

By: Lozano

H.B. No. 2922

A BILL TO BE ENTITLED

AN ACT

relating to the administration of the Port of Corpus Christi of Nueces County, Texas.

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

SECTION 1. Chapter 397, Acts of the 68th Legislature, Regular Session, 1983, is amended by adding Sections 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, and 18 to read as follows:

Sec. 7. DEFINITIONS. In this Act:

(1) "Authority" means the Port of Corpus Christi Authority of Nueces County, Texas.

(2) "Port commission" means the port commission of the authority.

(3) "Port commissioner" means a member of the port commission.

Sec. 8. CONFLICT OF INTEREST. (a) In this section, "Texas trade association" means a cooperative and voluntarily joined statewide association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not be a port commissioner and may not be an authority employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime

1 provisions of the federal Fair Labor Standards Act of 1938 (29
2 U.S.C. Section 201 et seq.), if:

3 (1) the person is an officer, employee, or paid
4 consultant of a Texas trade association in a field relating to
5 maritime commerce, the members of which are regulated by the
6 authority; or

7 (2) the person's spouse is an officer, manager, or paid
8 consultant of a Texas trade association in a field relating to
9 maritime commerce, the members of which are regulated by the
10 authority.

11 (c) A person may not be a port commissioner or act as the
12 general counsel to the port commission or the authority if the
13 person is required to register as a lobbyist under Chapter 305,
14 Government Code, because of the person's activities for
15 compensation on behalf of a profession related to the operation of
16 the authority.

17 (d) A person may not be a port commissioner if the person or
18 an individual related to the person in the first degree of
19 consanguinity or affinity, as determined under Chapter 573,
20 Government Code:

21 (1) is employed by or participates in the management
22 of a business entity or other organization regulated by or
23 receiving money from the authority; or

24 (2) uses or receives a substantial amount of tangible
25 goods, services, or money from the authority other than
26 compensation or reimbursement authorized by law for port commission
27 membership, attendance, or expenses.

1 Sec. 9. PORT COMMISSION POLICIES. (a) The port commission
2 shall adopt detailed policies that document its governance
3 practices and make those policies available on the authority's
4 website.

5 (b) The port commission shall develop and implement
6 policies that clearly separate the policymaking responsibilities
7 of the port commission and the management responsibilities of the
8 executive director and the other employees of the authority.

9 (c) The port commission shall distribute a copy of all
10 policies adopted under this section to each port commissioner and
11 authority employee not later than the third business day after the
12 date the person begins employment or a term as port commissioner.

13 Sec. 10. EXECUTIVE DIRECTOR. (a) The port commission shall
14 appoint an executive director of the authority. The port
15 commission shall prescribe the duties and compensation of the
16 executive director. The port commission may delegate to the
17 executive director full authority to manage and operate the affairs
18 of the authority subject only to orders of the port commission.

19 (b) The port commission shall delegate to the executive
20 director the authority to employ all persons necessary for the
21 proper handling of the business and operation of the authority and
22 to determine the compensation to be paid to all employees, other
23 than the executive director.

24 (c) The executive director shall execute a bond for \$10,000
25 conditioned on the faithful performance of the executive director's
26 duties and other conditions as required by the authority. The bond
27 must be recorded in a record kept for that purpose in the

1 authority's office.

2 (d) The port commission by general or special rule,
3 regulation, order, resolution, or other direction may authorize the
4 executive director or another person authorized to act instead of
5 the executive director to perform any act on behalf of the port
6 commission.

