

BILL ANALYSIS

Senate Research Center
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C.S.S.B. 1282
By: Lucio
Business & Commerce
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Committee Report (Substituted)

DIGEST AND PURPOSE

During the 76th Legislative Interim, the Senate Interim Committee on Border Affairs found that Texas underutilized marine water ports in its overall transportation plan. Several other states have recognized the importance of port freight infrastructure and have established financing programs for the improvement, expansion, and direct support of their ports. C.S.S.B. 1282 creates a port access account fund to facilitate regional economic development, international trade, and expedite the flow of NAFTA-related traffic.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Department of Economic Development in SECTION 1 (Section 55.004, Transportation Code) and to the Texas Port Transportation and Economic Development Advisory Committee in SECTION 1 (Section 55.007, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Title 4A, Transportation Code, by adding Chapter 55, as follows:

CHAPTER 55. TEXAS PORT TRANSPORTATION AND ECONOMIC DEVELOPMENT FUNDING

Sec. 55.001. DEFINITIONS. Defines “committee,” “department,” “fund,” and “port transportation or facility project.”

Sec. 55.002. TEXAS PORT TRANSPORTATION AND ECONOMIC DEVELOPMENT FUNDING. Requires the Department of Economic Development (department) to fund, from money in the port access account fund, port transportation or facility projects, or port studies. Prohibits the department from funding a port transportation or facility project unless an amount at least equal to the amount provided by the department is invested in a project by a port authority or navigation project. Sets forth the port facility or transportation projects that are eligible for funding under this chapter. Requires the department, in consultation with the Texas Port Transportation and Economic Development Advisory Committee (committee), to review the list of projects recommended by the committee to evaluate the economic benefit of each project. Requires the department, in consultation with the committee, to approve projects or studies for funding based on its review.

Sec. 55.003. GIFTS AND GRANTS. Authorizes the department to accept gifts, grants, and donations from any source for the purposes of this chapter.

Sec. 55.004. AUDIT. Authorizes the department to subject a project that receives money under this chapter to a final audit. Authorizes the department to adopt rules and perform other acts necessary or convenient to ensure that the final audits are conducted and that any deficiency or questioned costs noted by the audit are resolved.

Sec. 55.005. PORT ACCESS ACCOUNT FUND. Provides that the port access account fund is an account in the general revenue fund. Requires that certain money be credited to the fund. Authorizes money in the fund to be appropriated only to the department to perform the department's powers and duties concerning port transportation and economic development under this chapter and to pay the department's expenses incurred under this chapter. Provides that the financial transactions of the fund are subject to audit by the state auditor.

Sec. 55.006. TEXAS PORT TRANSPORTATION AND ECONOMIC DEVELOPMENT ADVISORY COMMITTEE. Sets forth the composition of the committee. Requires the committee to develop bylaws under which it operates. Requires the bylaws to specify the procedure by which the presiding officer of the committee is elected. Provides that a majority of voting members constitutes a quorum sufficient to conduct meetings and business of the committee. Provides that a vote of the majority of the voting members present is sufficient for any action of the committee, unless the bylaws of the committee require a greater vote for a particular action. Requires the committee to meet at the call of its presiding officer, at the request of a majority of its membership, or at times prescribed in its bylaws. Requires the committee to meet at least semiannually. Provides that a member is not entitled to compensation for service on the committee but is entitled to reimbursement for reasonable expenses the member incurs in performing committee duties. Provides that Sections 2110.002 (Composition of Advisory Committees) and 2110.008 (Duration of Advisory Committees), Government Code, do not apply to the committee.

Sec. 55.007. DUTIES OF COMMITTEE. Requires the committee to perform certain actions. Grants rulemaking authority to the committee related to evaluating projects that may be funded under this chapter.

Sec. 55.008. CAPITAL PROGRAM. Requires the committee to prepare a two-year port capital program defining the goals and objectives of the committee concerning the development of port facilities and an intermodal transportation system. Requires the port capital program to include projects or studies submitted by each port that is a member of the committee and certain recommendations. Requires the committee to update the port capital program annually and submit the capital program not later than February 1 of each year to certain individuals and entities.

SECTION 2. Requires the Texas Department of Economic Development to convene the initial meeting of the Texas Port Transportation and Economic Development Advisory Committee, as created by this Act, before January 1, 2002.

SECTION 3. Effective date: September 1, 2001.

SUMMARY OF COMMITTEE CHANGES

SECTION 1. Amends As Filed S.B. 1282 as follows:

Sec. 55.002. Requires the Department of Economic Development (department) to fund, from money in the fund, port transportation or facility projects or port studies. Requires the department, in consultation with the Texas Port Transportation and Economic Development Advisory Committee (committee) to review the list of projects recommended by the committee to evaluate the economic benefit of each project. Requires the department, in consultation with the committee, to approve projects or studies for funding based on its review.

Sec. 55.006. Provides that the executive director or designee of the department is a nonvoting member of the Texas Port Transportation and Economic Development Advisory Committee.

Sec. 55.008. New heading: CAPITAL PROGRAM. (a) Requires the committee to prepare a

two-year port capital program plan defining the goals and objectives of the committee concerning the development of port facilities and an intermodal transportation program. Requires the port capital program to include projects or studies submitted by each port that is a member of the committee. Makes conforming changes.

(b) Removes the General Land Office from the list of individuals and entities to whom the committee is required to submit an updated port capital program by February 1 of each year. Makes conforming changes.

SECTION 2. Amends As Filed S.B. 1282 by requiring the department to convene the initial meeting of the committee, as created by this Act, before January 1, 2002.

SECTION 3. No change.