

1-1 By: Deshotel (Senate Sponsor - Creighton) H.B. No. 4666
 1-2 (In the Senate - Received from the House May 6, 2019;
 1-3 May 6, 2019, read first time and referred to Select Committee on
 1-4 Texas Ports; May 14, 2019, reported favorably by the following
 1-5 vote: Yeas 5, Nays 0; May 14, 2019, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7 Creighton	X			
1-8 Alvarado	X			
1-9 Hinojosa	X			
1-10 Kolchorst	X			
1-11 Lucio			X	
1-12 Nelson	X			
1-13 Taylor			X	

1-15 A BILL TO BE ENTITLED
 1-16 AN ACT

1-17 relating to the modernization of the law governing the Port of
 1-18 Beaumont Navigation District of Jefferson County, Texas.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Subtitle A, Title 5, Special District Local Laws
 1-21 Code, is amended by adding Chapter 5010 to read as follows:

1-22 CHAPTER 5010. PORT OF BEAUMONT NAVIGATION DISTRICT OF JEFFERSON
 1-23 COUNTY, TEXAS

1-24 SUBCHAPTER A. GENERAL PROVISIONS

1-25 Sec. 5010.0101. DEFINITIONS. In this chapter:

1-26 (1) "Board" means the board of port commissioners of
 1-27 the district.

1-28 (2) "Commissioner" means a member of the board.

1-29 (3) "District" means the Port of Beaumont Navigation
 1-30 District of Jefferson County, Texas.

1-31 Sec. 5010.0102. NATURE AND PURPOSE OF DISTRICT. (a) The
 1-32 district is a port district.

1-33 (b) To the extent authorized by this chapter, the district
 1-34 is created to:

1-35 (1) improve navigation in the district;

1-36 (2) maintain, develop, extend, and improve port,
 1-37 wharf, dock, and intermodal facilities inside or outside the
 1-38 district; and

1-39 (3) develop the Port of Beaumont in the district.

1-40 Sec. 5010.0103. LEGISLATIVE FINDINGS. The creation of the
 1-41 district:

1-42 (1) is essential to:

1-43 (A) accomplish the purposes of Section 59,
 1-44 Article XVI, Texas Constitution; and

1-45 (B) the general welfare of this state for the
 1-46 development of maritime shipping to and from the state's ports;

1-47 (2) is in the interest of national defense, the Port of
 1-48 Beaumont being strategically located on the Gulf Coast with an
 1-49 inland-protected harbor and in a rapidly developing industrial area
 1-50 where wharves, docks, and intermodal facilities are located; and

1-51 (3) will result in:

1-52 (A) material benefits and improvements to
 1-53 district territory;

1-54 (B) the increase of the taxable value of property
 1-55 in the district; and

1-56 (C) material benefit to that part of the state in
 1-57 which the district is located.

1-58 Sec. 5010.0104. DISTRICT TERRITORY. The district is
 1-59 composed of the territory in Jefferson and Orange Counties
 1-60 described by Sections 1 and 1A, Chapter 147, Acts of the 51st

