

AN ACT

relating to the directors and administration of the Agua Special Utility District, including the grounds for removal of a director.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 7201.0513, Special District Local Laws Code, is amended by amending Subsection (a) and adding Subsection (e) to read as follows:

(a) Each director shall complete an education program of not less than 10 hours [~~Before the first election of directors, the initial board shall establish a program of education for directors~~] that includes information on:

(1) the history of the district;

(2) the district's enabling legislation;

(3) Chapters 49 and 65, Water Code, and other laws that apply to the district, including the requirements of the:

(A) open meetings law, Chapter 551, Government Code; and

(B) public information law, Chapter 552, Government Code;

(4) relevant legal developments related to water district governance;

(5) the duties and responsibilities of the board;

(6) the requirements of conflict of interest laws and other laws relating to public officials; and

1 (7) any applicable ethics policies adopted by the
2 Texas Commission on Environmental Quality or the Texas Ethics
3 Commission.

4 (e) The education program must be made available so that
5 each director may meet the requirements provided by Section
6 7201.054.

7 SECTION 2. Section 7201.054(a), Special District Local Laws
8 Code, is amended to read as follows:

9 (a) Each [~~Except for an initial director whose term expires~~
10 ~~in 2008, each~~] director shall complete the education program
11 established under Section 7201.0513 not later than the 90th day
12 after [~~before the first anniversary of~~] the date on which the
13 director takes the oath of office [~~was appointed or elected~~].

14 SECTION 3. Subchapter B, Chapter 7201, Special District
15 Local Laws Code, is amended by adding Section 7201.0555 to read as
16 follows:

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

21 (b) The district shall contract with the county elections
22 administrator as provided by Subchapter D, Chapter 31, Election
23 Code, to conduct the election of directors.

24 SECTION 4. Section 7201.058, Special District Local Laws
25 Code, is amended to read as follows:

26 Sec. 7201.058. GROUNDS FOR REMOVAL. (a) A director may be
27 removed from the board by a majority of the other directors if the

1 director:

2 (1) does not have at the time of appointment the
3 qualifications required by Section 7201.055(b);

4 (2) [~~does not complete the initial board training~~
5 ~~required by Section 7201.0512;~~

6 [~~(3)~~] does not complete the education program required
7 by Section 7201.054;

8 (3) [~~(4)~~] does not meet the eligibility requirements
9 under Section 7201.072;

10 (4) [~~or (5)~~] fails to comply with Section 7201.071; or

11 (5) misses one-half or more of the regularly scheduled
12 meetings during the preceding 12 months.

13 (b) The board shall adopt procedures for the removal of a
14 director under this section that are designed to provide due
15 process to the director. Procedures adopted under this subsection
16 must include reasonable notice and public hearing. Reasonable
17 notice and a public hearing are not required if the director to be
18 removed expressly waives the notice and hearing in writing.

19 SECTION 5. Section 7201.071, Special District Local Laws
20 Code, is amended to read as follows:

21 Sec. 7201.071. PROHIBITED CONDUCT FOR DIRECTORS AND
22 DISTRICT EMPLOYEES. A director or district employee may not:

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

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

27 (B) the director or employee knows or should know

1 is offered with the intent to influence the director's or employee's
2 official conduct;

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

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

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

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

19 (6) have a personal interest in an agreement executed
20 by the district; or

21 (7) be employed by, participate in the management of,
22 or have a substantial interest in a business entity or other
23 organization, other than a governmental entity, that receives money
24 from the district.

25 SECTION 6. Subchapter B-1, Chapter 7201, Special District
26 Local Laws Code, is amended by adding Section 7201.074 to read as
27 follows:

1 Sec. 7201.074. LOCATION OF CERTAIN MEETINGS. A meeting at
2 which the board or the general manager discusses the annual budget
3 of the district must be held inside the district.

4 SECTION 7. A member of the board of directors of the Agua
5 Special Utility District serving on the effective date of this Act
6 shall continue in office until the member's successor qualifies for
7 office.

8 SECTION 8. (a) The legal notice of the intention to
9 introduce this Act, setting forth the general substance of this
10 Act, has been published as provided by law, and the notice and a
11 copy of this Act have been furnished to all persons, agencies,
12 officials, or entities to which they are required to be furnished
13 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
14 Government Code.

15 (b) The governor, one of the required recipients, has
16 submitted the notice and Act to the Texas Commission on
17 Environmental Quality.

18 (c) The Texas Commission on Environmental Quality has filed
19 its recommendations relating to this Act with the governor, the
20 lieutenant governor, and the speaker of the house of
21 representatives within the required time.

22 (d) All requirements of the constitution and laws of this
23 state and the rules and procedures of the legislature with respect
24 to the notice, introduction, and passage of this Act are fulfilled
25 and accomplished.

26 SECTION 9. 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, 2021.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 630 passed the Senate on April 13, 2021, by the following vote: Yeas 31, Nays 0; and that the Senate concurred in House amendment on May 27, 2021, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 630 passed the House, with amendment, on May 18, 2021, by the following vote: Yeas 124, Nays 13, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor