

BILL ANALYSIS

C.S.H.B. 1394
By: Perez
Transportation
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties have expressed confusion regarding the administration of the Port of Houston Authority and its ability to engage in certain improvements or projects, such as those related to the Houston Ship Channel. C.S.H.B. 1394 seeks to address this issue by clarifying the administration and operation of the Port of Houston Authority.

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. 1394 amends the Special District Local Laws Code to specify that the Port of Houston Authority of Harris County, Texas, was created and established effective June 6, 1927, for, among other things, the improvement of rivers, bays, creeks, streams, and canals within or adjacent to the authority and the acquisition, purchase, undertaking, construction, maintenance, operation, development, and regulation of certain facilities or aids incident to or necessary to the operation or development of ports or waterways within the authority. The bill specifies that such areas within or adjacent to the authority include the Houston Ship Channel and dredge material management areas, removes language specifying that the authority to take such actions with respect to facilities or aids applies to ports or waterways extending to the Gulf of Mexico, and grants the authority certain authority relating to dredge material management area projects. The bill specifies that the renaming of the Harris County Houston Ship Channel Navigation District of Harris County, Texas, to the Port of Houston Authority of Harris County, Texas, the renaming of the Board of Navigation and the Canal Commissioners of the authority to the port commission, and the changing of the title of general manager of the authority to executive director were effective August 30, 1971.

C.S.H.B. 1394 expands the authorized uses of specified lands by the authority to include the establishment, improvement, and conduct of a ship channel and provides for the leasing of facilities and for the construction of structures on specified lands under a lease granted by the authority. The bill authorizes certain authority obligations to be payable from and secured by the pledge of revenues from the operation of the improvements and facilities improved with the proceeds of the sale of the obligations. The bill removes the authority of the authority to adopt plans for the construction or refinancing of grain elevators and instead authorizes the authority to adopt plans for the construction or refinancing of a facility. The bill provides an exception as provided by general statutory provisions governing navigation districts to the requirement that a

contract, lease, or agreement entered into by the authority be approved by action of the port commission. The bill revises and updates provisions governing the authority, including provisions relating to the tax assessor-collector of Harris County who is charged with the assessment of all property for taxation within the authority, provisions relating to the county treasurer of Harris County acting as treasurer of the authority, certain references to an executive director, and provisions relating to certain emergency services. The bill removes the requirement that authority traffic control facilities be financed out of available revenue and removes the prohibition against such facilities utilizing bond revenue funds.

C.S.H.B. 1394 authorizes the chair of the port commission to designate an officer or employee of the authority to serve on behalf of the chair as a director of a freight rail district. The bill expands the exceptions to the port commission's expense policy prohibition against the use of authority funds for a meal for a port commissioner or an authority employee to include a meal that is part of a ceremonial function with outside parties, an employee training program, or an event with the purpose of employee recognition, seasonal celebration, or building morale.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1394 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 5007.002(a), Special District Local Laws Code, is amended to read as follows:

(a) That, effective June 6, 1927, the Harris County Houston Ship Channel Navigation District of Harris County, Texas, in Harris County, as hereinafter described by metes and bounds, is hereby created and established under authority of Article 3, Section 52, of the Constitution of the State of Texas, for the purpose of the development of deep water navigation and the improvement of rivers, bays, creeks, streams, and canals within or adjacent to the authority, including the Houston Ship Channel and dredge material management areas, and to construct and maintain canals or waterways to permit navigation or in aid thereof and for the purpose of and authority to acquire, purchase, undertake, construct, maintain, operate, develop, and regulate wharves, docks, warehouses, grain elevators, bunkering facilities, belt railroads, floating plants, lighterage, lands, dredge material management areas, towing facilities, and all other facilities or aids incident to or necessary to the operation or

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 5007.002(a), Special District Local Laws Code, is amended to read as follows:

(a) That, effective June 6, 1927, the Harris County Houston Ship Channel Navigation District of Harris County, Texas, in Harris County, as hereinafter described by metes and bounds, is hereby created and established under authority of Article 3, Section 52, of the Constitution of the State of Texas, for the purpose of the development of deep water navigation and the improvement of rivers, bays, creeks, streams, and canals within or adjacent to the authority, including the Houston Ship Channel and dredge material management areas, and to construct and maintain canals or waterways to permit navigation or in aid thereof and for the purpose of and authority to acquire, purchase, undertake, construct, maintain, operate, develop, and regulate wharves, docks, warehouses, grain elevators, bunkering facilities, belt railroads, floating plants, lighterage, lands, dredge material management areas, towing facilities, and all other facilities or aids incident to or necessary to the operation or

development of ports or waterways within the authority and extending to the Gulf of Mexico,

as provided in Chapter 9 of the Revised Statutes of 1925; and all orders of the Commissioners' Court of Harris County, Texas, and of the Navigation Commissioners, heretofore made in respect to the creation of such authority and the authorization and issuance of the bonds of said authority are hereby in all things ratified, confirmed, and validated.

