

By: Smith of Harris

H.B. No. 2770

A BILL TO BE ENTITLED

1 AN ACT

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

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

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

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

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

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

18 (2) proposed changes to facilities or services of the  
19 navigation district, port authority, or board of trustees.

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

22 (2) "Civil works project" means:

23 (A) roads, streets, bridges, utilities, water  
24 supply projects, water plants, wastewater plants, water

1 distribution and wastewater conveyance facilities, desalination  
2 projects, wharves, docks, airport runways and taxiways, storm  
3 drainage and flood control projects, or transit projects;

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

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

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

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

27 Sec. 271.182. APPLICABILITY. (a) This subchapter applies

1 to:

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

4 (2) a board of trustees under Chapter 54,  
5 Transportation Code; and

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

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

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

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

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

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

27 (3) a municipally owned water utility with a separate

1 governing board appointed by the governing body of a municipality  
2 with a population of 500,000 or more may:

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

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

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

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

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

16 (1) a local governmental entity with a population of  
17 500,000 or more may, under this subchapter, enter into contracts  
18 for not more than six projects in any fiscal year;

19 (2) a local governmental entity with a population of  
20 100,000 or more but less than 500,000 or a board of trustees under  
21 Chapter 54, Transportation Code, may, under this subchapter, enter  
22 into contracts for not more than four projects in any fiscal year;  
23 and

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

27 (A) independently enter into contracts for not

1 more than two civil works projects in any fiscal year; and

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

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

10 (ii) the governing body of the municipality  
11 must approve the contracts.

12 SECTION 5. Section 60.031, Water Code, is amended to read as  
13 follows:

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

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

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

20 (A) this subchapter; or

21 (B) sections of this subchapter under which the  
22 district will operate.

23 (b) For the purposes of Subsection (a)(2), a district that  
24 contracts with the United States under Subchapter F is considered  
25 to be participating with the United States in a navigation project  
26 while the contract is in effect.

27 SECTION 6. Section 60.038(b), Water Code, is amended to

1 read as follows:

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

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

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

10 (a) The commission may lease the surface of land for not more than  
11 30 years by the entry of an order on the minutes of the commission  
12 and the execution of a lease in the manner provided by the original  
13 order. The lease may not be extended beyond the 30-year period by  
14 renewal, extension, or otherwise.

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

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

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

24 Sec. 60.0725. NUISANCES; POLLUTION. To accomplish the  
25 purposes stated in Section 60.071, the commission may suppress and  
26 prevent nuisances, pollution, and improper disposal of materials on  
27 any district property.

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

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

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

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

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

22 (a) A district acting under [~~the provisions of~~] this  
23 subchapter may enter into any contract, lease, or agreement  
24 necessary or convenient to carry out any of the powers granted in  
25 this subchapter, including a contract for purchase, lease for  
26 purchase, or other agreement for the use or acquisition of real  
27 property, or improvements to real or personal property. The  
contract, lease, or agreement may be entered into with any person

1 and any government or governmental agency including the United  
2 States, ~~and~~ the State of Texas, and a public facility corporation  
3 organized under Chapter 303, Local Government Code.

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

7 Sec. 60.1201. METHOD FOR CONTRACTS TO CONSTRUCT OR ACQUIRE  
8 PROPERTY. The district may use any method provided by Section  
9 60.454 for a contract related to construction or the acquisition of  
10 real property and related personal property, if the commission  
11 determines the method provides the best value for the district.

12 Sec. 60.1202. CERTAIN CONTRACT PROCEDURES; ELECTION. (a)  
13 A contract may provide that a district will make payment under the  
14 contract from proceeds from the sale of bonds or notes, from taxes,  
15 or from any other income of the district or any combination of  
16 these.

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

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

23 (d) The procedure for calling the election, giving notice,  
24 conducting the election, and canvassing the returns is the same as  
25 the procedure for a bond election. If the contract is approved at  
26 the election, it is an obligation against the taxing power of the  
27 district to the extent provided in the contract.



1       Sec. 60.1203. ATTORNEY GENERAL APPROVAL FOR CONTRACTS  
2 SECURED BY TAXES. (a) The district shall submit to the attorney  
3 general for approval any contract, lease, or agreement secured by  
4 tax revenue.

5       (b) If the attorney general finds that the contract, lease,  
6 or agreement has been entered into in accordance with the law, the  
7 attorney general shall approve the contract, lease, or agreement  
8 and the comptroller shall register it.

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

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

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

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

19       (f) The district shall adopt payment procedures consistent  
20 with Section 105.074(g), Local Government Code. The designated  
21 officer of a district may draw a check on a depository only on a  
22 warrant signed by the presiding officer [~~chairman~~] and attested by  
23 the secretary of the district, or by a procedure adopted under this  
24 section.

