

By: Kitzman

H.B. No. 1525

A BILL TO BE ENTITLED

AN ACT

relating to the Lower Neches Valley Authority, following recommendations of the Sunset Advisory Commission; specifying grounds for the removal of a member of the board of directors.

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

SECTION 1. Section 8504.0021(a), Special District Local Laws Code, is amended to read as follows:

(a) The authority is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under that chapter. The review shall be conducted under Section 325.025, Government Code, as if the authority were a state agency scheduled to be abolished September 1, 2037 [~~2025~~], and every 12th year after that year.

SECTION 2. Subchapter B, Chapter 8504, Special District Local Laws Code, is amended by adding Sections 8504.0555, 8504.058, 8504.059, 8504.060, 8504.061, and 8504.062 to read as follows:

Sec. 8504.0555. BOARD PRESIDENT. The governor shall designate a member of the board as the board president to serve in that capacity at the pleasure of the governor.

Sec. 8504.058. SEPARATION OF POLICYMAKING AND MANAGEMENT FUNCTIONS. The board shall develop and implement policies that clearly separate the policy-making responsibilities of the board and the management responsibilities of the general manager and the staff of the authority.

1 Sec. 8504.059. REMOVAL. (a) It is a ground for removal
2 from the board that a director:

3 (1) does not have at the time of taking office the
4 qualifications required by Sections 8504.051(b) and (c);

5 (2) does not maintain during service on the board
6 qualifications required by Sections 8504.051(b) and (c);

7 (3) violates Chapter 171, Local Government Code;

8 (4) cannot, because of illness or disability,
9 discharge the director's duties for a substantial part of the
10 director's term; or

11 (5) is absent from more than half of the regularly
12 scheduled board meetings that the director is eligible to attend
13 during a calendar year without an excuse approved by a majority vote
14 of the board.

15 (b) The validity of an action of the board is not affected by
16 the fact that it is taken when a ground for removal of a director
17 exists.

18 (c) If the general manager has knowledge that a potential
19 ground for removal exists, the general manager shall notify the
20 board president of the potential ground. The board president shall
21 then notify the governor and the attorney general that a potential
22 ground for removal exists. If the potential ground for removal
23 involves the president, the general manager shall notify the next
24 highest ranking director, who shall then notify the governor and
25 the attorney general that a potential ground for removal exists.

26 Sec. 8504.060. REQUIRED TRAINING. (a) A person who is
27 appointed to and qualifies for office as a director may not vote,

1 deliberate, or be counted as a director in attendance at a meeting
2 of the board until the person completes a training program that
3 complies with this section.

4 (b) The training program must provide the person with
5 information regarding:

6 (1) the law governing authority operations;

7 (2) the programs, functions, rules, and budget of the
8 authority;

9 (3) the scope of and limitations on the rulemaking
10 authority of the board;

11 (4) the results of the most recent formal audit of the
12 authority;

13 (5) the requirements of:

14 (A) laws relating to open meetings, public
15 information, administrative procedure, and disclosing conflicts of
16 interest; and

17 (B) other laws applicable to members of the
18 governing body of a river authority in performing their duties; and

19 (6) any applicable ethics policies adopted by the
20 authority or by the Texas Ethics Commission.

21 (c) A person appointed to the board is entitled to
22 reimbursement for the travel expenses incurred in attending the
23 training program regardless of whether the attendance at the
24 program occurs before or after the person qualifies for office.

25 (d) The general manager of the authority shall create a
26 training manual that includes the information required by
27 Subsection (b). The general manager shall distribute a copy of the

1 training manual annually to each director. Each director shall
2 sign and submit to the general manager a statement acknowledging
3 that the director received and has reviewed the training manual.

4 Sec. 8504.061. PUBLIC TESTIMONY. The board shall develop
5 and implement policies that provide the public with a reasonable
6 opportunity to appear before the board and to speak on any issue
7 under the jurisdiction of the authority.

8 Sec. 8504.062. COMPLAINTS; DUTY TO RESPOND. (a) The
9 authority shall maintain a system to promptly and efficiently act
10 on complaints filed with the authority. The authority shall
11 maintain information about parties to the complaint, the subject
12 matter of the complaint, a summary of the results of the review or
13 investigation of the complaint, and its disposition.

14 (b) The authority shall make information available
15 describing its procedures for complaint investigation and
16 resolution.

17 (c) The authority shall periodically notify the complaint
18 parties of the status of the complaint until final disposition,
19 unless the notice would jeopardize an investigation.

20 SECTION 3. (a) Except as provided by Subsection (b) of this
21 section, Section 8504.060, Special District Local Laws Code, as
22 added by this Act, applies to a member of the board of directors of
23 the Lower Neches Valley Authority appointed before, on, or after
24 the effective date of this Act.

25 (b) Notwithstanding Section 8504.060, Special District
26 Local Laws Code, as added by this Act, a member of the board of
27 directors of the Lower Neches Valley Authority may vote,

1 deliberate, and be counted as a director in attendance at a meeting
2 of the board until December 1, 2025. A member of the board may not
3 vote, deliberate, or be counted as a member in attendance at a
4 meeting of the board held on or after December 1, 2025, until the
5 member completes the training required by that section.

6 SECTION 4. (a) The legal notice of the intention to
7 introduce this Act, setting forth the general substance of this
8 Act, has been published as provided by law, and the notice and a
9 copy of this Act have been furnished to all persons, agencies,
10 officials, or entities to which they are required to be furnished
11 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
12 Government Code.

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

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

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

24 SECTION 5. This Act takes effect September 1, 2025.