

## **BILL ANALYSIS**

H.B. 386  
By: Callegari  
Government Reform  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

During the 1970's, Texas explored the possibility of developing a deepwater port for the import of oil from deep-draft supertankers. After a private effort to develop a deepwater port failed, the Legislature authorized the creation of the Texas Deepwater Port Authority. The Authority was authorized to issue bonds for the development of a deepwater port, and was granted broad powers, including the power of eminent domain, to develop necessary facilities.

The economic and international turmoil of the late 1970's quickly eroded interest in the Authority. Rising interest rates coupled with an international oil crisis diminished oil companies' interest in a deepwater port in Texas. In the absence of the necessary interest, and financial backing for the bonds needed, the Texas Deepwater Port Authority ceased operation. Records at the Texas State Archives indicate that the Authority's last board meeting occurred over 20 years ago.

House Bill 386 repeals the chapter of the Water Code creating the Texas Deepwater Port Authority, which is no longer functioning.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

The bill repeals Chapter 19 of the Water Code creating the Texas Deepwater Port Authority.

### **EFFECTIVE DATE**

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.