

By: Smith of Harris, Callegari

H.B. No. 2770

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of navigation districts, port authorities, and certain municipalities.

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

SECTION 1. Subchapter D, Chapter 551, Government Code, is amended by adding Section 551.090 to read as follows:

Sec. 551.090. DELIBERATION REGARDING CERTAIN NEGOTIATIONS AND PROPOSED CHANGES TO FACILITIES OR SERVICES; CLOSED MEETING.

This chapter does not require a navigation district, port authority, or board of trustees under Chapter 54, Transportation Code, to conduct an open meeting to deliberate about information relating to:

(1) a bid, proposal, or contract for goods or services under negotiation, if disclosure of the information would have a detrimental effect on the position of the navigation district, port authority, or board of trustees under Chapter 54, Transportation Code, in negotiations with a third person; or

(2) proposed changes to facilities or services of the navigation district, port authority, or board of trustees under Chapter 54, Transportation Code.

SECTION 2. Sections 271.181(2) and (6), Local Government Code, are amended to read as follows:

(2) "Civil works project" means:

(A) roads, streets, bridges, utilities, water

1 supply projects, water plants, wastewater plants, water  
2 distribution and wastewater conveyance facilities, desalination  
3 projects, wharves, docks, navigation channels, dredge material  
4 placement areas, airport runways and taxiways, storm drainage and  
5 flood control projects, or transit projects;

6 (B) types of projects or facilities related to  
7 those described by Paragraph (A) and associated with civil  
8 engineering construction; and

9 (C) buildings or structures that are incidental  
10 to projects or facilities that are described by Paragraphs (A) and  
11 (B) and that are primarily civil engineering construction projects.

12 (6) "Local governmental entity" means a municipality,  
13 a county, a river authority, a defense base development authority  
14 established under Chapter 379B, a board of trustees under Chapter  
15 54, Transportation Code, a municipally owned water utility with a  
16 separate governing board appointed by the governing body of a  
17 municipality, or any other special district or authority authorized  
18 by law to enter into a public works contract for a civil works  
19 project. The term does not include a regional tollway authority  
20 created under Chapter 366, Transportation Code, a regional mobility  
21 authority created under Chapter 370, Transportation Code, or a  
22 water district or authority created under Section 52, Article III,  
23 or Section 59, Article XVI, Texas Constitution, with a population  
24 of less than 50,000.

25 SECTION 3. Section 271.182, Local Government Code, as  
26 amended by Chapters 135 (S.B. 1047) and 725 (S.B. 229), Acts of the  
27 81st Legislature, Regular Session, 2009, is reenacted and amended

1 to read as follows:

2           Sec. 271.182. APPLICABILITY. (a) This subchapter applies  
3 to:

4           (1) a local governmental entity with a population of  
5 more than 100,000 within its geographic boundaries or service area;

6           (2) a board of trustees under Chapter 54,  
7 Transportation Code; and

8           (3) [~~.(c) This subchapter applies to~~] a municipally  
9 owned combined electric, water, and wastewater utility situated in  
10 an economically distressed area and located within 30 miles of the  
11 Lower Texas Gulf Coast.

12           (b) For purposes of Subsection (a), [~~For this subchapter,~~]  
13 "combined" means that the utilities are managed and controlled by  
14 one board whose members are appointed by the governing body of the  
15 municipality and that the financing of capital improvements is  
16 secured from the revenue [~~revenues~~] of all three utilities.

17           SECTION 4. Sections 271.186(a) and (b), Local Government  
18 Code, are amended to read as follows:

19           (a) During the first four years that this subchapter applies  
20 to a local governmental entity under Section 271.182:

21           (1) a local governmental entity with a population of  
22 500,000 or more may, under this subchapter, enter into contracts  
23 for not more than three projects in any fiscal year;

24           (2) a local governmental entity with a population of  
25 100,000 or more but less than 500,000 or a board of trustees under  
26 Chapter 54, Transportation Code, may, under this subchapter, enter  
27 into contracts for not more than two projects in any fiscal year;

