

BILL ANALYSIS

S.B. 2406
By: Paxton
Natural Resources
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Established in 1949, the Sabine River Authority of Texas (SRA) maintains three reservoirs and a canal system in the Sabine River basin to supply raw water to municipal, industrial, and agricultural customers. SRA also operates a hydroelectric power plant on the Toledo Bend reservoir, maintains recreational parks and facilities for public use, and provides community assistance and economic development grants to eligible entities within the basin. Overall, the Sunset Advisory Commission found SRA, which is not subject to abolishment under the Texas Sunset Act, to be a well-run organization in a solid financial position to meet the water needs of its basin but also identified good governance standards and best practices that would strengthen SRA's operations. S.B. 2406 seeks to implement those standards and practices for SRA and provide for its next sunset review in 2037.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 2406 amends Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, to set the next review of the Sabine River Authority of Texas (SRA) under the Texas Sunset Act to be conducted during the 2036-2037 review cycle.

S.B. 2406 revises provisions governing SRA to implement across-the-board Sunset Advisory Commission policy recommendations relating to the following:

- gubernatorial designation of the presiding officer of SRA's board of directors;
- specific grounds for removal of a board member;
- board member training;
- maintenance of a complaint system;
- public testimony before the board; and
- separation of the board's policy-making responsibilities and the staff's management responsibilities.

The bill provides for the transition to the new training requirements for current board members.

S.B. 2406 replaces the authorization for SRA's directors to employ a district manager with a requirement for the directors to do so.

S.B. 2406 establishes that all applicable requirements relating to the following have been fulfilled and accomplished with respect to the bill:

- the legal notice of intention to introduce;
- governor action;
- Texas Commission on Environmental Quality recommendations; and
- the state constitution and laws and legislative rules and procedures.

EFFECTIVE DATE

September 1, 2025.