAINING FOR APPLICANTS. Requires the Texas Water Development Board (board) by rule to require the operating entity of a political subdivision that applies for financial assistance under Subchapter K to complete a training program approved by the board.

Sec. 17.993. TRAINING FOR OPERATING ENTITIES. Authorizes the Texas Natural Resources Conservation Commission (commission) or the board to evaluate whether an operating entity needs training if the operating entity meets certain criteria. Authorizes the board or the commission to determine that training is necessary if, after an examination and evaluation of the operating entity’s managerial, financial, and technical capabilities, the board or commission finds that the operating entity’s managerial, financial, or technical capabilities are inadequate to ensure the project will meet program requirements or remain financially viable. Requires the commission by rule to establish a preenforcement threshold of noncompliance at which the commission is authorized to notify the board that an operating entity needs training. Requires the enforcement order, if the commission assesses a penalty against an operating entity in an enforcement action, to contain a provision requiring that the operating entity receive training as ordered by the board. Requires the commission to notify the board when the commission assesses a penalty against an operating entity.

Sec. 17.994. TRAINING REQUIREMENTS. Requires the board to require an operating entity to undergo appropriate training if the board receives certain information. Requires the

board to refer the operating entity to certain entities for training required by the order. Requires the person providing the training to conduct an assessment of the operating entity for which the training is ordered, determine who needs training, and devise a training program to address the deficiencies identified in the assessment. Requires the person providing the training to present a proposed training program to the board for approval. Requires the person, if the training program is approved by the board, to conduct the required training. Requires the person who provided the training, on completion of the training, to issue a certificate of completion to the participants in the training and to the board. Requires a political subdivision to reimburse a participant in training for reasonable expenses incurred in completing the training. Requires each person who provided training under this section, not later than January 15 of each year, to report to the board a list of political subdivisions for which the person provided training required under this section during the previous calendar year.

SECTION 2. Amends Section 17.927(b), Water Code, to require the application and plan to include, on request of the board, a written determination by the commission on the managerial, financial, and technical capabilities, rather than capacity, of the applicant to operate the system for which assistance is being requested.

SECTION 3. Amends Section 17.930(b), Water Code, to require the board, after making the considerations provided by Section 17.929 of this code, to approve the plan and application subject to the requirements identified by the commission for the applicant to obtain the managerial, financial, and technical capabilities, rather than capacity, to operate the system and any other requirements, including training under Subchapter M, the board considers appropriate. Makes a conforming change.

SECTION 4. Effective date: September 1, 2001. Provides that Section 17.992, Water Code, as added by this Act, applies only to an applicant for financing under Chapter 17K, Water Code, whose application is filed on or after that date.

#### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1. Amends As Filed S.B. 649, Section 17.994, Water Code, to delete previously proposed language pertaining to requiring the Texas Water Development Board to give a preference to state agencies equipped to provide training.

SECTION 2. No change.

SECTION 3. No change.

SECTION 4. No change.