

## **BILL ANALYSIS**

Senate Research Center  
76R7428 WP-F

S.B. 1665  
By: Lindsay  
Natural Resources  
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As Filed

### **DIGEST**

The Port of Houston Authority (PHA), a navigation district and political subdivision of the state, manages the public port facilities along the Houston Ship Channel. The Port of Galveston (POG) is a separate utility of the City of Galveston and operates the navigation and port facilities owned by that city. At certain times, there have been discussions about cooperative undertakings between PHA and POG, and in recent years PHA has leased from POG certain container facilities in Galveston. S.B. 1665 would authorize PHA to acquire additional facilities of POG on terms not otherwise authorized under current law.

### **PURPOSE**

As proposed, S.B. 1665 regulates the authority of certain navigation districts to acquire land or improvements on land, annex territory, and issue bonds.

### **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 62.107(a), Water Code, to authorize any district created under this chapter to own land or improvements adjacent or accessible to certain navigable water and ports. Authorizes a district to acquire land or improvements from any public or private owner on any terms to which the commission of the district and the property owner agree.

SECTION 2. Amends Chapter 62D, Water Code, by adding Section 62.1071, as follows:

Sec. 62.1071. **ADDITIONAL COMMISSIONERS FOR ACQUISITIONS FROM CERTAIN MUNICIPALITIES.** Requires a district that acquires land or an improvement from a municipality that has a population of more than 35,000 to add one member to its commission. Requires the governing body of the municipality in which the acquired land or improvement is located to appoint the additional commissioner. Requires the governing bodies of all the municipalities jointly to appoint the additional commissioner, if the acquired land or improvement is located in more than one municipality with a population of more than 35,000 and that is located in the same county. Requires the additional commissioner to serve a term as provided by Sections 62.314(c) and (d).

SECTION 3. Amends Chapter 62F, Water Code, by adding Sections 62.209 and 62.210, as follows:

Sec. 62.209. **USE OF BOND PROCEEDS TO ACQUIRE LAND.** Prohibits the district from expending for the acquisition of land or improvement outside of the district's territorial boundaries proceeds of bonds issued by a district that were authorized by the district's voters before the annexation of territory or an acquisition of land or an improvement.

Sec. 62.210. **BOND ISSUANCE AFTER ANNEXATION OF TERRITORY.** Set forth the issuance of bonds after the annexation of territory.

SECTION 4. Amends Sections 62.295 and 62.297, Water Code, as follows:

Sec. 62.295. **ELECTION ORDER.** Authorizes a district to order an annexation election to annex territory without imposing on the territory any part of the bonded debt of the district. Prohibits the

district from imposing a tax on the annexed territory or use tax money collected from the annexed territory for payment of the principal of or interest on bond debt issued by the district before the annexation, unless the voters approve at an annexation election the assumption of the bonded debt. Makes a conforming change.

Sec. 62.297. BALLOTS. Requires the ballot for election to be printed to allow for voting for or against: "Annexation to the navigation district," if the district holds an election to approve the annexation of territory without imposing on the territory a part of the district's bond debt. Makes a conforming change.

SECTION 5. Amends Section 62.314(b)-(d), Water Code, to require the commissioners court of the annexed county to appoint one commissioner who is an elector of and resides in the district, rather than two commissioners, who are electors and reside in the district. Requires the additional commissioner, rather than commission member, to hold office for a term equal to and expiring with the terms of the incumbent commission members. Requires the terms of all commission members to be automatically terminated, at the expiration of the term, rather than terms, of the additional commissioner, rather than commission members.

SECTION 6. Makes Sections 62.314(b)-(d), Water Code, prospective.

SECTION 7. Emergency clause.

Effective date: upon passage.