

BILL ANALYSIS

C.S.S.B. 2080
By: Alvarado
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that, with respect to various matters pertaining to certain governmental entities that operate port facilities, current law does not establish regulations for the storage and management of electronic records, nor does it provide exceptions for closed meetings held to discuss sensitive security matters, such as cybersecurity or port safety. The bill sponsor has further informed the committee that certain existing statutes lack the flexibility necessary for efficiently managing contracts and routine expenditures. C.S.S.B. 2080 seeks to address these gaps by updating laws related to the management of records, meetings, contracts, and taxes with respect to certain governmental entities that operate port facilities.

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.S.B. 2080 amends the Government Code to authorize the port commission of a navigation district or port authority or a board of trustees of a harbor or port improvement or facility in a municipality that has a population of more than 5,000 and is located on the Gulf of Mexico or a channel, canal, bay, or inlet connected to that gulf, to establish alternative storage and retention standards and procedures for the records of the navigation district, port authority, or board of trustees. The bill requires the rules to establish the following:

- a process for the port commission or board of trustees to use the alternative storage standards and procedures;
- procedures for the conversion of hard copy documents retained by the custodian of the navigation district, port commission, or board of trustees to an electronic form and the destruction of the hard copy documents; and
- standards for electronic record management and the preservation of documents retained by such a custodian.

The bill prohibits a port commission or board of trustees, in establishing the standards and procedures, from establishing a retention period that is shorter than a retention period required under a state or federal law or court order. The bill revises the definition of "governmental entity" for purposes of statutory provisions relating to required lease terms for a lease of public property to specify that the term does not include a navigation district, a port authority, or a board of trustees of a harbor or port improvement or facility in a municipality described by these provisions.

C.S.S.B. 2080 amends the Transportation Code to establish that, under statutory provisions relating to harbor and port facilities in a municipality that has a population of more than 5,000 and is located on the Gulf of Mexico or a channel, canal, bay, or inlet connected to that gulf, a qualifying interest is considered to be an interest in property used as an aid or facility incidental to or useful in the operation or development of a port or waterway or in aid of navigation-related commerce for purposes of Tax Code provisions relating to a leasehold and other possessory interests in exempt property. The bill prohibits the qualifying interest from being listed in the name of the owner of the qualifying interest in the appraisal records of the appraisal district that appraises the property to which the interest relates as provided under those Tax Code provisions. The bill establishes that, to the extent of any conflict with those Tax Code provisions, these provisions control with respect to a qualifying interest. The bill defines "qualifying interest" for these purposes as a leasehold or other possessory interest in real property that is:

- managed or controlled by the governing body of a municipality or a board; and
- established by a lease or other agreement authorized by a board of trustees or by statutory provisions relating to authority regarding port improvements or facilities.

C.S.S.B. 2080 revises the authorization for a board of trustees of an applicable harbor or port improvement or facility to award a contract involving the expenditure of funds in excess of the amount established under Local Government Code provisions relating to competitive requirements for purchases by including an exception for routine purchases and contracts. The bill caps at \$50,000 the amount for which such a board of trustees, an authorized designated officer of the board, the general manager employed by the board, or an authorized representative of the general manager is authorized to make routine purchases or contracts. The bill caps at \$500,000 the amount for which such a board of trustees is authorized to delegate authority to an authorized designated officer of the board, the general manager employed by the board, or an authorized representative of the general manager to make routine purchases or contracts by competitive bidding. The bill requires professional services to be procured in accordance with the Professional Services Procurement Act.

C.S.S.B. 2080 amends the Special District Local Laws Code to authorize the navigation and canal commission of the Port of Houston Authority of Harris County, Texas, to delegate authority to an authorized designated officer of the commission, the executive director of the authority, or an authorized representative of the executive director to make routine purchases or contracts in an amount not to exceed \$500,000.

C.S.S.B. 2080 amends the Water Code to establish that a port commission of a navigation district or port authority is not required to make a recording of the proceedings of a closed meeting to deliberate security measures, including cybersecurity measures, related to the navigation district or port authority.

EFFECTIVE DATE

September 1, 2025.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 2080 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

The substitute includes the following provisions absent from the engrossed:

- a provision establishing that, under statutory provisions relating to harbor and port facilities in a municipality that has a population of more than 5,000 and is located on the Gulf of Mexico or a channel, canal, bay, or inlet connected to that gulf, that a qualifying interest is considered to be an interest in property used as an aid or facility incidental to

or useful in the operation or development of a port or waterway or in aid of navigation-related commerce for purposes of Tax Code provisions relating to a leasehold and other possessory interests in exempt property;

- a prohibition against the qualifying interest being listed in the name of the owner of the qualifying interest in the appraisal records of the appraisal district that appraises the property to which the interest relates as provided under those Tax Code provisions;
- a provision establishing that, to the extent of any conflict with those Tax Code provisions, these provisions control with respect to a qualifying interest; and
- a provision defining "qualifying interest" as a leasehold or other possessory interest in real property that is:
 - managed or controlled by the governing body of a municipality or a board; and
 - established by a lease or other agreement authorized by a board of trustees or by statutory provisions relating to authority regarding port improvements or facilities.