1 and

2 (3) a municipally owned water utility with a separate  
3 governing board appointed by the governing body of a municipality  
4 with a population of 500,000 or more may:

5 (A) independently enter into a contract for not  
6 more than one civil works project in any fiscal year; and

7 (B) enter into contracts for additional civil  
8 works projects in any fiscal year, but not more than the number of  
9 civil works projects prescribed by the limit in Subdivision (1) for  
10 the municipality, provided that:

11 (i) the additional contracts for the civil  
12 works projects entered into by the utility under this paragraph are  
13 allocated to the number of contracts the municipality that appoints  
14 the utility's governing board may enter under Subdivision (1); and

15 (ii) the governing body of the municipality  
16 must approve the contracts.

17 (b) After the period described by Subsection (a):

18 (1) a local governmental entity with a population of  
19 500,000 or more may, under this subchapter, enter into contracts  
20 for not more than six projects in any fiscal year;

21 (2) a local governmental entity with a population of  
22 100,000 or more but less than 500,000 or a board of trustees under  
23 Chapter 54, Transportation Code, may, under this subchapter, enter  
24 into contracts for not more than four projects in any fiscal year;  
25 and

26 (3) a municipally owned water utility with a separate  
27 governing board appointed by the governing body of a municipality

1 with a population of 500,000 or more may:

2 (A) independently enter into contracts for not  
3 more than two civil works projects in any fiscal year; and

4 (B) enter into contracts for additional civil  
5 works projects in any fiscal year, but not more than the number of  
6 civil works projects prescribed by the limit in Subdivision (1) for  
7 the municipality, provided that:

8 (i) the additional contracts for the civil  
9 works projects entered into by the utility under this paragraph are  
10 allocated to the number of contracts the municipality that appoints  
11 the utility's governing board may enter under Subdivision (1); and

12 (ii) the governing body of the municipality  
13 must approve the contracts.

14 SECTION 5. Section 60.031, Water Code, is amended to read as  
15 follows:

16 Sec. 60.031. APPLICATION OF SUBCHAPTER. (a) The  
17 provisions of this subchapter shall apply to:

18 (1) any district not participating with the United  
19 States in a navigation project; or

20 (2) a district participating with the United States in  
21 a navigation project if the commission by resolution adopts:

22 (A) this subchapter; or

23 (B) sections of this subchapter under which the  
24 district will operate.

25 (b) For the purposes of Subsection (a)(2), a district that  
26 contracts with the United States for a navigation project under  
27 Subchapter F is considered to be participating with the United

1 States in a navigation project while the contract is in effect.

2 SECTION 6. Section 60.038(b), Water Code, is amended to  
3 read as follows:

4 (b) Before a district may sell land, the commission shall  
5 determine by resolution that the land is no longer [~~Land which is~~  
6 ~~sold or leased shall be declared surplus land and shall not be~~]  
7 needed for use by the district in connection with the development of  
8 a navigation project.

9 SECTION 7. Section 60.039, Water Code, is amended to read as  
10 follows:

11 Sec. 60.039. SURFACE LEASE [~~FOR NOT MORE THAN 30 YEARS~~].

12 (a) The commission may lease the surface of land for not more than  
13 30 years by the entry of an order on the minutes of the commission  
14 and the execution of a lease in the manner provided by the original  
15 order. The lease may not be extended beyond the 30-year period by  
16 renewal, extension, or otherwise.

17 (b) The commission or the executive director of the  
18 district, or a person authorized by the commission or the executive  
19 director, may enter into a lease for a monthly tenancy or a tenancy  
20 from month to month. The lease term may only exceed one year if:

- 21 (1) the commission enters an order on the minutes; and  
22 (2) the execution of the lease is in the manner  
23 provided by the original order for the lease.

24 SECTION 8. Subchapter D, Chapter 60, Water Code, is amended  
25 by adding Section 60.0725 to read as follows:

26 Sec. 60.0725. NUISANCES; POLLUTION. The commission may  
27 suppress and prevent nuisances, pollution, and improper disposal of

1 materials on any district property to:

- 2 (1) accomplish the purposes stated in Section 60.071;  
3 (2) protect other district property; or  
4 (3) promote the health, safety, and general welfare of  
5 persons using other district property.

