

1-1 By: Taylor of Galveston S.B. No. 1864
 1-2 (In the Senate - Filed March 10, 2017; March 23, 2017, read
 1-3 first time and referred to Committee on Transportation;
 1-4 April 24, 2017, reported adversely, with favorable Committee
 1-5 Substitute by the following vote: Yeas 9, Nays 0; April 24, 2017,
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1864 By: Rodríguez

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the administration of the Port of Houston Authority.
 1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Section 5007.002(a), Special District Local Laws
 1-24 Code, is amended to read as follows:

1-25 (a) That, effective June 6, 1927, the Harris County Houston
 1-26 Ship Channel Navigation District of Harris County, Texas, in Harris
 1-27 County, as hereinafter described by metes and bounds, is hereby
 1-28 created and established under authority of Article 3, Section 52,
 1-29 of the Constitution of the State of Texas, for the purpose of the
 1-30 development of deep water navigation and the improvement of rivers,
 1-31 bays, creeks, streams, and canals within or adjacent to the
 1-32 authority, including the Houston Ship Channel and dredge material
 1-33 management areas, and to construct and maintain canals or waterways
 1-34 to permit navigation or in aid thereof and for the purpose of and
 1-35 authority to acquire, purchase, undertake, construct, maintain,
 1-36 operate, develop, and regulate wharves, docks, warehouses, grain
 1-37 elevators, bunkering facilities, belt railroads, floating plants,
 1-38 lighterage, lands, dredge material management areas, towing
 1-39 facilities, and all other facilities or aids incident to or
 1-40 necessary to the operation or development of ports or waterways
 1-41 within the authority, including the Houston Ship Channel and dredge
 1-42 material management areas [and extending to the Gulf of Mexico], as
 1-43 provided in Chapter 9 of the Revised Statutes of 1925; and all
 1-44 orders of the Commissioners' Court of Harris County, Texas, and of
 1-45 the Navigation Commissioners, heretofore made in respect to the
 1-46 creation of such authority and the authorization and issuance of
 1-47 the bonds of said authority are hereby in all things ratified,
 1-48 confirmed, and validated.

1-49 SECTION 2. Sections 5007.004(b) and (c), Special District
 1-50 Local Laws Code, are amended to read as follows:

1-51 (b) The authority, or its successors, is hereby granted the
 1-52 right, power and authority to authorize, establish, construct,
 1-53 purchase, own, maintain, equip, regulate, operate and lease
 1-54 wharves, piers, docks, dry docks, marine ways and all other
 1-55 structures and appliances for facilitating or accommodating
 1-56 commerce or navigation, and to dredge out channels, slips and
 1-57 turning basins, and to fill in space between the main land and
 1-58 islands and to fill areas for wharves, piers, docks, dry docks,
 1-59 marine ways and for all other structures and appliances for
 1-60 facilitating and accommodating commerce and navigation, having
 1-61 first secured a permit from the Government of the United States of
 1-62 America as required by Federal law [therefor], and to construct, or

2-1 cause or authorize to be constructed on said wharves, piers, docks,
 2-2 dry docks, marine ways and other structures and appliances for
 2-3 facilitating and accommodating commerce and navigation, or on lands
 2-4 so filled in, any and all elevators, warehouses, bunkers, railway
 2-5 terminals and sidetracks, or any other facilities or aids
 2-6 whatsoever to navigation or commerce. Said lands shall be used by
 2-7 the authority, or its successors, solely for the establishment,
 2-8 improvement and conduct of a ~~an~~ harbor and ship channel and for
 2-9 the construction, maintenance and operation ~~thereon~~ of any
 2-10 facilities or aids whatsoever related to the same, and the
 2-11 authority, or its successors, shall not at any time, grant, convey,
 2-12 give or alien said lands or any part thereof, to any individual,
 2-13 firm or corporation for any purpose whatsoever; provided, that the
 2-14 authority, or its successors, may grant franchises thereon for
 2-15 limited periods of time for wharves, and other public uses and
 2-16 purposes, and may lease said lands and facilities or any part
 2-17 thereof for limited periods for purposes consistent with this
 2-18 chapter, but no wharves, piers or structures of any kind shall be
 2-19 constructed on said lands by anyone save the authority, except
 2-20 under a franchise or lease granted by the authority and in a manner
 2-21 first prescribed by and approved of by the authority or its
 2-22 successors.

