

**SUBJECT:** Changing eligibility for members of the board of directors of certain PIDs

**COMMITTEE:** Urban Affairs — favorable, without amendment

**VOTE:** 7 ayes — Cortez, Bernal, Campos, Jarvis Johnson, Minjarez, Morales  
Shaw, Slaton

2 nays — Holland, Gates

**WITNESSES:** For — Melissa Shannon, Bexar County Commissioners Court; Frank Garza, Cibolo Canyons Special Improvement District; (*Registered, but did not testify*: Trey Lary, Allen Boone Humphries Robinson LLP; Allison Greer Francis, CHCS; Jeff Coyle, City of San Antonio)

Against — None

**BACKGROUND:** Local Government Code sec. 382.052 establishes that if the population of a public improvement district is more than 1,000, to be eligible to serve as a director, a person must be at least 18 years old, reside in the district, and be:

- an owner of property in the district;
- an owner of stock of a corporate owner of property in the district;
- an owner of a beneficial interest in a trust that owns property in the district; or
- an agent, employee, or tenant of a person listed above.

It has been suggested that certain individuals who do not reside in a public improvement district may still have a vested interest in its operation, and should be eligible to serve on the district's board of directors.

**DIGEST:** HB 2726 would eliminate the requirement that in order to be eligible to serve on the board of directors of a public improvement district with a population of more than 1,000 a person must reside in the district. The bill instead would include residency in the district among the conditions that

could satisfy eligibility requirements.

The bill would take effect September 1, 2021.