

SUBJECT: Repealing the Lone Star GCD's conflicts of interest rule exemption

COMMITTEE: Natural Resources — favorable, without amendment

VOTE: 10 ayes — Keffer, Ashby, D. Bonnen, Frank, Kacal, T. King, Larson,
Lucio, Nevárez, Workman

0 nays

1 absent — Burns

SENATE VOTE: On final passage, April 28 — 31-0

WITNESSES: No public hearing

BACKGROUND: Water Code, sec. 36.058 provides that a groundwater conservation district director is subject to the provisions of Local Government Code, ch. 171 relating to the regulation of conflicts of officers of local governments.

The Lone Star Groundwater Conservation District (GCD) was created by the 77th Legislature in 2001 to regulate groundwater use within Montgomery County. When the district was created, its enabling legislation — HB 2362 by Hope — included a provision exempting the district's board of directors from rules regarding conflicts of interest.

DIGEST: SB 2049 would repeal the provision in the Lone Star Groundwater Conservation District's enabling legislation exempting the district from conflict of interest rules.

The bill would take effect September 1, 2015.

SUPPORTERS SAY: SB 2049 would ensure that the board of the Lone Star Groundwater Conservation District (GCD) was able to act with transparency by removing the conflicts of interest exemption from the GCD's enabling legislation. The bill would align the GCD's rules with common law doctrine, including the prohibition against a person holding more than one

office.

**OPPONENTS
SAY:**

SB 2049 could prevent knowledgeable people from serving on the Lone Star GCD's board. A person should be able to serve as a board member as long as any potential conflict was handled transparently. Any questionable act in an official capacity would result in removal through the appointment process.