By: Clardy, Holland, Canales, Goldman, Bell of Kaufman Substitute the following for H.B. No. 1525: By: King of Uvalde C.S.H.B. No. 1525

A BILL TO BE ENTITLED

AN ACT

2 relating to the Lavaca-Navidad River Authority, following the 3 recommendations of the Sunset Advisory Commission; altering terms 4 of the board of directors; specifying grounds for the removal of a 5 member of the board of directors.

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BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1(a), Chapter 186, Acts of the 50th
Legislature, Regular Session, 1947, as amended by Chapter 1224,
Acts of the 78th Legislature, Regular Session, 2003, is reenacted
to read as follows:

11 (a) There is hereby created and established within the State 12 of Texas, in addition to the Districts into which the state has heretofore been divided, a Conservation and Reclamation District to 13 be known as the Lavaca-Navidad River Authority, (hereinafter called 14 the District), and consisting of that part of the State of Texas 15 which is known as and included within the boundaries of Jackson 16 County, Texas (the boundaries of the District being coextensive 17 with the boundaries of Jackson County, Texas, and the District 18 including all of the lands and other property, both real and 19 personal, within the boundaries of said county). Such District 20 21 shall be a governmental agency and body politic and corporate, with the powers of government and with the authority to exercise the 22 23 rights, privileges, and functions hereinafter specified, the creation and establishment of such District being essential to the 24

1 accomplishment of the purposes of Section 59 of Article XVI, Constitution of including 2 Texas, the control, storing, 3 preservation, and distribution of the storm and flood waters, and the waters of the rivers and streams of Jackson County and their 4 5 tributaries, inside and outside the boundaries of the District, for domestic, municipal, flood control, irrigation, agricultural, 6 mining and recovery of minerals, hydroelectric power, navigation, 7 8 recreation and pleasure, public parks, game preserves, and other useful purposes, the development of parks on lands owned or 9 10 acquired by the District, the reclamation and drainage of the overflow land of Jackson County, the conservation and development 11 12 of forests, financing of and aiding in the development of facilities located on lands owned by the District for 13 the 14 generation, transmission, and sale of electric power and energy 15 inside or outside the boundaries of the District, and to aid in the protection and promotion of navigation on the navigable waters by 16 regulating the flood and storm waters that flow into said navigable 17 In addition, the District may discover, develop, and 18 streams. 19 produce groundwater within the boundaries of the Lavaca River Basin for use within that portion of a county located within the 20 21 boundaries of the Lavaca River Basin where groundwater is discovered, developed, and produced and may coordinate and contract 22 23 with groundwater conservation districts to engage in conjunctive 24 groundwater and surface water management.

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25 SECTION 2. Section 1, Chapter 186, Acts of the 50th 26 Legislature, Regular Session, 1947, is amended by amending 27 Subsections (b) and (c) and adding Subsection (c-1) to read as

1 follows:

The management and control of the District shall be 2 (b) 3 vested in a Board of Directors consisting of nine (9) members, who must reside within the District and shall be freehold property 4 5 taxpayers and legal voters of the State of Texas. The members of the Board of Directors shall be appointed by the Governor of Texas 6 with the advice and consent of the Senate. As soon as practicable 7 8 after the passage of this Act (as hereby amended), the members of the Board of Directors shall be appointed (hereinafter referred to 9 10 as "First Board"). In appointing the members of the First Board, the Governor shall appoint three (3) members to serve until May 1, 11 12 1961, and until their successors are appointed and qualified, three (3) members to serve until May 1, 1963, and until their successors 13 14 are appointed and qualified, and three (3) members to serve until 15 May 1, 1965, and until their successors are appointed and qualified. Except for the First Board, the terms of office of the 16 17 members of the Board of Directors shall be for four [six (6)] years ending on May 1st, and until their successors are appointed and 18 19 qualified, with either two or three [three (3)] members to be appointed <u>annually</u> during the month of April [of each odd-numbered 20 year] by the Governor to succeed the members whose terms of office 21 shall expire on the following May 1st. If a vacancy on the Board of 22 23 Directors occurs because of the resignation or death of a member, or 24 otherwise, the Governor shall fill the same for the unexpired term by the appointment of a successor member. Each Director shall 25 qualify by taking the official oath of office and filing a good and 26 sufficient bond with the Secretary of State in the amount of One 27

1 Thousand Dollars (\$1,000.), which shall be payable to the District,
2 conditioned upon the faithful performance of his (or her) official
3 duties as a Director.

