## **BILL ANALYSIS**

Senate Research Center 82R2569 NAJ-F

H.B. 1525 By: Alvarado (Gallegos) Intergovernmental Relations 5/2/2011 Engrossed

## AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, the 15-member board of directors of the Greater East End Management District (board; district) is statutorily required to include no less than nine residents of the district and each of the remaining members must have no less than 10 percent ownership of a district business.

H.B. 1525 responds to the concern that there are not enough director positions for business representatives by reducing the residential requirement to five members (or one-third of total membership) and eliminating the ownership provision on the other seats, so that business employees, other than the owners of district businesses, can serve on the board. In sum, the changes established in the bill provide for a greater diversity in the membership of the board.

H.B. 1525 amends current law relating to the board of directors of the Greater East End Management District.

## **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

## **SECTION BY SECTION ANALYSIS**

- SECTION 1. Amends Sections 3807.052(a) and (b), Special District Local Laws Code, as follows:
  - (a) Requires the mayor and members of the governing body of the City of Houston to appoint directors from persons recommended by the board of directors of the Greater East End Management District (board; district). Deletes existing text requiring a person, notwithstanding Subchapter D (Administrative Decisions; Board of Directors), Chapter 375 (Municipal Management District in General), Local Government Code, to be qualified as director, to be at least 18 years of age and be a resident of the district, or have a district business interest.
  - (b) Requires appointments to the board to ensure that at least one-third, rather than 60 percent, of the directors are residents of the Greater East End Management District (district). Deletes existing text requiring that appointments to the board must ensure that each director who does not reside in the district has a district business interest. Makes nonsubstantive changes.
- SECTION 2. Repealer: Section 3807.052(c) (defining "district business interest"), Special District Local Laws Code.
- SECTION 3. (a) Makes application of this Act prospective.
  - (b) Provides that the change in law made by this Act does not affect the right of a person appointed to the board before the effective date of this Act to continue to serve on the board until the person's term expires.

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SECTION 4. Effective date: upon passage or September 1, 2011.

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