2-1 Legislature, Regular Session, 1949, as that territory may have been
2-2 modified under:
2-3 (1) Section 3 or 3a, Chapter 103, Acts of the 41st
2-4 Legislature, 1st Called Session, 1929 (Article 8263a, Vernon's
2-5 Texas Civil Statutes), before August 30, 1971;
2-6 (2) Subchapter H, Chapter 62, Water Code; or
2-7 (3) other law.
2-8 Sec. 5010.0105. LIBERAL CONSTRUCTION OF CHAPTER. This
2-9 chapter shall be construed liberally to effect its purposes.
2-10 SUBCHAPTER B. DISTRICT ADMINISTRATION
2-11 Sec. 5010.0201. BOARD OF PORT COMMISSIONERS; TERM;
2-12 ELECTION. (a) The management and control of the district is vested
2-13 in a board composed of six elected commissioners.
2-14 (b) Commissioners serve staggered six-year terms, with the
2-15 terms of two commissioners expiring every two years.
2-16 (c) The district shall hold an election in the district on
2-17 the uniform election date in May of each odd-numbered year to elect
2-18 the appropriate number of commissioners.
2-19 (d) Notice of an election held under this section must be:
2-20 (1) signed by the board's presiding officer or
2-21 secretary; and
2-22 (2) posted in accordance with Section 4.003(b),
2-23 Election Code.
2-24 (e) The board shall declare the results of an election held
2-25 under this section.
2-26 Sec. 5010.0202. ELECTIONS; WARDS; QUALIFICATIONS. (a) Two
2-27 commissioners are elected by the voters of the district at large,
2-28 and each ward is represented on the board by a ward resident elected
2-29 as commissioner by the voters of the ward.
2-30 (b) The district is divided into four wards in accordance
2-31 with a redistricting plan consistent with the most recent decennial
2-32 census.
2-33 (c) The board may change the boundaries of the wards and may
2-34 designate the wards by reference to county commissioners court
2-35 precincts, except that:
2-36 (1) there must be four wards in the district at all
2-37 times;
2-38 (2) each ward must contain as nearly as possible the
2-39 same number of voters; and
2-40 (3) each ward must contain at least 20 percent of the
2-41 estimated population of the district.
2-42 (d) Each commissioner must:
2-43 (1) be a qualified voter of the district; and
2-44 (2) own taxable real property located in the district.
2-45 Sec. 5010.0203. PLACING CANDIDATE ON BALLOT. (a) An
2-46 application for a place on the ballot must be:
2-47 (1) filed with the secretary of the board or another
2-48 person designated by the board; and
2-49 (2) signed by:
2-50 (A) the candidate; or
2-51 (B) 10 or more qualified voters of the district.
2-52 (b) The filing period for an application for a place on the
2-53 ballot is the same as provided by Chapter 143, Election Code.
2-54 Sec. 5010.0204. COMMISSIONER'S OATH AND BOND. (a) Not
2-55 later than the 10th day after the date of the commissioner's
2-56 election, each commissioner shall:
2-57 (1) take and subscribe an oath of office with
2-58 conditions in the oath as provided by law for members of the
2-59 commissioners court of a county; and
2-60 (2) enter into a good and sufficient bond in the amount
2-61 of \$1,000 payable to the district, conditioned on the faithful
2-62 performance of the commissioner's duties as a commissioner.
2-63 (b) The bond of a commissioner must be approved by the
2-64 board.
2-65 Sec. 5010.0205. COMPENSATION OF COMMISSIONERS; EXPENSES.
2-66 (a) Except as provided by Subsection (b), a commissioner shall
2-67 receive \$500 per month for the commissioner's services.
2-68 (b) A commissioner serving as president of the board shall
2-69 receive \$550 per month.

3-1 (c) A commissioner shall receive actual traveling expenses.
3-2 Sec. 5010.0206. VACANCIES. (a) Except as provided by
3-3 Subsection (b), if a vacancy occurs in the office of commissioner,
3-4 the board shall appoint a commissioner for the remainder of the
3-5 unexpired term.
3-6 (b) If the number of commissioners is reduced to three, the
3-7 remaining commissioners shall call a special election to fill the
3-8 vacancies.
3-9 Sec. 5010.0207. OFFICERS AND EMPLOYEES. (a) As soon as
3-10 practicable after each election of commissioners, the board shall
3-11 elect a president, vice president, and secretary and treasurer.
3-12 (b) The president and vice president must be members of the
3-13 board.
3-14 (c) The office of secretary and treasurer:
3-15 (1) is one office; and
3-16 (2) may be filled by a person who is not a member of the
3-17 board.
3-18 (d) If a vacancy occurs in an office, the board shall
3-19 appoint a replacement for the unexpired term.
3-20 (e) Officers serve until successor officers have qualified.
3-21 (f) The board may:
3-22 (1) employ an executive director for the district and
3-23 give the executive director full authority to manage and operate
3-24 the affairs of the district, including the authority to employ
3-25 officers, agents, and employees, prescribe their duties, and set
3-26 their compensation, subject only to the orders of the board; and
3-27 (2) employ and set the fees of counsel to represent the
3-28 district in the preparation of any contract, to conduct any
3-29 proceeding in or out of court, and to be the legal advisor of the
3-30 board on matters as agreed to by the board.
3-31 (g) The board shall:
3-32 (1) set the compensation of the secretary and
3-33 treasurer and the executive director; and
3-34 (2) set the terms of office of all officers of the
3-35 district, including the executive director.
3-36 (h) All officers and the executive director of the district,
3-37 other than the commissioners, hold office subject to the will of the
3-38 board.
3-39 Sec. 5010.0208. DELEGATION. The board may authorize the
3-40 executive director or another person to perform any act on behalf of
3-41 the board.
3-42 Sec. 5010.0209. SURETY BOND. (a) Each officer, agent, or
3-43 employee of the district who is charged with the collection,
3-44 custody, or payment of district money shall give bond conditioned
3-45 on:
3-46 (1) the faithful performance of the person's duties;
3-47 and
3-48 (2) an accounting of all money and property of the
3-49 district coming into the person's possession.
3-50 (b) The bond must be in a form and manner and with a surety
3-51 approved by the board, and the surety on the bond must be a surety
3-52 company authorized to do business in this state.
3-53 (c) The district shall pay the premium on the bond and
3-54 charge the premium as an operating expense.
3-55 Sec. 5010.0210. DISTRICT OFFICE. A regular office shall be
3-56 established and maintained for conducting district business
3-57 either:
3-58 (1) in the district; or
3-59 (2) at any place in the city of Beaumont.
3-60 Sec. 5010.0211. MEETINGS; QUORUM. (a) The board shall hold
3-61 regular meetings at least once each month on the day and time
3-62 designated by the board.
3-63 (b) The board shall hold special meetings:
3-64 (1) at the call of the board president; or
3-65 (2) on the request of three commissioners.
3-66 (c) Four commissioners constitute a quorum of the board.
3-67 Sec. 5010.0212. CONFLICT OF INTEREST; PENALTY. (a) A
3-68 commissioner, officer, agent, or employee of the district may not
3-69 be directly or indirectly interested in a contract for the purchase