6 SECTION 9. Section 60.101, Water Code, is amended by  
7 amending Subsection (b) and adding Subsections (c) and (d) to read  
8 as follows:

9 (b) To the extent that the district incurs indebtedness,  
10 [~~+~~bonded or otherwise,~~+~~] for purposes of financing the above  
11 facilities which in turn are sold by installment sale or otherwise,  
12 the [~~said~~] indebtedness, principal and interest, may be paid only  
13 from the loan [~~+~~or bond sale~~+~~] proceeds and from revenues  
14 generated from the project financed by the indebtedness, and  
15 security for payment of the principal of and interest on [~~said~~]  
16 indebtedness shall be limited to a pledge of the project's revenues  
17 and the project's facilities including enlargements and additions  
18 [~~thereafter made~~].

19 (c) An installment sale under this section is not a loan of  
20 the district's credit or a grant of public money.

21 (d) A district may contract with a broker to sell a tract of  
22 land in the same manner as the commissioners court of a county under  
23 Section 263.008, Local Government Code.

24 SECTION 10. Section 60.120(a), Water Code, is amended to  
25 read as follows:

26 (a) A district acting under [~~the provisions of~~] this  
27 subchapter may enter into any contract, lease, or agreement

1 necessary or convenient to carry out any of the powers granted in  
2 this subchapter, including a contract for purchase, lease for  
3 purchase, or other agreement for the use or acquisition of real  
4 property, or improvements to real property or the use or  
5 acquisition of personal property. The contract, lease, or  
6 agreement may be entered into with any person and any government or  
7 governmental agency including the United States, ~~and~~ the State of  
8 Texas, and a public facility corporation organized under Chapter  
9 303, Local Government Code.

10 SECTION 11. Subchapter E, Chapter 60, Water Code, is  
11 amended by adding Sections 60.1201, 60.1202, and 60.1203 to read as  
12 follows:

13 Sec. 60.1201. METHOD FOR CONTRACTS TO CONSTRUCT OR ACQUIRE  
14 PROPERTY. The district may use any method provided by Section  
15 60.454 for a contract under this subchapter related to construction  
16 or the acquisition of real property and related personal property,  
17 if the commission determines the method provides the best value for  
18 the district.

19 Sec. 60.1202. CERTAIN CONTRACT PROCEDURES; ELECTION. (a)  
20 A contract may provide that a district will make payment under the  
21 contract from proceeds from the sale of bonds or notes, from taxes,  
22 or from any other district income, including revenue borrowed or  
23 pledged under Section 60.171, or any combination of these.

24 (b) A district may make payments under a contract from taxes  
25 other than maintenance taxes, after the provisions of the contract  
26 have been approved by a majority of the electors voting at an  
27 election held for that purpose.



1       (c) A contract election may be held alone or at the same time  
2 and in conjunction with an election to authorize bonds.

3       (d) The procedure for calling the election, giving notice,  
4 conducting the election, and canvassing the returns is the same as  
5 the procedure for a bond election. If the contract is approved at  
6 the election, it is an obligation against the taxing power of the  
7 district to the extent provided in the contract.

8       Sec. 60.1203. ATTORNEY GENERAL APPROVAL FOR CONTRACTS  
9 SECURED BY TAXES. (a) The district shall submit to the attorney  
10 general for approval any contract, lease, or agreement secured by  
11 tax revenue other than revenue from maintenance taxes.

12       (b) If the attorney general finds that the contract, lease,  
13 or agreement has been entered into in accordance with the law, the  
14 attorney general shall approve the contract, lease, or agreement  
15 and the comptroller shall register it.

16       (c) When the contract, lease, or agreement has been approved  
17 by the attorney general and registered by the comptroller, it is  
18 incontestable except for forgery or fraud.

19       SECTION 12. Subchapter E, Chapter 60, Water Code, is  
20 amended by adding Section 60.124 to read as follows:

21       Sec. 60.124. GIFTS, GRANTS, AND DONATIONS. A district may  
22 accept a gift, grant, donation, or bequest of money or property from  
23 any source for any district purpose.

