

AN ACT

relating to the directors of a defense base management authority and to a study on the effectiveness of the authority.

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

SECTION 1. Subsections (a), (b), (c), and (h), Section 375.306, Local Government Code, are amended to read as follows:

(a) The board consists of 11 ~~[15]~~ directors.

(b) The municipality shall appoint four ~~[six]~~ members of the board.

(c) The county in which the municipality is primarily located shall appoint four ~~[six]~~ members of the board.

(h) Sections 375.061, 375.063, 375.066, and 375.068 and the limitations of Section 375.072(c) do not apply to this subchapter.

SECTION 2. Section 375.307, Local Government Code, is amended by amending Subsection (a) and adding Subsection (c) to read as follows:

(a) At least three directors appointed by the municipality and at least three directors appointed by the county must:

(1) reside in the authority; or

(2) own property in the authority ~~[Except as provided by Subsection (b), a majority of the directors of an authority must meet the qualifications of Section 375.063].~~

(c) To be qualified to serve as a director appointed by the municipality or the county, a person who does not meet the

qualifications of Subsection (a) must be:

(1) an owner of stock, whether beneficial or otherwise, of a corporate owner of property in the authority;

(2) an owner of a beneficial interest in a trust that owns property in the authority; or

(3) an agent, employee, or tenant of a person who:

(A) owns property in the authority; or

(B) is covered by Subdivision (1) or (2).

SECTION 3. Subchapter O, Chapter 375, Local Government Code, is amended by adding Section 375.315 to read as follows:

Sec. 375.315. EFFECTIVENESS STUDY; REPORT. (a) The board of an authority shall study the effectiveness of the authority.

(b) Not later than December 31 of each even-numbered year, the board of an authority shall report to the legislature on the effectiveness of the authority. The report must:

(1) compare utility and infrastructure development in:

(A) the authority since the authority's creation; and

(B) areas in the municipality that created the authority that are not in the authority;

(2) identify methods for improving residential, commercial, and industrial development in the authority;

(3) identify limitations and impediments to development in the authority;

(4) identify methods to improve the authority's accountability to property owners in the authority; and

1 (5) identify any competitive advantage opportunities
2 of the authority.

3 SECTION 4. (a) The change in law made by this Act applies
4 only to a director appointed on or after the effective date of this
5 Act. A director appointed before the effective date of this Act is
6 governed by the law in effect on the date the director was
7 appointed, and the former law is continued in effect for that
8 purpose.

9 (b) A director appointed by a municipality or county under
10 Section 375.306, Local Government Code, as it existed immediately
11 before the effective date of this Act, continues to serve until the
12 director's term expires. Until the number of directors appointed
13 by the municipality or county is four for that entity, on expiration
14 of the term of each director appointed by the entity, the director's
15 position is abolished.

16 (c) A municipality or county may not appoint a director
17 under Section 375.306, Local Government Code, as amended by this
18 Act, until the number of directors appointed by the municipality or
19 county, after existing terms expire and positions are abolished, is
20 four or fewer directors for that entity. An initial appointment by
21 a municipality or county under Section 375.306, Local Government
22 Code, as amended by this Act, to replace a director whose term
23 expires but whose position is not abolished may be limited to one
24 year to achieve staggering of terms under Subsection (e), Section
25 375.306, Local Government Code.

26 SECTION 5. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2011.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1493 passed the Senate on
May 11, 2011, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1493 passed the House on
May 23, 2011, by the following vote: Yeas 142, Nays 0, one
present not voting.

Chief Clerk of the House

Approved:

Date

Governor