4-1 of any property or construction of any work by or for the district.
 4-2 (b) A person who violates this section is subject to the
 4-3 penalties provided by law for state and county officers under
 4-4 similar circumstances.

4-5 SUBCHAPTER C. POWERS AND DUTIES

4-6 Sec. 5010.0301. GENERAL AND NAVIGATION DISTRICT POWERS.

4-7 (a) The district has:

4-8 (1) the powers of government and the authority to
 4-9 exercise the rights, privileges, and functions specified by this
 4-10 chapter; and

4-11 (2) all powers, rights, privileges, and functions
 4-12 conferred by general law on any district created under Section 59,
 4-13 Article XVI, Texas Constitution, appropriate to the accomplishment
 4-14 of the purposes of this chapter, except as expressly limited by this
 4-15 chapter.

4-16 (b) To the extent not inconsistent or in conflict with this
 4-17 chapter, the district and the board have all of the rights, powers,
 4-18 privileges, and functions granted or conferred by the provisions of
 4-19 the general laws applicable to navigation districts including those
 4-20 granted or conferred by Chapters 60 and 62, Water Code.

4-21 Sec. 5010.0302. POWERS REGARDING WHARVES, DOCKS, AND OTHER
 4-22 FACILITIES; RESTRICTION. (a) This section does not apply to
 4-23 facilities or aids of a type or kind used or engaged in competition
 4-24 with tugs, barges, salvage operations, or shipbuilding or ship
 4-25 repair operations.

4-26 (b) The district may:

4-27 (1) acquire, take over, construct, maintain, repair,
 4-28 operate, develop, and regulate wharves, docks, warehouses, grain
 4-29 elevators, dumping facilities, belt railways, lands, intermodal,
 4-30 and other facilities or aids consistent with or necessary to the
 4-31 operation or development of ports or waterways in the district; and

4-32 (2) construct, extend, improve, repair, maintain, and
 4-33 reconstruct, cause to be constructed, extended, improved,
 4-34 repaired, maintained, and reconstructed, and own, use, and operate
 4-35 any facility of any kind necessary or convenient to the exercise of
 4-36 the powers, rights, privileges, and functions granted by this
 4-37 chapter.

4-38 (c) The district may issue bonds for a purpose described by
 4-39 Subsection (b)(1) or to acquire necessary or proper lands,
 4-40 rights-of-way, dumping grounds, extensions or improvements of belt
 4-41 railway lines, or construction or improvements of wharves, docks,
 4-42 or other facilities or aids to navigation. The district may secure
 4-43 the obligations by liens on properties acquired, constructed, or
 4-44 improved and may pledge available revenue as additional security.