SECTION 2. Sections 5007.004(a), (b), and (c), Special District Local Laws Code, are amended to read as follows:

(a) That all right, title and interest of the State of Texas, to all lands hereinafter in this section described, to wit:

All islands and lands owned by the State of Texas, many of which are subject to overflow, known as Barnes Island, Alexander Island, Goat Island, Diamond Island and Hog Island in San Jacinto River above Lynchburg, and certain accretions formed by dredged material excavated from the channel and forming land attached to or near said Alexander Island, Hog Island between Goose Creek and Morgan Point, Atkinson Island, and all the submerged lands lying and being situated under the waters of Buffalo Bayou, San Jacinto River, White Oak Bayou, Bray's Bayou, Simms Bayou, Vince [~~Vinees~~] Bayou, Hunting Bayou, Greens Bayou, Carpenters Bayou, Old River, Lost River, Goose Creek and Cedar Bayou, and all other streams within the authority tributary to the Houston Ship Channel, so far up said streams as the State may own same, together with all lands lying and being situated under the waters of Old River, Burnett's Bay, Crystal Lake, Scott's Bay, Peggy's Lake, Black Duck Bay, Tabbs Bay and San Jacinto Bay, and all other tidal flats or overflow land adjacent to or appurtenant to the above mentioned streams within the limits above mentioned except Mitchell's Bay and any area between said bay and the Houston Ship Channel, as now or hereafter located, is [~~hereby~~] granted to the authority effective June 14, 1927, or its successors, for public purposes and for the

development of ports or waterways within the authority, including the Houston Ship Channel and dredge material management areas [~~and extending to the Gulf of Mexico~~],

as provided in Chapter 9 of the Revised Statutes of 1925; and all orders of the Commissioners' Court of Harris County, Texas, and of the Navigation Commissioners, heretofore made in respect to the creation of such authority and the authorization and issuance of the bonds of said authority are hereby in all things ratified, confirmed, and validated.

SECTION 2. Sections 5007.004(b) and (c), Special District Local Laws Code, are amended to read as follows:

No equivalent provision.

development of commerce only, in accordance with the following provisions and stipulations herein contained; provided that inasmuch as it is the purpose of this section to grant said lands to the public agency which is developing the Port of Houston, upon the creation by legislation of other public agency which shall supersede the authority as the public agency developing the Port of Houston, the title to said lands shall be transferred from the authority to such public agency, either municipal or State, so provided, such public agency being referred to herein as the successors of the authority.

(b) The authority, or its successors, is hereby granted the right, power and authority to authorize, establish, construct, purchase, own, maintain, equip, regulate, operate and lease wharves, piers, docks, dry docks, marine ways and all other structures and appliances for facilitating or accommodating commerce or navigation, and to dredge out channels, slips and turning basins, and to fill in space between the main land and islands and to fill areas for wharves, piers, docks, dry docks, marine ways and for all other structures and appliances for facilitating and accommodating commerce and navigation, having first secured a permit from the Government of the United States of America as required by federal law [~~therefor~~], and to construct, or cause or authorize to be constructed on said wharves, piers, docks, dry docks, marine ways and other structures and appliances for facilitating and accommodating commerce and navigation, or on lands so filled in, any and all elevators, warehouses, bunkers, railway terminals and sidetracks, or any other facilities or aids whatsoever to navigation or commerce. Said lands shall be used by the authority, or its successors, solely for the establishment, improvement and conduct of a [~~an~~] harbor and ship channel and for the construction, maintenance and operation [~~thereon~~] of any facilities or aids whatsoever related to the same, and the authority, or its successors, shall not at any time, grant, convey, give or alien said lands or any part thereof, to any individual, firm or corporation for any purpose whatsoever; provided, that the authority, or its successors, may grant franchises thereon for

(b) The authority, or its successors, is hereby granted the right, power and authority to authorize, establish, construct, purchase, own, maintain, equip, regulate, operate and lease wharves, piers, docks, dry docks, marine ways and all other structures and appliances for facilitating or accommodating commerce or navigation, and to dredge out channels, slips and turning basins, and to fill in space between the main land and islands and to fill areas for wharves, piers, docks, dry docks, marine ways and for all other structures and appliances for facilitating and accommodating commerce and navigation, having first secured a permit from the Government of the United States of America as required by Federal law [~~therefor~~], and to construct, or cause or authorize to be constructed on said wharves, piers, docks, dry docks, marine ways and other structures and appliances for facilitating and accommodating commerce and navigation, or on lands so filled in, any and all elevators, warehouses, bunkers, railway terminals and sidetracks, or any other facilities or aids whatsoever to navigation or commerce. Said lands shall be used by the authority, or its successors, solely for the establishment, improvement and conduct of a [~~an~~] harbor and ship channel and for the construction, maintenance and operation [~~thereon~~] of any facilities or aids whatsoever related to the same, and the authority, or its successors, shall not at any time, grant, convey, give or alien said lands or any part thereof, to any individual, firm or corporation for any purpose whatsoever; provided, that the authority, or its successors, may grant franchises thereon for

limited periods of time for wharves, and other public uses and purposes, and may lease said lands and facilities or any part thereof for limited periods for purposes consistent with this chapter, but no wharves, piers or structures of any kind shall be constructed on said lands by anyone save the authority, except under a franchise or lease granted by the authority and in a manner first prescribed by and approved of by the authority or its successors.

(c) For the purpose of carrying out the provisions of this section, the authority, or its successors, is hereby granted the right, power and authority to abate and remove any and all encroachments or structures of any kind now or hereafter existing on said property, save such as may have been constructed under permit from the [~~United States War Department, or other~~] proper Federal authority, and shall have the right to bring such suit or suits as may be necessary to carry out the provisions of this section to the same extent and as fully and completely as the right to bring such a suit or suits existed in the State prior to the passage hereof.

SECTION 3. The heading to Section 5007.006, Special District Local Laws Code, is amended.

