

AN ACT

relating to the Lower Neches Valley Authority, following recommendations of the Sunset Advisory Commission; specifying term length 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. Section 8504.052, Special District Local Laws Code, is amended to read as follows:

Sec. 8504.052. TERMS. Directors hold office for staggered terms of four [~~six~~] years.

SECTION 3. 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.

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

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

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

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

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

13 (4) cannot, because of illness or disability,
14 discharge the director's duties for a substantial part of the
15 director's term; or

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

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

23 (c) If the general manager has knowledge that a potential
24 ground for removal exists, the general manager shall notify the
25 board president of the potential ground. The board president shall
26 then notify the governor and the attorney general that a potential
27 ground for removal exists. If the potential ground for removal

1 involves the president, the general manager shall notify the next
2 highest ranking director, who shall then notify the governor and
3 the attorney general that a potential ground for removal exists.

4 Sec. 8504.060. REQUIRED TRAINING. (a) A person who is
5 appointed to and qualifies for office as a director may not vote,
6 deliberate, or be counted as a director in attendance at a meeting
7 of the board until the person completes a training program that
8 complies with this section.

9 (b) The training program must provide the person with
10 information regarding:

11 (1) the law governing authority operations;

12 (2) the programs, functions, rules, and budget of the
13 authority;

14 (3) the scope of and limitations on the rulemaking
15 authority of the board;

16 (4) the results of the most recent formal audit of the
17 authority;

18 (5) the requirements of:

19 (A) laws relating to open meetings, public
20 information, administrative procedure, and disclosing conflicts of
21 interest; and

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

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

26 (c) A person appointed to the board is entitled to
27 reimbursement for the travel expenses incurred in attending the

1 training program regardless of whether the attendance at the
2 program occurs before or after the person qualifies for office.

3 (d) The general manager of the authority shall create a
4 training manual that includes the information required by
5 Subsection (b). The general manager shall distribute a copy of the
6 training manual annually to each director. Each director shall
7 sign and submit to the general manager a statement acknowledging
8 that the director received and has reviewed the training manual.

9 Sec. 8504.061. PUBLIC TESTIMONY. The board shall develop
10 and implement policies that provide the public with a reasonable
11 opportunity to appear before the board and to speak on any issue
12 under the jurisdiction of the authority.

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

19 (b) The authority shall make information available
20 describing its procedures for complaint investigation and
21 resolution.

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

25 SECTION 4. (a) Except as provided by Subsection (b) of
26 this section, Section 8504.060, Special District Local Laws Code,
27 as added by this Act, applies to a member of the board of directors

1 of the Lower Neches Valley Authority appointed before, on, or after
2 the effective date of this Act.

3 (b) Notwithstanding Section 8504.060, Special District
4 Local Laws Code, as added by this Act, a member of the board of
5 directors of the Lower Neches Valley Authority may vote,
6 deliberate, and be counted as a director in attendance at a meeting
7 of the board until December 1, 2025. A member of the board may not
8 vote, deliberate, or be counted as a member in attendance at a
9 meeting of the board held on or after December 1, 2025, until the
10 member completes the training required by that section.

11 SECTION 5. At the first meeting of the board of the Lower
12 Neches Valley Authority that follows the effective date of this
13 Act, the three directors of the Lower Neches Valley Authority whose
14 terms would expire on July 28, 2031, shall draw lots to determine
15 which two of those directors will serve terms that expire on July
16 28, 2029, and which one of those directors will serve a term
17 expiring on July 28, 2027. The three directors with terms expiring
18 on July 28, 2027, and the three directors with terms expiring on
19 July 28, 2029, will serve terms that expire on those dates.

20 SECTION 6. (a) The legal notice of the intention to
21 introduce this Act, setting forth the general substance of this
22 Act, has been published as provided by law, and the notice and a
23 copy of this Act have been furnished to all persons, agencies,
24 officials, or entities to which they are required to be furnished
25 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
26 Government Code.

27 (b) The governor, one of the required recipients, has

1 submitted the notice and Act to the Texas Commission on
2 Environmental Quality.

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

7 (d) All requirements of the constitution and laws of this
8 state and the rules and procedures of the legislature with respect
9 to the notice, introduction, and passage of this Act are fulfilled
10 and accomplished.

11 SECTION 7. This Act takes effect September 1, 2025.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 2407 passed the Senate on April 9, 2025, by the following vote: Yeas 30, Nays 0; and that the Senate concurred in House amendment on May 30, 2025, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 2407 passed the House, with amendment, on May 24, 2025, by the following vote: Yeas 132, Nays 0, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor