

BILL ANALYSIS

S.B. 1493
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Defense & Veterans' Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Municipalities that have created a defense adjustment management authority to counteract the potential negative impact of a military base realignment or closure report that there is a need to update the statutes authorizing such an authority. S.B. 1493 seeks to amend current law relating to the directors of a defense adjustment management authority and to a study on the effectiveness of the authority.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1493 amends the Local Government Code to establish that the board of directors of a defense adjustment management authority consists of 11, rather than 15, directors. The bill requires the municipality that created the authority to appoint four, rather than six, members of the board and requires the county in which the municipality is primarily located to appoint four, rather than six, members of the board. The bill makes inapplicable to a defense adjustment management authority, in addition to other provisions of law, statutory provisions governing the qualifications of a director of a municipal management district.

S.B. 1493 requires at least three directors appointed by the municipality and at least three directors appointed by the county to reside in the authority or own property in the authority. The bill requires a person who does not meet these qualifications, to be qualified to serve as a director appointed by the municipality or the county, to be an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the authority; an owner of a beneficial interest in a trust that owns property in the authority; or an agent, employee, or tenant of a person who is covered by these provisions or who owns property in the authority.

S.B. 1493 requires the board of a defense adjustment management authority to study the effectiveness of the authority. The bill requires the board of an authority, not later than December 31 of each even-numbered year, to report to the legislature on the effectiveness of the authority. The bill requires the report to do as follows: compare utility and infrastructure development in the authority since the authority's creation and in areas in the municipality that created the authority that are not in the authority; identify methods for improving residential, commercial, and industrial development in the authority; identify limitations and impediments to development in the authority; identify methods to improve the authority's accountability to property owners in the authority; and identify any competitive advantage opportunities of the authority.

S.B. 1493 provides that a director of a defense adjustment management authority appointed by a municipality or county under provisions relating to the board of directors of an authority, as those provisions existed immediately before the effective date of the bill, continues to serve

until the director's term expires. The bill provides that, until the number of directors appointed by the municipality or county is four for that entity, on expiration of the term of each director appointed by the entity, the director's position is abolished. The bill prohibits a municipality or county from appointing a director until the number of directors appointed by the municipality or county, after existing terms expire and positions are abolished, is four or fewer directors for that entity. The bill authorizes an initial appointment by a municipality or county to replace a director whose term expires but whose position is not abolished to be limited to one year to achieve the required staggering of terms. The bill makes a conforming change.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.