SECTION 4. Sections 5007.006(d), (e), (g), (j), (m), and (r), Special District Local Laws Code, are amended to read as follows:

(d) Such obligations shall not constitute an indebtedness or pledge of the credit of the authority, and the holders thereof shall never have the right to demand payment thereof out of any funds raised or to be raised by taxation, and such obligations shall contain a recital to that effect. All obligations issued hereunder shall be in registered or coupon form, and if in coupon form may be registerable as to principal only, or as to both principal and interest, shall bear interest at a rate not to exceed the amount allowed by law, payable annually or semiannually, and shall be in such denominations and shall mature serially or at one time not more than forty (40) years from their date in such manner as may be provided by the port commission. Principal

limited periods of time for wharves, and other public uses and purposes, and may lease said lands and facilities or any part thereof for limited periods for purposes consistent with this chapter, but no wharves, piers or structures of any kind shall be constructed on said lands by anyone save the authority, except under a franchise or lease granted by the authority and in a manner first prescribed by and approved of by the authority or its successors.

(c) For the purpose of carrying out the provisions of this section, the authority, or its successors, is hereby granted the right, power and authority to abate and remove any and all encroachments or structures of any kind now or hereafter existing on said property, save such as may have been constructed under permit from the [~~United States War Department, or other~~] proper Federal authority, and shall have the right to bring such suit or suits as may be necessary to carry out the provisions of this section to the same extent and as fully and completely as the right to bring such a suit or suits existed in the State prior to the passage hereof.

SECTION 3. Same as introduced version.

SECTION 4. Sections 5007.006(d), (e), (g), (j), (m), and (r), Special District Local Laws Code, are amended to read as follows:

(d) Such obligations shall not constitute an indebtedness or pledge of the credit of the authority, and the holders thereof shall never have the right to demand payment thereof out of any funds raised or to be raised by taxation, and such obligations shall contain a recital to that effect. All obligations issued hereunder shall be in registered or coupon form, and if in coupon form may be registerable as to principal only, or as to both principal and interest, shall bear interest at a rate not to exceed the amount allowed by law, payable annually or semiannually, and shall be in such denominations and shall mature serially or at one time not more than forty (40) years from their date in such manner as may be provided by the port commission. Principal

of and interest on such obligations shall be made payable at any place or places within or without the State of Texas, and in the discretion of the port commission such obligations may be made callable and/or refundable at the option of the port commission prior to maturity at such premium or premiums as the port commission shall determine. Such obligations shall be signed by the manual or facsimile signatures of the chair of the port commission [~~Chairman~~] and the executive director [~~of the port commission~~] as may be provided in the proceedings authorizing said obligations, and the interest coupons attached thereto may also be executed by the facsimile signatures of such officers. Such obligations shall be sold in such manner and at such times as the port commission shall determine to be expedient and necessary to the interests of the authority, provided, that in no event shall such obligations be sold for a price which will result in an interest yield therefrom of more than the amount allowed by law computed to maturity according to standard bond tables in general use by banks and insurance companies. Any premium or premiums provided for the call or refunding of any bonds issued pursuant to this Section shall not be included in the computation of the maximum interest yield on such bonds. In the event of the officers whose signatures are on such obligations or coupons shall cease to be such officers before the delivery of such obligations to the purchaser, such signature or signatures, nevertheless, shall be valid and sufficient for all purposes. All obligations issued hereunder shall constitute negotiable instruments under Chapter 3, Business & Commerce Code.

(e) Any obligations issued hereunder may be issued payable from and secured by the pledge of all the revenues derived from the operation of the improvements and facilities of the authority, exclusive of any revenues derived from taxation or assessments, or may be payable from and secured by the pledge of only such revenues as may be derived from the operation of the improvements and facilities acquired or improved with the proceeds of the sale of such obligations, or may be payable from and secured by the pledge of a specified part of the revenues derived from the operation of the improvements and facilities of the

of and interest on such obligations shall be made payable at any place or places within or without the State of Texas, and in the discretion of the port commission such obligations may be made callable and/or refundable at the option of the port commission prior to maturity at such premium or premiums as the port commission shall determine. Such obligations shall be signed by the manual or facsimile signatures of the chair of the port commission [~~Chairman~~] and the executive director [~~of the port commission~~] as may be provided in the proceedings authorizing said obligations, and the interest coupons attached thereto may also be executed by the facsimile signatures of such officers. Such obligations shall be sold in such manner and at such times as the port commission shall determine to be expedient and necessary to the interests of the authority, provided, that in no event shall such obligations be sold for a price which will result in an interest yield therefrom of more than the amount allowed by law computed to maturity according to standard bond tables in general use by banks and insurance companies. Any premium or premiums provided for the call or refunding of any bonds issued pursuant to this Section shall not be included in the computation of the maximum interest yield on such bonds. In the event of the officers whose signatures are on such obligations or coupons shall cease to be such officers before the delivery of such obligations to the purchaser, such signature or signatures, nevertheless, shall be valid and sufficient for all purposes. All obligations issued hereunder shall constitute negotiable instruments under Chapter 3, Business & Commerce Code.

(e) Any obligations issued hereunder may be issued payable from and secured by the pledge of all the revenues derived from the operation of the improvements and facilities of the authority, exclusive of any revenues derived from taxation or assessments, or may be payable from and secured by the pledge of only such revenues as may be derived from the operation of the improvements and facilities acquired or improved with the proceeds of the sale of such obligations, or may be payable from and secured by the pledge of a specified part of the revenues derived from the operation of the improvements and facilities of the

authority, all as may be provided in the proceedings authorizing the issuance of such obligations.