24       SECTION 13. Section 60.271(f), Water Code, is amended to  
25 read as follows:

26       (f) The district shall adopt payment procedures consistent  
27 with Section 105.074(g), Local Government Code. The designated

1 officer of a district may draw a check on a depository only on a  
2 warrant signed by the presiding officer [~~chairman~~] and attested by  
3 the secretary of the district, or by a procedure adopted under this  
4 section.

5 SECTION 14. Section 60.403, Water Code, is amended by  
6 amending Subsection (c) and adding Subsection (e) to read as  
7 follows:

8 (c) One original, photocopy, or electronic copy of the  
9 purchase order shall be [~~A purchase order must be executed in~~  
10 ~~duplicate with one copy~~] delivered to the person from whom the  
11 purchase is made and one original, photocopy, or electronic copy  
12 shall be retained [~~remaining~~] on file in the district or port  
13 authority in accordance with Subtitle C, Title 6, Local Government  
14 Code.

15 (e) A district may establish an electronic requisition  
16 system to perform some or all of the functions required by  
17 Subsections (b), (c), and (d). An electronic requisition system  
18 established under this subsection must electronically transmit  
19 data to and receive data from the financial system of the district  
20 in a manner that meets professional, regulatory, and statutory  
21 requirements and standards, including those relating to  
22 purchasing, auditing, and accounting.

23 SECTION 15. Section 60.408(h), Water Code, is amended to  
24 read as follows:

25 (h) One original, photocopy, or electronic copy of a [~~A~~]  
26 contract, requisition, or purchase order valued at more than the  
27 amount authorized under Section 60.403(a) for routine purchases or

1 contracts must be [~~issued in duplicate with one copy~~] delivered to  
2 the contractor and one original, photocopy, or electronic copy  
3 shall be retained [~~remaining~~] on file with the district or port  
4 authority in accordance with Subtitle C, Title 6, Local Government  
5 Code.

6 SECTION 16. Chapter 60, Water Code, is amended by adding  
7 Subchapter R to read as follows:

8 SUBCHAPTER R. CHARITABLE CONTRIBUTIONS

9 Sec. 60.551. DEFINITIONS. In this subchapter:

10 (1) "Charitable organization" means an organization  
11 that:

12 (A) is organized for charitable purposes under  
13 Chapter 22, Business Organizations Code, or holds a certificate of  
14 authority issued under that chapter;

15 (B) is exempt from taxation under Section 501(a)  
16 of the Internal Revenue Code of 1986 as an organization described in  
17 Section 501(c)(3) of that code and to which contributions are  
18 deductible for income tax purposes under Section 170 of that code;

19 (C) complies with all applicable federal  
20 nondiscrimination law, including Chapter 21, Title 42, United  
21 States Code;

22 (D) complies with all state statutes and rules  
23 relating to charitable organizations;

24 (E) is not a private foundation; and

25 (F) provides funds or programs for eligible  
26 services that directly or indirectly benefit the recipients.

27 (2) "District employee charitable campaign" means a

1 campaign conducted in communities or areas in which district  
2 employees solicit contributions to an eligible charitable  
3 organization.

4 (3) "Eligible charitable organization" means a  
5 charitable organization eligible to participate in the district  
6 employee charitable campaign as provided by Section 60.561.

7 (4) "Eligible services" means services provided by a  
8 charitable organization that:

9 (A) benefit residents of this state, including  
10 children, youth, adults, elderly individuals, ill or infirm  
11 individuals, or individuals with a mental or physical disability,  
12 and consist of:

13 (i) human care, medical or other research  
14 in the field of human health, education, social adjustment, or  
15 rehabilitation;

16 (ii) relief for victims of natural disaster  
17 or other emergencies; or

18 (iii) assistance to impoverished  
19 individuals in need of food, shelter, clothing, or other basic  
20 needs; or

21 (B) benefit this state, and consist of activities  
22 to:

23 (i) safeguard public health and the  
24 environment; or

25 (ii) help solve environmental problems.

