BILL ANALYSIS

Senate Research Center 89R23111 MP-D H.B. 1535 By: Kitzman (Parker) Local Government 5/9/2025 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Created in 1955, the Trinity River Authority of Texas (TRA) owns and operates five wholesale regional wastewater systems, four wholesale regional drinking water treatment systems, and the dam that forms Lake Livingston. TRA also provides raw water to customers that are primarily municipalities, monitors water quality in the Trinity River basin, and participates in regional water and flood planning. Overall, the Sunset Advisory Commission found TRA, which is not subject to abolishment under the Texas Sunset Act, to be a generally well-run organization but also identified good governance standards and best practices that would strengthen the authority's operations. H.B. 1535 seeks to implement those standards and practices for TRA and provide for its next sunset review in 2037.

H.B. 1535 amends current law relating to the Trinity River Authority of Texas, following recommendations of the Sunset Advisory Commission and specifies grounds for the removal of a member of the board of directors.

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 1A(a), Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, as follows:

(a) Requires that the review of the Trinity River Authority (TRA) be conducted under Section 325.025 (River Authorities Subject to Review), Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2037, rather than 2025, and every 12th year after that year.

SECTION 2. Amends Section 3(b), Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, as follows:

(b) Provides that the board of directors of TRA (board) is required to consist of twenty-five (25), rather than twenty-four (24), directors to be appointed by the governor with the advice and consent of the senate, and, when the Legislature is in session, prohibits any such appointment from becoming effective until it is required to have been approved by the Senate. Requires three (3) directors to be appointed from Tarrant County; four (4) directors to be appointed from Dallas County; and three (3), rather than two (2), from "The Area-at-Large." Requires that the term of each director be for four years and until the director's successor has been appointed and qualifies. Requires that the terms of 12 or 13 directors expire on the 15th day of March of odd-numbered years.

Deletes existing text providing that the term of each director is required to be for six (6) years and until his successor has been appointed and until he has qualified, except that of the directors first appointed, eight (8) are required to serve for two (2) years, eight (8) for four (4) years, and eight (8) for six (6) years. Deletes existing text requiring that the terms of the directors expire on the 15th day of March of the year in which their respective

terms would terminate under the provisions of this Act. Deletes existing text providing that in making original appointments the governor will designate the initial term of each such directors.

- SECTION 3. Amends Section 4, Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, read as follows:
 - Sec. 4. Requires the governor to designate a member of the board as the president of TRA to serve in that capacity at the pleasure of the governor. Provides that the board is required, rather than authorized, to appoint a general manager and is authorized to appoint all necessary engineers, attorneys and other employees. Deletes existing text requiring the board to elect from its number a president. Makes a nonsubstantive change.
- SECTION 4. Amends Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, by adding Sections 4A, 4B, 4C, 4D, and 4E, as follows:
 - Sec. 4A. (a) Provides that it is a ground for removal from the board that a director does not have at the time of taking office the qualifications required by Section 3(c) of this Act; does not maintain during service on the board the qualifications required by Section 3(c) of this Act; violates Chapter 171 (Regulation of Conflicts of Interest of Officers of Municipalities, Counties, and Certain Other Local Governments), Local Government Code; cannot, because of illness or disability, discharge the director's duties for a substantial part of the director's term; or is absent from more than half of the regularly scheduled board meetings that the director is eligible to attend during a calendar year without an excuse approved by a majority vote of the board.
 - (b) Provides that the validity of an action of the board is not affected by the fact that it is taken when a ground for removal of a director exists.
 - (c) Requires the general manager, if the general manager of TRA has knowledge that a potential ground for removal exists, to notify the president of TRA of the potential ground. Requires the president to then notify the governor and the attorney general that a potential ground for removal exists. Requires the general manager, if the potential ground for removal involves the president, to notify the next highest ranking director, who is required to then notify the governor and the attorney general that a potential ground for removal exists.
 - Sec. 4B. (a) Prohibits a person who is appointed to and qualifies for office as a director from voting, deliberating, or being counted as a director in attendance at a meeting of the board until the person completes a training program that complies with this section.
 - (b) Requires that the training program provide the person with certain information.
 - (c) Provides that a person appointed to the board is entitled to reimbursement for the travel expenses incurred in attending the training program regardless of whether the attendance at the program occurs before or after the person qualifies for office.
 - (d) Requires the general manager of TRA to create a training manual that includes the information required by Subsection (b) of this section. Requires the general manager to distribute a copy of the training manual annually to each director. Requires each director to sign and submit to the general manager a statement acknowledging that the director received and has reviewed the training manual.
 - Sec. 4C. (a) Requires TRA to maintain a system to promptly and efficiently act on complaints filed with TRA. Requires TRA to maintain information about parties to the complaint, the subject matter of the complaint, a summary of the results of the review or investigation of the complaint, and its disposition.

- (b) Requires TRA to make information available describing its procedures for complaint investigation and resolution.
- (c) Requires TRA to periodically notify the complaint parties of the status of the complaint until final disposition, unless the notice would jeopardize an investigation.
- Sec. 4D. Requires the board to develop and implement policies that provide the public with a reasonable opportunity to appear before the board and to speak on any issue under the jurisdiction of TRA.
- Sec. 4E. Requires the board to develop and implement policies that clearly separate the policy-making responsibilities of the board and the management responsibilities of the general manager and the employees of TRA.
- SECTION 5. (a) Requires a director of TRA serving on the effective date of this Act, notwithstanding the changes in law made by this Act in Section 3(b), Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, and except as provided by Subsection (b) of this section, to continue in office until the member's successor is appointed and qualifies for office.
 - (b) Provides that, at the first meeting of the board that follows the effective date of this Act, the nine directors of TRA whose terms would expire on March 15, 2031, are required to draw lots to determine which five directors will serve terms that expire on March 15, 2029, and which four directors will serve terms that expire on March 15, 2027.
- SECTION 6. (a) Provides that, except as provided by Subsection (b) of this section, Section 4B, Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, as added by this Act, applies to a member of the board appointed before, on, or after the effective date of this Act.
 - (b) Authorizes a member of the board, notwithstanding Section 4B, Chapter 518, Acts of the 54th Legislature, Regular Session, 1955, as added by this Act, to vote, deliberate, and be counted as a director in attendance at a meeting of the board until December 1, 2025. Prohibits a member of the board from voting, deliberating, or being counted as a member in attendance at a meeting of the board held on or after December 1, 2025, until the member completes the training required by that section.
- SECTION 7. Provides that all requirements of the constitution and 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 8. Effective date: September 1, 2025.