7 Sec. 11. STANDARDS OF CONDUCT; ETHICS POLICY. (a) A port
8 commissioner or an authority employee should not:

9 (1) accept or solicit any gift, favor, or service that
10 might reasonably tend to influence the port commissioner or
11 employee in the discharge of official duties or that the port
12 commissioner or employee knows or should know is being offered with
13 the intent to influence the port commissioner's or employee's
14 official conduct;

15 (2) accept other employment or engage in a business or
16 professional activity that the port commissioner or employee might
17 reasonably expect would require or induce the port commissioner or
18 employee to disclose confidential information acquired by reason of
19 the official position;

20 (3) accept other employment or compensation that could
21 reasonably be expected to impair the port commissioner's or
22 employee's independence of judgment in the performance of the port
23 commissioner's or employee's official duties;

24 (4) make personal investments that could reasonably be
25 expected to create a substantial conflict between the port
26 commissioner's or employee's private interest and the public
27 interest; or

1 (5) intentionally or knowingly solicit, accept, or
2 agree to accept any benefit for having exercised the port
3 commissioner's or employee's official powers or performed the port
4 commissioner's or employee's official duties in favor of another.

5 (b) The port commission shall adopt a written ethics policy
6 for the port commissioners and authority employees consistent with
7 the standards prescribed by Subsection (a) of this section.

8 Sec. 12. ETHICS AFFIRMATION AND HOTLINE. (a) A port
9 commissioner or an authority employee shall annually affirm the
10 port commissioner's or employee's adherence to the ethics policy
11 adopted under Section 11(b) of this Act.

12 (b) The port commission shall establish and operate a
13 telephone hotline that enables a person to call the hotline number,
14 anonymously or not anonymously, to report alleged fraud, waste, or
15 abuse or an alleged violation of the ethics policy adopted under
16 Section 11(b) of this Act.

17 Sec. 13. COMPLAINTS. (a) The authority shall maintain a
18 system to promptly and efficiently act on complaints filed with the
19 authority. The authority shall maintain information about parties
20 to the complaint, the subject matter of the complaint, a summary of
21 the results of the review or investigation of the complaint, and its
22 disposition.

23 (b) The authority shall make information available to the
24 public, including on the authority's website, describing its
25 procedures for complaint investigation and resolution.

26 (c) The authority periodically shall notify the complaint
27 parties of the status of the complaint until final disposition.

1 (d) The authority shall develop a standard form and a
2 procedure for submitting complaints to the authority and shall make
3 that form and procedure available on the authority's website. The
4 authority shall also make available on its website clear
5 information about what a person making a complaint should expect
6 after the complaint is filed, including timelines for response and
7 resolution.

8 (e) The authority shall compile detailed statistics and
9 analyze trends on complaint information, including:

10 (1) the nature of the complaints;

11 (2) the disposition of the complaints; and

12 (3) the length of time to resolve complaints.

13 (f) Authority staff shall report the information compiled
14 under Subsection (e) of this section to senior management as
15 designated by the executive director and the port commission on a
16 regular basis.

17 Sec. 14. WHISTLEBLOWER POLICY. The port commission shall
18 adopt a whistleblower policy consistent with Chapter 554,
19 Government Code.

20 Sec. 15. PROMOTION AND DEVELOPMENT FUND. (a) In this
21 section, "promotion and development fund" means a fund created and
22 managed under Subchapter H, Chapter 60, Water Code.

23 (b) The port commission shall adopt clear, complete policy
24 and procedures to govern the use of the promotion and development
25 fund. The policy and procedures must include:

26 (1) provisions limiting acceptable uses of promotion
27 and development fund money to uses with a direct tie to the mission

1 of the authority;
2 (2) a consistent budget process;
3 (3) a process for requesting sponsorship funds by port
4 commissioners, authority employees, and outside groups;
5 (4) an approval process for each type of expenditure
6 from the promotion and development fund, including:
7 (A) the level of approval or notification
8 required for authority employees, applicable task forces, and the
9 port commission; and
10 (B) a requirement that each approved expenditure
11 must include a description of:
12 (i) the expected impact of the expenditure;
13 and
14 (ii) how the expenditure is consistent with
15 the strategic direction for promotion and development fund money as
16 adopted by the port commission;
17 (5) a procedure for handling exceptions to the policy,
18 including a requirement that an exception be subject to the same
19 reporting requirements as other approved expenditures from the
20 promotion and development fund;
21 (6) a provision for evaluating the policy's
22 effectiveness and having the port commission adopt updates to the
23 policy as needed at regularly scheduled public meetings; and
24 (7) requirements for regular tracking of all
25 expenditures from the promotion and development fund and reporting
26 of the expenditures to the port commission and to the public by
27 making the reports available on the authority's website.