26 (5) "Federation or fund" means a fund-raising entity  
27 that:

- 1           (A) is a charitable organization;  
2           (B) acts as an agent for at least five charitable  
3 organizations;  
4           (C) is not organized exclusively to solicit  
5 contributions from district employees; and  
6           (D) is supported by voluntary contributions by  
7 the public and is:

- 8                   (i) incorporated in this state and has an  
9 established physical presence in this state in the form of an office  
10 or service facility that is staffed at least 20 hours a week; or  
11                   (ii) incorporated outside this state,  
12 includes at least 10 affiliated charitable organizations, and has  
13 existed at least three years.

14           Sec. 60.552. AUTHORIZATION OF CAMPAIGN. (a) The  
15 commission or the executive director of a district may establish a  
16 program in the district to allow district employees to participate  
17 in a charitable campaign as provided by this subchapter.

18           (b) The commission or executive director of a district may  
19 adopt rules relating to the operation of a district employee  
20 charitable campaign as described in this subchapter.

21           Sec. 60.553. DEDUCTION AUTHORIZED. (a) A district  
22 employee may authorize a deduction each pay period from the  
23 employee's salary or wage payment for a charitable contribution as  
24 provided by this subchapter.

25           (b) An authorization must direct the district to distribute  
26 the deducted funds to a participating federation or fund.

27           (c) A deduction under this subchapter must be in the form

1 prescribed by the district.

2 Sec. 60.554. VOLUNTARY PARTICIPATION. (a) Participation  
3 by a district employee in a state employee charitable campaign is  
4 voluntary. The district shall inform district employees that  
5 deductions are voluntary.

6 (b) The district shall adopt rules establishing a process  
7 for hearing employee complaints regarding coercive activity in a  
8 district employee charitable campaign.

9 Sec. 60.555. DESIGNATION OF AN ELIGIBLE CHARITABLE  
10 ORGANIZATION. (a) A district employee may designate in the  
11 authorization an eligible charitable organization to receive the  
12 deductions.

13 (b) If a district employee does not designate an eligible  
14 charitable organization, the employee's deductions shall be  
15 distributed to each participating federation or fund and eligible  
16 local charitable organization in the proportion that the deductions  
17 designated for that charitable organization bear to the total of  
18 designated deductions in the district employee charitable  
19 campaign.

20 Sec. 60.556. CONFIDENTIALITY. (a) Except as necessary to  
21 administer this subchapter or on written authorization of the  
22 employee, the following information is confidential:

23 (1) whether a district employee has authorized a  
24 deduction under this subchapter;

25 (2) the amount of the deduction; and

26 (3) the name of a federation or fund or charitable  
27 organization that a district employee has designated to receive

1 contributions.

2 (b) The designation of a charitable organization by a  
3 district employee is not confidential if the employee executes a  
4 written pledge card or other document indicating that the employee  
5 wishes to receive an acknowledgement from the charitable  
6 organization.

7 (c) The district shall provide notice to district employees  
8 of the confidentiality provisions described by this section.

9 Sec. 60.557. REVOCATION OR CHANGE OF AUTHORIZATION. (a) A  
10 district employee may revoke or change an authorization by giving  
11 notice to the district.

12 (b) The notice must be in the form and manner prescribed by  
13 the district.

14 (c) A revocation or change takes effect on the date  
15 designated by the district, but not later than the 45th day after  
16 the date the district employee gives notice.

17 Sec. 60.558. DURATION OF DEDUCTION. (a) A deduction under  
18 this subchapter begins on the date designated by the district  
19 employee.

20 (b) A deduction under this subchapter, unless revoked or  
21 changed under Section 60.557, ends on the date designated by the  
22 district.

23 Sec. 60.559. FAIR AND EQUITABLE MANAGEMENT OF CAMPAIGN. A  
24 district employee charitable campaign must be managed fairly and  
25 equitably in accordance with this subchapter and the rules,  
26 policies, and procedures established by the district.

27 Sec. 60.560. CAMPAIGN POLICY AND MANAGEMENT. (a) The

1 executive director of the district shall oversee the district  
2 employee charitable campaign and the district's employees who  
3 conduct the campaign.

