1-1 S.B. No. 2406 By: Paxton, et al. 1-2 1-3 (In the Senate - Filed March 24, 2025; March 25, 2025, read time and referred to Committee on Local Government; first 1-4 April 1, 2025, reported favorably by the following vote: Yeas 7, 1-5 Nays 0; April 1, 2025, sent to printer.)

| 1-6 | | COMMITTEE VOTE | | | | | | | | |
|------|-------------|----------------|-----|--------|-----|--|--|--|--|--|
| 1-7 | | Yea | Nay | Absent | PNV | | | | | |
| 1-8 | Bettencourt | Х | | | | | | | | |
| 1-9 | Middleton | Х | | | | | | | | |
| 1-10 | Cook | Х | | | | | | | | |
| 1-11 | Gutierrez | Х | | | | | | | | |
| 1-12 | Nichols | Х | | | | | | | | |
| 1-13 | Paxton | Х | | | | | | | | |
| 1-14 | West | Х | | | | | | | | |

1-15 1-16

A BILL TO BE ENTITLED AN ACT

relating to the Sabine River Authority of Texas, following recommendations of the Sunset Advisory Commission; specifying 1-17 1-18 1-19 grounds for the removal of a member of the board of directors. 1-20

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: SECTION 1. Section 2A(a), Chapter 110, Acts of the 51st

1-21 Legislature, Regular Session, 1949, is amended to read as follows: (a) The district is subject to review under Chapter 325, Government Code (Texas Sunset Act), but may not be abolished under 1-22 1-23

1-24 1-25 that chapter. The review shall be conducted under Section 325.025, 1-26 Government Code, as if the district were a state agency scheduled to 1-27 1-28 be abolished September 1, 2037 [2025], and every 12th year after that year.

SECTION 2. Section 4, Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, is amended to read as follows: 1-29 1-30

Sec. 4. <u>The Governor shall designate a Director as the</u> <u>President of the Board to serve in that capacity at the pleasure of</u> <u>the Governor.</u> The Directors of the district shall organize by 1-31 1-32 1-33 electing one of their members [President, one] Vice-President, one 1-34 Secretary, and a Secretary pro tem. Five (5) Directors shall 1-35 constitute a quorum at any meeting, and a concurrence of a majority of those present shall be sufficient in all matters pertaining to the business of the district, except the letting of construction 1-36 1-37 1-38 1-39 contracts and the authorization of issuance of bonds, which shall require the concurrence of five (5) Directors. Warrants for the 1-40 payment of money may be drawn and signed by two (2) officers or employees designated by resolution entered on the minutes of the 1-41 1-42 1-43 Directors, when such accounts have been contracted and ordered paid by the Board of Directors. 1-44

1-45 SECTION 3. Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, is amended by adding Sections 4A, 4B, 6A, and 1-46 1-47 6B to read as follows:

1-48 Sec. 4A. (a) It is a ground for removal from the Board of Directors that a Director: 1-49

(1) does not have at the time of taking office the qualifications required by Section 3 of this Act; 1-50 1-51

(2) does not maintain during service qualifications required by Section 3 of this Act; 1-52 on the Board the 1-53

(3) violates Chapter 171, Local Government Code; 1-54

| 1-55 | | (4) | cannot, | because | OÍ | | ıllness | or | dısa | .bll: | ıty, |
|-------|------------|------|------------|---------|-----|---|----------|------------|------|-------|------|
| 1-56 | discharge | the | Director's | duties | for | а | substant | cial | part | of | the |
| 1-57 | Director's | term | n; or | | | | | | | | |
| 1 - 0 | | | <u> </u> | | | | 1 1 0 | C 1 | 1 | | - |

1-58 is absent from more than half of the regularly (5) scheduled Board meetings that the Director is eligible to attend 1-59 during a calendar year without an excuse approved by a majority vote 1-60 1-61 of the Board.