2-23 (c) For the purpose of carrying out the provisions of this
 2-24 section, the authority, or its successors, is hereby granted the
 2-25 right, power and authority to abate and remove any and all
 2-26 encroachments or structures of any kind now or hereafter existing
 2-27 on said property, save such as may have been constructed under
 2-28 permit from the ~~[United States War Department, or other]~~ proper
 2-29 Federal authority, and shall have the right to bring such suit or
 2-30 suits as may be necessary to carry out the provisions of this
 2-31 section to the same extent and as fully and completely as the right
 2-32 to bring such a suit or suits existed in the State prior to the
 2-33 passage hereof.

2-34 SECTION 3. The heading to Section 5007.006, Special
 2-35 District Local Laws Code, is amended to read as follows:

2-36 Sec. 5007.006. REVENUE OBLIGATIONS; CERTAIN POWERS; FEES
 2-37 AND CHARGES; FACILITIES ~~[GRAIN ELEVATORS]~~; TAXATION EXEMPTION;
 2-38 REFUNDING BONDS; CERTAIN BOND PROVISIONS.

2-39 SECTION 4. Sections 5007.006(d), (e), (g), (j), (m), and
 2-40 (r), Special District Local Laws Code, are amended to read as
 2-41 follows:

2-42 (d) Such obligations shall not constitute an indebtedness
 2-43 or pledge of the credit of the authority, and the holders thereof
 2-44 shall never have the right to demand payment thereof out of any
 2-45 funds raised or to be raised by taxation, and such obligations shall
 2-46 contain a recital to that effect. All obligations issued hereunder
 2-47 shall be in registered or coupon form, and if in coupon form may be
 2-48 registerable as to principal only, or as to both principal and
 2-49 interest, shall bear interest at a rate not to exceed the amount
 2-50 allowed by law, payable annually or semiannually, and shall be in
 2-51 such denominations and shall mature serially or at one time not more
 2-52 than forty (40) years from their date in such manner as may be
 2-53 provided by the port commission. Principal of and interest on such
 2-54 obligations shall be made payable at any place or places within or
 2-55 without the State of Texas, and in the discretion of the port
 2-56 commission such obligations may be made callable and/or refundable
 2-57 at the option of the port commission prior to maturity at such
 2-58 premium or premiums as the port commission shall determine. Such
 2-59 obligations shall be signed by the manual or facsimile signatures
 2-60 of the chair of the port commission ~~[Chairman]~~ and the executive
 2-61 director ~~[of the port commission]~~ as may be provided in the
 2-62 proceedings authorizing said obligations, and the interest coupons
 2-63 attached thereto may also be executed by the facsimile signatures
 2-64 of such officers. Such obligations shall be sold in such manner and
 2-65 at such times as the port commission shall determine to be expedient
 2-66 and necessary to the interests of the authority, provided, that in
 2-67 no event shall such obligations be sold for a price which will
 2-68 result in an interest yield therefrom of more than the amount
 2-69 allowed by law computed to maturity according to standard bond
 2-70 tables in general use by banks and insurance companies. Any premium
 2-71 or premiums provided for the call or refunding of any bonds issued

3-1 pursuant to this Section shall not be included in the computation of
 3-2 the maximum interest yield on such bonds. In the event of the
 3-3 officers whose signatures are on such obligations or coupons shall
 3-4 cease to be such officers before the delivery of such obligations to
 3-5 the purchaser, such signature or signatures, nevertheless, shall be
 3-6 valid and sufficient for all purposes. All obligations issued
 3-7 hereunder shall constitute negotiable instruments under Chapter 3,
 3-8 Business & Commerce Code.

3-9 (e) Any obligations issued hereunder may be issued payable
 3-10 from and secured by the pledge of all the revenues derived from the
 3-11 operation of the improvements and facilities of the authority,
 3-12 exclusive of any revenues derived from taxation or assessments, or
 3-13 may be payable from and secured by the pledge of only such revenues
 3-14 as may be derived from the operation of the improvements and
 3-15 facilities acquired or improved with the proceeds of the sale of
 3-16 such obligations, or may be payable from and secured by the pledge
 3-17 of a specified part of the revenues derived from the operation of
 3-18 the improvements and facilities of the authority, all as may be
 3-19 provided in the proceedings authorizing the issuance of such
 3-20 obligations.