4-45 Sec. 5010.0303. POWERS REGARDING WHARFAGE, CHARGES, AND
 4-46 RATES FOR DISTRICT FACILITIES. The district has the power to:

4-47 (1) regulate wharfage and charges for all facilities
 4-48 of or pertaining to the Port of Beaumont and the waterways in the
 4-49 district;

4-50 (2) assess and collect charges for the use of all
 4-51 district facilities;

4-52 (3) approve a pilotage rate charge imposed under
 4-53 Chapter 69, Transportation Code; and

4-54 (4) approve a charge, fee, or assessment imposed by a
 4-55 navigation district other than the district within the territory of
 4-56 the district.

4-57 Sec. 5010.0304. LIMITATION ON CERTAIN POWERS. This chapter
 4-58 may not be construed as granting the district or the board any power
 4-59 over the appointment, operations, or conduct of:

4-60 (1) a branch pilot appointed under Section 69.037,
 4-61 Transportation Code; or

4-62 (2) the board of pilot commissioners described by
 4-63 Section 69.011, Transportation Code.

4-64 Sec. 5010.0305. POWERS CONCURRENT WITH THOSE OF
 4-65 SABINE-NECHES NAVIGATION DISTRICT OF JEFFERSON COUNTY, TEXAS.

4-66 Except as provided by Section 5010.0303, the district's powers are
 4-67 concurrent with, but do not supersede or interfere with, the
 4-68 jurisdiction and powers of the Sabine-Neches Navigation District of
 4-69 Jefferson County, Texas, created under Section 59, Article XVI,

5-1 Texas Constitution, over the common territory of the two districts.
 5-2 Sec. 5010.0306. BYLAWS AND RULES. The district may adopt
 5-3 bylaws and rules for the management and regulation of the
 5-4 district's affairs.

5-5 Sec. 5010.0307. ACQUISITION OF PROPERTY; EMINENT DOMAIN.
 5-6 (a) In this section, "property" means property of any kind, except
 5-7 that the term does not include a lighter, tug, barge, or other
 5-8 floating equipment of any nature.

5-9 (b) If necessary or convenient to exercising a power, right,
 5-10 privilege, or function conferred on the district by this chapter,
 5-11 the district:

5-12 (1) by gift or purchase may acquire property or an
 5-13 interest in property that is inside or outside the district
 5-14 boundaries; or

5-15 (2) by exercising the power of eminent domain may
 5-16 acquire property or an interest in property that is inside or
 5-17 outside the district boundaries.

5-18 (c) The district must exercise the power of eminent domain
 5-19 in the manner provided by Chapter 21, Property Code, except that the
 5-20 district is not required to give bond for appeal or bond for costs
 5-21 in any judicial proceeding.

5-22 (d) The district's authority under this section to exercise
 5-23 the power of eminent domain expired on September 1, 2013, unless the
 5-24 district submitted a letter to the comptroller in accordance with
 5-25 Section 2206.101(b), Government Code, not later than December 31,
 5-26 2012.

5-27 Sec. 5010.0308. MORTGAGE OR FORCED SALE OF CERTAIN DISTRICT
 5-28 FACILITIES. The district may not mortgage or subject to forced sale
 5-29 a facility in use by the district on March 7, 1957.

5-30 Sec. 5010.0309. GENERAL AUTHORITY TO MAKE CONTRACTS AND
 5-31 EXECUTE INSTRUMENTS. The district may make a contract or execute an
 5-32 instrument necessary or convenient to exercising a power, right,
 5-33 privilege, or function conferred on the district by this chapter.

5-34 Sec. 5010.0310. AUTHORITY TO SUE AND BE SUED. The district
 5-35 may sue and be sued in the district's corporate name.

5-36 Sec. 5010.0311. SEAL. The district may adopt and use a
 5-37 corporate seal.

5-38 SUBCHAPTER D. GENERAL FINANCIAL PROVISIONS

5-39 Sec. 5010.0401. DEPOSITORY; DEPOSIT AND USE OF DISTRICT
 5-40 MONEY; REPORT. (a) The board shall select a depository or
 5-41 depositories for the district in the manner provided by law for the
 5-42 selection of a county depository.

5-43 (b) The board in selecting a depository shall act in the
 5-44 same capacity and perform the same duties as the county judge and
 5-45 the commissioners court in selecting a county depository.

