



TPA Legislative Package

Funding Requests

\$1 Billion



Port Capital Improvements

and

\$750 Million



SCIRF Program

Ship Channel Improvement Revolving Fund



\$9.67 Billion

OF FUNDING NEEDS



Infrastructure

\$1.67 Billion



**Connectivity
Projects**

\$4.34 Billion



**Ship Channel
Improvement**

\$3.66 Billion

TPA Member Ports

- Port of Bay City
- Port of Beaumont
- Port of Brownsville
- Calhoun Port Authority
- Port of Corpus Christi
- Port Freeport
- Port of Galveston
- Port of Harlingen
- Port Houston
- Port Isabel - San Benito Navigation District
- Port of Port Mansfield
- Port of Orange
- Port of Palacios
- Port of Port Arthur
- City of Port Lavaca Port Commission
- Sabine-Neches Navigation District
- Port of Texas City
- Port of Victoria
- Sabine Pass Port Authority
- Cedar Port Navigation and Improvement District



This legislative package is supported by **Texas Ports Association**



TPA Legislative Package

TPA 2023 LEGISLATION

→ Chapter 55, Transportation Code

SB 1499 Filed by Sen. Nichols

HB 2605 Filed by Rep. Canales

→ TPA Omnibus Bill

SB 1500 Filed by Sen. Nichols

HB 2606 Filed by Rep. Canales

→ Easements Bill

SB 818 Filed by Sen. Alvarado

HB1511 Filed by Rep. Perez



10th Largest

ECONOMY SUPPORTED BY TEXAS PORTS

Port Investment = More Cargo=
More Jobs=More Investment=Benefit
to the Futures of All Texans



\$308 Billion

VALUE IN WATERBORNE TRADE

\$207 Billion in Exports and
\$101 Billion in Imports in
Annual Overall Trade



Top 100

US PORTS RANKING

11 Texas Ports Rank Among the Top 100
US Ports in Total Tonnage—6 Texas Ports
Move the Largest Quantities of Cargo



25% GDP

TEXAS' GDP GENERATED BY PORTS

That Equals to \$450 Billion of
Total Economic Value for Texas
and \$1 Trillion Nationwide

Sources: TxDOT, Port Authority Advisory Committee and TPA 2018 Economic Study



TPA Legislative Package

Amendments to Chapter 55

SB 1499 Filed by Sen. Nichols

HB 2605 Filed by Rep. Canales

Chapter 55 of the Transportation Code Established the port access account fund, which has never been funded. The TPA supports amendments to Chapter 55 that would:

- (1) Ensure that port development and infrastructure projects (inside the gate), as well as port connectivity projects (outside the gate) are eligible for funding;
- (2) Provide for and clarify that funds may be appropriated to the port access account fund by the legislature for development and infrastructure projects; and
- (3) Limit the amount of funds that may be granted to any one navigation district, or eligible seaport, to 20 percent of the appropriated funding per biennium to ensure that a diverse allocation of maritime port projects are funded along all of the Texas Coast.



Texas Ports Lead the US

TEXAS IS HOME TO THE

Largest Container Port on the US Gulf Coast; Largest Breakbulk Gateway in the US; Largest Port in the US in Total Revenue Tonnage; and Leading US Energy Export Gateway

THREE STRATEGIC MILITARY PORTS

3 Texas Ports are Designated as Strategic Military Sea Ports by the Department of Defense and Provide Surface Deployment and Worldwide Distribution for Military Cargo

Sources: TxDOT, Port Authority Advisory Committee and TPA 2018 Economic Study



TPA Legislative Package

TPA Omnibus Bill

SB 1500 Filed by Sen. Nichols

HB 2606 Filed by Rep. Canales

Section 1 Amends Section 60.403(a) of the Water Code to provide that a Port Commission may authorized the CEO or other designated officer to make routine purchases or contracts up to \$100,000 without a public proposal or approval process. The current maximum is \$50,000.

