

By: Darby

H.B. No. 1617

Substitute the following for H.B. No. 1617:

By: Straus

C.S.H.B. No. 1617

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the qualifications for appointment to the board of
3 directors of certain economic development corporations.

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 100,000 [~~20,000~~] or more
14 must be a resident of the eligible city. Each director of a
15 corporation created by an eligible city with a population of less
16 than 100,000 [~~20,000~~] must be a resident of the eligible city, be a
17 resident of the county in which the major part of the area of the
18 eligible city is located, or reside at a place that is within 10
19 miles of the eligible city's boundaries and is in a county bordering
20 the county in which the major part of the area of the eligible city
21 is located. Not more than two directors of a corporation created by
22 an eligible city with a population of less than 100,000 may be
23 persons who are not residents of the eligible city. Three directors
24 shall be persons who are not employees, officers, or members of the

1 governing body of the eligible city. A majority of the entire
2 membership of the board is a quorum. The board shall conduct all
3 meetings within the boundaries of the eligible city. The board
4 shall appoint a president, a secretary, and other officers of the
5 corporation that the governing body of the eligible city considers
6 necessary. The corporation's registered agent must be an
7 individual resident of the state and the corporation's registered
8 office must be within the boundaries of the eligible city.

9 SECTION 2. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2007.