BILL ANALYSIS

Senate Research Center 76R2560 MI-F S.B. 715 By: Truan Border Affairs - Special 3/16/1999 As Filed

DIGEST

Currently, under Texas law, the Texas Water Development Board (TWDB) has no authority to ensure that contractors of an Economically Distressed Areas Program (EDAP), including colonia projects, complete their work promptly or suitably. TWDB in its capacity as the lending agency approves funding through grants and loans pursuant to review and approval of the project plans, and local subdivisions manage the projects. EDAP projects begin with an application by a political subdivision for planning assistance which is used to pay for facility planning, engineering and financial consultation. S.B. 715 would authorize TWDB to adopt rules to govern the procurement of engineering services for EDAP projects and the service selection process for applying for EDAP assistance, and would authorize TWDB to terminate a contract with a subdivision, if the project has not proceeded in a timely manner.

PURPOSE

As proposed, S.B. 715 authorizes the Texas Water Development Board to adopt rules to govern Economically Distressed Areas Program projects.

RULEMAKING AUTHORITY

Rulemaking authority is granted to Texas Water Development Board in SECTION 1 (Section 15.407(d), Water Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 15.407, Water Code, by adding Subsections (c) (d) and (j), as follows:

(c) Provides that the selection process used by a political subdivision to procure engineering services necessary for facility engineering is subject to review by and approval of the executive administrator. Authorizes the executive administrator to assist a political subdivision in the selection of the provider of engineering services necessary for facility engineering in economically distressed areas.

(d) Authorizes the Texas Water Development Board (TWDB) to adopt rules governing the procurement of facility engineering services by a political subdivision awarded funds under this subchapter, and to adopt other rules necessary to carry out TWDB's powers and duties under this subchapter.

(j) Authorizes TWDB to terminate the contract with the political subdivision and on behalf of and in consultation with the political subdivision to perform or contract for facility engineering in the economically distressed area, if TWDB determines that planning activities undertaken by a political subdivision for which TWDB has committed funds under this subchapter have been inadequate or not completed in a timely manner. Redesignates existing Subsections (c)-(g) to Subsections (e)-(i).

SECTION 2. Amends Section 17.927(b), Water Code, to require the application and plan to include, on request of TWDB, a written determination by the Texas Natural Resources Conservation Commission on the managerial, financial, and technical capacity of the applicant to operate the system for which assistance is being requested. Makes conforming changes.

SECTION 3. Amends Sections 17.930(b) and (c), Water Code, to require TWDB by resolution, after making the considerations provided by Section 17.929 of this code to approve or disapprove certain plans

or applications. Requires TWDB to notify the applicant in writing of its decision. Makes a conforming change.

SECTION 4. Effective date: September 1, 1999.

SECTION 5. Makes application of this Act prospective.

SECTION 6. Emergency clause.