3-21 (g) The authority may adopt plans for the construction or
 3-22 refinancing of a facility [~~grain elevator or elevators~~], to be paid
 3-23 for by the issuance and sale of obligations payable from and secured
 3-24 by a pledge of revenues to be derived from the operation of the
 3-25 facility [~~said grain elevator~~] and further secured by a trust
 3-26 indenture, or by a deed of trust on the physical properties of such
 3-27 improvement; and during the time any such improvement is encumbered
 3-28 by the pledge of such revenues and the lien upon its physical
 3-29 properties, in the proceedings authorizing the bonds or the
 3-30 indenture, may vest its management and control in a Board of
 3-31 Trustees, to be named in such resolution or indenture, consisting
 3-32 of not less than five (5) nor more than nine (9) members. The
 3-33 compensation of the members of such Board of Trustees shall be fixed
 3-34 by such resolution or indenture, but shall never exceed one percent
 3-35 (1%) of the gross receipts of such improvement in any one (1) year.
 3-36 The terms of office of the members of such Board of Trustees, their
 3-37 powers and duties, including the power to fix fees and charges for
 3-38 the use of such improvements, and the manner of exercising same, the
 3-39 manner of the selection of their successors, and all matters
 3-40 pertaining to their duties and the organization of such Board of
 3-41 Trustees shall be specified in such resolution or indenture. Any
 3-42 such Board of Trustees may adopt bylaws regulating the procedure of
 3-43 the Board and fixing the duties of its officers, but the bylaws
 3-44 shall not contain any provision in conflict with the covenants and
 3-45 provisions contained in the resolution authorizing the bonds or the
 3-46 indenture. In all matters wherein the resolution or indenture are
 3-47 silent as to the powers, duties, obligations and procedure of the
 3-48 Board, the laws and rules governing the port commission shall
 3-49 control the Board of Trustees in so far as applicable. The Board
 3-50 may be created by the resolution or indenture, and in that event
 3-51 shall have all or any of the powers and authority which could be
 3-52 exercised by the port commission in so far as the management and
 3-53 operation of any such improvement is concerned. By the terms of any
 3-54 such resolution or indenture the port commission may make provision
 3-55 for later supplementing such resolution or indenture so as to vest
 3-56 the management and control of the facility [~~such grain elevator~~] in
 3-57 a Board of Trustees having the powers, rights and duties herein
 3-58 conferred or imposed.

3-59 (j) As additional security for the payment of any
 3-60 obligations issued hereunder, the port commission may in its
 3-61 discretion have executed in favor of the holders of such
 3-62 obligations an indenture or deed of trust mortgaging and
 3-63 encumbering all or any part of the physical properties comprising
 3-64 the improvements and facilities the net revenues of which are
 3-65 pledged to the payment of such obligations, including the lands
 3-66 upon which said improvements and facilities are located, and may
 3-67 provide in such mortgage or encumbrance for a grant to any purchaser
 3-68 or purchasers at foreclosure sale thereunder of a franchise or
 3-69 lease to operate such improvements, facilities and properties for a
 3-70 term of not over fifty (50) years from the date of such purchase,
 3-71 subject to all laws regulating same then in force. Any such