(g) The authority may adopt plans for the construction or refinancing of a facility [~~grain elevator or elevators~~], to be paid for by the issuance and sale of obligations payable from and secured by a pledge of revenues to be derived from the operation of the facility [~~said grain elevator~~] and further secured by a trust indenture, or by a deed of trust on the physical properties of such improvement; and during the time any such improvement is encumbered by the pledge of such revenues and the lien upon its physical properties, in the proceedings authorizing the bonds or the indenture, may vest its management and control in a Board of Trustees, to be named in such resolution or indenture, consisting of not less than five (5) nor more than nine (9) members. The compensation of the members of such Board of Trustees shall be fixed by such resolution or indenture, but shall never exceed one percent (1%) of the gross receipts of such improvement in any one (1) year. The terms of office of the members of such Board of Trustees, their powers and duties, including the power to fix fees and charges for the use of such improvements, and the manner of exercising same, the manner of the selection of their successors, and all matters pertaining to their duties and the organization of such Board of Trustees shall be specified in such resolution or indenture. Any such Board of Trustees may adopt bylaws regulating the procedure of the Board and fixing the duties of its officers, but the bylaws shall not contain any provision in conflict with the covenants and provisions contained in the resolution authorizing the bonds or the indenture. In all matters wherein the resolution or indenture are silent as to the powers, duties, obligations and procedure of the Board, the laws and rules governing the port commission shall control the Board of Trustees in so far as applicable. The Board may be created by the resolution or indenture, and in that event shall have all or any of the powers and authority which could be exercised by the port commission in so far as the management and operation of any such improvement is concerned. By the terms of any such resolution or indenture the

authority, all as may be provided in the proceedings authorizing the issuance of such obligations.

(g) The authority may adopt plans for the construction or refinancing of a facility [~~grain elevator or elevators~~], to be paid for by the issuance and sale of obligations payable from and secured by a pledge of revenues to be derived from the operation of the facility [~~said grain elevator~~] and further secured by a trust indenture, or by a deed of trust on the physical properties of such improvement; and during the time any such improvement is encumbered by the pledge of such revenues and the lien upon its physical properties, in the proceedings authorizing the bonds or the indenture, may vest its management and control in a Board of Trustees, to be named in such resolution or indenture, consisting of not less than five (5) nor more than nine (9) members. The compensation of the members of such Board of Trustees shall be fixed by such resolution or indenture, but shall never exceed one percent (1%) of the gross receipts of such improvement in any one (1) year. The terms of office of the members of such Board of Trustees, their powers and duties, including the power to fix fees and charges for the use of such improvements, and the manner of exercising same, the manner of the selection of their successors, and all matters pertaining to their duties and the organization of such Board of Trustees shall be specified in such resolution or indenture. Any such Board of Trustees may adopt bylaws regulating the procedure of the Board and fixing the duties of its officers, but the bylaws shall not contain any provision in conflict with the covenants and provisions contained in the resolution authorizing the bonds or the indenture. In all matters wherein the resolution or indenture are silent as to the powers, duties, obligations and procedure of the Board, the laws and rules governing the port commission shall control the Board of Trustees in so far as applicable. The Board may be created by the resolution or indenture, and in that event shall have all or any of the powers and authority which could be exercised by the port commission in so far as the management and operation of any such improvement is concerned. By the terms of any such resolution or indenture the

port commission may make provision for later supplementing such resolution or indenture so as to vest the management and control of the facility [~~such grain elevator~~] in a Board of Trustees having the powers, rights and duties herein conferred or imposed.

(j) As additional security for the payment of any obligations issued hereunder, the port commission may in its discretion have executed in favor of the holders of such obligations an indenture or deed of trust mortgaging and encumbering all or any part of the physical properties comprising the improvements and facilities the net revenues of which are pledged to the payment of such obligations, including the lands upon which said improvements and facilities are located, and may provide in such mortgage or encumbrance for a grant to any purchaser or purchasers at foreclosure sale thereunder of a franchise or lease to operate such improvements, facilities and properties for a term of not over fifty (50) years from the date of such purchase, subject to all laws regulating same then in force. Any such indenture or deed of trust may contain such terms and provisions as the port commission shall deem proper and shall be enforceable in the manner provided by the laws of Texas for the enforcement of other mortgages and encumbrances. Under any such sale ordered pursuant to the provisions of such mortgage or encumbrance, the purchaser or purchasers at such sale, and his or their successors or assigns, shall be vested with a permit or franchise conforming to the provisions stipulated in the indenture or deed of trust to maintain and operate the improvements, facilities and properties purchased at such sale with like powers and privileges as may theretofore have been enjoyed by the authority in the operation of said improvements, facilities and properties. The purchaser or purchasers of such improvements, facilities and properties at any such sale, and his or their successors and assigns, may operate said improvements, facilities and properties as provided in the last above sentence or may at their option remove all or any part or parts of said improvements, facilities and properties for diversion to other purposes.

The provisions of [~~Sections 61.164, 61.165,~~

port commission may make provision for later supplementing such resolution or indenture so as to vest the management and control of the facility [~~such grain elevator~~] in a Board of Trustees having the powers, rights and duties herein conferred or imposed.

