## **BILL ANALYSIS**

Senate Research Center 85R27225 DMS-D C.S.S.B. 1239 By: Taylor, Van Agriculture, Water & Rural Affairs 5/1/2017 Committee Report (Substituted)

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The North Texas Municipal Water District (NTMWD) was created in 1951 to provide water, wastewater, and other services to communities in the area north and east of the Dallas-Fort Worth Metroplex. Created under Section 59, Article 16, of the Texas Constitution, NTMWD operates as a special district of the state. NTMWD consists of 13 member cities, including Allen, Farmersville, Forney, Frisco, Garland, McKinney, Mesquite, Plano, Princeton, Richardson, Rockwall, Royse City, and Wylie. Each member city may appoint one or two members to the NTMWD board of directors. Cities with a population of 5,000 or more can appoint two members to the board. Those with a population of less than 5,000 appoint one board member. Each board member's term lasts for two years. The decision to appoint a NTMWD board member rests with each member city's governing body.

Interested parties observe that some board members may fail to adequately reflect the interests of the governing body that approved their appointment. For example, a water district's board may unanimously approve rates or contracts that a majority of the members of an elected governing body would reject. Interested parties further observe that since appointed board members should reflect the interest of the elected governing body that appointed them, the governing body should reserve the right to recall an appointed board member at any time.

S.B. 1239 authorizes a city to recall its appointed member to a water district board at any time without cause. This change enables cities to manage their water district board appointments in order to ensure that the interests of the elected body are best represented. If passed, S.B. 1239 authorizes NTMWD's member cities, including Plano, Frisco, Richardson, Allen, and McKinney, to recall their members appointed to the district's board of directors. (Original Author's / Sponsor's Statement of Intent)

C.S.S.B. 1239 amends current law relating to the authority of a municipality to remove directors of the North Texas Municipal Water District.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 3(a), Chapter 62, Acts of the 52nd Legislature, Regular Session, 1951, to provide that, notwithstanding any other law, a director of the North Texas Municipal Water District serves at the pleasure of the governing body of the city that appointed the director and is authorized to be removed by the governing body at any time without cause.

SECTION 2. Effective date: upon passage or September 1, 2017.