

**SUBJECT:** Extending the maximum length of a franchise granted by a port

**COMMITTEE:** Transportation — committee substitute recommended

**VOTE:** 10 ayes — Morrison, Martinez, Burkett, Y. Davis, Goldman, Israel, Phillips, Pickett, E. Thompson, Wray

0 nays

3 absent — Minjarez, Simmons, S. Thompson

**SENATE VOTE:** On final passage, April 20 — 31-0

**WITNESSES:** None

**BACKGROUND:** Water Code, secs. 61.164 and 63.178 prohibit ports from granting franchises for longer than 30 years. These sections also require approval of the navigation and canal commissioners and published notice of the franchise before it is granted.

**DIGEST:** CSSB 1129 would provide that a port authority could grant a franchise for up to 50 years. The bill also would specify how the effective date of the franchise would be tied to the timing of commissioners meetings and dates of notice publication.

The bill would take effect September 1, 2017.

**SUPPORTERS SAY:** CSSB 1129 would relieve a ministerial burden from the Port of Corpus Christi Authority, which currently is required to grant franchises to certain landowners with property on the channel. Because there are many landowners, this creates an administrative burden on the port authority even though the franchises last for 30 years. This bill would lighten that burden by allowing the length of the franchises to be extended to 50 years, meaning that there would be fewer renewals. The bill also would clarify certain provisions about notices prior to a franchise becoming effective.

OPPONENTS  
SAY: No apparent opposition.

NOTES: CSSB 1129 differs from the Senate-passed version in that the committee substitute would extend the bill's provisions to port authorities operating under Water Code, ch. 63.

The companion bill, HB 2593 by Herrero, was reported favorably by the House Transportation Committee on May 2.