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

1           (c) One original, photocopy, or electronic copy of the  
2 purchase order shall be [~~A purchase order must be executed in~~  
3 ~~duplicate with one copy~~] delivered to the person from whom the  
4 purchase is made and one original, photocopy, or electronic copy  
5 shall be retained [~~remaining~~] on file in the district or port  
6 authority in accordance with Subtitle C, Title 6, Local Government  
7 Code.

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

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

18           (h) One original, photocopy, or electronic copy of a [~~A~~]  
19 contract, requisition, or purchase order valued at more than the  
20 amount authorized under Section 60.403(a) for routine purchases or  
21 contracts must be [~~issued in duplicate with one copy~~] delivered to  
22 the contractor and one original, photocopy, or electronic copy  
23 shall be retained [~~remaining~~] on file with the district or port  
24 authority in accordance with Subtitle C, Title 6, Local Government  
25 Code.

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

1                   SUBCHAPTER R. CHARITABLE CONTRIBUTIONS

2                   Sec. 60.551. DEFINITIONS. In this subchapter:

3                   (1) "Charitable organization" means an organization  
4 that:

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

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

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

15                   (D) complies with all state statutes and rules  
16 relating to charitable organizations;

17                   (E) is not a private foundation; and

18                   (F) provides funds or programs for health and  
19 human services that directly or indirectly benefit the recipients.

20                   (2) "District employee charitable campaign" means a  
21 campaign conducted in communities or areas in which district  
22 employees solicit contributions to an eligible charitable  
23 organization.

24                   (3) "Eligible charitable organization" means a  
25 charitable organization eligible to participate in the district  
26 employee charitable campaign as provided by Section 60.561.

27                   (4) "Eligible services" means services provided by a

1 charitable organization that:

2 (A) benefit residents of this state, including  
3 children, youth, adults, elderly individuals, ill or infirm  
4 individuals, or individuals with a mental or physical disability,  
5 and consist of:

6 (i) human care, medical or other research  
7 in the field of human health, education, social adjustment, or  
8 rehabilitation;

9 (ii) relief for victims of natural disaster  
10 or other emergencies; or

11 (iii) assistance to impoverished  
12 individuals in need of food, shelter, clothing, or other basic  
13 needs; or

14 (B) benefit this state, and consist of activities  
15 to:

16 (i) safeguard public health and the  
17 environment; or

18 (ii) help solve environmental problems.

19 (5) "Federation or fund" means a fund-raising entity  
20 that:

21 (A) is a charitable organization;

22 (B) acts as an agent for at least five charitable  
23 organizations;

24 (C) is not organized exclusively to solicit  
25 contributions from district employees; and

26 (D) is supported by voluntary contributions by  
27 the public and is:

1 (i) incorporated in this state and has an  
2 established physical presence in this state in the form of an office  
3 or service facility that is staffed at least 20 hours a week; or

4 (ii) incorporated outside this state,  
5 includes at least 10 affiliated charitable organizations, and has  
6 existed at least three years.

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

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

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

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

20 (c) A deduction under this subchapter must be in the form  
21 prescribed by the district.

22 Sec. 60.554. VOLUNTARY PARTICIPATION. (a) Participation  
23 by a district employee in a state employee charitable campaign is  
24 voluntary. The district shall inform district employees that  
25 deductions are voluntary.

26 (b) The district shall adopt rules establishing a process  
27 for hearing employee complaints regarding coercive activity in a

1 district employee charitable campaign.

2 Sec. 60.555. DESIGNATION OF AN ELIGIBLE CHARITABLE  
3 ORGANIZATION. (a) A district employee may designate in the  
4 authorization an eligible charitable organization to receive the  
5 deductions.

6 (b) If a district employee does not designate an eligible  
7 charitable organization, the employee's deductions shall be  
8 distributed to each participating federation or fund and eligible  
9 local charitable organization in the proportion that the deductions  
10 designated for that charitable organization bear to the total of  
11 designated deductions in the district employee charitable  
12 campaign.

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

16 (1) whether a district employee has authorized a  
17 deduction under this subchapter;

18 (2) the amount of the deduction; and

19 (3) the name of a federation or fund or charitable  
20 organization that a district employee has designated to receive  
21 contributions.

22 (b) The designation of a charitable organization by a  
23 district employee is not confidential if the employee executes a  
24 written pledge card or other document indicating that the employee  
25 wishes to receive an acknowledgement from the charitable  
26 organization.

27 (c) The district shall provide notice to district employees

1 of the confidentiality provisions described by this section.

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

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

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

10 Sec. 60.558. DURATION OF DEDUCTION. (a) A deduction under  
11 this subchapter begins on the date designated by the district  
12 employee.

13 (b) A deduction under this subchapter, unless revoked or  
14 changed under Section 60.557, ends on the date designated by the  
15 district.

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

20 Sec. 60.560. CAMPAIGN POLICY AND MANAGEMENT. (a) The  
21 executive director of the district shall oversee the district  
22 employee charitable campaign and the district's employees who  
23 conduct the campaign.