(j) As additional security for the payment of any obligations issued hereunder, the port commission may in its discretion have executed in favor of the holders of such obligations an indenture or deed of trust mortgaging and encumbering all or any part of the physical properties comprising the improvements and facilities the net revenues of which are pledged to the payment of such obligations, including the lands upon which said improvements and facilities are located, and may provide in such mortgage or encumbrance for a grant to any purchaser or purchasers at foreclosure sale thereunder of a franchise or lease to operate such improvements, facilities and properties for a term of not over fifty (50) years from the date of such purchase, subject to all laws regulating same then in force. Any such indenture or deed of trust may contain such terms and provisions as the port commission shall deem proper and shall be enforceable in the manner provided by the laws of Texas for the enforcement of other mortgages and encumbrances. Under any such sale ordered pursuant to the provisions of such mortgage or encumbrance, the purchaser or purchasers at such sale, and the purchaser's or purchasers' [~~his or their~~] successors or assigns, shall be vested with a permit or franchise conforming to the provisions stipulated in the indenture or deed of trust to maintain and operate the improvements, facilities and properties purchased at such sale with like powers and privileges as may theretofore have been enjoyed by the authority in the operation of said improvements, facilities and properties. The purchaser or purchasers of such improvements, facilities and properties at any such sale, and the purchaser's [~~his or their~~] successors and assigns, may operate said improvements, facilities and properties as provided in the last above sentence or may at their option remove all or any part or parts of said improvements, facilities and properties for diversion to other purposes. The provisions of [~~Sections 61.164, 61.165,~~

~~and 61.168, Water Code, and Chapter 134, Acts 1935, 44th Legislature, Regular Session, as amended, and] any statute not included in this chapter that relates [other Statutes relating]~~ to the authorization or execution of mortgages and encumbrances or the granting of franchises or leases shall not be applicable to the authorization or execution of any mortgage or encumbrance entered into pursuant to the provisions of this chapter, nor to the granting of any franchise or lease hereunder. Any obligations issued pursuant to the provisions of this chapter and additionally secured by an indenture or deed of trust as provided by this subsection, whether such obligations are notes or certificates of indebtedness or otherwise, and the record relating to their issuance, may, at the option of the port commission, be submitted to the Attorney General of Texas for his examination and approval, as in the case of bonds, and after the Attorney General has approved the same, such obligations shall be registered by the Comptroller of Public Accounts of Texas; and after such obligations have been approved by the Attorney General and registered by the Comptroller, they shall thereafter be incontestable for any cause except for forgery or fraud.

(m) The authority, in addition to the other powers hereinabove set out, shall have general power and authority to make and enter into all contracts, leases and agreements necessary or convenient to the carrying out of any of the powers granted in this chapter, which contracts, leases or agreements may be entered into with any person, real or artificial, any corporation, municipal, public or private, and the government or governmental agency, including those of the United States and the State of Texas. Except as provided by Chapter 60, Water Code, any [Any and all] contracts, leases or agreements entered into pursuant hereto shall be approved by action [resolution or order] of the port commission, and shall be executed by the chair of the port commission [Chairman] and attested by the executive director ~~[thereof]~~.

(r) This Section, without reference to other Statutes of the State of Texas, shall constitute full authority for the authorization and issuance of obligations hereunder and

~~and 61.168, Water Code, and Chapter 134, Acts 1935, 44th Legislature, Regular Session, as amended, and] any statute not included in this chapter that relates [other Statutes relating]~~ to the authorization or execution of mortgages and encumbrances or the granting of franchises or leases shall not be applicable to the authorization or execution of any mortgage or encumbrance entered into pursuant to the provisions of this chapter, nor to the granting of any franchise or lease hereunder. Any obligations issued pursuant to the provisions of this chapter and additionally secured by an indenture or deed of trust as provided by this subsection, whether such obligations are notes or certificates of indebtedness or otherwise, and the record relating to their issuance, may, at the option of the port commission, be submitted to the Attorney General of Texas for the attorney general's [his] examination and approval, as in the case of bonds, and after the Attorney General has approved the same, such obligations shall be registered by the Comptroller of Public Accounts of Texas; and after such obligations have been approved by the Attorney General and registered by the Comptroller, they shall thereafter be incontestable for any cause except for forgery or fraud.

(m) The authority, in addition to the other powers hereinabove set out, shall have general power and authority to make and enter into all contracts, leases and agreements necessary or convenient to the carrying out of any of the powers granted in this chapter, which contracts, leases or agreements may be entered into with any person, real or artificial, any corporation, municipal, public or private, and the government or governmental agency, including those of the United States and the State of Texas. Except as provided by Chapter 60, Water Code, any [Any and all] contracts, leases or agreements entered into pursuant hereto shall be approved by action [resolution or order] of the port commission, and shall be executed by the chair of the port commission [Chairman] and attested by the executive director ~~[thereof]~~.

(r) This Section, without reference to other Statutes of the State of Texas, shall constitute full authority for the authorization and issuance of obligations hereunder and

for the accomplishment of all things herein authorized to be done, and no proceedings relating to the authorization or issuance of such obligations or the doing of such things shall be necessary except such as are herein required, and no [~~neither the Bond and Warrant Law of 1931 or any other~~] provisions of the Laws of the State of Texas[,] pertinent to the authorization or issuance of obligations, the operation and maintenance of ports, canals and waterways, the granting of franchise, permits, or leases, the right to elections or referendum petitions, shall in anywise impede or restrict the carrying out of the acts authorized to be done hereunder or acts done pursuant hereto.

SECTION 5. Sections 5007.007(a-1), (n), (o), (p), and (q), Special District Local Laws Code, are amended to read as follows:

(a-1) The authority is empowered and authorized to exercise, in addition to all powers conferred by this section, all powers conferred upon the authority by the law or laws under which it was organized, and, in addition, shall have all of the powers and jurisdiction conferred upon Districts originally organized under Article XVI, Section 59, of the Constitution of the State of Texas, including [~~and particularly~~] Subchapters B, H, and K, Chapter 60, Water Code, and Sections 60.034 through 60.042, 61.075, 61.076, 61.082, 61.112, 61.115 through 61.117, 61.151 through 61.168, 61.172 through 61.174, and 61.176, Water Code, as amended, and Articles 8248, 8249, 8250, 8251, 8252, 8253, 8254, 8255, 8256, 8257, and 8258, Revised Civil Statutes of Texas, 1925, as amended, as well as Chapter 6, Acts, 1941, Forty-seventh Legislature, Page 8, as amended; Chapter 176, Acts, 1955, Fifty-fourth Legislature, Page 554; Chapter 217, Acts, 1949, Fifty-first Legislature, Page 407; provided, that if there is any conflict or inconsistency between said laws or any of them, and this chapter, then to the extent of conflict or inconsistency, the provisions of this chapter shall govern.

