

BILL ANALYSIS

Senate Research Center
89R8464 ANG-F

S.B. 1359
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Water, Agriculture and Rural Affairs
4/11/2025
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Water districts in Texas are special-purpose governmental entities created to manage water supply, wastewater, drainage, flood control, irrigation, and groundwater conservation. Authorized under the Texas Constitution and governed by the Texas Water Code, these districts play a critical role in supporting the state's growing population and diverse water needs. Districts can be created through acts of the legislature, petitions to the Texas Commission on Environmental Quality (TCEQ), or local government action, often requiring a confirmation election. Most often, they are created through the legislature due to the simplicity and expedited process. They help provide localized water management, infrastructure funding, and long-term planning across Texas.

S.B. 1359 creates the Wise Regional Water District. Wise County is experiencing rapid population growth and continued development, with projections indicating further expansion in the years ahead. In response, local leaders and organizations like the Upper Trinity Groundwater Conservation District have been working collaboratively to explore regional solutions to address long-term water and wastewater needs.

The Wise County Coalition of Mayors supports forming a regional water district to proactively manage the county's needs for drinking water, wastewater treatment, solid waste, and liquid waste services. This initiative is modeled after the successful Upper Trinity Regional Water District, which was created by the Texas Legislature in 1989 to serve Denton County.

S.B. 1359 establishes the Wise Regional Water District as a conservation and reclamation district under Article XVI, Section 59 of the Texas Constitution. The bill provides a clear governance structure and empowers the district to manage water and waste services countywide. It authorizes the district to plan, build, and operate infrastructure for municipal, domestic, and industrial water use under the direction of a board of directors.

S.B. 1359 grants the district financial authority to issue bonds and other obligations to fund operations and infrastructure—but specifically prohibits ad valorem taxation. It also allows for the creation of subdistricts, governed by appointed boards, to address localized needs without the power of eminent domain.

The bill includes authority to acquire property, promote water conservation, prevent waste, and maintain water quality. Use of eminent domain would require a two-thirds vote of both legislative chambers. Additionally, the district must comply with municipal regulations and zoning codes, and board members are subject to state ethics and conflict of interest laws.

S.B. 1359 offers a comprehensive, transparent framework to ensure Wise County can effectively meet its future water infrastructure needs while promoting responsible stewardship and public trust.

As proposed, S.B. 1359 amends current law relating to the creation, powers, duties, and financing of the Wise Regional Water District, grants a limited power of eminent domain, provides authority to issue bonds, provides authority to impose fees, and creates a criminal offense.

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 Subtitle X, Title 6, Special District Local Laws Code, by adding Chapter 11021, as follows:

CHAPTER 11021. WISE REGIONAL WATER DISTRICT

Sets forth standard language for the creation of the Wise Regional Water District (district) in Wise County. Sets forth standards, procedures, requirements, and criteria for:

General provisions, including the nature of the district, the requirement to confirm creation of the district by election, the initial district territory, and the procedures for expanding the district (Sections 11021.0101-11021.0105);

Size, composition, powers, appointment, eligibility, compensation, procedures, naming, employees, customer advisory council, and conflict of interest policies for the board of directors (Sections 11021.0201-11021.0211);

Powers and duties of the district (Sections 11021.0301-11021.0313);

General financial provisions (Sections 11021.0401-11021.0406); and

Creation, election, governing board, general powers, compensation, and tax exemption policies for subdistricts (Sections 11021.0501-11021.0515).

Authorizes the district to exercise the power of eminent domain.

SECTION 2. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 3. Requires each entity that enters into a contract with the district before the second anniversary of the effective date of this Act and qualifies to be a participant or contract member to appoint one member to the board of directors of the district before the second anniversary of the effective date of this Act.

SECTION 4. (a) Provides that Sections 11021.0303 and 11021.0507(b), Special District Local Laws Code, take effect only if this Act receives a two-thirds vote of all the members elected to each house.

(b) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Subchapter C (Powers and Duties), Chapter 11021, Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Section 11021.0303, as follows:

Sec. 11021.0303. ACQUISITION OF PROPERTY; NO POWER OF EMINENT DOMAIN. (a) Authorizes the district to acquire by purchase any land, easements, rights-of-way, or other property or improvements inside or outside the boundaries of the district, including land above the probable high water line around any reservoirs in which the district has an ownership or operational interest, that are needed or are appropriate to carry out the powers and functions of the district.

(b) Prohibits the district from exercising the power of eminent domain.

(c) Provides that if this Act does not receive a two-thirds vote of all the members elected to each house, Section 11021.0507 (Status of Subdistricts), Special District Local Laws Code, as added by Section 1 of this Act, is amended by adding Subsection (b), as follows:

(b) Provides that, except as otherwise provided by this chapter, a subdistrict has the powers specified in this chapter and the same powers as the district and is subject to the same limitations. Prohibits the subdistrict from exercising the power of eminent domain.

(d) Provides that this section is not intended to be an expression of a legislative interpretation of the requirements of Section 17(c) (relating to authorizing the legislature to enact a general, local, or special law granting the power of eminent domain to an entity), Article I (Bill of Rights), Texas Constitution.

SECTION 5. Effective date: upon passage or September 1, 2025.