

1-1 By: Alvarado, et al. S.B. No. 1774
 1-2 (In the Senate - Filed March 12, 2021; March 26, 2021, read
 1-3 first time and referred to Select Committee on Ports;
 1-4 April 13, 2021, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 6, Nays 0; April 13, 2021,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12			X	
1-13	X			
1-14	X			
1-15	X			

1-16 COMMITTEE SUBSTITUTE FOR S.B. No. 1774 By: Lucio

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the conveyance of certain real property by certain
 1-20 navigation districts.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subchapter C, Chapter 60, Water Code, is amended
 1-23 by adding Section 60.0381 to read as follows:

1-24 Sec. 60.0381. CONVEYANCE OF LAND BY CERTAIN NAVIGATION
 1-25 DISTRICTS. (a) This section applies only to:

1-26 (1) a district that controls a ship channel or
 1-27 waterway that is the subject of a project that has been authorized
 1-28 or modified by the United States Congress in the Water Resources
 1-29 Development Act of 2016 (Pub. L. No. 114-322, Title I, 130 Stat.
 1-30 1632) or the Water Resources Development Act of 2020 (Pub. L. No.
 1-31 116-260, Div. AA, 134 Stat. 2615); and

1-32 (2) a lease entered into before the effective date of
 1-33 the Act enacting this section.

1-34 (b) Notwithstanding any other provision of law, including
 1-35 Section 5007.004, Special District Local Laws Code, to the extent
 1-36 that a district has entered into a surface lease with an original
 1-37 term of at least 20 years, the district may sell the land,
 1-38 improvements, easements, and any other interests in the real
 1-39 property or any part of the real property to the surface lease
 1-40 counterparty according to this section. The land, improvements,
 1-41 easements, and any other interests in real property may be conveyed
 1-42 by the district to the surface lease counterparty, without
 1-43 complying with the notice and bidding or other requirements of
 1-44 Sections 60.040-60.042. The sale must be:

1-45 (1) approved by the port commission;

1-46 (2) executed by the chair of the port commission;

1-47 (3) attested by the executive director of the
 1-48 district; and

1-49 (4) made for an amount that is not less than the
 1-50 reasonable market value of the land, improvements paid for by the
 1-51 district, easements, or other interest in real property, as
 1-52 applicable, at the time of contracting for the sale.

1-53 (c) Money received from the sale of real property as
 1-54 described by this section in excess of the sum of the reasonable
 1-55 market value of the property and the amount of rent due for the
 1-56 unexpired term of the surface lease may be used only for the purpose
 1-57 of a project that has been authorized or modified by the United
 1-58 States Congress in the Water Resources Development Act of 2016
 1-59 (Pub. L. No. 114-322, Title I, 130 Stat. 1632) or the Water
 1-60 Resources Development Act of 2020 (Pub. L. No. 116-260, Div. AA, 134

2-1 Stat. 2615).

2-2 SECTION 2. This Act takes effect immediately if it receives
2-3 a vote of two-thirds of all the members elected to each house, as
2-4 provided by Section 39, Article III, Texas Constitution. If this
2-5 Act does not receive the vote necessary for immediate effect, this
2-6 Act takes effect September 1, 2021.

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