

By: Darby

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. Three directors shall be persons who are not employees,  
22 officers, or members of the governing body of the eligible city. A  
23 majority of the entire membership of the board is a quorum. The  
24 board shall conduct all meetings within the boundaries of the

1 eligible city. The board shall appoint a president, a secretary,  
2 and other officers of the corporation that the governing body of the  
3 eligible city considers necessary. The corporation's registered  
4 agent must be an individual resident of the state and the  
5 corporation's registered office must be within the boundaries of  
6 the eligible 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, 2007.