4 (b) The executive director of the district and employees  
5 designated by the executive director of the district shall:

6 (1) determine the eligibility of a federation or fund  
7 and its affiliated agencies for participation in the district  
8 employee charitable campaign;

9 (2) develop a campaign plan, budget, and materials to  
10 be used in the campaign;

11 (3) coordinate and facilitate the campaign;

12 (4) ensure that all district employee charitable  
13 campaign activities are conducted fairly and equitably to promote  
14 unified solicitation on behalf of all participants; and

15 (5) perform other duties required by rules relating to  
16 the district employee charitable campaign.

17 Sec. 60.561. ELIGIBILITY OF CHARITABLE ORGANIZATIONS,  
18 FEDERATIONS, AND FUNDS FOR PARTICIPATION. (a) To be eligible to  
19 participate in a district employee charitable campaign, a  
20 charitable organization must:

21 (1) be governed by a voluntary board of citizens that  
22 meets at least twice each year to set policy and manage the affairs  
23 of the organization;

24 (2) if the organization's annual budget:

25 (A) does not exceed \$100,000, provide a completed  
26 Internal Revenue Service Form 990 and an accountant's review that  
27 offers full and open disclosure of the organization's internal



1 operations; or

2 (B) exceeds \$100,000, be audited annually in  
3 accordance with generally accepted auditing standards of the  
4 American Institute of Certified Public Accountants; and

5 (3) not spend more than 25 percent of its annual  
6 revenue for administrative and fund-raising expenses.

7 (b) A federation or fund that seeks participation in a  
8 district employee charitable campaign must apply on behalf of  
9 itself and its affiliated agencies to the district during the  
10 eligibility determination period specified by the district. The  
11 district shall review each application and may approve a federation  
12 or fund for statewide participation only if the federation or fund  
13 qualifies as a charitable organization. The district may approve  
14 an affiliated charitable organization for participation only if the  
15 organization qualifies as a charitable organization.

16 (c) The district may use outside expertise and resources  
17 available to it, and rely on a certification of a charitable  
18 organization, or determination of qualification by a statewide  
19 employee charitable campaign under Section 659.146, Government  
20 Code, to assess the eligibility of a charitable organization that  
21 seeks to participate in a district employee charitable campaign.

22 (d) An appeal from a decision of the district shall be  
23 conducted in the manner prescribed by the commission. The appeals  
24 process must permit a charitable organization that is not approved  
25 for participation to apply for participation in a district employee  
26 charitable campaign.

27 Sec. 60.562. FUND-RAISING PRACTICES. The fund-raising

1 practices of a participating charitable organization must:

2 (1) be truthful and consumer-oriented; and

3 (2) protect against:

4 (A) unauthorized use of a list of contributors to  
5 the organization;

6 (B) payment of commissions, kickbacks, finder  
7 fees, percentages, bonuses, or overrides for fund-raising;

8 (C) mailing of unordered merchandise or tickets  
9 with a request for money in return; and

10 (D) general phone solicitation of the public.

11 Sec. 60.563. LIMITATION ON USE OF CONTRIBUTIONS. (a) A  
12 participating charitable organization may use contributions under  
13 this subchapter only to provide eligible services or to fund a  
14 charitable organization that provides eligible services.

15 (b) A participating charitable organization may not use  
16 contributions under this subchapter to:

17 (1) directly or indirectly fund litigation; or

18 (2) make expenditures that would require the  
19 organization to register under Chapter 305, Government Code, if the  
20 organization were not an entity exempt from registration under that  
21 chapter.

22 Sec. 60.564. MISAPPLICATION OF CONTRIBUTIONS; AUDIT. (a)  
23 The district may obtain an audit of any participating charitable  
24 organization that the district reasonably believes has misapplied  
25 contributions under this subchapter.

26 (b) If an audit under this section reveals gross negligence  
27 or intentional misconduct on the part of a participating charitable

1 organization, the district shall remove the charitable  
2 organization from the campaign. A charitable organization removed  
3 under this subsection is not eligible to participate in a district  
4 employee charitable campaign before the fifth anniversary of the  
5 date the charitable organization was removed.