5-46 (c) A depository selected by the board:

5-47 (1) has the powers and duties provided by law for a
 5-48 county depository; and

5-49 (2) shall execute a depository bond, or pledge
 5-50 collateral in lieu of or in addition to a surety company bond, as
 5-51 provided by law for a county depository.

5-52 (d) After the depository or depositories have given bond or
 5-53 bonds as provided by law and the bond or bonds have been approved by
 5-54 the board, all district money shall be deposited in the depository
 5-55 or depositories by the officers or agents of the district appointed
 5-56 by the board to collect and deposit district money.

5-57 (e) District money shall be deposited in the appropriate
 5-58 account and kept separate. The accounts of the district are the:

5-59 (1) interest and sinking fund account;

5-60 (2) construction account; and

5-61 (3) maintenance and operations account.

5-62 (f) Money in the interest and sinking fund account may be
 5-63 used only to pay the interest on and principal of the appropriate
 5-64 indebtedness.

5-65 (g) Each district depository shall prepare a report of all
 5-66 money received and all money paid out by the depository at the end
 5-67 of each month and shall file the report, along with vouchers and
 5-68 records of the district, with the secretary and treasurer of the
 5-69 board.

6-1 Sec. 5010.0402. ACCOUNTS, CONTRACTS, AND OTHER RECORDS;
6-2 PUBLIC INSPECTION. (a) The board shall keep complete and accurate
6-3 accounts conforming to approved governmental accounting standards.
6-4 (b) The accounts and all contracts, documents, and records:
6-5 (1) shall be kept at the district's principal office;
6-6 and
6-7 (2) are public information under Chapter 552,
6-8 Government Code.
6-9 Sec. 5010.0403. FILING COPIES OF AUDIT REPORT. Copies of
6-10 the audit report prepared under Subchapter G, Chapter 49, Water
6-11 Code, as required by Section 60.002, Water Code, shall be certified
6-12 to by the accountant who performed the audit and filed:
6-13 (1) as required by Section 49.194, Water Code; and
6-14 (2) with the county clerk of Jefferson County.
6-15 Sec. 5010.0404. PROCEDURE FOR DISTRIBUTION OF MONEY.
6-16 District money may be distributed by wire transfer or other
6-17 electronic means authorized by the board, or by check, voucher,
6-18 draft, order, or other written instrument signed by at least two
6-19 persons authorized by board resolution to sign the instrument.
6-20 Sec. 5010.0405. AUTHORITY TO BORROW MONEY, ACCEPT GRANTS,
6-21 AND ISSUE ASSOCIATED BONDS. The district may:
6-22 (1) borrow money for the district's corporate purposes
6-23 consistent with the constitution and general laws of this state;
6-24 (2) borrow money or accept a grant from the United
6-25 States, this state, or an agency or subdivision created or
6-26 designated by the United States or this state and, in connection
6-27 with the loan or grant, enter into any agreement the United States,
6-28 this state, or an agency or subdivision may require; and
6-29 (3) make and issue bonds for money borrowed, in the
6-30 manner and to the extent provided by this chapter.
6-31 Sec. 5010.0406. AUTHORITY TO BORROW MONEY FOR CURRENT
6-32 EXPENSES; EVIDENCE OF OBLIGATION. (a) The district may:
6-33 (1) borrow money for current expenses; and
6-34 (2) evidence the borrowed money by warrants.
6-35 (b) The amount of the warrants may not exceed the
6-36 anticipated revenue.
6-37 Sec. 5010.0407. AD VALOREM TAX FOR MAINTENANCE AND
6-38 OPERATIONS. The district may impose an annual ad valorem tax at a
6-39 rate not to exceed 10 cents on each \$100 valuation of taxable
6-40 property in the district for the maintenance, operation, and upkeep
6-41 of the district and the port facilities, properties, and
6-42 improvements constructed by the district.
6-43 Sec. 5010.0408. IMPOSITION OF DISTRICT TAX BY COMMISSIONERS
6-44 COURT. On request of the board, the Commissioners Court of
6-45 Jefferson County, Texas, shall impose taxes necessary to pay the
6-46 interest on the bonded debt and to create a sinking fund to retire
6-47 the principal of that debt.
6-48 Sec. 5010.0409. STATUTE OF LIMITATIONS INAPPLICABLE.
6-49 Collection of public charges of the district other than taxes is not
6-50 barred by the running of the limitations period.
6-51 SUBCHAPTER E. BONDS
6-52 Sec. 5010.0501. AUTHORITY TO ISSUE BONDS; ELECTION; TAXES
6-53 FOR BONDS. (a) The district may issue bonds when the board finds
6-54 that the bonds are necessary by an order entered of record in the
6-55 board's minutes. The district may issue bonds to obtain money for
6-56 any lawful purpose provided for in this chapter that the board
6-57 considers necessary.
6-58 (b) The board shall direct the district engineer to prepare
6-59 an estimate of the cost of necessary repairs, extensions, or
6-60 additional improvements, together with all expenses incident to
6-61 those repairs, extensions, or additional improvements, or the board
6-62 on the board's own motion may prepare such an estimate.
6-63 (c) The board shall order an election to be held to
6-64 determine whether district bonds shall be issued in an amount
6-65 sufficient to pay the costs and expenses contained in the estimate
6-66 prepared under Subsection (b). The election shall be held in
6-67 accordance with Chapter 1251, Government Code. The board shall
6-68 perform the duties and do all acts and things provided to be done by
6-69 the governing body of a municipality, as provided by that chapter.

