

WELCOME TO THE TML CORNER.



Jonathan Wheat, PE



Welcome back to the TML Corner. As the dust settles from the 89th Regular Session of the Texas Legislature, it's clear this session lived up to expectations: setting a record with 8,719 bills and 2,784 resolutions filed. While only a fraction passed, 1,213 bills, the impact on public works, infrastructure finance, and local governance will be felt for years to come.

Let's take a look at key legislation from this session, what passed, what stalled, and what's on the horizon for cities across Texas.

Bills That Passed – New Laws to Watch

- **HB 29 (Gerdes)**
Relating to water losses reported by certain municipally owned utilities to the Texas Water Development Board. Establishes water audit validation requirements for municipally owned utilities that provided potable water through more than 150,000 service connections
- **HB 1318 (Guillen)**
Relating to a certificate of public convenience and necessity for water or

sewer service in an area incorporate or annexed by a municipality. Revises the process for municipalities to obtain single certification for water or sewer service within annexed areas. Clarifies how compensation for utility property is determined and transferred, shifting some valuation authority to the courts rather than the Public Utility Commission. Affected utilities may now seek damages in a court trial, with clearer guidance on how compensation is calculated for retained property that is adversely affected.

- **SB 7 / HJR 7 (Perry | et al.)**
Relating to the oversight and financing of certain water infrastructure matters under the jurisdiction of the Texas Water Development Board. Amends provisions related to the oversight and financing of water infrastructure and supply under the jurisdiction of the Texas Water Development Board (TWDB). The bill would expand the permitted uses of several TWDB-administered funds. The bill also would add provisions related to water supply conveyance, revise legislative oversight

of water funding, and require TWDB to create a publicly available tool for accessing information about financial assistance and water projects. Municipalities may benefit from new grant and loan opportunities.

- **HB 9 (Meyer | et al.)**
Relating to an exemption from ad valorem taxation of a portion of the appraised value of tangible personal property that is held or used for the production of income. Increases the property tax exemption to \$250,000 for tangible personal property a person owns that is held or used for the production of income (business personal property) and would establish that certain reporting was only required for individuals whose business personal property was greater than that amount.

What Didn't Pass – But May Return

- **SB 2015 / HB 4272** – Would have shifted utility relocation costs in right-of-way projects to cities.
- **SB 470 / SB 1024 / HB 4986** – Sought to limit or delay cities' use of certificates of obligation (COs).
Though these bills didn't pass, they reflect a continued trend of legislative attempts to reduce municipal authority. We expect many of these proposals to resurface during the interim or the 90th Session.

Recognizing Public Works as First Responders

Earlier this year, the Texas APWA Board passed a resolution to support the designation of Public Works Professionals as First Responders. This initiative aligns with the national APWA's efforts and recognizes the essential role of public works in emergency preparedness, disaster response, and community resilience.

A resolution to garner additional support from TML for recognizing Public Works Personnel as first responders is currently under review and is expected to be taken for consideration at the TML Board Meeting in October. The goal is to secure formal backing during the League's fall policy setting process, enabling broader legislative traction in future sessions.

Save the Date – TML Annual Conference Panel

As in previous years, Texas APWA will be hosting a featured panel at the 2025 TML Annual Conference, titled:

“People, Purpose, Presence: The Unsung Strength of Public Works in Texas Communities”

This session aligns with the National Public Works Week theme and will highlight the often-unseen but vital role of public works in supporting emergency response, long-term resilience, and community quality of life. The panel will feature municipal leaders discussing:

- People: The Heart of Public Works
- Purpose: Meeting the Needs of Our Communities
- Presence: Always Working Behind the Scenes

Stay Engaged

As always, we encourage APWA members to remain involved through legislative engagement, regional networking, and committee service.

For those who would like to connect, share ideas, or collaborate on public works initiatives, feel free to reach out at jonathan.wheat@cityofcarrollton.com or via LinkedIn (Jonathan Wheat, PE).

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