

BILL ANALYSIS

Senate Research Center
84R7505 TSR-D

H.B. 1716
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Transportation
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

As a result of increasing attention from interests seeking to invest in Texas ports, navigation districts need greater flexibility relating to the leasing period to encourage infrastructure investment.

H.B. 1716 amends the Water Code by increasing the maximum term for which the navigation and canal commissions of certain navigation districts may lease the surface of land from 30 years to 50 years by entry of an order on the commission's minutes and the execution of a lease in the manner provided by the original order.

H.B. 1716 amends current law relating to the term for a lease of land owned by certain navigation districts.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 60.039(a), Water Code, as follows:

(a) Authorizes the navigation and canal commission (commission) to lease the surface of land for not more than 50 years, rather than not more than 30 years, by the entry of an order on the minutes of the commission and the execution of a lease in the manner provided by the original order. Prohibits the lease from being extended beyond the 50-year period, rather than 30-year period, by renewal, extension, or otherwise.

SECTION 2. Amends Section 60.040, Water Code, as follows:

Sec. 60.040. New heading: PUBLICATION OF NOTICE FOR SALES AND LEASES IN EXCESS OF 50 YEARS. Changes a reference to 30 years to 50 years and makes a nonsubstantive change.

SECTION 3. Amends Section 60.041, Water Code, as follows:

Sec. 60.041. New heading: SECURITY FOR BIDS ON LAND TO BE SOLD OR LEASED FOR MORE THAN 50 YEARS. Changes a reference to 30 years to 50 years and makes a nonsubstantive change.

SECTION 4. Amends the heading to Section 60.042, Water Code, to read as follows:

Sec. 60.042. AWARD AND EXECUTION OF DEED OR LEASE IN EXCESS OF 50 YEARS.

SECTION 5. Provides that the changes in law made by this Act apply only to a lease entered into on or after the effective date of this Act. Makes application of this Act prospective.

SECTION 6. Effective date: September 1, 2015.