4-1 indenture or deed of trust may contain such terms and provisions as
 4-2 the port commission shall deem proper and shall be enforceable in
 4-3 the manner provided by the laws of Texas for the enforcement of
 4-4 other mortgages and encumbrances. Under any such sale ordered
 4-5 pursuant to the provisions of such mortgage or encumbrance, the
 4-6 purchaser or purchasers at such sale, and the purchaser's or
 4-7 purchasers' ~~[his or their]~~ successors or assigns, shall be vested
 4-8 with a permit or franchise conforming to the provisions stipulated
 4-9 in the indenture or deed of trust to maintain and operate the
 4-10 improvements, facilities and properties purchased at such sale with
 4-11 like powers and privileges as may theretofore have been enjoyed by
 4-12 the authority in the operation of said improvements, facilities and
 4-13 properties. The purchaser or purchasers of such improvements,
 4-14 facilities and properties at any such sale, and the purchaser's
 4-15 [his or their] successors and assigns, may operate said
 4-16 improvements, facilities and properties as provided in the last
 4-17 above sentence or may at their option remove all or any part or
 4-18 parts of said improvements, facilities and properties for diversion
 4-19 to other purposes. The provisions of ~~[Sections 61.164, 61.165, and~~
 4-20 ~~61.168, Water Code, and Chapter 134, Acts 1935, 44th Legislature,~~
 4-21 ~~Regular Session, as amended, and]~~ any statute not included in this
 4-22 chapter that relates [other Statutes relating] to the authorization
 4-23 or execution of mortgages and encumbrances or the granting of
 4-24 franchises or leases shall not be applicable to the authorization
 4-25 or execution of any mortgage or encumbrance entered into pursuant
 4-26 to the provisions of this chapter, nor to the granting of any
 4-27 franchise or lease hereunder. Any obligations issued pursuant to
 4-28 the provisions of this chapter and additionally secured by an
 4-29 indenture or deed of trust as provided by this subsection, whether
 4-30 such obligations are notes or certificates of indebtedness or
 4-31 otherwise, and the record relating to their issuance, may, at the
 4-32 option of the port commission, be submitted to the Attorney General
 4-33 of Texas for the attorney general's ~~[his]~~ examination and approval,
 4-34 as in the case of bonds, and after the Attorney General has approved
 4-35 the same, such obligations shall be registered by the Comptroller
 4-36 of Public Accounts of Texas; and after such obligations have been
 4-37 approved by the Attorney General and registered by the Comptroller,
 4-38 they shall thereafter be incontestable for any cause except for
 4-39 forgery or fraud.

4-40 (m) The authority, in addition to the other powers
 4-41 hereinabove set out, shall have general power and authority to make
 4-42 and enter into all contracts, leases and agreements necessary or
 4-43 convenient to the carrying out of any of the powers granted in this
 4-44 chapter, which contracts, leases or agreements may be entered into
 4-45 with any person, real or artificial, any corporation, municipal,
 4-46 public or private, and the government or governmental agency,
 4-47 including those of the United States and the State of Texas. Except
 4-48 as provided by Chapter 60, Water Code, any [Any and all] contracts,
 4-49 leases or agreements entered into pursuant hereto shall be approved
 4-50 by action ~~[resolution or order]~~ of the port commission, and shall be
 4-51 executed by the chair of the port commission ~~[Chairman]~~ and
 4-52 attested by the executive director ~~[thereof]~~.

4-53 (r) This Section, without reference to other Statutes of the
 4-54 State of Texas, shall constitute full authority for the
 4-55 authorization and issuance of obligations hereunder and for the
 4-56 accomplishment of all things herein authorized to be done, and no
 4-57 proceedings relating to the authorization or issuance of such
 4-58 obligations or the doing of such things shall be necessary except
 4-59 such as are herein required, and no ~~[neither the Bond and Warrant~~
 4-60 ~~Law of 1931 or any other]~~ provisions of the Laws of the State of
 4-61 Texas~~[7]~~ pertinent to the authorization or issuance of obligations,
 4-62 the operation and maintenance of ports, canals and waterways, the
 4-63 granting of franchise, permits, or leases, the right to elections
 4-64 or referendum petitions, shall in anywise impede or restrict the
 4-65 carrying out of the acts authorized to be done hereunder or acts
 4-66 done pursuant hereto.

4-67 SECTION 5. Sections 5007.007(a-1), (n), (o), (p), and (q),
 4-68 Special District Local Laws Code, are amended to read as follows:

4-69 (a-1) The authority is empowered and authorized to
 4-70 exercise, in addition to all powers conferred by this section, all
 4-71 powers conferred upon the authority by the law or laws under which