(n) The port commission shall provide all necessary additional books for the use of the tax assessor-collector [~~Assessor and Collector of taxes~~] and the Clerk of the Commissioners Court of Harris County,

for the accomplishment of all things herein authorized to be done, and no proceedings relating to the authorization or issuance of such obligations or the doing of such things shall be necessary except such as are herein required, and no [~~neither the Bond and Warrant Law of 1931 or any other~~] provisions of the Laws of the State of Texas[,] pertinent to the authorization or issuance of obligations, the operation and maintenance of ports, canals and waterways, the granting of franchise, permits, or leases, the right to elections or referendum petitions, shall in anywise impede or restrict the carrying out of the acts authorized to be done hereunder or acts done pursuant hereto.

SECTION 5. Sections 5007.007(a-1), (n), (o), (p), and (q), Special District Local Laws Code, are amended to read as follows:

(a-1) The authority is empowered and authorized to exercise, in addition to all powers conferred by this section, all powers conferred upon the authority by the law or laws under which it was organized, and, in addition, shall have all of the powers and jurisdiction conferred upon Districts originally organized under Article XVI, Section 59, of the Constitution of the State of Texas, including [~~and particularly~~] Subchapters B, H, and K, Chapter 60, Water Code, and Sections 60.034 through 60.042, 61.075, 61.076, 61.082, 61.112, 61.115 through 61.117, 61.151 through 61.168, 61.172 through 61.174, and 61.176, Water Code, as amended, and Articles 8248, 8249, 8250, 8251, 8252, 8253, 8254, 8255, 8256, 8257, and 8258, Revised Civil Statutes of Texas, 1925, as amended, as well as Chapter 6, Acts, 1941, Forty-seventh Legislature, Page 8, as amended; Chapter 176, Acts, 1955, Fifty-fourth Legislature, Page 554; Chapter 217, Acts, 1949, Fifty-first Legislature, Page 407; provided, that if there is any conflict or inconsistency between said laws or any of them, and this chapter, then to the extent of conflict or inconsistency, the provisions of this chapter shall govern.

(n) The port commission shall provide all necessary additional books for the use of the tax assessor-collector [~~Assessor and Collector of taxes~~] and the Clerk of the Commissioners Court of Harris County,

Texas. The tax assessor-collector [~~Tax Assessor~~] of [~~said~~] Harris County shall be charged with the assessment of all property for taxation within the authority and when ordered to do so by the Commissioners Court of Harris County shall assess all property within the authority and list the same for taxation in the books or rolls furnished the tax assessor-collector [~~him~~] for said purposes, and return said books or rolls at the same time when the tax assessor-collector [~~he~~] returns the other books or rolls of the State and County Taxes for correction and approval to the Commissioners Court of said County, and if said Court shall find said books or rolls correct they shall approve the same, and in all matters pertaining to the assessment of property for taxation in the authority, the tax assessor-collector [~~Tax Assessor~~] and appraisal review board [~~Board of Equalization~~] of said County shall be authorized to act and shall be governed by the laws of Texas for assessing and equalizing property for State and County Taxes, except as herein provided. All taxes authorized to be levied by this chapter shall be a lien upon the property upon which said taxes are assessed, and said taxes may be paid and shall mature and be paid at the time provided by the laws of this State for the payment of State and County Taxes; and all the penalties provided by the laws of this State for the nonpayment of State and County Taxes shall apply to all taxes authorized to be levied by this chapter. The tax assessor-collector [~~Tax Collector~~] of Harris County shall be charged with the assessment rolls of the authority, and is required to make collection of all taxes levied and assessed against the property in said County and promptly pay over the same to the Treasurer of the authority. The tax assessor-collector [~~Tax Assessor-Collector~~] shall receive compensation for [~~such~~] services [~~such compensation as the port commission and said Commissioners Court shall agree upon;~~] and such compensation shall be paid as provided by law [~~to the Officers' Salary Fund of the County~~]. The bond of the tax assessor-collector [~~such Assessor-Collector~~] shall stand as security for the proper performance of the [~~his~~] duties as tax assessor-collector [~~Tax Assessor-Collector~~] of the authority; or, if in the judgment of the port commission it be

