BILL ANALYSIS

Senate Research Center

S.B. 2212 By: Taylor Intergovernmental Relations 4/6/2019 As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The United States Army Corps of Engineers (Corps) completed the Sabine Pass to Galveston Bay Texas Coastal Storm Risk Management and Ecosystem Restoration report in August 2017. The report identified three major projects in Orange County, Port Arthur, and Freeport to reduce storm surge and flooding. The United States Congress appropriated nearly \$4 billion to fund them. The existing drainage districts (Orange County, Drainage District 7, and Velasco, respectively) in those territories have expressed willingness to be the local partners on these projects.

S.B. 2212 allows the drainage districts to enter into a project partnership agreement with the Corps for the projects identified in the report. It does not provide any funding or commitment to the required local match but allows the districts to receive money from any source, including a public-private partnership.

As proposed, S.B. 2212 amends current law relating to the maintenance and operation of certain projects by certain drainage 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 Chapter 34, Acts of the 57th Legislature, 3rd Called Session, 1962, by adding Section 19, as follows:

Sec. 19. (a) Authorizes the District to enter into a project partnership agreement with the United States Army Corps of Engineers for a project proposed to be located in the District and listed in the Sabine Pass to Galveston Bay Texas Coastal Storm Risk Management and Ecosystem Restoration report published by the United States Army Corps of Engineers in May 2017. Provides that if the District enters into a project partnership agreement under this subsection, the District:

(1) is required to:

- (A) develop a maintenance and operation plan for the proposed project; and
- (B) biennially submit a report to the Texas General Land Office (GLO) and the legislature on expenditures of state money relating to a project described by this subsection; and
- (2) is authorized to enter into an agreement for a public-private partnership to fund a local share of or the costs of the operation and maintenance of a project described by this subsection.

- (a-1) Requires the initial report described by Subsection (a)(1)(B) to be submitted not later than December 1, 2020, if the District enters into a project partnership agreement under this section before November 1, 2020. Provides that this subsection expires January 1, 2021.
- (b) Authorizes the District, if a project described by Subsection (a) is built in the District, to accept money from any source to fund the maintenance and operation of the project and to provide local matching funds required by the project partnership agreement with the United States Army Corps of Engineers.

SECTION 2. Amends Chapter 307, Acts of the 58th Legislature, Regular Session, 1963, by adding Section 20, as follows:

Sec. 20. (a) Authorizes the District to enter into a project partnership agreement with the United States Army Corps of Engineers for a project proposed to be located in the District and listed in the Sabine Pass to Galveston Bay Texas Coastal Storm Risk Management and Ecosystem Restoration report published by the United States Army Corps of Engineers in May 2017. Provides that if the District enters into a project partnership agreement under this subsection, the District:

(1) is required to:

- (A) develop a maintenance and operation plan for the proposed project; and
- (B) biennially submit a report to GLO and the legislature on expenditures of state money relating to a project described by this subsection; and
- (2) is authorized to enter into an agreement for a public-private partnership to fund a local share of or the costs of the operation and maintenance of a project described by this subsection.
- (a-1) Requires the initial report described by Subsection (a)(1)(B) to be submitted not later than December 1, 2020, if the District enters into a project partnership agreement under this section before November 1, 2020. Provides that this subsection expires January 1, 2021.
- (b) Authorizes the District, if a project described by Subsection (a) is built in the District, to accept money from any source to fund the maintenance and operation of the project and to provide local matching funds required by the project partnership agreement with the United States Army Corps of Engineers.

SECTION 3. Amends Chapter 44, Acts of the 57th Legislature, 3rd Called Session, 1962, by adding Section 14, as follows

Sec. 14. (a) Authorizes the District to enter into a project partnership agreement with the United States Army Corps of Engineers for a project proposed to be located in the District and listed in the Sabine Pass to Galveston Bay Texas Coastal Storm Risk Management and Ecosystem Restoration report published by the United States Army Corps of Engineers in May 2017. Provides that if the District enters into a project partnership agreement under this subsection, the District:

(1) is required to:

(A) develop a maintenance and operation plan for the proposed project; and

- (B) biennially submit a report to GLO and the legislature on expenditures of state money relating to a project described by this subsection; and
- (2) is authorized to enter into an agreement for a public-private partnership to fund a local share of or the costs of the operation and maintenance of a project described by this subsection.
- (a-1) Requires the initial report described by Subsection (a)(1)(B) to be submitted not later than December 1, 2020, if the District enters into a project partnership agreement under this section before November 1, 2020. Provides that this subsection expires January 1, 2021.
- (b) Authorizes the District, if a project described by Subsection (a) is built in the District, to accept money from any source to fund the maintenance and operation of the project and to provide local matching funds required by the project partnership agreement with the United States Army Corps of Engineers.

SECTION 4. Effective date: September 1, 2019.