6 (c) If an audit under this section reveals intentional  
7 misconduct on the part of a charitable organization, the district  
8 shall forward its findings to the appropriate law enforcement  
9 agency.

10 (d) The district may bring an action to recover misapplied  
11 contributions.

12 (e) If an investigation or lawsuit results in a recovery of  
13 misapplied contributions and there is not a judgment distributing  
14 the amounts recovered, the district shall determine the manner of  
15 refunding contributions to the appropriate district employees.

16 SECTION 17. Section 61.164(c), Water Code, is amended to  
17 read as follows:

18 (c) No franchise shall be granted until notice [~~after the~~  
19 ~~franchise in its final form~~] is published [~~in full~~] at the expense  
20 of the applicant, once a week for three consecutive weeks in a daily  
21 newspaper of general circulation published inside the district.  
22 For the purposes of this subsection, notice consists of:

23 (1) the text of the franchise in full; or

24 (2) a descriptive caption stating the purpose of the  
25 franchise and the location at which a complete copy of the franchise  
26 may be obtained.

27 SECTION 18. Sections 62.107(a) and (c), Water Code, are

1 amended to read as follows:

2 (a) Any district created under this chapter may acquire by  
3 gift, purchase, or condemnation and may own land adjacent or  
4 accessible to the navigable water and ports developed by it which  
5 may be necessary or required for any and all purposes incident to or  
6 necessary for the development and operation of the navigable water  
7 or ports within the district, or may be necessary or required for or  
8 in aid of the development of industries and businesses on the land.

9 (c) The acquisition of land for the purposes included in  
10 this section and the operation and industrial and business  
11 development of ports and waterways are a public purpose and a matter  
12 of public necessity.

13 SECTION 19. Section 62.122, Water Code, is amended to read  
14 as follows:

15 Sec. 62.122. DISPOSITION OF SALVAGE OR SURPLUS PERSONAL  
16 PROPERTY. (a) Except as provided by Subsection (b), the [~~The~~  
17 commission may periodically dispose of surplus or salvage personal  
18 property in the same manner as the commissioners court of a county  
19 under Subchapter D, Chapter 263, Local Government Code.

20 (b) The commission may authorize the destruction or  
21 disposition of salvage or surplus property as worthless if the  
22 property is so worn, damaged, or obsolete that it has no value for  
23 the purpose for which it was originally intended, and the expense to  
24 the district to attempt to sell the property would be more than the  
25 proceeds from the sale.

26 SECTION 20. Section 63.178(c), Water Code, is amended to  
27 read as follows:

1 (c) Before the franchise is granted, the commission must  
2 approve the franchise by a majority vote at three separate meetings  
3 held at least one week apart and must publish notice. For the  
4 purposes of this subsection, notice must be published [~~the~~  
5 ~~franchise in full,~~] at the expense of the applicant, once a week for  
6 three consecutive weeks in a newspaper published in the district.  
7 The notice must consist of:

8 (1) the text of the franchise in full; or

9 (2) a descriptive caption stating the purpose of the  
10 franchise and the location at which a complete copy of the franchise  
11 may be obtained.

12 SECTION 21. This Act applies only to a contract entered into  
13 on or after the effective date of this Act. A contract entered into  
14 before the effective date of this Act is covered by the law in  
15 effect when the contract was entered into, and the former law is  
16 continued in effect for that purpose.

17 SECTION 22. To the extent of any conflict, this Act prevails  
18 over another Act of the 82nd Legislature, Regular Session, 2011,  
19 relating to nonsubstantive additions to and corrections in enacted  
20 codes.

21 SECTION 23. Section 60.465, Water Code, is repealed.

22 SECTION 24. This Act takes effect immediately if it  
23 receives a vote of two-thirds of all the members elected to each  
24 house, as provided by Section 39, Article III, Texas Constitution.  
25 If this Act does not receive the vote necessary for immediate  
26 effect, this Act takes effect September 1, 2011.