

BILL ANALYSIS

C.S.H.B. 2593
By: Herrero
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties note increased investor interest in Texas ports and contend that navigation districts need greater flexibility in extending the franchising period for certain port facility franchises. C.S.H.B. 2593 seeks to provide for an extension of the period for which certain navigation districts may grant such a franchise.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 2593 amends the Water Code to extend from 30 years to 50 years the maximum period for which an Article III, Section 52, navigation district or a self-liquidating navigation district may grant a franchise. The bill prohibits the third meeting at which the navigation and canal commission of an Article III, Section 52, navigation district or the board of navigation and canal commissioners for a self-liquidating navigation district, as applicable, votes to grant a franchise from taking place before the date the newspaper notice of the franchise is published for the third time. The bill establishes that the effective date of such a franchise is the date the grantee files the written acceptance with the respective commission unless the district and the grantee agree on a later date.

EFFECTIVE DATE

September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2593 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Sections 61.164(b) and (d), Water Code, are amended to read as

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Substantially the same as introduced version.

follows:

(b) No franchise shall be granted for longer than 50 [~~30~~] years nor shall a franchise be granted except on the affirmative vote of a majority of the commissioners at three separate meetings of the commission which meetings may not be closer together than one week. The third meeting at which the commission votes to grant a franchise may not take place before the date the notice required by Subsection (c) is published for the third time.

(d) The franchise shall require the grantee to file a his or their written acceptance within 30 days after the franchise is finally approved by the commission. Unless the district and the grantee agree on a later date, the effective date of the franchise is the date the grantee files the written acceptance with the commission.

No equivalent provision.

SECTION 2. Section 63.178, Water Code, is amended by amending Subsections (b), (c), and (d) and adding Subsection (c-1) to read as follows:

(b) A franchise may be granted for a period of not more than 50 [~~30~~] years.

(c) Before the franchise is granted, the commission must approve the franchise by a majority vote at three separate meetings held at least one week apart and must publish notice. The third meeting at which the commission votes to grant a franchise may not take place before the date the notice required by this subsection is published for the third time.

(c-1) For the purposes of Subsection (c) [~~this subsection~~], notice must be published at the expense of the applicant, once a week for three consecutive weeks in a newspaper published in the district. The notice must consist of:

(1) the text of the franchise in full; or
(2) a descriptive caption stating the purpose of the franchise and the location at which a complete copy of the franchise may be obtained.

(d) The franchise shall require the grantee to file a his written acceptance within 30 days from the day the franchise is finally approved by the commission. Unless the district and the grantee agree on a later date, the effective date of the franchise is the date the grantee files the written acceptance with

the commission.

SECTION 2. This Act takes effect
September 1, 2017.

SECTION 3. Same as introduced version.