

AN ACT

relating to the administration, powers, and duties of certain navigation districts; authorizing the imposition of a tax.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 404, Acts of the 53rd Legislature, Regular Session, 1953, is amended by adding Section 11 to read as follows:

Sec. 11. (a) The District may sell, exchange, or lease real property or any interest in real property owned by it, whether the real property was acquired by gift or purchase, in settlement of any litigation, controversy, or claim in behalf of the District, or in any other manner, except that lands or flats heretofore purchased from the State of Texas under former Article 8225, Revised Civil Statutes of Texas, 1925, or granted by the State of Texas in any general or special act, may be sold only to the State of Texas or exchanged with the State of Texas for other lands or exchanged for adjacent littoral land as authorized by Section 61.117, Water Code. The District may impose restrictions on the development, use, and transfer of any real property or interest in real property, other than lands or flats purchased from the State of Texas under former Article 8225, Revised Civil Statutes of Texas, 1925, or granted by the State of Texas in any general or special act, in connection with its sale or exchange under this section.

(b) Except as provided by Subsection (d) of this section,

1 before the District may sell or exchange real property, the Board
2 shall determine by resolution that the land is no longer needed for
3 use by the District in connection with the development of a
4 navigation project.

5 (c) Except as provided by Subsection (d), (e), or (f) of
6 this section, a sale or exchange of real property shall be made as
7 provided by Sections 60.040-60.042, Water Code.

8 (d) The District may donate, exchange, convey, sell, or
9 lease land, improvements, easements, or any other interests in real
10 property to promote an authorized project. For the purposes of this
11 subsection, "authorized project" means a project that includes the
12 land, buildings, equipment, facilities, expenditures, targeted
13 infrastructure, and improvements that are:

14 (1) for the purpose of economic development; and
15 (2) found by the board of directors to be required or
16 suitable for the development, retention, or expansion of:

- 17 (A) manufacturing and industrial facilities;
18 (B) research and development facilities;
19 (C) military facilities;
20 (D) law enforcement facilities;
21 (E) transportation facilities;
22 (F) sewage or solid waste disposal facilities;
23 (G) recycling facilities;
24 (H) air or water pollution control facilities;
25 (I) facilities for the transmission and
26 treatment of water;
27 (J) distribution centers;

1 (K) warehouse facilities;

2 (L) education or job training facilities; or

3 (M) corporate headquarters facilities.

4 (e) The District may donate, exchange, convey, sell, or
5 lease a real property interest under Subsection (d) of this section
6 for less than its fair market value and without complying with the
7 notice and bidding requirements of Sections 60.040-60.042, Water
8 Code.

9 (f) Narrow strips of real property resulting from boundary
10 or surveying conflicts or similar causes, or from insubstantial
11 encroachments by abutting real property owners, or real property of
12 larger configuration that has been subject to encroachments by
13 abutting real property owners for more than 25 years may be
14 abandoned, released, exchanged, or transferred to such abutting
15 owners on terms and conditions considered appropriate or
16 advantageous to the District. The District may convey real
17 property under this subsection for less than its fair market value
18 and without complying with the notice and bidding requirements of
19 Sections 60.040-60.042, Water Code.

20 (g) The District may grant easements over or on its real
21 property on terms and conditions the Board determines to be
22 advantageous to the District.

23 (h) The authority granted to the District by this section to
24 dispose of interests in real property is in addition to any
25 authority granted by Chapter 272, Local Government Code, and a
26 disposition of an interest in real property under this section is
27 exempt from the notice, bidding, and other requirements of Chapter

1 272, Local Government Code.

2 SECTION 2. Chapter 5013, Special District Local Laws Code,
3 is amended by designating Sections 5013.001 and 5013.002 as
4 Subchapter A and adding a subchapter heading to read as follows:

5 SUBCHAPTER A. GENERAL PROVISIONS

6 SECTION 3. Section 5013.001, Special District Local Laws
7 Code, is amended to read as follows:

8 Sec. 5013.001. DEFINITIONS [~~DEFINITION~~]. In this chapter:

9 (1) "Authority" [~~,"authority"~~] means the Port of
10 Harlingen Authority.

11 (2) "Port commission" means the governing body of the
12 authority.

13 (3) "Port commissioner" means a member of the port
14 commission.

15 (4) "Treasurer" means the treasurer of the authority.

