

BILL ANALYSIS

C.S.H.B. 2605
By: Canales
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

According to the Texas Port Association, Texas ports transport a total of 464 million tons in international trade and 143 million tons in domestic trade. Texas ports are currently home to the largest container port on the U.S. Gulf Coast; largest breakbulk gateway in the United States; largest port in the United States in total revenue tonnage; and leading U.S. energy export gateway. Further investments by the State of Texas will help ensure that our state continues to maintain its leadership in maritime trade. C.S.H.B. 2605 seeks to ensure Texas ports have a grant funding program in place to continue to meet the increasing demands of today's economy and growth of the state. Currently, the port access fund exists by law, but it has not been funded in the past nor does it ensure that one port would not be the sole beneficiary of the possible funding. C.S.H.B. 2605 addresses these issues and clarifies that funds may be appropriated to the fund by the legislature for development and infrastructure projects.

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. 2605 amends the Transportation Code to revise provisions relating to the funding of certain port projects as follows:

- renames a "port access improvement project" as a "port connectivity project";
- renames a "port security, transportation, or facility project" as a "port development and infrastructure project" and redefines the term as an infrastructure, security, transportation, or facility project that is necessary or convenient for the proper operation of a maritime port and for the improvement of security, movement, and intermodal transportation of cargo or passengers in commerce and trade;
- clarifies that the Port Authority Advisory Committee determines the facilities necessary or useful for purposes of receiving project funding as a port development and infrastructure project for construction or improvement of those facilities;
- extends the eligibility for funding as a port development and infrastructure project to projects for the acquisition of certain mechanized equipment to be used in the movement of cargo or passengers in all types of commerce and trade, rather than only projects for the acquisition of such equipment used in international commerce; and
- caps the funding that an eligible applicant may receive from the port access account fund at 20 percent of the total amount of money appropriated to the Texas Department of Transportation (TxDOT) in a fiscal biennium to fund eligible projects.

C.S.H.B. 2605 requires money appropriated to the port access account fund by the legislature and money received from the federal government to be credited to the port access account fund. The bill restricts the use of such money appropriated by the legislature to funding eligible port development and infrastructure projects. The bill clarifies that the expenses incurred by TxDOT for the funding of port security, projects, and studies are expenses approved by the Port Authority Advisory Committee.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 2605 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

Whereas the introduced capped the funding that an eligible project may receive from the port access account fund at 10 percent of the total amount of money appropriated to TxDOT in a fiscal biennium to fund eligible projects, the substitute caps the funding that an eligible applicant may receive from the port access account fund at 20 percent of the total amount of money appropriated to TxDOT in a fiscal biennium to fund eligible projects.