Section 2 Amends Section 60.4035 of the Water Code. This provides that the CEO or other designated officer may make emergency purchases or contracts in excess of the customary authorized amount without a public proposal or approval process, but only if necessary to respond to supply chain disruptions or shortages or other operational disruptions or stoppages, without competitive procurement delays, costs or harm to the agency. The Port Commission must be notified of any such expenditure within 48 hours after the purchase is made.

Section 3 Amends Section 60.412 of the Water Code to make a conforming change to track Section 2 above.

Section 4 Adds Section 60.503 to the Water Code. This section authorizes a Port Commission to develop and administer a program (1) for small or disadvantaged business development, (2) to promote or advertise the district, or (3) to improve the extent to which local, small, and other historically underutilized businesses are awarded district contracts. A program established under this section could be designed to reasonably increase participation by local businesses, small businesses, and historically underutilized businesses in public contract awards by establishing contract percentage goals for those businesses.

Also adds Section 60.504 to the Water Code to provide that navigation districts have the right to reject all bids or proposals. This is a technical correction.

Section 5 Amends Section 62.106(e) of the Water Code to provide that a navigation district may use the condemnation procedures in Chapter 21, Property Code. This is a technical correction. Section 62.106(e) currently refers to the condemnation procedures in formerly in Subchapter F of Chapter 51 of the Water Code; today these procedures are in Chapter 21, Property Code.

continued

Section 6 Amends Section 62.120 of the Water Code to provide that a navigation district may enter into operating contracts and leases with cities and other governmental subdivisions for the operation of the portions of the district's water system as designated by the Port Commission. This is a technical correction. Currently Section 62.120(a) refers to designation by the board, which under Chapter 62, Water Code, means the navigation board, a joint body of the Commissioners Court and the City Council not relevant to most navigation districts. Adding 'or the commission' at the end of this subsection clarifies that the Port Commission decides which portions of the district's water system could be made available to cities or other governmental subdivisions.

Section 7 Amends Section 62.122 of the Water Code to provide that a Port Commission may authorize the sale of its dredge material from a dredge material placement area on terms and conditions the commission considers appropriate or advantageous to the district, following required action by the U.S. Army Corps of Engineers.



Texas Ports Lead in Waterborne Commerce

Texas Ports are Ranked First Nationwide for Foreign Waterborne Tonnage of Imports and Exports and are Ranked Second in the US in Waterborne Commerce



Historical Port Investment

In the Past Decade, Over 98% of Texas Ports and Navigation District Investments were Leveraged through Private Port Funding Sources vs 2% from Public Port System Investments



All Texans Benefit

Texas Ports are the Backbone of the State's Economy and are Critical to the Economic Growth



TPA Legislative Package

Easements Bill

SB 818 Filed by Sen. Alvarado

HB 1511 Filed by Rep. Perez

Section 60.038 of the Water Code This bill makes the following changes to Section 60.038 of the Water Code:

- (a) Authorizes a navigation district to impose restrictions on the development, use, and transfer of any real property or interest in real property in connection with its sale or exchange under this section.
- (b) Authorizes a navigation district to donate, exchange, convey, sell, or lease land, improvements, easements, or any other interests in real property to an electric or telecommunications utility to promote a public purpose related to the development of the district. A district may donate, exchange, convey, sell, or lease a real property interest under this authority for less than its fair market value and without complying with any notice or bidding requirements.
- (c) Authorizes a navigation district to abandon, release, exchange, or transfer the following real property interests to abutting real property owners:
 - (1) narrow strips of real property resulting from boundary or surveying conflicts,
 - (2) narrow strips of real property resulting from insubstantial encroachments by abutting real property owners, and
 - (3) real property of larger configuration that has been subject to encroachments by abutting real property owners for more than 25 years. A district may convey real property under this authority for less than its fair market value and without complying with any notice or bidding requirements.



128,000

DIRECT JOBS CREATED

Texas Ports Create 128,000 Direct Jobs and Generate \$8 Billion in Personal Income



607 Million

TOTAL TONS TRANSPORTED

464 Million Tons International Trade and 143 Million Tons Domestic Trade

Sources: TxDOT, Port Authority Advisory Committee and TPA 2018 Economic Study