

BILL ANALYSIS

Senate Research Center

S.B. 630
By: Hinojosa
Local Government
5/31/2021
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

S.B. 630 is a local bill that relates to the board of directors and administration of the Agua Special Utility District (SUD) in the Rio Grande Valley. Changes are needed to improve the transparency of Agua SUD and add uniformity to the election cycle for Agua SUD's board of directors. In 2018 and 2019, the board of directors held budget workshops on South Padre Island, which resulted in expenses totaling \$13,300. Agua SUD already contracts with the Hidalgo County Elections Department, which provides Agua SUD with voting machines, poll workers, and election judges. The Agua SUD board, though, briefly discussed ways to hold an independent election in May.

S.B. 630 moves board elections from May to November and requires Agua SUD to contract with the Hidalgo County Elections Administrator to conduct these elections. S.B. 630 would also require the board to hold annual budget meetings within Agua SUD's boundaries.

(Original Author's / Sponsor's Statement of Intent)

S.B. 630 amends current law relating to the directors and administration of the Agua Special Utility District, including the grounds for removal of a director.

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 Section 7201.0513, Special District Local Laws Code, by amending Subsection (a) and adding Subsection (e), as follows:

(a) Requires each director on the board of directors (board) of the Agua Special Utility District (district) to complete an education program of not less than 10 hours that includes certain information. Deletes existing text requiring the initial board to establish a program of education that includes certain information for directors before the first election of directors.

(e) Requires that the education program be made available so that each director may meet the requirements provided by Section 7201.054 (Education for Directors).

SECTION 2. Amends Section 7201.054(a), Special District Local Laws Code, as follows:

(a) Requires each director to complete the education program established under Section 7201.0513 (Education Program) not later than the 90th day after the date on which the director takes the oath of office.

Deletes existing text requiring each director, except for an initial director whose term expires in 2008, to complete the education program established under Section 7201.0513 before the first anniversary of the date on which the director was appointed or elected.

SECTION 3. Amends Subchapter B, Chapter 7201, Special District Local Laws Code, by adding Section 7201.0555, as follows:

Sec. 7201.0555. ELECTION OF DIRECTORS. (a) Requires the district to hold an election on the uniform election date in November of each even-numbered year to elect the appropriate number of directors.

(b) Requires the district to contract with the county elections administrator as provided by Subchapter D (Contract for Election Services), Chapter 31 (Officers to Administer Elections), Election Code, to conduct the election of directors.

SECTION 4. Amends Section 7201.058, Special District Local Laws Code, as follows:

Sec. 7201.058. GROUNDS FOR REMOVAL. (a) Creates this subsection from existing text. Provides that a director is authorized to be removed from the board by a majority of the other directors if the director misses one-half or more of the regularly scheduled meetings during the preceding 12 months. Deletes existing text authorizing a director to be removed from the board if the director does not complete the initial board training required by Section 7201.0512 (Initial Board Training). Makes nonsubstantive changes.

(b) Requires the board to adopt procedures for the removal of a director under this section that are designed to provide due process to the director. Requires that the procedures adopted under this subsection include reasonable notice and public hearing. Provides that reasonable notice and a public hearing are not required if the director to be removed expressly waives the notice and hearing in writing.

SECTION 5. Amends Section 7201.071, Special District Local Laws Code, as follows:

Sec. 7201.071. PROHIBITED CONDUCT FOR DIRECTORS AND DISTRICT EMPLOYEES. Prohibits a director or district employee from engaging in certain activities including being employed by, participating in the management of, or having a substantial interest in a business entity or other organization, other than a governmental entity, that receives money from the district.

SECTION 6. Amends Subchapter B-1, Chapter 7201, Special District Local Laws Code, by adding Section 7201.074, as follows:

Sec. 7201.074. LOCATION OF CERTAIN MEETINGS. Requires that a meeting at which the board or the general manager discusses the annual budget of the district be held inside the district.

SECTION 7. Requires a member of the board serving on the effective date of this Act to continue in office until the member's successor qualifies for office.

SECTION 8. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 9. Effective date: upon passage or September 1, 2021.