4 (c) The Board of Directors shall meet at such times and places as it shall designate, and shall hold regular and special 5 meetings as it shall see fit. Said Board shall organize by electing 6 one of its members as [President, one as] Vice President, one as 7 8 Secretary, and one as Treasurer (provided that the offices of Secretary and Treasurer may be combined into one office 9 of 10 Secretary-Treasurer upon a majority vote of the members of the Board). The Governor shall designate a Director as the President of 11 12 the Board to serve in that capacity at the pleasure of the Governor. Except for the First Board, such officers shall serve for a term of 13 14 one (1) year, and annually during the month of May said Board shall 15 elect such officers. Special meetings of the Board may be called by the President or by any three members, and a majority of the members 16 17 shall constitute a quorum to transact any and all business. А majority vote of the members present at any regular or special 18 19 meeting shall be sufficient for the adoption of any proceedings or for the taking of any official action. 20

21 (c-1) The Board shall appoint a general manager of the 22 District.

SECTION 3. Section 1A(a), Chapter 186, Acts of the 50th
Legislature, Regular Session, 1947, is amended to read as follows:
(a) The District is subject to review under Chapter 325,
Government Code (Texas Sunset Act), but may not be abolished under
that chapter. The review shall be conducted under Section 325.025,

1 Government Code, as if the District were a state agency scheduled to be abolished September 1, 2035 [2023], and every 12th year after 2 3 that year. 4 SECTION 4. Chapter 186, Acts of the 50th Legislature, 5 Regular Session, 1947, is amended by adding Sections 1B, 1C, 1D, 1E, and 1F to read as follows: 6 7 Sec. 1B. (a) It is a ground for removal from the Board that 8 a Director: 9 (1) does not have at the time of taking office the 10 qualifications required by Section 1 of this Act; 11 (2) does not maintain during service on the Board the 12 qualifications required by Section 1 of this Act; (3) violates Chapter 171, Local Government Code; 13 (4) cannot, because of illness or disability, 14 15 discharge the Director's duties for a substantial part of the 16 Director's term; or 17 (5) is absent from more than half of the regularly scheduled Board meetings that the Director is eligible to attend 18 19 during a calendar year without an excuse approved by a majority vote of the Board. 20 (b) The validity of an action of the Board is not affected by 21 22 the fact that it is taken when a ground for removal of a Director 23 exists. 24 (c) If the general manager has knowledge that a potential ground for removal exists, the general manager shall notify the 25 26 President of the Board of the potential ground. The President shall then notify the Governor and the Attorney General that a potential 27

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ground for removal exists. If the potential ground for removal 1 2 involves the President, the general manager shall notify the next highest ranking Director, who shall then notify the Governor and 3 the Attorney General that a potential ground for removal exists. 4 5 Sec. 1C. (a) A person who is appointed to and qualifies for office as a Director may not vote, deliberate, or be counted as a 6 7 Director in attendance at a meeting of the Board until the person 8 completes a training program that complies with this section. The training program must provide the person with 9 (b) 10 information regarding: (1) the law governing District operations; 11 12 (2) the programs, functions, rules, and budget of the 13 District; 14 (3) the scope of and limitations on the rulemaking 15 authority of the District; 16 (4) the results of the most recent formal audit of the 17 District; 18 (5) the requirements of: (A) laws relating to open meetings, public 19 information, administrative procedure, and disclosing conflicts of 20 21 interest; and 22 (B) other laws applicable to members of the governing body of a river authority in performing their duties; and 23 24 (6) any applicable ethics policies adopted by the District or the Texas Ethics Commission. 25 26 (c) A person appointed to the Board is entitled to reimbursement for the travel expenses incurred in attending the 27

