

BILL ANALYSIS

Senate Research Center
87R7471 SLB-F

S.B. 1643
By: Creighton; Nichols
Ports, Select
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The proposed special purpose territory ensures there is no overlap with another port district, with the exception of the Sabine-Neches Navigation District, which is classified as a waterway and navigation district. In the absence of the special purpose territory being added to the Port of Beaumont, the tonnage within that area would not be attributed to a port along the waterway, thus resulting in an inaccurate depiction of the volume handled by the region's seaports and inconsistencies with how other ports in Texas and the nation are measured. In coordination with the Port of Port Arthur Navigation District of Jefferson County, Texas, the Sabine-Neches Navigation District, and the Orange County Navigation District, the Port of Beaumont proposes boundary modifications be made to expand the statistical area captured by the United States Army Corps of Engineers (USACE), per the attached Jefferson County Metes and Bounds document.

Real property or facilities located in Orange County, Texas, owned in fee by the district, per the attached Orange County metes and bounds document, shall be considered within the special purpose territory of the Port of Beaumont Navigation District of Jefferson County, Texas.

The proposed special purpose territory represents a slight modification from the historically used USACE tonnage boundaries. The modifications allow for the portion of the Neches River between the Port Arthur city limit and the Rainbow Bridge to be allocated to the Port of Port Arthur Navigation District for USACE tonnage calculation purposes, therefore enhancing the Port of Port Arthur's opportunities to receive federal funds.

The Sabine-Neches Navigation District, Port of Port Arthur Navigation District, and the Orange County Navigation District and Port District are in support of the proposed legislation.

As proposed, S.B. 1643 amends current law relating to special purpose territory of the Port of Beaumont Navigation District of Jefferson County, Texas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 5010.0104, Special District Local Laws Code, to provide that the Port of Beaumont Navigation District of Jefferson County, Texas (district) is composed of certain territory, including the territory described by Section 3 of the Act enacting Subchapter F. Makes nonsubstantive changes.

SECTION 2. Amends Chapter 5010, Special District Local Laws Code, by adding Subchapter F, as follows:

SUBCHAPTER F. SPECIAL PURPOSE AREA

Sec. 5010.0601. DEFINITION. Defines "special purpose area."

Sec. 5010.0602. REPORTING OF CARGO AND VESSEL MOVEMENTS. Authorizes that waterborne commercial cargo and vessel movements originating in or departing from the special purpose area to be attributed as waterborne commercial cargo or vessel movements originating in or departing from the district for the purpose of reporting to the United States Army Corps of Engineers under applicable federal law.

Sec. 5010.0603. EFFECT ON OTHER DISTRICTS. Provides that the inclusion of the special purpose area in the district does not affect any powers or duties exercised in the special purpose area by the Sabine-Neches Navigation District or the Orange County Navigation and Port District.

Sec. 5010.0604. TAXATION PROHIBITED. Prohibits the district from imposing a tax in the special purpose area.

SECTION 3. Provides that the district includes tracts as a special purpose area for the purposes of Subchapter F, Chapter 5010, Special District Local Laws Code, and sets forth the metes bounds of the tracts.

SECTION 4. Provides that all requirements of the constitution and the laws of this state and the rules and procedures of the legislature with respect to the notice, introduction, and passage of this Act are fulfilled and accomplished.

SECTION 5. Effective date: upon passage or September 1, 2021.