7-1 The ballots at the election shall be printed as required by Chapter
7-2 1251, Government Code.
7-3 (d) If bonds have been voted, the board shall impose an
7-4 annual ad valorem tax on all taxable property in the district
7-5 sufficient to:
7-6 (1) pay the interest on the bonds;
7-7 (2) create a sinking fund to redeem and discharge the
7-8 bonds at maturity; and
7-9 (3) pay the expense of imposing the tax.
7-10 Sec. 5010.0502. FORM OF BONDS. All bonds issued under this
7-11 chapter must be:
7-12 (1) issued in the district's name;
7-13 (2) signed by the board president; and
7-14 (3) attested by the district secretary and treasurer.
7-15 Sec. 5010.0503. MATURITY. District bonds, including
7-16 refunding bonds, must mature not later than 40 years after the date
7-17 of issuance.
7-18 Sec. 5010.0504. REVENUE BONDS. (a) The district may pledge
7-19 all or part of the revenue derived from any source other than
7-20 taxation to the payment of revenue bonds issued by the district,
7-21 including:
7-22 (1) revenue derived from the operation of:
7-23 (A) existing facilities;
7-24 (B) facilities to be acquired wholly or partly
7-25 with the proceeds of the bonds; and
7-26 (C) other facilities to be acquired, regardless
7-27 of the source of financing;
7-28 (2) royalties and rentals from the lease of oil, gas,
7-29 or other mineral properties owned by the district; and
7-30 (3) revenue derived from property owned by the
7-31 district and leased to others.
7-32 (b) As considered necessary to ensure the marketability of
7-33 the obligations, a resolution or order authorizing the issuance of
7-34 revenue bonds may contain covenants with the holders of the
7-35 obligations as to:
7-36 (1) the development, management, and operation of the
7-37 district's improvements and facilities;
7-38 (2) the collection of fees and charges for the use of
7-39 the improvements and facilities;
7-40 (3) the disposition of the fees and charges;
7-41 (4) the issuance of future obligations and the
7-42 creation of future liens and encumbrances against the improvements
7-43 and facilities and the revenue of the improvements and facilities;
7-44 and
7-45 (5) other pertinent matters.
7-46 (c) Revenue bonds, if payable from a source other than
7-47 taxation, may be issued on a parity with other revenue bonds issued
7-48 under this chapter or other applicable law, and the revenue bonds
7-49 and parity revenue bonds may be payable from the same source.
7-50 Sec. 5010.0505. REFUNDING BONDS. (a) The board may issue
7-51 refunding bonds to refund like principal amounts of outstanding
7-52 bonds of the district.
7-53 (b) Refunding bonds shall be payable from the same source as
7-54 the bonds refunded except that bonds payable wholly or partly from
7-55 ad valorem taxes may be refunded into bonds payable solely from
7-56 district revenue other than ad valorem taxes, including revenue
7-57 derived from:
7-58 (1) the operation of a facility owned or used by the
7-59 district; or
7-60 (2) oil, gas, or other mineral properties or rights
7-61 owned by the district, including rentals.
7-62 (c) The district may combine into a single issue:
7-63 (1) refunding bonds payable solely from revenue other
7-64 than ad valorem taxes; and
7-65 (2) improvement bonds authorized under statutory
7-66 authority other than this section and similarly payable.
7-67 (d) Refunding bonds may be:
7-68 (1) delivered in exchange for a like amount of the
7-69 bonds to be refunded;

8-1 (2) sold, and the proceeds from the sale applied to the
 8-2 payment of the bonds to be refunded; or

8-3 (3) exchanged in part and sold in part.