Texas. The tax assessor-collector [~~Tax Assessor~~] of [~~said~~] Harris County shall be charged with the assessment of all property for taxation within the authority and when ordered to do so by the Commissioners Court of Harris County shall assess all property within the authority and list the same for taxation in the books or rolls furnished the tax assessor-collector [~~him~~] for said purposes, and return said books or rolls at the same time when the tax assessor-collector [~~he~~] returns the other books or rolls of the State and County Taxes for correction and approval to the Commissioners Court of said County, and if said Court shall find said books or rolls correct they shall approve the same, and in all matters pertaining to the assessment of property for taxation in the authority, the tax assessor-collector [~~Tax Assessor~~] and appraisal review board [~~Board of Equalization~~] of said County shall be authorized to act and shall be governed by the laws of Texas for assessing and equalizing property for State and County Taxes, except as herein provided. All taxes authorized to be levied by this chapter shall be a lien upon the property upon which said taxes are assessed, and said taxes may be paid and shall mature and be paid at the time provided by the laws of this State for the payment of State and County Taxes; and all the penalties provided by the laws of this State for the nonpayment of State and County Taxes shall apply to all taxes authorized to be levied by this chapter. The tax assessor-collector [~~Tax Collector~~] of Harris County shall be charged with the assessment rolls of the authority, and is required to make collection of all taxes levied and assessed against the property in said County and promptly pay over the same to the Treasurer of the authority. The tax assessor-collector [~~Tax Assessor-Collector~~] shall receive compensation for [~~such~~] services [~~such compensation as the port commission and said Commissioners Court shall agree upon;~~] and such compensation shall be paid as provided by law [~~to the Officers' Salary Fund of the County~~]. The bond of the tax assessor-collector [~~such Assessor-Collector~~] shall stand as security for the proper performance of the [~~his~~] duties of the tax assessor-collector [~~as Tax Assessor-Collector~~] of the authority; or, if in the judgment of the port commission it be

necessary, an additional bond payable to the authority may be required, and in all matters pertaining to the collection of taxes levied under the provisions of this chapter, the tax assessor-collector [~~Tax Collector~~] shall be authorized to act and shall be governed by the laws of the State of Texas for the collection of State and County Taxes, except as herein provided; and suits may be brought for the collection of said taxes and the enforcement of the tax liens created by this chapter. It shall be the duty of the tax assessor-collector [~~Tax Collector~~] to make a certified list of all delinquent property upon which the navigation tax has not been paid, and return the same to the County Commissioners Court, which shall proceed to have the same collected by the sale of such delinquent property in the same manner, both by suit and otherwise, as now or may be provided for the sale of property for the collection of State and County Taxes; and, at the sale of any property for any delinquent tax, the port commission may become the purchasers of the same for the benefit of the authority. Should the tax assessor-collector [~~said Tax Assessor and Collector~~] fail or refuse to comply with the order of said Commissioners Court requiring the tax assessor-collector [~~him~~] to assess and list for taxation all the property in the authority, or fail or refuse to give such additional bond or security as herein provided, the tax assessor-collector [~~he~~] shall be suspended from further discharge of the tax assessor-collector's [~~his~~] duties by the Commissioners Court of said County, and the tax assessor-collector [~~he~~] shall be removed from office in the mode prescribed by law for the removal of county officers.

(o) The County Treasurer of Harris County shall be treasurer of the authority, and [~~it~~] shall [~~be his duty to~~] open an account of all moneys received by the treasurer [~~him~~] belonging to the authority and all amounts paid out by the treasurer [~~him~~]. The treasurer [~~He~~] shall deposit the funds of the authority in such depository or depositories as may be designated by the port commission in the manner provided by law [~~for the selection of a county depository, and such depository so selected shall be the depository of the authority for a period of two (2) years and until its successor is selected and qualified~~]. Should the port

necessary, an additional bond payable to the authority may be required, and in all matters pertaining to the collection of taxes levied under the provisions of this chapter, the tax assessor-collector [~~Tax Collector~~] shall be authorized to act and shall be governed by the laws of the State of Texas for the collection of State and County Taxes, except as herein provided; and suits may be brought for the collection of said taxes and the enforcement of the tax liens created by this chapter. It shall be the duty of the tax assessor-collector [~~Tax Collector~~] to make a certified list of all delinquent property upon which the navigation tax has not been paid, and return the same to the County Commissioners Court, which shall proceed to have the same collected by the sale of such delinquent property in the same manner, both by suit and otherwise, as now or may be provided for the sale of property for the collection of State and County Taxes; and, at the sale of any property for any delinquent tax, the port commission may become the purchasers of the same for the benefit of the authority. Should the tax assessor-collector [~~said Tax Assessor and Collector~~] fail or refuse to comply with the order of said Commissioners Court requiring the tax assessor-collector [~~him~~] to assess and list for taxation all the property in the authority, or fail or refuse to give such additional bond or security as herein provided, the tax assessor-collector [~~he~~] shall be suspended from further discharge of the tax assessor-collector's [~~his~~] duties by the Commissioners Court of said County, and the tax assessor-collector [~~he~~] shall be removed from office in the mode prescribed by law for the removal of county officers.

(o) The County Treasurer of Harris County shall be treasurer of the authority, and [~~it~~] shall [~~be his duty to~~] open an account of all moneys received by the treasurer [~~him~~] belonging to the authority and all amounts paid out by the treasurer [~~him~~]. The treasurer [~~He~~] shall deposit the funds of the authority in such depository or depositories as may be designated by the port commission in the manner provided by law [~~for the selection of a county depository, and such depository so selected shall be the depository of the authority for a period of two (2) years and until its successor is selected and qualified~~]. Should the port

commission fail or refuse to select a depository such depository shall be selected in like manner by the Commissioners Court. The treasurer [~~The depository of the authority on April 29, 1957, shall continue to be the depository of the authority until its successor is selected and qualified as herein provided.~~—He] shall pay out no money except upon the conditions provided for in this chapter and under other law[;] and [he] shall carefully preserve on file all orders for the payment of money; and, as often as required by the [said] Commissioners Court, [he] shall render a correct account to them of all matters pertaining to the financial condition of the authority. The treasurer [~~County Treasurer~~] shall execute a good and sufficient bond, payable to the [~~port commissioners and to their successors in office for the benefit of the~~] authority in an amount to be fixed by the port commission, such bond to be conditioned for the faithful performance of the [his] duties as treasurer of the authority and to be approved by the port commission; provided whenever any bonds are issued by the authority, [~~the County Treasurer~~] before receiving the proceeds of sale thereof the treasurer shall execute additional good and sufficient bond payable to the port commission in an amount to be fixed by the port commission, which bond shall likewise be conditioned and approved as aforesaid, but such additional bond shall not be required after the treasurer [~~such Treasurer~~] shall have properly disbursed the proceeds of such bond issue; and the treasurer [~~County Treasurer~~] shall be allowed such compensation for [his] services performed as treasurer of the authority as may be determined by the port commission[;—~~and such compensation shall be paid to the Officers' Salary Fund of the County~~].

