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1-1 By: Deshotel (Senate Sponsor - Lucio)
1-2 (In the Senate - Received from the House March 31, 2011;
1-3 April 4, 2011, read first time and referred to Committee on
1-4 International Relations and Trade; April 26, 2011, reported
1-5 adversely, with favorable Committee Substitute by the following
1-6 vote: Yeas 7, Nays 0; April 26, 2011, sent to printer.)
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1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 699 By: Rodriguez

1-8 A BILL TO BE ENTITLED AN ACT

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1-10 relating to the funding of port security, facility projects, and 1-11 port studies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 55.001(5), Transportation Code, is amended to read as follows:

(5) "Port security, transportation, or facility project" means a project that is necessary or convenient for the proper operation of a <u>maritime</u> port and that will improve the security, movement, and intermodal transportation of cargo or passengers in commerce and trade.

SECTION 2. Sections 55.002(a), (b), and (c), Transportation Code, are amended to read as follows:

- (a) From money in the fund, the department shall fund:
- (1) port security, transportation, or facility projects; and

(2) <u>maritime</u> port studies.

- (b) The commission by rule may establish matching fund requirements for receiving money from the fund [department may not fund a port security, transportation, or facility project unless an amount at least equal to the amount provided by the department is invested in the project by a port authority or navigation district].
- (c) Port security, transportation, or facility projects eligible for funding under this chapter include:
- (1) construction or improvement of transportation facilities within the jurisdiction of a  $\underline{\text{maritime}}$  port;
- (2) the dredging or deepening of channels, turning 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  $\underline{\text{maritime}}$  port transportation or economic development;
- (4) the construction or improvement of facilities necessary or useful in providing  $\underline{\text{maritime}}$  port security;
- (5) the acquisition of container cranes or other mechanized equipment used in the movement of cargo or passengers in international commerce;
- (6) the acquisition of land to be used for  $\underline{\text{maritime}}$  port purposes;
- (7) the acquisition, improvement, enlargement, or extension of existing  $\underline{\text{maritime}}$  port facilities; and

(8) environmental protection projects that:

- (A) are required as a condition of a state, federal, or local environmental permit or other form of approval;
- (B) are necessary for the acquisition of spoil disposal sites and improvements to existing and future spoil sites; or
- (C) result from the undertaking of eligible projects.

1-58 projects.
1-59 SECTION 3. Section 55.005(c), Transportation Code, is
1-60 amended to read as follows:

1-61 (c) Money in the fund may be appropriated only to the 1-62 department to perform the department's powers and duties concerning 1-63 maritime port transportation and economic development under this

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chapter and to pay the department's expenses incurred under this 2-1 2-2 chapter.

SECTION 4. Section 55.006(a), Transportation amended to read as follows:

- (a) The committee consists of seven members appointed by the commission. The members shall be appointed as follows:
  - (1)one member from the Port of Houston Authority;
- three members who represent maritime ports on the (2) upper Texas coast; and
- three members who represent <u>mar</u>itime ports on the (3) lower Texas coast.

SECTION 5. Section 55.007, Transportation Code, is amended to read as follows:

Sec. 55.007. DUTIES OF COMMITTEE. (a) The committee shall:

prepare a maritime port mission plan;

review each project eligible to be funded under (2) this chapter and make recommendations for approval or disapproval to the department;

every two years [maintain trade data information (3) assist ports in this state and international trade;
[(4) annually] prepare a report on Texas ma

[(4) annually] prepare a report on Texas maritime with a list of projects that have been recommended by the committee, including:

> (A) the recommended funding level for each

project; and if staged implementation of the project is appropriate, the funding requirements for each stage; and

(4) [(5)] advise the commission and the department on matters relating to port authorities.

(b) The committee shall update the report on Texas maritime ports and shall submit the report not later than December 1 of each even-numbered year to the commission for distribution to:

(1) the governor;

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(2) the lieutenant governor; and
(3) the speaker of the house of representatives.
SECTION 6. Section 55.008, Transportation Code, is amended to read as follows:

Sec. 55.008. CAPITAL PROGRAM. (a) The committee shall prepare a two-year port capital program defining the goals and objectives of the committee concerning the development of maritime port facilities and an intermodal transportation system. The port capital program must include projects or studies submitted to the committee by any maritime port and recommendations for:

(1)the construction of transportation facilities connecting any maritime port to another transportation mode; and

- (2) the efficient, cost-effective development of transportation facilities or maritime port facilities for the purpose of:
  - (A) enhancing international trade;
  - enhancing security; (B)
  - (C) promoting cargo flow;
  - (D) increasing cruise passenger movements;
- (E) increasing <u>maritime</u> port revenues; and
  (F) providing economic benefits to the state.
  The committee shall update the port capital program (h) [annually] and shall submit the capital program not later than December [February] 1 of each even-numbered year to:

(1)the governor;

- the lieutenant governor; (2)
- the speaker of the house of representatives; and (3)

(4)the commission.

SECTION 7. This Act takes effect September 1, 2011.

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