8-4 (e) If the bonds to be refunded have not matured or become
 8-5 callable for redemption under the terms of the bonds, the proceeds
 8-6 of the sale of the refunding bonds may be deposited with a paying
 8-7 agent for the outstanding bonds. The paying agent shall apply the
 8-8 proceeds to the payment of the outstanding bonds:

8-9 (1) at maturity or the first available redemption
 8-10 date; or

8-11 (2) on earlier voluntary surrender by the bondholder.

8-12 (f) If refunding bond proceeds are deposited as provided by
 8-13 Subsection (e):

8-14 (1) interest on the outstanding bonds to maturity or
 8-15 the first available redemption date, together with any applicable
 8-16 redemption premiums, shall be deposited with the proceeds; and

8-17 (2) the refunding bond proceeds may, at the direction
 8-18 of the district, be invested by the paying agent in direct
 8-19 obligations of the United States that mature not later than the date
 8-20 on which the bonds to be refunded mature or the first available
 8-21 redemption date of those bonds.

8-22 (g) The interest received on refunding bond proceeds
 8-23 invested under Subsection (f)(2) shall be paid to the district to be
 8-24 applied to the payment of the interest falling due on the refunding
 8-25 bonds, and any surplus over the interest falling due may be used by
 8-26 the district for the district's general purposes.

8-27 (h) Refunding bonds issued under this section shall be
 8-28 authorized, secured, and issued in the manner provided by this
 8-29 chapter or by pertinent general law for the issuance of other bonds
 8-30 by the district.

8-31 SECTION 2. Section 1, Chapter 147, Acts of the 51st
 8-32 Legislature, Regular Session, 1949, is amended to read as follows:

8-33 Section 1. [There is hereby created within the State of
 8-34 Texas, in addition to the districts into which the State has
 8-35 heretofore been divided, a port district to be known as the Port of
 8-36 Beaumont Navigation District of Jefferson County, Texas, situated
 8-37 in Jefferson County, Texas, with boundaries as hereinafter set out
 8-38 (hereinafter called the district). Such district shall be and is
 8-39 hereby declared to be a governmental agency and body politic and
 8-40 corporate with the powers of government and with the authority to
 8-41 exercise the rights, privileges and functions hereinafter
 8-42 specified, and the creation of such district is hereby determined
 8-43 to be essential to the accomplishment of the purposes of Section 59,
 8-44 of Article 16, of the Constitution of the State of Texas, including
 8-45 (to the extent hereinafter authorized) the improvement of
 8-46 navigation and the maintenance, development, extension and
 8-47 improvement of port facilities, wharf and dock facilities, and the
 8-48 development of the port of Beaumont within the boundaries thereof
 8-49 as hereby established, which is declared to be essential to the
 8-50 general welfare of the State of Texas for the development of
 8-51 maritime shipping to and from its ports, and in the interest of
 8-52 national defense, the Port of Beaumont being strategically located
 8-53 on the Gulf Coast with an inland-protected harbor and in a rapidly
 8-54 developing industrial area wherein shipyards and ship-storing
 8-55 basins are located, and the creation of said port district will
 8-56 result in material benefits and improvements to the territory
 8-57 included therein and in the increase of taxable values of property
 8-58 included therein, and result in material benefit to that section of
 8-59 the State in which same is located.]

