By: Uresti S.B. No. 1493

## A BILL TO BE ENTITLED

1	AN ACT

- 2 relating to the directors of a defense base management authority
- 3 and to a study on the effectiveness of the authority.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Subsections (a), (b), (c), and (h), Section
- 6 375.306, Local Government Code, are amended to read as follows:
- 7 (a) The board consists of  $11 \left[ \frac{15}{15} \right]$  directors.
- 8 (b) The municipality shall appoint  $\underline{\text{four}}$  [ $\underline{\text{six}}$ ] members of the
- 9 board.
- 10 (c) The county in which the municipality is primarily
- 11 located shall appoint four [six] members of the board.
- 12 (h) Sections 375.061, 375.063, 375.066, and 375.068 and the
- 13 limitations of Section 375.072(c) do not apply to this subchapter.
- 14 SECTION 2. Section 375.307, Local Government Code, is
- 15 amended by amending Subsection (a) and adding Subsection (c) to
- 16 read as follows:
- 17 (a) At least three directors appointed by the municipality
- 18 and at least three directors appointed by the county must:
- 19 <u>(1) reside in the authority; or</u>
- 20 (2) own property in the authority [Except as provided
- 21 by Subsection (b), a majority of the directors of an authority must
- 22 meet the qualifications of Section 375.063].
- (c) To be qualified to serve as a director appointed by the
- 24 municipality or the county, a person who does not meet the

qualifications of Subsection (a) must be: 1 2 (1) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the authority; 3 (2) an owner of a beneficial interest in a trust that 4 owns property in the authority; or 5 (3) an agent, employee, or tenant of a person who: 6 7 (A) owns property in the authority; or (B) is covered by Subdivision (1) or (2). 8 SECTION 3. Subchapter O, Chapter 375, Local Government 9 Code, is amended by adding Section 375.315 to read as follows: 10 Sec. 375.315. EFFECTIVENESS STUDY; REPORT. (a) The board 11 of an authority shall study the effectiveness of the authority. 12 (b) Not later than December 31 of each even-numbered year, 13 the board of an authority shall report to the legislature on the 14 effectiveness of the authority. The report must: 15 16 (1) compare utility and infrastructure development 17 in: 18 (A) the authority since the authority's 19 creation; and 20 (B) areas in the municipality that created the authority that are not in the authority; 21 22 (2) identify methods for improving residential, commercial, and industrial development in the authority; 23 (3) identify limitations and impediments 24 to 25 development in the authority; (4) identify methods to improve the authority's 26

accountability to property owners in the authority; and

27

1 (5) identify any competitive advantage opportunities

## 2 of the authority.

- 3 SECTION 4. (a) The change in law made by this Act applies
- 4 only to a director appointed on or after the effective date of this
- 5 Act. A director appointed before the effective date of this Act is
- 6 governed by the law in effect on the date the director was
- 7 appointed, and the former law is continued in effect for that
- 8 purpose.
- 9 (b) A director appointed by a municipality or county under
- 10 Section 375.306, Local Government Code, as it existed immediately
- 11 before the effective date of this Act, continues to serve until the
- 12 director's term expires. Until the number of directors appointed
- 13 by the municipality or county is four for that entity, on expiration
- 14 of the term of each director appointed by the entity, the director's
- 15 position is abolished.
- 16 (c) A municipality or county may not appoint a director
- 17 under Section 375.306, Local Government Code, as amended by this
- 18 Act, until the number of directors appointed by the municipality or
- 19 county, after existing terms expire and positions are abolished, is
- 20 four or fewer directors for that entity. An initial appointment by
- 21 a municipality or county under Section 375.306, Local Government
- 22 Code, as amended by this Act, to replace a director whose term
- 23 expires but whose position is not abolished may be limited to one
- 24 year to achieve staggering of terms under Subsection (e), Section
- 25 375.306, Local Government Code.
- 26 SECTION 5. This Act takes effect immediately if it receives
- 27 a vote of two-thirds of all the members elected to each house, as

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- 1 provided by Section 39, Article III, Texas Constitution. If this
- 2 Act does not receive the vote necessary for immediate effect, this
- 3 Act takes effect September 1, 2011.