24 (b) The executive director of the district and employees  
25 designated by the executive director of the district shall:

26 (1) determine the eligibility of a federation or fund  
27 and its affiliated agencies for participation in the district

1 employee charitable campaign;

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

4 (3) coordinate and facilitate the campaign;

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

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

10 Sec. 60.561. ELIGIBILITY OF CHARITABLE ORGANIZATIONS,  
11 FEDERATIONS, AND FUNDS FOR PARTICIPATION. (a) To be eligible to  
12 participate in a district employee charitable campaign, a  
13 charitable organization must:

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

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

18 (A) does not exceed \$100,000, provide a completed  
19 Internal Revenue Service Form 990 and an accountant's review that  
20 offers full and open disclosure of the organization's internal  
21 operations; or

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

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

27 (b) A federation or fund that seeks participation in a



1 district employee charitable campaign must apply on behalf of  
2 itself and its affiliated agencies to the district during the  
3 eligibility determination period specified by the district. The  
4 district shall review each application and may approve a federation  
5 or fund for statewide participation only if the federation or fund  
6 qualifies as a charitable organization. The district may approve  
7 an affiliated charitable organization for participation only if the  
8 organization qualifies as a charitable organization.

9 (c) The district may use outside expertise and resources  
10 available to it, and rely on a certification of a charitable  
11 organization, or determination of qualification by a statewide  
12 employee charitable campaign under Section 659.146, Government  
13 Code, to assess the eligibility of a charitable organization that  
14 seeks to participate in a district employee charitable campaign.

15 (d) An appeal from a decision of the district shall be  
16 conducted in the manner prescribed by the commission. The appeals  
17 process must permit a charitable organization that is not approved  
18 for participation to apply for participation in a district employee  
19 charitable campaign.

20 Sec. 60.562. FUND-RAISING PRACTICES. The fund-raising  
21 practices of a participating charitable organization must:

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

23 (2) protect against:

24 (A) unauthorized use of a list of contributors to  
25 the organization;

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

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

3                   (D) general phone solicitation of the public.

4           Sec. 60.563. LIMITATION ON USE OF CONTRIBUTIONS. (a) A  
5 participating charitable organization may use contributions under  
6 this subchapter only to provide eligible services or to fund a  
7 charitable organization that provides eligible services.

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

10                   (1) directly or indirectly fund litigation; or

11                   (2) make expenditures that would require the  
12 organization to register under Chapter 305, Government Code, if the  
13 organization were not an entity exempt from registration under that  
14 chapter.

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

19           (b) If an audit under this section reveals gross negligence  
20 or intentional misconduct on the part of a participating charitable  
21 organization, the district shall remove the charitable  
22 organization from the campaign. A charitable organization removed  
23 under this subsection is not eligible to participate in a district  
24 employee charitable campaign before the fifth anniversary of the  
25 date the charitable organization was removed.

26           (c) If an audit under this section reveals intentional  
27 misconduct on the part of a charitable organization, the district

1 shall forward its findings to the appropriate law enforcement  
2 agency.

3 (d) The district may bring an action to recover misapplied  
4 contributions.

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

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

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

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

17 (2) a descriptive caption stating the purpose of the  
18 franchise and the location at which a complete copy of the franchise  
19 may be obtained.

20 SECTION 18. Sections 62.107(a) and (c), Water Code, are  
21 amended to read as follows:

22 (a) Any district created under this chapter may acquire by  
23 gift, purchase, or condemnation and may own land adjacent or  
24 accessible to the navigable water and ports developed by it which  
25 may be necessary or required for any and all purposes incident to or  
26 necessary for the development and operation of the navigable water  
27 or ports within the district, or may be necessary or required for or

1 in aid of the development of industries and businesses on the land.

2 (c) The acquisition of land for the purposes included in  
3 this section and the operation and industrial and business  
4 development of ports and waterways are a public purpose and a matter  
5 of public necessity.

6 SECTION 19. Section 62.122, Water Code, is amended to read  
7 as follows:

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

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

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

21 (c) Before the franchise is granted, the commission must  
22 approve the franchise by a majority vote at three separate meetings  
23 held at least one week apart and must publish notice. For the  
24 purposes of this subsection, notice must be published [~~the~~  
25 ~~franchise in full,~~] at the expense of the applicant, once a week for  
26 three consecutive weeks in a newspaper published in the district.  
27 The notice must consist of:

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

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

5           SECTION 21. This Act applies only to a contract entered into  
6 on or after the effective date of this Act. A contract entered into  
7 before the effective date of this Act is covered by the law in  
8 effect when the contract was entered into, and the former law is  
9 continued in effect for that purpose.

10          SECTION 22. To the extent of any conflict, this Act prevails  
11 over another Act of the 82nd Legislature, Regular Session, 2011,  
12 relating to nonsubstantive additions to and corrections in enacted  
13 codes.

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

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