

By: Miller

H.B. No. 1229

A BILL TO BE ENTITLED

AN ACT

1
2 relating to eligibility for appointment to the board of directors
3 of an economic development corporation.

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

5 SECTION 1. Section 4B(c), Development Corporation Act of
6 1979 (Article 5190.6, Vernon's Texas Civil Statutes), is amended to
7 read as follows:

8 (c) The board of directors of a corporation under this
9 section consists of seven directors who are appointed by the
10 governing body of the eligible city for two-year terms of office. A
11 director may be removed by the governing body of the eligible city
12 at any time without cause. Each director of a corporation created
13 by an eligible city with a population of 20,000 or more must be a
14 resident of the eligible city. Each director of a corporation
15 created by an eligible city with a population of less than 20,000
16 must be a resident of the eligible city, be a resident of [or] the
17 county in which the major part of the area of the eligible city is
18 located, or reside at a place that is within 10 miles of the
19 eligible city's boundaries and is in a county bordering the county
20 in which the major part of the area of the eligible city is located.
21 Three directors shall be persons who are not employees, officers,
22 or members of the governing body of the eligible city. A majority
23 of the entire membership of the board is a quorum. The board shall
24 conduct all meetings within the boundaries of the eligible city.

1 The board shall appoint a president, a secretary, and other
2 officers of the corporation that the governing body of the eligible
3 city considers necessary. The corporation's registered agent must
4 be an individual resident of the state and the corporation's
5 registered office must be within the boundaries of the eligible
6 city.

7 SECTION 2. This Act takes effect immediately if it receives
8 a vote of two-thirds of all the members elected to each house, as
9 provided by Section 39, Article III, Texas Constitution. If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2003.