

BILL ANALYSIS

S.B. 1864
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Transportation
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties have expressed confusion regarding the administration of the Port of Houston Authority and its ability to engage in certain improvements or projects, such as those related to the Houston Ship Channel. S.B. 1864 seeks to address this issue by clarifying the administration and operation of the Port of Houston Authority.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 1864 amends the Special District Local Laws Code to specify that the Port of Houston Authority of Harris County, Texas, was created and established effective June 6, 1927, for, among other things, the improvement of rivers, bays, creeks, streams, and canals within or adjacent to the authority and the acquisition, purchase, undertaking, construction, maintenance, operation, development, and regulation of certain facilities or aids incident to or necessary to the operation or development of ports or waterways within the authority. The bill specifies that such areas within or adjacent to the authority include the Houston Ship Channel and dredge material management areas, removes language specifying that the authority to take such actions with respect to facilities or aids applies to ports or waterways extending to the Gulf of Mexico, and grants the authority certain authority relating to dredge material management area projects. The bill specifies that the renaming of the Harris County Houston Ship Channel Navigation District of Harris County, Texas, to the Port of Houston Authority of Harris County, Texas, the renaming of the Board of Navigation and the Canal Commissioners of the authority to the port commission, and the changing of the title of general manager of the authority to executive director were effective August 30, 1971.

S.B. 1864 expands the authorized uses of specified lands by the authority to include the establishment, improvement, and conduct of a ship channel and provides for the leasing of facilities and for the construction of structures on specified lands under a lease granted by the authority. The bill authorizes certain authority obligations to be payable from and secured by the pledge of revenues from the operation of the improvements and facilities improved with the proceeds of the sale of the obligations. The bill removes the authority of the authority to adopt plans for the construction or refinancing of grain elevators and instead authorizes the authority to adopt plans for the construction or refinancing of a facility. The bill provides an exception as provided by general statutory provisions governing navigation districts to the requirement that a

contract, lease, or agreement entered into by the authority be approved by action of the port commission. The bill revises and updates provisions governing the authority, including provisions relating to the tax assessor-collector of Harris County who is charged with the assessment of all property for taxation within the authority, provisions relating to the county treasurer of Harris County acting as treasurer of the authority, certain references to an executive director, and provisions relating to certain emergency services. The bill removes the requirement that authority traffic control facilities be financed out of available revenue and removes the prohibition against such facilities utilizing bond revenue funds.

S.B. 1864 authorizes the chair of the port commission to designate an officer or employee of the authority to serve on behalf of the chair as a director of a freight rail district. The bill expands the exceptions to the port commission's expense policy prohibition against the use of authority funds for a meal for a port commissioner or an authority employee to include a meal that is part of a ceremonial function with outside parties, an employee training program, or an event with the purpose of employee recognition, seasonal celebration, or building morale.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.