

1-1 By: Sparks, et al. S.B. No. 2407
1-2 (In the Senate - Filed March 25, 2025; March 27, 2025, read
1-3 first time and referred to Committee on Local Government;
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
1-8	Bettencourt	X		PNV
1-9	Middleton	X		
1-10	Cook	X		
1-11	Gutierrez	X		
1-12	Nichols	X		
1-13	Paxton	X		
1-14	West	X		

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to the Lower Neches Valley Authority, following
1-18 recommendations of the Sunset Advisory Commission; specifying
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:

1-21 SECTION 1. Section 8504.0021(a), Special District Local
1-22 Laws Code, is amended to read as follows:

1-23 (a) The authority is subject to review under Chapter 325,
1-24 Government Code (Texas Sunset Act), but may not be abolished under
1-25 that chapter. The review shall be conducted under Section 325.025,
1-26 Government Code, as if the authority were a state agency scheduled
1-27 to be abolished September 1, 2037 [2025], and every 12th year after
1-28 that year.

1-29 SECTION 2. Subchapter B, Chapter 8504, Special District
1-30 Local Laws Code, is amended by adding Sections 8504.0555, 8504.058,
1-31 8504.059, 8504.060, 8504.061, and 8504.062 to read as follows:

1-32 Sec. 8504.0555. BOARD PRESIDENT. The governor shall
1-33 designate a member of the board as the board president to serve in
1-34 that capacity at the pleasure of the governor.

1-35 Sec. 8504.058. SEPARATION OF POLICYMAKING AND MANAGEMENT
1-36 FUNCTIONS. The board shall develop and implement policies that
1-37 clearly separate the policy-making responsibilities of the board
1-38 and the management responsibilities of the general manager and the
1-39 staff of the authority.

1-40 Sec. 8504.059. REMOVAL. (a) It is a ground for removal
1-41 from the board that a director:

1-42 (1) does not have at the time of taking office the
1-43 qualifications required by Sections 8504.051(b) and (c);

1-44 (2) does not maintain during service on the board
1-45 qualifications required by Sections 8504.051(b) and (c);

1-46 (3) violates Chapter 171, Local Government Code;

1-47 (4) cannot, because of illness or disability,
1-48 discharge the director's duties for a substantial part of the
1-49 director's term; or

1-50 (5) is absent from more than half of the regularly
1-51 scheduled board meetings that the director is eligible to attend
1-52 during a calendar year without an excuse approved by a majority vote
1-53 of the board.

1-54 (b) The validity of an action of the board is not affected by
1-55 the fact that it is taken when a ground for removal of a director
1-56 exists.

1-57 (c) If the general manager has knowledge that a potential
1-58 ground for removal exists, the general manager shall notify the
1-59 board president of the potential ground. The board president shall
1-60 then notify the governor and the attorney general that a potential
1-61 ground for removal exists. If the potential ground for removal

involves the president, the general 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. 8504.060. REQUIRED TRAINING. (a) A person who is appointed to and qualifies for office as a director may not vote, deliberate, or be 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) The training program must provide the person with information regarding:

(1) the law governing authority operations;
(2) the programs, functions, rules, and budget of the authority;

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

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

(5) the requirements of:
(A) laws relating to open meetings, public information, administrative procedure, and disclosing conflicts of interest; and

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

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

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

Sec. 8504.061. PUBLIC TESTIMONY. The board shall 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 the authority.

Sec. 8504.062. COMPLAINTS; DUTY TO RESPOND. (a) The authority shall maintain a system to promptly and efficiently act on complaints filed with the authority. The authority shall 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) The authority shall make information available describing its procedures for complaint investigation and resolution.

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

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

(b) Notwithstanding Section 8504.060, Special District Local Laws Code, as added by this Act, a member of the board of directors of the Lower Neches Valley Authority may vote, deliberate, and be counted as a director in attendance at a meeting of the board until December 1, 2025. A member of the board may not vote, deliberate, or be 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 4. (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, Government Code.

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

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

(d) 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 5. This Act takes effect September 1, 2025.

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