16 SECTION 4. Chapter 5013, Special District Local Laws Code,
17 is amended by adding Subchapter B, and a heading is added to that
18 subchapter to read as follows:

19 SUBCHAPTER B. PORT COMMISSION

20 SECTION 5. Section 5013.003, Special District Local Laws
21 Code, is transferred to Subchapter B, Chapter 5013, Special
22 District Local Laws Code, as added by this Act, redesignated as
23 Section 5013.051, and amended to read as follows:

24 Sec. 5013.051 [~~5013.003~~]. GOVERNING BODY. (a) The
25 navigation and canal commission of the authority is called the port
26 commission and is composed of port commissioners.

27 (b) The port commission shall divide the territory of the

1 authority into four numbered single-member districts for electing
2 port commissioners.

3 (c) The port commission may revise the single-member
4 districts as necessary or appropriate.

5 (d) The port commission consists of five port
6 commissioners. One port commissioner is elected from each
7 single-member district, and one port commissioner is elected from
8 the authority at large.

9 (e) Port commissioners serve staggered four-year terms.

10 (f) The port commissioner elected from the authority at
11 large serves as the presiding officer of the port commission.

12 (g) The port commission shall hold an election to elect the
13 appropriate number of port commissioners on the uniform election
14 date in November of each odd-numbered year.

15 SECTION 6. Chapter 5013, Special District Local Laws Code,
16 is amended by adding Subchapters C and D to read as follows:

17 SUBCHAPTER C. POWERS AND DUTIES

18 Sec. 5013.101. TREASURER. (a) The port commission:

19 (1) shall hire or appoint a treasurer; and

20 (2) may terminate or suspend the employment or
21 appointment of the treasurer.

22 (b) The treasurer has the power and duties of a treasurer
23 under Chapters 60 and 62, Water Code.

24 (c) Notwithstanding Section 62.152, Water Code, the
25 treasurer shall pay all authority expenses from authority funds.

26 Sec. 5013.102. SALES AND LEASES. (a) Except as provided by
27 this section, the provisions of Subchapter C, Chapter 60, Water

1 Code, apply to all sales and leases entered into by the authority.

2 (b) Notwithstanding Section 60.039, Water Code, the
3 authority may enter into a surface lease for a period of not more
4 than 99 years.

5 (c) Notwithstanding Section 60.040, Water Code, the
6 authority is not required to publish notice for a sale, easement, or
7 lease for a period of not more than 99 years.

8 (d) Sections 60.041 and 60.042, Water Code, do not apply to
9 a bid on real property to be sold by the authority.

10 SUBCHAPTER D. FINANCIAL PROVISIONS

11 Sec. 5013.151. MAINTENANCE AND OPERATION TAX; TAX RATE.

12 (a) The authority may impose an ad valorem tax at a rate not to
13 exceed 10 cents on each \$100 valuation of all taxable property in
14 the authority for the maintenance, operation, and upkeep of the
15 authority and the improvements constructed by the authority.

16 (b) The authority may change the rate or suspend collection
17 of the tax authorized by this section in the manner provided by law
18 for official action by the authority, subject to the limitation
19 prescribed by Subsection (a).

20 (c) Section 62.160, Water Code, does not apply to the
21 authority.

22 Sec. 5013.152. SELECTION OF DEPOSITORY. (a) Except as
23 provided by this section, the authority shall select a depository
24 for the authority in the manner provided by Section 60.271, Water
25 Code.

26 (b) The authority shall select a depository in a manner to
27 ensure that authority funds are fully insured by the Federal

1 Deposit Insurance Corporation or the National Credit Union Share
2 Insurance Fund.

3 (c) The authority may select more than one institution to
4 serve as a depository in order to comply with the requirement under
5 Subsection (b).

6 SECTION 7. (a) In this section, "authority," "port
7 commission," and "port commissioner" have the meanings assigned by
8 Section 5013.001, Special District Local Laws Code, as amended by
9 this Act.

10 (b) Not later than June 1, 2021, the port commission shall
11 divide the territory of the authority into four numbered
12 single-member districts as required by Section 5013.051, Special
13 District Local Laws Code, as redesignated and amended by this Act.

14 (c) A port commissioner of the authority who is serving on
15 the day before the effective date of this Act shall serve until a
16 successor qualifies following an election under Subsection (d) of
17 this section.

18 (d) On the uniform election date in November 2021, the port
19 commission shall hold an election to elect one at-large port
20 commissioner and four port commissioners from single-member
21 districts.

22 (e) The five port commissioners elected under Subsection
23 (d) of this section shall draw lots to determine which two port
24 commissioners shall serve a term expiring December 1, 2023, and
25 which three port commissioners shall serve a term expiring December
26 1, 2025.

