

BILL ANALYSIS

Senate Research Center

S.B. 28
By: Creighton
Transportation
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas ports are responsible for over 30 percent of the Texas gross domestic product and are integral to the Texas manufacturing and energy miracle that sustained the Texas economy through the depths of the economic downturn. However, Texas ports and manufacturing face an unprecedented competitive threat as ports in neighboring states are beating Texas in the race to improve their depth and infrastructure to meet the opportunities created by the new, deeper Panama Canal.

S.B. 28 clarifies that Texas Mobility Funds can only be used for construction or improvements of public roadways that will enhance connectivity to ports.

S.B. 28 creates a ship channel improvement revolving fund to assist local sponsors in deepening and widening projects. (Original Author's / Sponsor's Statement of Intent)

S.B. 28 amends current law relating to the financing of ports in the state.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Transportation Commission in SECTION 4 (Section 56.003, Transportation Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 55.001, Transportation Code, by adding Subdivision (4-a), to define "port access improvement project" to mean the construction or improvement of public roadways that will enhance connectivity to ports.

SECTION 2. Amends Section 55.002(e), Transportation Code, to authorize the Texas Transportation Commission (TTC) to use money from the Texas Mobility Fund to provide funding for a port access improvement project, rather than to provide funding, including through a loan, for certain other port-related projects.

SECTION 3. Amends Section 55.006(a), Transportation Code, as follows:

(a) Provides that the port authority advisory committee consists of nine, rather than seven, members appointed as follows, rather than appointed by TTC:

- (1) one member from the Port of Houston Authority appointed by TTC;
- (2) three members who represent maritime ports on the upper Texas coast appointed by TTC;
- (3) three members who represent maritime ports on the lower Texas coast appointed by TTC;
- (4) one member appointed by the lieutenant governor; and
- (5) one member appointed by the speaker of the house of representatives.

SECTION 4. Amends Subtitle A, Title 4, Transportation Code, by adding Chapter 56, as follows:

CHAPTER 56. FUNDING OF SHIP CHANNEL IMPROVEMENTS

Sec. 56.001. DEFINITIONS. Defines “commission,” “fund,” and “navigation district.”

Sec. 56.002. SHIP CHANNEL IMPROVEMENT REVOLVING FUND. (a) Provides that the ship channel improvement revolving fund (fund) is an account in the general revenue fund and is administered by TTC.

(b) Requires that certain monies be credited to the fund.

(c) Authorizes money in the fund to be appropriated only to TTC for the purposes of administering the fund and the program established under Section 56.003.

(d) Provides that the fund’s financial transactions are subject to audit by the state auditor.

Sec. 56.003. REVOLVING LOAN PROGRAM. (a) Requires TTC, by rule, to establish a revolving loan program to use money from the fund to finance qualified projects for navigation districts.

(b) Requires a project, to be qualified, to deepen or widen a ship channel, be authorized by the United States Congress, and meet any other standards provided by TTC rule.

(c) Provides that a project for maintenance dredging is not a qualified project under this section.

SECTION 5. Effective date: upon passage or September 1, 2017.