5-1 it was organized, and, in addition, shall have all of the powers and
 5-2 jurisdiction conferred upon Districts originally organized under
 5-3 Article XVI, Section 59, of the Constitution of the State of Texas,
 5-4 including [and particularly] Subchapters B, H, and K, Chapter 60,
 5-5 Water Code, and Sections 60.034 through 60.042, 61.075, 61.076,
 5-6 61.082, 61.112, 61.115 through 61.117, 61.151 through 61.168,
 5-7 61.172 through 61.174, and 61.176, Water Code, as amended, and
 5-8 Articles 8248, 8249, 8250, 8251, 8252, 8253, 8254, 8255, 8256,
 5-9 8257, and 8258, Revised Civil Statutes of Texas, 1925, as amended,
 5-10 as well as Chapter 6, Acts, 1941, Forty-seventh Legislature, Page
 5-11 8, as amended; Chapter 176, Acts, 1955, Fifty-fourth Legislature,
 5-12 Page 554; Chapter 217, Acts, 1949, Fifty-first Legislature, Page
 5-13 407; provided, that if there is any conflict or inconsistency
 5-14 between said laws or any of them, and this chapter, then to the
 5-15 extent of conflict or inconsistency, the provisions of this chapter
 5-16 shall govern.

5-17 (n) The port commission shall provide all necessary
 5-18 additional books for the use of the tax assessor-collector
 5-19 ~~[Assessor and Collector of taxes]~~ and the Clerk of the
 5-20 Commissioners Court of Harris County, Texas. The tax
 5-21 assessor-collector ~~[Tax Assessor]~~ of ~~[said]~~ Harris County shall be
 5-22 charged with the assessment of all property for taxation within the
 5-23 authority and when ordered to do so by the Commissioners Court of
 5-24 Harris County shall assess all property within the authority and
 5-25 list the same for taxation in the books or rolls furnished the tax
 5-26 assessor-collector ~~[him]~~ for said purposes, and return said books
 5-27 or rolls at the same time when the tax assessor-collector ~~[he]~~
 5-28 returns the other books or rolls of the State and County Taxes for
 5-29 correction and approval to the Commissioners Court of said County,
 5-30 and if said Court shall find said books or rolls correct they shall
 5-31 approve the same, and in all matters pertaining to the assessment of
 5-32 property for taxation in the authority, the tax assessor-collector
 5-33 ~~[Tax Assessor]~~ and appraisal review board ~~[Board of Equalization]~~
 5-34 of said County shall be authorized to act and shall be governed by
 5-35 the laws of Texas for assessing and equalizing property for State
 5-36 and County Taxes, except as herein provided. All taxes authorized
 5-37 to be levied by this chapter shall be a lien upon the property upon
 5-38 which said taxes are assessed, and said taxes may be paid and shall
 5-39 mature and be paid at the time provided by the laws of this State for
 5-40 the payment of State and County Taxes; and all the penalties
 5-41 provided by the laws of this State for the nonpayment of State and
 5-42 County Taxes shall apply to all taxes authorized to be levied by
 5-43 this chapter. The tax assessor-collector ~~[Tax Collector]~~ of Harris
 5-44 County shall be charged with the assessment rolls of the authority,
 5-45 and is required to make collection of all taxes levied and assessed
 5-46 against the property in said County and promptly pay over the same
 5-47 to the Treasurer of the authority. The tax assessor-collector ~~[Tax~~
 5-48 ~~Assessor-Collector]~~ shall receive compensation for ~~[such]~~ services
 5-49 ~~[such compensation as the port commission and said Commissioners~~
 5-50 ~~Court shall agree upon,]~~ and such compensation shall be paid as
 5-51 provided by law ~~[to the Officers' Salary Fund of the County]~~. The
 5-52 bond of the tax assessor-collector ~~[such Assessor-Collector]~~ shall
 5-53 stand as security for the proper performance of the ~~[his]~~ duties of
 5-54 the tax assessor-collector ~~[as Tax Assessor-Collector]~~ of the
 5-55 authority; or, if in the judgment of the port commission it be
 5-56 necessary, an additional bond payable to the authority may be
 5-57 required, and in all matters pertaining to the collection of taxes
 5-58 levied under the provisions of this chapter, the tax
 5-59 assessor-collector ~~[Tax Collector]~~ shall be authorized to act and
 5-60 shall be governed by the laws of the State of Texas for the
 5-61 collection of State and County Taxes, except as herein provided;
 5-62 and suits may be brought for the collection of said taxes and the
 5-63 enforcement of the tax liens created by this chapter. It shall be
 5-64 the duty of the tax assessor-collector ~~[Tax Collector]~~ to make a
 5-65 certified list of all delinquent property upon which the navigation
 5-66 tax has not been paid, and return the same to the County
 5-67 Commissioners Court, which shall proceed to have the same collected
 5-68 by the sale of such delinquent property in the same manner, both by
 5-69 suit and otherwise, as now or may be provided for the sale of
 5-70 property for the collection of State and County Taxes; and, at the
 5-71 sale of any property for any delinquent tax, the port commission may