8-60 The initial boundaries of the Port of Beaumont Navigation
 8-61 District of [said district in] Jefferson County, Texas, are as
 8-62 follows:

8-63 BEGINNING at a point in the thread of the Neches River where
 8-64 it is intersected by the East line of the J. S. Johnston Survey
 8-65 extended northward to the Neches River;

8-66 THENCE in a southerly direction along the East line of the
 8-67 J. S. Johnston Survey to its intersection with the West line of the
 8-68 Kansas City Southern Railroad Company's right-of-way between
 8-69 Beaumont and Port Arthur;

9-1 THENCE Northwesterly along the Southwesterly right-of-way
9-2 line of the Kansas City Southern Railroad Company's right-of-way to
9-3 its intersection with the East line of the P. Humphries Survey;
9-4 THENCE South along the East line of the P. Humphries Survey
9-5 to the Northeast corner of T. & N. O. Ry. Co. Survey No. 1;
9-6 THENCE West along the North line of T. & N. O. Ry. Co. Survey
9-7 No. 1 to its Northwest corner;
9-8 THENCE South along the West line of T. & N. O. Ry. Co. Survey
9-9 No. 1 to the North line of the W. N. Sigler Survey;
9-10 THENCE West along the North line of the W. N. Sigler Survey to
9-11 the East line of the T. & N. O. Ry. Company's main line right-of-way
9-12 between Beaumont and Port Arthur;
9-13 THENCE Southeastward along the East line of T. & N. O. Ry.
9-14 Company's right-of-way to the center line of the old McFaddin
9-15 Canal;
9-16 THENCE Westward along the center line of the old McFaddin
9-17 Canal to John's Gully;
9-18 THENCE down the meanders of John's Gully Southward through
9-19 the E. D. Chenneth Survey and the William Murphy Survey, to the
9-20 South bank of Hillebrandt Bayou;
9-21 THENCE Westward and Northwestward along the meanders of the
9-22 West bank of Hillebrandt Bayou to the South bank of Bayou Din;
9-23 THENCE Northward, Westward, and Southwestward, along the
9-24 Southerly bank of Bayou Din to point where the West line of the S.
9-25 Corzine Survey, when extended through the M. Pivoto Survey,
9-26 intersects the Southerly bank of Bayou Din;
9-27 THENCE Northward through the M. Pivoto Survey along the
9-28 extended West line of the S. Corzine Survey, and continuing
9-29 Northward along the West line of the S. Corzine Survey, to the South
9-30 line of the S. Stivers League;
9-31 THENCE West along the South line of the S. Stivers League to
9-32 its Southwest corner;
9-33 THENCE Northward along the West line of the S. Stivers League
9-34 to the dividing line between H. T. & B. Rr. Co. Surveys Nos. 14 and
9-35 15;
9-36 THENCE West along the South line of H. T. & B. Rr. Co. Surveys
9-37 Nos. 14, 13 and 12, to the intersection of the West line of the A.
9-38 Savery Survey, extended Southward;
9-39 THENCE North along the extended West line of A. Savery
9-40 Survey, through N. T. & B. Rr. Co. Surveys Nos. 12 and 3, and
9-41 continuing Northward along the West line of the A. Savery Survey and
9-42 the A. Houston Survey, and still continuing along this line
9-43 extended Northward, through the E. Rains, and the S. Morris and the
9-44 Josiah Dyches Surveys, to the intersection of the thread of Pine
9-45 Island Bayou;
9-46 THENCE Eastward and Southeastward down the meanders of the
9-47 Thread of Pine Island Bayou and the Neches River, to the place of
9-48 beginning.

9-49 SECTION 3. Sections 1B, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12,
9-50 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29,
9-51 and 30, Chapter 147, Acts of the 51st Legislature, Regular Session,
9-52 1949, are repealed.

9-53 SECTION 4. (a) The legal notice of the intention to
9-54 introduce this Act, setting forth the general substance of this
9-55 Act, has been published as provided by law, and the notice and a
9-56 copy of this Act have been furnished to all persons, agencies,
9-57 officials, or entities to which they are required to be furnished
9-58 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
9-59 Government Code.

9-60 (b) The governor, one of the required recipients, has
9-61 submitted the notice and Act to the Texas Commission on
9-62 Environmental Quality.

9-63 (c) The Texas Commission on Environmental Quality has filed
9-64 its recommendations relating to this Act with the governor, the
9-65 lieutenant governor, and the speaker of the house of
9-66 representatives within the required time.

9-67 (d) All requirements of the constitution and laws of this
9-68 state and the rules and procedures of the legislature with respect
9-69 to the notice, introduction, and passage of this Act are fulfilled

10-1 and accomplished.

10-2 SECTION 5. This Act takes effect September 1, 2019.

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