By: Lucio

S.B. No. 1025

## A BILL TO BE ENTITLED

1	AN ACT
2	relating to the funding of port security, transportation, and
3	facility projects and port studies and to the port authority
4	advisory committee.
5	BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
6	SECTION 1. The heading to Chapter 55, Transportation Code,
7	is amended to read as follows:
8	CHAPTER 55. FUNDING OF PORT SECURITY, PROJECTS, AND STUDIES
9	[TEXAS PORT TRANSPORTATION AND ECONOMIC DEVELOPMENT FUNDING]
10	SECTION 2. Section 55.001, Transportation Code, is amended
11	to read as follows:
12	Sec. 55.001. DEFINITIONS. In this chapter:
13	(1) "Commission" means the Texas Transportation
14	Commission.
15	(2) "Committee" means the [ <del>Texas</del> ] Port <u>Authority</u>
16	[ <del>Transportation and Economic Development</del> ] Advisory Committee.
17	(3) $[(2)]$ "Department" means the Texas Department of
18	Transportation [Economic Development].
19	(4) [(3)] "Fund" means the port access account fund.
20	(5) [ <del>(4)</del> ] "Port <u>security</u> , transportation <u></u> , or facility
21	project" means a project that is necessary or convenient for the
22	proper operation of a port <u>and</u> that will improve the <u>security</u> ,
23	movement, and intermodal transportation of cargo or passengers in
24	commerce and trade.

SECTION 3. Section 55.002, Transportation Code, is amended
to read as follows:

3 Sec. 55.002. [TEXAS] PORT [TRANSPORTATION AND ECONOMIC]
4 DEVELOPMENT FUNDING. (a) From [Using only] money in the fund, the
5 department shall fund:

6 (1) port <u>security</u>, transportation, or facility 7 projects; and [<del>or</del>]

8

(2) port studies.

9 (b) The department may not fund a port <u>security</u>, 10 transportation, or facility project unless an amount at least equal 11 to the amount provided by the department is invested in <u>the</u> [<del>a</del>] 12 project by a port authority or navigation district.

13 (c) Port <u>security</u>, transportation, or facility projects 14 eligible for funding under this chapter include:

15 (1) construction or improvement of transportation16 facilities within the jurisdiction of a port;

17 (2) the dredging or deepening of channels, turning18 basins, or harbors;

(3) the construction or improvement of wharves, docks,
structures, jetties, piers, storage facilities, cruise terminals,
or any facilities necessary or useful in connection with port
transportation or economic development;

23 (4) <u>the construction or improvement of facilities</u> 24 <u>necessary or useful in providing port security;</u>

25 <u>(5)</u> the acquisition of container cranes or other 26 mechanized equipment used in the movement of cargo or passengers in 27 international commerce;

S.B. No. 1025 (6)  $\left[\frac{(5)}{(5)}\right]$  the acquisition of land to be used for port 1 2 purposes; 3 (7) [(6)] the acquisition, improvement, enlargement, or extension of existing port facilities; and 4 5 (8) [(7)] environmental protection projects that: 6 (A) are required as a condition of a state, 7 federal, or local environmental permit or other form of [state] 8 approval; 9 (B) are necessary for the acquisition of spoil disposal sites and improvements to existing and future spoil sites; 10 11 or [that] result from the undertaking 12 (C) of 13 eligible projects. The department, in consultation with the committee, 14 (d) 15 shall review the list of projects recommended by the committee to 16 evaluate the economic benefit of each project. The commission after receiving recommendations from 17 [department], [in consultation with] the committee and from the department, shall 18 approve projects or studies for funding based on its review. 19 20 SECTION 4. Section 55.004, Transportation Code, is amended to read as follows: 21 22 Sec. 55.004. AUDIT. The department may subject a project that receives money under this chapter to a final audit. 23 [<del>The</del> department may adopt rules and perform other acts necessary or 24 25 convenient to ensure that the final audits are conducted and that 26 any deficiency or questioned costs noted by the audit are 27 resolved.]

