

## **BILL ANALYSIS**

H.B. 2760  
By: Eiland  
Transportation  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Current law makes clear that a city has certain enumerated powers with respect to its port improvements and facilities, and provides that in matters not governed by the law creating a board of trustees the board is governed by the same rules applicable to the city, but current law does not explicitly enumerate certain powers that may be exercised by a board.

HB 2760 can be described as addressing four separate areas: (i) clarification of the Port's powers with respect to management and control of its port improvements and facilities, which clarification is deemed necessary because of legal challenges recently made against the Port; (ii) extension of municipal economic development powers to the Port to enable the Port to establish economic development programs, including those to make loans and grants of public money, to promote development and to stimulate business and commercial activity at the Port, powers the Port currently does not have; (iii) modification of the competitive bidding threshold from \$15,000 to \$25,000, which is consistent with a home rule municipality's current statutory authority; and (iv) the addition of validation language applicable specifically to the Port, which is patterned after the validation language currently governing municipalities.

### **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**

SECTION 1 amends Section 54.053 of the Transportation code by adding to (b) a new (11) which would expressly allow a port to engage in port improvements and (12) which would allow ports to exercise all powers of a municipality relating to economic development for the purposes of making grants and loans. It also adds a new (c) clarifying the Board's authority with respect to the port improvements and facilities under its management and control, and (d) emphasizing that the Board's powers are governmental in nature and exercised for a public purpose.

SECTION 2 amends Section 54.054(a) of the Transportation code which increases the competitive bidding requirement from \$15,000 to \$25,000.

SECTION 3 amends Subchapter B, Chapter 54 by adding Section 54.056 which creates a validation statute for the Board.

SECTION 4 is the effective date of September 1, 2007

### **EFFECTIVE DATE**

September 1, 2007.