1 (c) A report described by Subsection (b)(7) of this section
2 must include detailed information about:

3 (1) travel by port commissioners;

4 (2) special uses of the authority's resources,
5 including the use of any public tour vessels and the associated
6 costs, sorted by authority division;

7 (3) sponsorship and similar spending; and

8 (4) total expenditures from the promotion and
9 development fund, including year-to-date summary information by
10 category of expenditure.

11 Sec. 16. BUDGET. The port commission annually shall adopt a
12 budget for the authority in an open meeting.

13 Sec. 17. PLANNING. (a) In this section, "staff" means one
14 or more authority employees and does not include a port
15 commissioner.

16 (b) Appropriate staff shall develop a long-range plan
17 containing:

18 (1) a mission and values statement;

19 (2) an assessment of the authority's state as of the
20 date of the plan;

21 (3) an assessment of the projected operating
22 environment over the course of the long-range plan;

23 (4) a discussion of high-level goals, strategies, and
24 priorities;

25 (5) a scheme for ongoing evaluation of progress toward
26 stated goals, including performance measures; and

27 (6) other strategic planning elements, as considered

1 appropriate by the staff or port commission.

2 (c) The port commission shall establish a planning horizon
3 of at least 10 years for the long-range plan. The staff shall
4 identify and collaborate with stakeholders to obtain input on the
5 long-range plan. The port commission may amend and shall adopt the
6 plan and any updates to the plan in an open meeting. The staff shall
7 provide annual progress updates according to performance measures
8 developed under Subsection (b)(5) of this section. The staff shall
9 present a report on the annual progress to the port commission.

10 (d) The staff shall complete a comprehensive reevaluation
11 and update of the long-range plan at least every five years, or more
12 frequently if the port commission finds that conditions warrant a
13 more frequent update.

14 (e) Appropriate staff shall develop a mid-range plan
15 consistent with the long-range plan. The mid-range plan must
16 include:

17 (1) a five-year financial forecast addressing the
18 financial needs and financing options of the authority for the
19 five-year period, with information about the relative cost of the
20 options;

21 (2) a five-year capital plan, including a preliminary
22 analysis and prioritization of projects; and

23 (3) other detailed action plans as the port commission
24 or staff finds necessary to achieve the goals of the mid-range plan
25 or long-range plan.

26 (f) The staff shall present the mid-range plan in an open
27 meeting of the port commission. The port commission is not required

1 to adopt a mid-range plan.

2 (g) Appropriate staff shall develop a one-year capital
3 plan, including associated financing, that is integrated with the
4 budget of the authority. The port commission shall adopt the
5 one-year capital plan in an open meeting. The port commission shall
6 establish and document a detailed process for the analysis and
7 approval of a project proposed for inclusion in the one-year
8 capital plan. A project may be included in the one-year capital
9 plan only if it is approved in accordance with that process.

10 Sec. 18. PUBLIC ACCESS TO BUDGET AND PLANNING INFORMATION.

11 (a) The port commission shall post on the authority's website and
12 otherwise make available to the public the authority's most
13 recently adopted budget and any plan adopted by the port commission
14 at an open meeting, including the long-range plan, mid-range plan,
15 one-year capital plan, and updates to that budget or those plans.

16 (b) The port commission may redact sensitive business
17 information from the plans made publicly available under this
18 section.

19 SECTION 2. This Act takes effect September 1, 2019.