(p) The authority shall acquire, purchase, lease, maintain, repair and operate facilities and equipment for preventing, detecting, controlling and fighting fires on or adjacent to the waterways, channels and turning basins within its jurisdiction, including the Houston Ship Channel, and for the protection of life and property from damage by fire and explosion.

The authority shall promulgate and enforce

commission fail or refuse to select a depository such depository shall be selected in like manner by the Commissioners Court. The treasurer [~~The depository of the authority on April 29, 1957, shall continue to be the depository of the authority until its successor is selected and qualified as herein provided.~~—He] shall pay out no money except upon the conditions provided for in this chapter and under other law[;] and [he] shall carefully preserve on file all orders for the payment of money; and, as often as required by the [said] Commissioners Court, [he] shall render a correct account to them of all matters pertaining to the financial condition of the authority. The treasurer [~~County Treasurer~~] shall execute a good and sufficient bond, payable to the [~~port commissioners and to their successors in office for the benefit of the~~] authority in an amount to be fixed by the port commission, such bond to be conditioned for the faithful performance of the [his] duties of the [~~as~~] treasurer of the authority and to be approved by the port commission; provided whenever any bonds are issued by the authority, [~~the County Treasurer~~] before receiving the proceeds of sale thereof the treasurer shall execute additional good and sufficient bond payable to the port commission in an amount to be fixed by the port commission, which bond shall likewise be conditioned and approved as aforesaid, but such additional bond shall not be required after such Treasurer shall have properly disbursed the proceeds of such bond issue; and the treasurer [~~County Treasurer~~] shall be allowed such compensation for [his] services performed as treasurer of the authority as may be determined by the port commission[;—~~and such compensation shall be paid to the Officers' Salary Fund of the County~~].

(p) The authority shall acquire, purchase, lease, maintain, repair and operate facilities and equipment for preventing, detecting, controlling, responding to, and fighting fires, explosions, and hazardous material incidents on or adjacent to the waterways, channels and turning basins within its jurisdiction, including the Houston Ship Channel, and for the protection of life and property from damage by fire, [~~and~~] explosion, and hazardous material incidents. The authority shall promulgate and enforce

ordinances, rules and regulations for the promotion of the safety of life and property on or adjacent to the waterways, channels and turning basins within its jurisdiction, including the Houston Ship Channel, from damages by fire and explosion thereon in the manner provided by Subchapter D, Chapter 60, Water Code. The powers and functions herein authorized may be exercised both within and without the corporate limits of any city, town or village situated within the boundaries of the authority. This chapter shall be cumulative of all other laws on the subject but in the event of conflict between this chapter and any law of this state or any charter provision or ordinance of any such city, town or village relating to the subject matter of this chapter, the provisions of this chapter shall control.

(q) The authority is authorized to acquire, purchase, construct, enlarge, extend, repair, maintain, operate, or develop traffic control facilities and everything appurtenant thereto, together with all other facilities or aids incident to or useful in the operation or development of the [authority's] ports and waterways within the authority's jurisdiction, including the Houston Ship Channel, or in aid of navigation and commerce thereon. [~~The traffic control facilities shall be financed out of available revenue and shall not utilize bond revenue funds.~~]

SECTION 6. Section 5007.010, Special District Local Laws Code, is amended.

SECTION 7. Subchapter B, Chapter 5007, Special District Local Laws Code, is amended.

SECTION 8. Section 5007.218, Special District Local Laws Code, is amended.

SECTION 9. Subchapter B, Chapter 5007, Special District Local Laws Code, is amended by adding Section 5007.229 to read as follows:
Sec. 5007.229. NOTICE OF MEETINGS.

ordinances, rules and regulations for the promotion of the safety of life and property on or adjacent to the waterways, channels and turning basins within its jurisdiction, including the Houston Ship Channel, from damages by fire, explosion, and hazardous material incidents [~~and explosion thereon~~] in the manner provided by Subchapter D, Chapter 60, Water Code. The powers and functions herein authorized may be exercised both within and without the corporate limits of any city, town or village situated within the boundaries of the authority. This chapter shall be cumulative of all other laws on the subject but in the event of conflict between this chapter and any law of this state or any charter provision or ordinance of any such city, town or village relating to the subject matter of this chapter, the provisions of this chapter shall control.

(q) The authority is authorized to acquire, purchase, construct, enlarge, extend, repair, maintain, operate, or develop traffic control facilities and everything appurtenant thereto, together with all other facilities or aids incident to or useful in the operation or development of the [authority's] ports and waterways within the authority's jurisdiction, including the Houston Ship Channel, or in aid of navigation and commerce thereon. [~~The traffic control facilities shall be financed out of available revenue and shall not utilize bond revenue funds.~~]

SECTION 6. Same as introduced version.

SECTION 7. Same as introduced version.

SECTION 8. Same as introduced version.

No equivalent provision.

Section 551.054(b), Government Code, does not apply to the authority.

SECTION 10. This Act takes effect immediately if it receives 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, 2017.

SECTION 9. Same as introduced version.