

Amend **SB 2185** (house committee printing) by striking all below the enacting clause and substituting the following:

SECTION 1. In this Act, "district" means the Hidalgo County Water Improvement District No. 3.

SECTION 2. GENERAL MANAGER. The general manager shall be an employee of the district. The general manager serves at the pleasure of and reports only to the board. The general manager may not serve as a director on the board of directors of the district.

SECTION 3. EDUCATION PROGRAM. (a) The district's board of directors shall establish a program of education for the district's directors that includes information on:

- (1) the history of the district;
- (2) the district's statutory authority;
- (3) laws applicable to the district, including the requirements of Chapters 551 and 552, Government Code;
- (4) relevant legal developments related to water district governance;
- (5) the duties and responsibilities of the district's board of directors;
- (6) conflict of interest laws and other laws related to public officials;
- (7) any applicable ethics policies adopted by the Texas Commission on Environmental Quality or the Texas Ethics Commission.

(b) The district shall pay any costs associated with the development of the education program from district revenue.

(c) The education program may include training provided by an organization offering courses that have been approved by the Texas Commission on Environmental Quality.

(d) The district's board of directors may adopt bylaws modifying the education program as necessary to meet district needs.

SECTION 4. EDUCATION FOR DIRECTORS. (a) Each director of the district shall complete the education program established under Section 3 of this Act before the first anniversary of the date on which the director was appointed or elected. A director serving on the district's board of directors on the effective date of this Act

shall complete the education program not later than September 1, 2022.

(b) The district shall reimburse a director of the district for the reasonable expenses incurred by the director in attending the education program.

(c) A director of the district who is elected to serve a subsequent term shall fulfill the education requirements specified by district bylaws.

SECTION 5. PROHIBITED CONDUCT FOR DIRECTORS AND DISTRICT EMPLOYEES. A director of the district or a district employee may not:

(1) accept or solicit any gift, favor, or service that:

(A) might reasonably influence the director or employee in the discharge of an official duty; or

(B) the director or employee knows or should know is offered with the intent to influence the director's or employee's official conduct;

(2) accept other employment or engage in a business or professional activity that the director or employee might reasonably expect would require or induce the director or employee to disclose confidential information acquired in the course of the director's or employee's duties under this chapter;

(3) accept other employment or compensation that could reasonably be expected to impair the director's or employee's independent judgment in the performance of the director's or employee's duties under this chapter;

(4) make personal investments that could reasonably be expected to create a substantial conflict between the director's or employee's private interest and the interest of the district;

(5) intentionally or knowingly solicit, accept, or agree to accept a benefit for the director's or employee's exercise of powers under this chapter or performance of duties under this chapter in favor of a third party; or

(6) have a personal interest in an agreement executed by the district.

SECTION 6. SEARCHABLE DISTRICT EXPENDITURE DATABASE. (a)

The district shall establish and post on the district's Internet website a database of district check register reporters, including district expenditures and contracts. The database must include the amount, date, description, payor, and payee of the expenditures and, if applicable, parties to the contract.

(b) The district may not include in the database developed under Subsection (a) a district employee's salary or personal identifying information, as defined by Section 521.002, Business & Commerce Code.

(c) The district shall prominently display a link to the database established under this section on the district's Internet website. The information provided in the district check register reports must be updated monthly.

(d) The district shall keep in the database information required by this section related to an adopted budget until the third anniversary of the date the budget was adopted.

SECTION 7. This Act takes effect September 1, 2021.