

## **BILL ANALYSIS**

Senate Research Center  
89R25539 SCF-D

H.B. 5659  
By: Dean et al. (Hughes)  
Water, Agriculture and Rural Affairs  
5/22/2025  
Engrossed

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

The bill author has informed the committee that the Northeast Texas Municipal Water District was created by the Texas Legislature in 1953 and that the district is comprised of seven cities and is managed by a board of seven directors, with a director appointed by the city council of each of those cities. The bill author has also informed the committee that constituents in House District 7 and residents of the water district are concerned with reports that the district directors are considering selling water or water rights in executive session without public testimony and against resolutions passed by member cities against the proposed sale. H.B. 5659 seeks to address this issue by providing for a public hearing by the district regarding certain water-related contracts and municipal approval of such a contract to ensure that a matter as important as the sale of water or water rights is supported by local constituencies.

H.B. 5659 amends current law relating to the procedural requirements applicable to certain water-related transactions involving the Northeast 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 Chapter 78, Acts of the 53rd Legislature, Regular Session, 1953, by adding Sections 17A and 17B, as follows:

Sec. 17A. (a) Requires the board of directors of the Northeast Texas Municipal Water District (board; district), before the district is authorized to enter into a contract under Section 15 (relating to authorizing the district to enter into contracts with cities and others for supplying water to them) or 17 (relating to authorizing the district to acquire water appropriation permits directly from the Board of Water Engineers of the State of Texas or from owners of permits) of this Act or acquire a water appropriation permit under Section 17 of this Act, to hold a public hearing on the proposed contract or permit acquisition.

(b) Requires the board to provide any interested person an opportunity to appear before the board at the hearing and speak on the proposed contract or permit acquisition.

(c) Requires the board to provide notice of the hearing in the manner provided by Section 49.063 (Notice of Meetings), Water Code, for a meeting of the board.

Sec. 17B. Provides that the district is authorized to enter into a contract or acquire a permit described by Section 17A of this Act only if the contract or permit acquisition is approved by a majority vote of the governing body of each city that is entitled to appoint one or more directors under Section 3 (relating to the appointment of the member of the board) or 6 (relating to requiring the governing body of each city annexed to the district to appoint one director for the term ending after a certain date) of this Act.

SECTION 2. Effective date: upon passage or September 1, 2025.