SECTION 5. Section 55.006, Transportation Code, is amended 1 2 to read as follows: Sec. 55.006. [TEXAS] PORT AUTHORITY [TRANSPORTATION AND 3 ECONOMIC DEVELOPMENT] ADVISORY COMMITTEE. 4 (a) The committee [Texas Port Transportation and Economic Development Advisory 5 6 Committee] consists of seven members appointed by the commission. The members shall be appointed as follows: 7 one at large member [a member of the governing body 8 (1)9 of each of the ports that are members of the Texas Ports Association or their designees]; [and] 10 three members who represent ports on the upper 11 (2) Texas coast; and [as a nonvoting member, the executive director 12 or the designee of the department] 13 14 (3) three members who represent ports on the lower 15 Texas coast. 16 (b) A committee member serves at the pleasure of the commission [The committee shall develop bylaws under which it 17 operates. The bylaws must specify the procedure by which the 18 presiding officer of the committee is elected. A majority of voting 19 members constitutes a quorum sufficient to conduct meetings and 20 business of the committee. A vote of the majority of the voting 21 members present is sufficient for any action of the committee, 22 unless the bylaws of the committee require a greater vote for a 23 particular action]. 24 25 (c) [The committee shall meet at the call of its presiding officer, at the request of a majority of its membership, or at times 26

prescribed in its bylaws.] The committee must meet at least 27

semiannually. 1 2 (d) A member is not entitled to compensation for service on the committee but is entitled to reimbursement for reasonable 3 expenses the member incurs in performing committee duties. 4 5 Section [Sections] 2110.002 [and 2110.008], Government (e) 6 Code, does [do] not apply to the committee. 7 SECTION 6. Section 55.007, Transportation Code, is amended to read as follows: 8 Sec. 55.007. DUTIES OF COMMITTEE. The committee shall: 9 10 prepare a port mission plan; (1)review each project eligible to be funded under 11 (2) this chapter and make recommendations for approval or disapproval 12 13 to the department; (3) maintain trade data information that will assist 14 15 ports in this state and international trade; 16 (4) annually prepare a list of projects that have been 17 recommended by the committee, including: 18 (A) the recommended funding level for each project; and 19 if staged implementation of the project is 20 (B) appropriate, the funding requirements for each stage; and 21 22 advise the commission and the department on (5) matters relating to port authorities [adopt rules for evaluating 23 projects that may be funded under this chapter, providing criteria 24 25 for the evaluation of the economic benefit of the project, measured by the potential for the proposed project to increase: 26 27 [(A) cargo flow;

1       [H] eruise passenger movement;         2       [G] international commerce;         3       [H] port revenues; and         4       [H] the number of jobs for the port's list         5       community].         6       SECTION 7. Section 55.008, Transportation Code, is and         7       to read as follows:         8       Sec. 55.008. CAPITAL PROGRAM. (a) The committee s         9       prepare a two-year port capital program defining the goals         10       objectives of the committee concerning the development of         11       facilities and an intermodal transportation system. The         12       capital program must include projects or studies submitted to         13       committee by any [each] port [that is a member of the committee.         14       recommendations for:         15       (1) the construction of transportation facilitie         16       connecting any port to another transportation mode; and         17       (2) the efficient, cost-effective development         18       transportation facilities or port facilities for the purpose of         19       (A) enhancing international trade;         20       (B) enhancing security;         21       (C) promoting cargo flow;         22       (D) [(H)] increasing port reven		
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1	February 1 of each year to:
2	(1) the governor;
3	(2) the lieutenant governor;
4	(3) the speaker of the house of representatives; and
5	(4) the commission [department].
6	SECTION 8. Chapter 55, Transportation Code, is amended by
7	adding Section 55.009 to read as follows:
8	Sec. 55.009. RULES. The commission shall adopt rules to
9	implement this chapter.
10	SECTION 9. Chapter 53, Transportation Code, is repealed.
11	SECTION 10. This Act takes effect immediately if it
12	receives a vote of two-thirds of all the members elected to each
13	house, as provided by Section 39, Article III, Texas Constitution.
14	If this Act does not receive the vote necessary for immediate
15	effect, this Act takes effect September 1, 2003.