6-1 become the purchasers of the same for the benefit of the authority.
 6-2 Should the tax assessor-collector [~~said Tax Assessor and Collector~~]
 6-3 fail or refuse to comply with the order of said Commissioners Court
 6-4 requiring the tax assessor-collector [~~him~~] to assess and list for
 6-5 taxation all the property in the authority, or fail or refuse to
 6-6 give such additional bond or security as herein provided, the tax
 6-7 assessor-collector [~~he~~] shall be suspended from further discharge
 6-8 of the tax assessor-collector's [~~his~~] duties by the Commissioners
 6-9 Court of said County, and the tax assessor-collector [~~he~~] shall be
 6-10 removed from office in the mode prescribed by law for the removal of
 6-11 county officers.

6-12 (o) The County Treasurer of Harris County shall be treasurer
 6-13 of the authority, and [~~it~~] shall [~~be his duty to~~] open an account of
 6-14 all moneys received by the treasurer [~~him~~] belonging to the
 6-15 authority and all amounts paid out by the treasurer [~~him~~]. The
 6-16 treasurer [~~He~~] shall deposit the funds of the authority in such
 6-17 depository or depositories as may be designated by the port
 6-18 commission in the manner provided by law [~~for the selection of a~~
 6-19 ~~county depository, and such depository so selected shall be the~~
 6-20 ~~depository of the authority for a period of two (2) years and until~~
 6-21 ~~its successor is selected and qualified~~]. Should the port
 6-22 commission fail or refuse to select a depository such depository
 6-23 shall be selected in like manner by the Commissioners Court. The
 6-24 treasurer [~~The depository of the authority on April 29, 1957, shall~~
 6-25 ~~continue to be the depository of the authority until its successor~~
 6-26 ~~is selected and qualified as herein provided. He~~] shall pay out no
 6-27 money except upon the conditions provided for in this chapter and
 6-28 under other law[~~7~~] and [~~he~~] shall carefully preserve on file all
 6-29 orders for the payment of money; and, as often as required by the
 6-30 [~~said~~] Commissioners Court, [~~he~~] shall render a correct account to
 6-31 them of all matters pertaining to the financial condition of the
 6-32 authority. The treasurer [~~County Treasurer~~] shall execute a good
 6-33 and sufficient bond, payable to the [~~port commissioners and to~~
 6-34 ~~their successors in office for the benefit of the~~] authority in an
 6-35 amount to be fixed by the port commission, such bond to be
 6-36 conditioned for the faithful performance of the [~~his~~] duties of the
 6-37 [~~as~~] treasurer of the authority and to be approved by the port
 6-38 commission; provided whenever any bonds are issued by the
 6-39 authority, [~~the County Treasurer~~] before receiving the proceeds of
 6-40 sale thereof the treasurer shall execute additional good and
 6-41 sufficient bond payable to the port commission in an amount to be
 6-42 fixed by the port commission, which bond shall likewise be
 6-43 conditioned and approved as aforesaid, but such additional bond
 6-44 shall not be required after such Treasurer shall have properly
 6-45 disbursed the proceeds of such bond issue; and the treasurer
 6-46 [~~County Treasurer~~] shall be allowed such compensation for [~~his~~]
 6-47 services performed as treasurer of the authority as may be
 6-48 determined by the port commission[~~, and such compensation shall be~~
 6-49 ~~paid to the Officers' Salary Fund of the County~~].

