By: Creighton, Hinojosa, Nichols

S.B. No. 1642

A BILL TO BE ENTITLED

AN ACT

2 relating to the administration of navigation districts.
3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

4 SECTION 1. Subchapter D, Chapter 60, Water Code, is amended

5 by adding Section 60.0726 to read as follows:

6 <u>Sec. 60.0726. FIRES, EXPLOSIONS, AND HAZARDOUS MATERIAL</u> 7 <u>INCIDENTS. A district may act to prevent, detect, and fight a fire</u> 8 <u>or explosion and to prevent, detect, and address a hazardous</u> 9 <u>material incident that occurs on or adjacent to a waterway,</u> 10 <u>channel, or turning basin that is located in the district's</u> 11 <u>territory, regardless of whether the waterway, channel, or turning</u> 12 <u>basin is located in the corporate limits of a municipality.</u>

13 SECTION 2. Section 60.101, Water Code, is amended by 14 amending Subsections (a) and (d) and adding Subsection (e) to read 15 as follows:

(a) Any district may acquire land or interests in land by
purchase, lease, or otherwise, may convey the land or interest in
the land by lease, installment sale, or otherwise, and may
purchase, construct, enlarge, extend, repair, maintain, operate,
develop, sell by installment sale, or otherwise, and lease as
lessor or as lessee:

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wharves and docks;

(2) warehouses, grain elevators, other storage
facilities, and bunkering facilities;

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1 (3) port-related railroads and bridges; floating plants and facilities; 2 (4) 3 (5) lightering, cargo-handling, and towing facilities; 4 5 (6) everything appurtenant to these facilities; 6 (7) facilities and equipment necessary to exercise the

district's powers under Section 60.0726; and

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8 (8) [(7)] all other facilities or aids incidental to 9 or useful in the operation or development of the district's ports 10 and waterways or in aid of navigation and navigation-related 11 commerce in the ports and on the waterways.

(d) A district may contract with a broker to sell <u>or lease</u> a
tract of land in the same manner as the commissioners court of a
county under Section 263.008, Local Government Code.

15 (e) A lease that requires the lessee to construct 16 improvements on land owned by the district is not a public work 17 contract for purposes of Chapter 2253, Government Code.

SECTION 3. Section 60.103, Water Code, is amended to read as follows:

Sec. 60.103. PRESCRIBING FEES AND CHARGES. 20 The district [commission] shall prescribe fees and charges to be collected for 21 the use of the land, improvements, and facilities of the district 22 and for the use of any land, improvements, or facilities acquired 23 24 under the provisions of this subchapter. The fees and charges shall be reasonable, equitable, and sufficient to produce revenue 25 26 necessary to exercise the powers described by Section 60.101 and adequate to pay the expenses described by [mentioned in] Section 27

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1 60.105 [of this code].

2 SECTION 4. Sections 60.172(b), (c), and (d), Water Code, 3 are amended to read as follows:

(b) The commission shall fix a time and place at which a
public hearing concerning the proposed indebtedness shall be held.
The date of the hearing shall be not less than <u>seven</u> [15] days nor
more than 30 days from the date of the resolution of the commission
giving [the] notice of the hearing date.

9 (c) Notice published by the commission under this section 10 shall:

11 (1) include a statement of the amount and purpose of 12 the proposed indebtedness;

13 (2) inform all persons of the time and place of 14 hearing; and

(3) inform all persons of their right to <u>express their</u>
<u>views</u> [appear] at the hearing, orally or in writing, and contend for
or protest the creation of the indebtedness.

(d) The secretary of the commission shall <u>publish</u> [post
copies of] the notice <u>not earlier than the seventh day</u> [for 10 days]
before the <u>date</u> [day] of <u>the</u> hearing:

21 (1) in a newspaper of general circulation in the 22 district's territory that is available to residents of the 23 district; or

24 (2) on the district's Internet website, in an area of 25 that website used to inform district residents about events such as 26 public meetings [three public places in the district and at the door 27 of each county courthouse located in the district].

1 SECTION 5. The heading to Section 60.405, Water Code, is 2 amended to read as follows:

3 Sec. 60.405. <u>PROPOSAL PROCEDURES</u> [COMPETITIVE SEALED 4 <u>PROPOSALS</u>].

5 SECTION 6. Subchapter Q, Chapter 60, Water Code, is amended 6 by adding Section 60.502 to read as follows:

7 Sec. 60.502. IMPLIED CONTRACTS. A schedule of rates, fees, charges, rules, and ordinances, including a limitation of liability 8 for cargo loss or damage, that relates to receiving, delivering, 9 handling, or storing property at a district facility and that is 10 made available to the public on the district's Internet website is 11 12 enforceable by an appropriate court as an implied contract between the district and a person using the district's facilities or 13 waterways without proof of actual knowledge of the schedule's 14 provisions. 15

16 SECTION 7. Sections 62.123(b) and (d), Water Code, are 17 amended to read as follows:

(b) No franchise shall be granted for longer than 50 years nor shall a franchise be granted except on the affirmative vote of a majority of the commissioners present at <u>a meeting</u> [three separate <u>meetings</u>] of the commission [which meetings may not be closer together than one week].

(d) The franchise shall require the grantee to file the
grantee's written acceptance <u>of the franchise</u> within 30 days after
the franchise is <u>granted</u> [finally approved] by the commission.

SECTION 8. Section 60.172(e), Water Code, is repealed.
 SECTION 9. This Act takes effect immediately if it receives

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a vote of two-thirds of all the members elected to each house, as
 provided by Section 39, Article III, Texas Constitution. If this
 Act does not receive the vote necessary for immediate effect, this
 Act takes effect September 1, 2021.