

BILL ANALYSIS

Senate Research Center

H.B. 2919
By: Stiles (Galloway)
Natural Resources
5-12-97
Engrossed

DIGEST

Currently, certain provisions relate to the powers and the Board of Directors of the Lower Neches Valley Authority. However, in January 1996, the House Committee on Natural Resources was charged to conduct an interim study to review the design, mission, and goals of the Lower Neches Valley Authority. This bill establishes provisions relating to the powers and the Board of Directors of the Lower Neches Valley Authority.

PURPOSE

As proposed, H.B. 2919 establishes provisions relating to the powers and the Board of Directors of the Lower Neches Valley Authority.

RULEMAKING AUTHORITY

This bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 3, Article 8280-103, V.T.C.S., to require the governor, rather than the Texas Water Development Board, to appoint the directors of the Lower Neches Valley Authority District (district). Requires the directors to hold office until their successors are appointed or qualify, unless removed by the governor, rather than a majority vote of the Texas Water Development Board. Requires appointed directors within 15 days to take an oath and file a bond with the secretary of state, rather than the Texas Water Development Board. Requires directors to employ a general manager at such compensation as may be fixed by the majority of the directors. Deletes a provision authorizing the employment of a director as a general manager while performing the duties of director, but prohibits the receiving of compensation in the performance of duties as a director.

SECTION 2. Redesignates Section 13(one), Article 8280-103, V.T.C.S., as Section 13A.

SECTION 3. Amends Chapter 63, Article 8280-103, V.T.C.S., by adding Section 13B, as follows:

Sec. 13B. Authorizes the district to sponsor and participate in an economic development program (program) within the areas served by the district intended to strengthen the economic base and further the economic development of the state. Prohibits the program from being outside the areas served by the district unless the district has entered into an interlocal agreement with an entity under Subsection (c) of this section. Requires each program to be established by formal action of the Board of Directors of the district. Sets forth the requirements of the Board of Directors. Authorizes a program under this section to involve grants or certain loans to a person engaged in certain economic development activities. Authorizes the district to provide assistance to a for-profit entity if the assistance is necessary or appropriate to carry out a program consistent with the purposes of this section. Authorizes the district to employ staff and expend its resources to further a program under this section. Prohibits the district from using money received from an ad valorem tax or general appropriation to further a program. Authorizes the district to apply for and receive money, grants, or other assistance from any source to carry out an economic development program under this section. Authorizes the district and any other public or private person to enter into an agreement with respect to a program. Provides that if the district provides scholarships,

grants, loans, or financial assistance to a public fire-fighting organization, the district is required to determine guidelines to make certain determinations. Provides that a determination by the board of directors that a program is intended and expected to carry out the program's stated purposes is conclusive. Provides that a program includes a community assistance program, privatization program, or other program designed to fulfill certain requirements.

SECTION 4. Provides that the legislature finds that the programs authorized by Section 13B, Article 8280-103, V.T.C.S., are a specific public purpose and governmental function of the district in accordance with certain provisions.

SECTION 5. Makes application of this Act prospective. Requires the governor to appoint directors to the board of directors to the board as vacancies occur after the effective date of Section 1 of this Act.

SECTION 6. Provides that this Act takes effect September 1, 1997, except as provided by Section 7.

SECTION 7. Provides that Section 3, Article 8280-103, V.T.C.S., takes effect immediately.

SECTION 8. Emergency clause.