

BILL ANALYSIS

C.S.H.B. 5659
By: Dean
Natural Resources
Committee Report (Substituted)

BACKGROUND AND PURPOSE

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. C.S.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.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 5659 amends Chapter 78, Acts of the 53rd Legislature, Regular Session, 1953, to require the Northeast Texas Municipal Water District's board of directors, before the district may enter into water supply or certain water-related contracts or acquire a water appropriation permit, to hold a public hearing on the proposed contract or permit acquisition. The bill 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 and requires the board to provide notice of the hearing in the manner provided by specified Water Code provisions generally applicable to all water districts for a board meeting. The bill conditions the district's entering into such a contract or acquiring such a permit on the contract or permit acquisition being approved by a majority vote of the governing body of each city that is entitled to appoint one or more directors.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 5659 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute changes the bill's effective date to provide for its possible immediate effect, contingent on receiving the requisite constitutional vote, whereas the introduced provided only for the bill to take effect September 1, 2025, with no possibility for immediate effect.