### **BILL ANALYSIS**

Senate Research Center 82R2789 JXC-D

H.B. 699 By: Deshotel (Lucio) International Relations & Trade 4/15/2011 Engrossed

#### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, the Port Authority Advisory Committee advises the state on issues relating to ports. In practice, some of the committee's duties specified in the law have proven to be inappropriate and unnecessary. At the time the original law was enacted, the term port was generally understood to refer to facilities serving waterborne commerce. In the intervening years, the definition of port has expanded to include other types of facilities, such as ports of entry, inland ports, air cargo facilities, and intermodal terminals located hundreds of miles from the nearest ocean.

H.B. 699 clarifies that the term port refers to ocean ports by inserting the term maritime before the word port in provisions relating to port security, transportation, or facility projects and related studies and to the composition of the Port Authority Advisory Committee. The bill specifies that the committee consists of certain members who represent maritime ports and removes from the duties of the committee the requirement to maintain trade data. The bill requires the committee to prepare a biennial information report and repeals a provision requiring the committee to prepare and annually update a port capital program.

H.B. 699 amends current law relating to the Port Authority Advisory Committee and funding of port security, transportation, and facility projects and port studies.

#### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 2 (Section 55.002, Transportation Code) of this bill.

# **SECTION BY SECTION ANALYSIS**

- SECTION 1. Amends Section 55.001(5), Transportation Code, to redefine "port security, transportation, or facility project."
- SECTION 2. Amends Section 55.002(b), Transportation Code, as follows:
  - (b) Authorizes the Texas Transportation Commission (TTC) by rule to establish matching fund requirements for receiving money from the fund. Deletes existing text prohibiting the Texas Department of Transportation (TxDOT) from funding a port security, transportation, or facility project unless an amount at least equal to the amount provided by TxDOT is invested in the project by a port authority or navigation district.
- SECTION 3. Amends Section 55.006(a), Transportation Code, as follows:
  - (a) Provides that the Port Authority Advisory Committee (committee) consists of seven members appointed by TTC. Requires the members to be appointed as follows:
    - (1) one member from the Port of Houston Authority;
    - (2) three members who represent maritime ports on the upper Texas coast; and
    - (3) three members who represent maritime ports on the lower Texas coast.

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## SECTION 4. Amends Section 55.007, Transportation Code, as follows:

Sec. 55.007. DUTIES OF COMMITTEE. (a) Requires the committee to:

- (1) prepare a maritime port mission plan;
- (2) review each project eligible to be funded under this chapter and make recommendations for approval or disapproval to TxDOT;
- (3) not later than December 1 of each even-numbered year, prepare and submit to TTC a report for distribution to the governor, the lieutenant governor, and the speaker of the house of representatives on the state of maritime ports in this state, including:
  - (A) information regarding types of cargo passing through maritime ports;
  - (B) information regarding employment at maritime ports;
  - (C) information regarding tax revenues from maritime port activities;
  - (D) any other information on the economic impact of port activities that the committee considers relevant; and
  - (E) a list of projects that have been recommended by TTC, including the recommended funding level for each project, and if staged implementation of the project is appropriate, the funding requirements for each stage; and
- (4) advise TTC and TxDOT on matters relating to port authorities.

Deletes existing text requiring the committee to maintain trade data information that will assist ports in this state and international trade. Makes nonsubstantive changes.

SECTION 5. Repealer: Section 55.008 (Capital Program), Transportation Code.

SECTION 6. Effective date: September 1, 2011.

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