

BILL ANALYSIS

Senate Research Center
86R12956 SLB-F

H.B. 2565
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Transportation
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Local navigation districts in Senate District 27 have expressed that they are currently subject to outdated statutes under Chapter 63 (Self-Liquidating Navigation Districts), Water Code. This chapter affects the Ports of Brownsville, Mansfield, and San Benito, all of which are located in Senate District 27. H.B. 2565 is a local bill that addresses these concerns by revising and updating Chapter 63, Water Code, to make it consistent with how navigation districts currently operate.

H.B. 2565 amends current law relating to the administration, powers, and duties of self-liquidating navigation districts.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter C, Chapter 63, Water Code, by adding Section 63.1045, as follows:

Sec. 63.1045. EXECUTIVE DIRECTOR. (a) Authorizes a self-liquidating navigation district (district) to employ an executive director of the district. Requires the district, if the district employs an executive director, to prescribe the duties and compensation of the executive director.

(b) Authorizes the duties of an executive director to be performed by a general manager, port director, or chief executive officer.

SECTION 2. Amends Section 63.105, Water Code, to replace references to the board of navigation and canal commissioners (commission) with references to the district.

SECTION 3. Amends Section 63.107, Water Code, to make nonsubstantive change and replace references to the commission with references to the district.

SECTION 4. Amends Section 63.109, Water Code, as follows:

Sec. 63.109. PAYMENT OF COMPENSATION AND EXPENSES. Authorizes the district to draw warrants, issue checks, or use a payment method adopted under Section 60.271 (Selection of Depository) to pay for:

- (1) services;
- (2) the compensation of employees; and
- (3) all expenses incident and relating to the district.

Deletes existing text authorizing the commission to draw warrants to pay for legal services, for the salaries of the engineer, his assistant, or any other employees, and for all expenses incident and relating to the district.

SECTION 5. Amends the heading to Section 63.175, Water Code, to read as follows:

Sec. 63.175. SUPERVISION OF WORK.

SECTION 6. Amends Section 63.175(a), Water Code, to require all work contracted for by the district, unless done under the supervision of the United States, to be done under the supervision of a representative of the district, rather than requiring all work contracted for by the commission, unless done under the supervision of the United States, to be done under the supervision of the district engineer.

SECTION 7. Amends Sections 63.176(a) and (b), Water Code, as follows:

(a) Requires a representative of the district to inspect the work being done during its progress, and requires the district, on completion of the contract, to draw a warrant on the district depository or issue a check in favor of the contractor or the contractor's assignee for the amount of the contract price, rather than requiring the commission to inspect the work being done during its progress, and requiring the commission, on completion of the contract, to draw a warrant on the district depository in favor of the contractor or his assignee for the amount of the contract price. Requires the warrant or check to be paid from the construction and maintenance or operating fund, rather than requiring the warrant to be paid from the construction and maintenance fund.

(b) Makes conforming and nonsubstantive changes. Prohibits partial payments from being more in the aggregate than the amount allowed under applicable laws, rather than prohibiting partial payments from being more in the aggregate than 90 percent of the contract price of the total amount of work done under the contract. Requires the amount of the work shall be shown by a certificate of a representative of the district, rather than requiring the amount of the work to be shown by a certificate of the engineer.

SECTION 8. Amends Subchapter D, Chapter 63, Water Code, by adding Section 63.184, as follows:

Sec. 63.184. DISPOSITION OF SALVAGE OR SURPLUS PROPERTY. Authorizes the commission to authorize the executive director or the executive director's designee to sell, destroy, donate, or otherwise dispose of the district's surplus or salvage personal property by any method the executive director or the executive director's designee determines is in the best interest of the district.

SECTION 9. Repealer: Section 63.175(b) (relating to requiring the engineer to make a detailed report to the commission containing certain information), Water Code.

SECTION 10. Effective date: upon passage or September 1, 2019.