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1	training program regardless of whether the attendance at the
2	program occurs before or after the person qualifies for office.
3	(d) The general manager of the District shall create a
4	training manual that includes the information required by
5	Subsection (b) of this section. The general manager shall
6	distribute a copy of the training manual annually to each Director.
7	Each Director shall sign and submit to the general manager a
8	statement acknowledging that the Director received and has reviewed
9	the training manual.
10	Sec. 1D. The Board shall develop and implement policies
11	that clearly separate the policy-making responsibilities of the
12	Board and the management responsibilities of the general manager
13	and the staff of the District.
14	Sec. 1E. (a) The District shall maintain a system to
15	promptly and efficiently act on complaints filed with the District.
16	The District shall maintain information about parties to the
17	complaint, the subject matter of the complaint, a summary of the
18	results of the review or investigation of the complaint, and its
19	disposition.
20	(b) The District shall make information available
21	describing its procedures for complaint investigation and
22	resolution.
23	(c) The District shall periodically notify the complaint
24	parties of the status of the complaint until final disposition,
25	unless the notice would jeopardize an investigation.
26	Sec. 1F. The Board shall develop and implement policies
27	that provide the public with a reasonable opportunity to appear

before the Board and to speak on any issue under the jurisdiction of <u>the District.</u>

3 SECTION 5. The following provisions are repealed:

4 (1) Section 1(a), Chapter 22, Acts of the 56th 5 Legislature, 3rd Called Session, 1959; and

6 (2) Chapter 417, Acts of the 61st Legislature, Regular 7 Session, 1969.

8 SECTION 6. (a) The legislature validates and confirms all 9 governmental acts and proceedings of the Lavaca-Navidad River 10 Authority that were taken before the effective date of this Act.

11 (b) This section does not apply to any matter that on the 12 effective date of this Act:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or

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(2) has been held invalid by a final court judgment.

17 SECTION 7. At the first meeting of the board of the Lavaca-Navidad River Authority that follows the effective date of 18 this Act, the six directors of the Lavaca-Navidad River Authority 19 whose terms do not expire on May 1, 2027, shall draw lots to 20 21 determine which two directors will serve terms that expire on May 1, 2024, which two directors will serve terms that expire on May 1, 22 23 2025, and which two directors will serve terms that expire on May 1, 24 2026. The three directors with terms expiring on May 1, 2027, will serve terms that expire on that date. 25

26 SECTION 8. Notwithstanding Section 1C, Chapter 186, Acts of 27 the 50th Legislature, Regular Session, 1947, as added by this Act, a

1 person serving on the board of directors of the Lavaca-Navidad 2 River Authority may vote, deliberate, and be counted as a director 3 in attendance at a meeting of the board until December 1, 2023.

4 SECTION 9. (a) The legal notice of the intention to 5 introduce this Act, setting forth the general substance of this 6 Act, has been published as provided by law, and the notice and a 7 copy of this Act have been furnished to all persons, agencies, 8 officials, or entities to which they are required to be furnished 9 under Section 59, Article XVI, Texas Constitution, and Chapter 313, 10 Government Code.

(b) The governor, one of the required recipients, has submitted the notice and Act to the Texas Commission on Environmental Quality.

14 (c) The Texas Commission on Environmental Quality has filed 15 its recommendations relating to this Act with the governor, the 16 lieutenant governor, and the speaker of the house of 17 representatives within the required time.

18 (d) All requirements of the constitution and laws of this 19 state and the rules and procedures of the legislature with respect 20 to the notice, introduction, and passage of this Act are fulfilled 21 and accomplished.

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SECTION 10. This Act takes effect September 1, 2023.