BILL ANALYSIS

Senate Research Center 86R19882 TSR-D H.B. 1574 By: Paddie (Hughes) Water & Rural Affairs 5/2/2019 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Riverbend Water Resources District (district) was created in 2009 as a regional water district charged with protecting, conserving, and managing the water resources of the southeastern portion of the Sulphur River in Bowie, Cass, and Red River Counties, Texas. The district provides wholesale and retail water and wastewater services to the Red River Army Depot and TexAmericas Center Industrial Park, and provides water infrastructure, development, and financing for municipal and industrial projects to the most northeast region of Texas. The district is currently comprised of sixteen (16) member entities including the Cities of Annona, Atlanta, Avery, DeKalb, Hooks, Leary, Maud, Nash, New Boston, Redwater, Texarkana (TX), Wake Village, TexAmericas Center, and Bowie, Cass, and Red River Counties.

H.B. 1574 addresses two issues for the district, including (1) adding water supply corporations to the entities eligible for membership with the district and (2) removing term limits (in the form of a four-year sit out provision) for members of the district board of directors.

H.B. 1574 amends current law relating to the composition of the Riverbend Water Resources District and the terms of the board of directors of that 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 9601.001(5), Special District Local Laws Code, to redefine "member" to mean a water supply corporation, among other entities.
- SECTION 2. Amends Section 9601.005(b), Special District Local Laws Code, as follows:
 - (b) Authorizes the board of directors of the Riverbend Water Resources District (board; district) after receipt of a petition from the governing body of a municipality, county, other political subdivision, or water supply corporation, rather than the governing body of a municipality, county, or other political subdivision, that desires to join the district, to add a member to the district on terms determined by the board to be in the best interests of the district.
- SECTION 3. Amends Section 9601.051, Special District Local Laws Code, by amending Subsection (c) and adding Subsection (d), as follows:
 - (c) Removes the exception under Subsection (d) to the provision that directors serve staggered terms of four years.
 - (d) Requires the governing body of each member required to appoint a director under Subsection (b) (relating to the composition of the board) to conduct a review of the director appointed by the governing body before the director's term expires. Authorizes the governing body, after conducting the review, on expiration of the director's term, to reappoint the director or appoint a new director in the manner provided by this section.

SECTION 4. Repealer: Section 9601.051(f) (relating to prohibiting a director from serving more than two consecutive terms), Special District Local Laws Code.

Repealer: Section 9601.051(g) (relating to requiring the initial directors to draw lots to achieve staggered terms), Special District Local Laws Code.

SECTION 5. Provides that all requirements of the constitution and 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 6. Effective date: upon passage or September 1, 2019.