

By: Alvarado, et al.  
(Canales)

S.B. No. 1774

Substitute the following for S.B. No. 1774:

By: Martinez

C.S.S.B. No. 1774

A BILL TO BE ENTITLED

AN ACT

relating to the conveyance of certain real property by certain navigation districts.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter C, Chapter 60, Water Code, is amended by adding Section 60.0381 to read as follows:

Sec. 60.0381. CONVEYANCE OF LAND BY CERTAIN NAVIGATION DISTRICTS. (a) This section applies only to:

(1) a district that controls a ship channel or waterway that is the subject of a project that has been authorized or modified by the United States Congress in the Water Resources Development Act of 2016 (Pub. L. No. 114-322, Title I, 130 Stat. 1632) or the Water Resources Development Act of 2020 (Pub. L. No. 116-260, Div. AA, 134 Stat. 2615); and

(2) a lease entered into before the effective date of the Act enacting this section.

(b) Notwithstanding any other provision of law, including Section 5007.004, Special District Local Laws Code, to the extent that a district has entered into a surface lease with an original term of at least 20 years, the district may sell the land, improvements, easements, and any other interests in the real property or any part of the real property to the surface lease counterparty according to this section. The land, improvements, easements, and any other interests in real property may be conveyed

1 by the district to the surface lease counterparty, without  
2 complying with the notice and bidding or other requirements of  
3 Sections 60.040-60.042. The sale must be:

- 4 (1) approved by the port commission;  
5 (2) executed by the chair of the port commission;  
6 (3) attested by the executive director of the  
7 district; and

8 (4) made for an amount that is not less than the  
9 reasonable market value of the land, improvements paid for by the  
10 district, easements, or other interest in real property, as  
11 applicable, at the time of contracting for the sale.

12 (c) Money received from the sale of real property as  
13 described by this section in excess of the sum of the reasonable  
14 market value of the property and the amount of rent due for the  
15 unexpired term of the surface lease may be used only for the purpose  
16 of a project that has been authorized or modified by the United  
17 States Congress in the Water Resources Development Act of 2016  
18 (Pub. L. No. 114-322, Title I, 130 Stat. 1632) or the Water  
19 Resources Development Act of 2020 (Pub. L. No. 116-260, Div. AA, 134  
20 Stat. 2615).

21 (d) A district may not sell land under this section to an  
22 entity that presents an undue security or safety risk to this state  
23 because of potential sabotage to or subversion of the integrity,  
24 operation, or maintenance of a ship channel or waterway of this  
25 state.

26 SECTION 2. This Act takes effect immediately if it receives  
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this  
2 Act does not receive the vote necessary for immediate effect, this  
3 Act takes effect September 1, 2021.