27 (f) On the uniform election date in November 2023, the port

1 commission shall hold an election to elect two port commissioners
2 to terms of four years.

3 (g) On the uniform election date in 2025, the port
4 commission shall hold an election to elect three port commissioners
5 to terms of four years.

6 SECTION 8. (a) The legal notice of the intention to
7 introduce a bill relating to the administration, powers, and duties
8 of the Port of Harlingen Authority, setting forth the general
9 substance of a bill relating to the administration, powers, and
10 duties of the Port of Harlingen Authority, has been published as
11 provided by law, and the notice and a copy of a bill relating to the
12 administration, powers, and duties of the Port of Harlingen
13 Authority have been furnished to all persons, agencies, officials,
14 or entities to which they are required to be furnished under Section
15 59, Article XVI, Texas Constitution, and Chapter 313, Government
16 Code.

17 (b) The governor, one of the required recipients, has
18 submitted the notice and a copy of a bill relating to the
19 administration, powers, and duties of the Port of Harlingen
20 Authority to the Texas Commission on Environmental Quality.

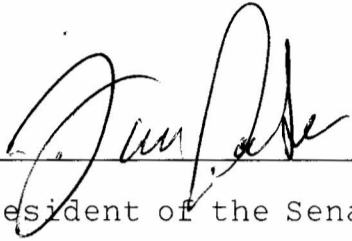
21 (c) The Texas Commission on Environmental Quality has filed
22 its recommendations relating to a bill relating to the
23 administration, powers, and duties of the Port of Harlingen
24 Authority with the governor, the lieutenant governor, and the
25 speaker of the house of representatives within the required time.

26 (d) All requirements of the constitution and laws of this
27 state and the rules and procedures of the legislature with respect

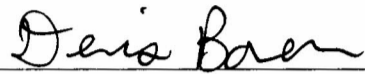
1 to the notice, introduction, and passage of a bill relating to the
2 administration, powers, and duties of the Port of Harlingen
3 Authority are fulfilled and accomplished.

4 SECTION 9. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2019.

H.B. No. 1053



President of the Senate



Speaker of the House

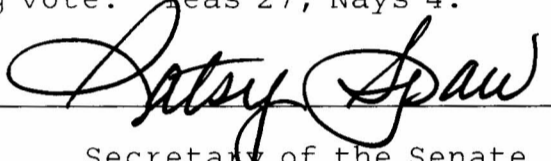
I certify that H.B. No. 1053 was passed by the House on April 11, 2019, by the following vote: Yeas 144, Nays 0, 2 present, not voting; that the House refused to concur in Senate amendments to H.B. No. 1053 on May 23, 2019, and requested the appointment of a conference committee to consider the differences between the two houses; and that the House adopted the conference committee report on H.B. No. 1053 on May 26, 2019, by the following vote: Yeas 144, Nays 0, 1 present, not voting.



Chief Clerk of the House

H.B. No. 1053

I certify that H.B. No. 1053 was passed by the Senate, with amendments, on May 21, 2019, by the following vote: Yeas 27, Nays 4; at the request of the House, the Senate appointed a conference committee to consider the differences between the two houses; and that the Senate adopted the conference committee report on H.B. No. 1053 on May 26, 2019, by the following vote: Yeas 27, Nays 4.


Secretary of the Senate

APPROVED: _____

Date

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:45 pm O'CLOCK

JUN 15 2019


Secretary of State

PROCLAMATION
BY THE
Governor of the State of Texas
41-3643

TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Greg Abbott, Governor of Texas, do hereby disapprove of and veto House Bill No. 1053 as passed by the Eighty-Sixth Texas Legislature, Regular Session, because of the following objections:

House Bill 1053 has two fatal flaws:

First, it would exempt the Willacy County Navigation District from competitive bidding requirements applicable to all other navigation districts, allowing it to donate, exchange, convey, sell, or lease a real property interest for less than reasonable market value and without providing public notice. This exception to the general laws of our State would unnecessarily undermine the tenets of transparency.

Second, it would authorize the Port of Harlingen Authority to impose an ad valorem tax. The end-of-session addition of this power was not properly vetted through the legislative process and did not receive a public hearing. While likely not the intent of this bill's author or sponsor, this would set a bad example for how special districts can evade statutory and legislative oversight in the future.

Since the Eighty-Sixth Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 15th day of June, 2019.



GREG ABBOTT
Governor of Texas

ATTESTED BY:



JOE ESPARZA
Deputy Secretary of State

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
4:45pm O'CLOCK
JUN 15 2019