S.B. No. 2406 The validity of an action of the Board is not affected by 2-1 (b) 2-2 the fact that it is taken when a ground for removal of a Director 2-3 exists. (c) If the manager of the district has knowledge that a potential ground for removal exists, the manager shall notify the President of the Board of the potential ground. The President shall 2-4 2-5 2-6 2-7 then notify the Governor and the Attorney General that a potential 2-8 ground for removal exists. If the potential ground for removal involves the President, the manager shall notify the next highest ranking Director, who shall then notify the Governor and the Attorney General that a potential ground for removal exists. Sec. 4B. (a) A person who is appointed to and qualifies for 2-9 2**-**10 2**-**11 2-12 2-13 office as a Director may not vote, deliberate, or be counted as a 2-14 Director in attendance at a meeting of the Board of Directors until 2**-**15 2**-**16 the person completes a training program that complies with this section. 2-17 (b) The training program must provide the person with 2-18 information regarding: (1) the law governing district operations; 2-19 2-20 2-21 (2) the programs, functions, rules, and budget of the district; 2-22 (3) the scope of and limitations on the rulemaking authority of the Board of Directors; 2-23 (4) the results of the most recent formal audit of the 2-24 2**-**25 2**-**26 d<u>istrict;</u> (5) the requirements of: 2-27 (A) laws relating to open me<u>etings,</u> public 2-28 information, administrative procedure, and disclosing conflicts of 2-29 interest; and (B) other laws applicable to members of the governing body of a river authority in performing their duties; and 2-30 the 2-31 2-32 (6) any applicable ethics policies adopted by the 2-33 district or the Texas Ethics Commission. 2-34 (c) A person appointed to the Board of Directors is entitled to reimbursement for the travel expenses incurred in attending the training program regardless of whether the attendance at the 2-35 2-36 2-37 program occurs before or after the person qualifies for office. 2-38 (d) The manager of the district shall create a training manual that includes the information required by Subsection (b) of 2-39 this section. The manager shall distribute a copy of the training manual annually to each Director. Each Director shall sign and submit to the manager a statement acknowledging that the Director 2-40 2-41 2-42 2-43 received and has reviewed the training manual. Sec. 6A. (a) The district shall maintain a system to promptly and efficiently act on complaints filed with the district. The district shall maintain information about parties to the 2-44 2-45 2-46 complaint, the subject matter of the complaint, a summary of the 2-47 2-48 results of the review or investigation of the complaint, and its disposition. 2-49 <u>.</u> The (b) The district shall make information available describing its procedures for complaint investigation and (b) 2-50 2-51 resolution. 2-52 2-53 (c) The district shall periodically notify the complaint parties of the status of the complaint until final disposition, unless the notice would jeopardize an investigation. Sec. 6B. The Board of Directors shall develop and implement 2-54 2-55 2-56 2-57 policies that provide the public with a reasonable opportunity to appear before the Board and to speak on any issue under the jurisdiction of the district. 2-58 2-59 SECTION 4. Section 10, Chapter 110, Acts of the 51s Legislature, Regular Session, 1949, is amended to read as follows: 2-60 of the 51st 2-61 Sec. 10. The Directors <u>shall</u> [may] employ a manager for the district, and may give <u>the manager</u> [him] full authority in the management and operation of the district affairs (subject only to 2-62 2-63 2-64 the orders of the Board of Directors). Compensation to be paid such manager and all employees shall be fixed by the Board of Directors 2-65 2-66 2-67 and all employees may be removed by the Board. 2-68 SECTION 5. Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, is amended by adding Section 10A to read as 2-69

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3-1 follows:

Sec. 10A. The Board of Directors shall develop and implement policies that clearly separate the policy-making responsibilities of the Board and the management responsibilities 3-2 3-3 3-4 3-5 of the manager and the employees of the district.

SECTION 6. (a) Except as provided by Subsection (b) of this section, Section 4B, Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, as added by this Act, applies 3-6 3-7 3-8 3-9 to a member of the board of directors of the Sabine River Authority 3-10 3-11 of Texas appointed before, on, or after the effective date of this Act.

3-12 (b) Notwithstanding Section 4B, Chapter 110, Acts of the 51st Legislature, Regular Session, 1949, as added by this Act, a 3-13 person serving on the board of directors of the Sabine River Authority of Texas may vote, deliberate, and be counted as a director in attendance at a meeting of the board until December 1, 3-14 3**-**15 3**-**16 2025. A director may not vote, deliberate, or be counted as a member in attendance at a meeting of the board held on or after December 1, 3-17 3-18 3-19 2025, until the member completes the training required by that 3-20 3-21 section.

SECTION 7. (a) The legal notice of the intention to introduce this Act, setting forth the general substance of this Act, has been published as provided by law, and the notice and a copy of this Act have been furnished to all persons, agencies, officials, or entities to which they are required to be furnished under Section 59, Article XVI, Texas Constitution, and Chapter 313, Covernment Code 3-22 3-23 3-24 3-25 3**-**26 3-27 Government Code.

The governor, one of the required recipients, has the notice and Act to the Texas Commission on 3-28 (b) 3-29 submitted 3-30 Environmental Quality.

3-31 (c) The Texas Commission on Environmental Quality has filed 3-32 its recommendations relating to this Act with the governor, the 3-33 lieutenant governor, and the speaker of the house of 3-34 representatives within the required time.

3-35 (d) All requirements of the constitution and laws of this 3-36 state and the rules and procedures of the legislature with respect 3-37 to the notice, introduction, and passage of this Act are fulfilled 3-38 and accomplished. 3-39

SECTION 8. This Act takes effect September 1, 2025.

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