6-50 (p) The authority shall acquire, purchase, lease, maintain,
 6-51 repair and operate facilities and equipment for preventing,
 6-52 detecting, controlling, responding to, and fighting fires,
 6-53 explosions, and hazardous material incidents on or adjacent to the
 6-54 waterways, channels and turning basins within its jurisdiction,
 6-55 including the Houston Ship Channel, and for the protection of life
 6-56 and property from damage by fire, [~~and~~] explosion, and hazardous
 6-57 material incidents. The authority shall promulgate and enforce
 6-58 ordinances, rules and regulations for the promotion of the safety
 6-59 of life and property on or adjacent to the waterways, channels and
 6-60 turning basins within its jurisdiction, including the Houston Ship
 6-61 Channel, from damages by fire, explosion, and hazardous material
 6-62 incidents [~~and explosion thereon~~] in the manner provided by
 6-63 Subchapter D, Chapter 60, Water Code. The powers and functions
 6-64 herein authorized may be exercised both within and without the
 6-65 corporate limits of any city, town or village situated within the
 6-66 boundaries of the authority. This chapter shall be cumulative of
 6-67 all other laws on the subject but in the event of conflict between
 6-68 this chapter and any law of this state or any charter provision or
 6-69 ordinance of any such city, town or village relating to the subject
 6-70 matter of this chapter, the provisions of this chapter shall
 6-71 control.

7-1 (q) The authority is authorized to acquire, purchase,
7-2 construct, enlarge, extend, repair, maintain, operate, or develop
7-3 traffic control facilities and everything appurtenant thereto,
7-4 together with all other facilities or aids incident to or useful in
7-5 the operation or development of the ~~[authority's]~~ ports and
7-6 waterways within the authority's jurisdiction, including the
7-7 Houston Ship Channel, or in aid of navigation and commerce thereon.
7-8 ~~[The traffic control facilities shall be financed out of available~~
7-9 ~~revenue and shall not utilize bond revenue funds.]~~

7-10 SECTION 6. Section 5007.010, Special District Local Laws
7-11 Code, is amended to read as follows:

7-12 Sec. 5007.010. NAME AND TITLE CHANGES. (a) Effective
7-13 August 30, 1971, the [The] name of the Harris County Houston Ship
7-14 Channel Navigation District of Harris County, Texas, is changed to
7-15 the Port of Houston Authority of Harris County, Texas.

7-16 (b) Effective August 30, 1971, the [The] name of the Board
7-17 of Navigation and the Canal Commissioners of the authority is
7-18 changed to the port commission, and the title of each member is port
7-19 commissioner.

7-20 (c) Effective August 30, 1971, the [The] title of general
7-21 manager of the authority is changed to executive director.

7-22 SECTION 7. Subchapter B, Chapter 5007, Special District
7-23 Local Laws Code, is amended by adding Section 5007.2065 to read as
7-24 follows:

7-25 Sec. 5007.2065. SERVICE ON FREIGHT RAIL DISTRICT BOARD.
7-26 The chair of the port commission may designate an officer or
7-27 employee of the authority to serve on behalf of the chair as a
7-28 director of a freight rail district created under Section 171.052,
7-29 Transportation Code.

7-30 SECTION 8. Section 5007.218, Special District Local Laws
7-31 Code, is amended to read as follows:

7-32 Sec. 5007.218. EXPENSE POLICY. The port commission shall
7-33 adopt an expense policy that includes:

7-34 (1) spending guidelines for meals, lodging, and
7-35 entertainment, including a process for handling and documenting
7-36 exceptions to the guidelines if business needs require an
7-37 exception;

7-38 (2) clear expense report protocols, including:
7-39 (A) the use of cash advances;

7-40 (B) the separation of reports from port
7-41 commissioners and authority employees; and

7-42 (C) clear lines of accountability for the
7-43 submission of reports; and

7-44 (3) a prohibition on the use of authority funds for a
7-45 meal for a port commissioner or an authority employee that is not
7-46 part of:

7-47 (A) approved travel for authority business;
7-48 (B) ~~[or part of]~~ a ceremonial or business-related

7-49 function with outside parties;
7-50 (C) an employee training program; or

7-51 (D) an event with the purpose of employee
7-52 recognition, seasonal celebration, or building morale.

7-53 SECTION 9. This Act takes effect immediately if it receives
7-54 a vote of two-thirds of all the members elected to each house, as
7-55 provided by Section 39, Article III, Texas Constitution. If this
7-56 Act does not receive the vote necessary for immediate effect, this
7-57 Act takes effect September 1, 2017.

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