

AN ACT

relating to the authority of the TexAmericas Center to provide services to and make investments in certain business enterprises and to create certain business organizations for purposes of the center.

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

SECTION 1. Section 3503.101(b), Special District Local Laws Code, is amended to read as follows:

(b) The authority may exercise any power or duty necessary or appropriate to carry out a project described by Section 3503.003(a)(3) and the purposes of this chapter, including the power to:

(1) sue and be sued, and plead and be impleaded, in its own name;

(2) adopt an official seal;

(3) adopt, enforce, and amend rules for the conduct of its affairs;

(4) acquire, hold, own, pledge, and dispose of its revenue, income, receipts, and money from any source;

(5) select its depository;

(6) acquire, own, rent, lease, accept, hold, or dispose of any property, or any interest in property, including rights or easements, in performing its duties and exercising its powers under this chapter, by purchase, exchange, gift, assignment,

- 1 sale, lease, or other method;
- 2 (7) hold, manage, operate, or improve the property;
- 3 (8) sell, assign, lease, encumber, mortgage, or
4 otherwise dispose of property, or any interest in property, and
5 relinquish a property right, title, claim, lien, interest,
6 easement, or demand, however acquired;
- 7 (9) perform an activity authorized by Subdivision (8)
8 by public or private sale, with or without public bidding,
9 notwithstanding any other law;
- 10 (10) lease or rent any land and building, structure,
11 or facility from or to any person to carry out a chapter purpose;
- 12 (11) request and accept an appropriation, grant,
13 allocation, subsidy, guarantee, aid, service, labor, material, or
14 gift, from the federal government, the state, a public agency or
15 political subdivision, or any other source;
- 16 (12) operate and maintain an office and appoint and
17 determine the duties, tenure, qualifications, and compensation of
18 officers, employees, agents, professional advisors and counselors,
19 including financial consultants, accountants, attorneys,
20 architects, engineers, appraisers, and financing experts, as
21 considered necessary or advisable by the board;
- 22 (13) borrow money and issue bonds, payable solely from
23 all or a portion of any authority revenue, by resolution or order of
24 the board and without the necessity of an election;
- 25 (14) set and collect rents, rates, fees, and charges
26 regarding the property and any services provided by the authority;
- 27 (15) exercise the powers Chapters [373](#) and [380](#), Local

1 Government Code, grant to a municipality for the development of
2 housing and expansion of economic development and commercial
3 activity;

4 (16) exercise the powers Chapter 49, Water Code,
5 grants to a general-law district;

6 (17) exercise the powers Chapter 54, Water Code,
7 grants to a municipal utility district;

8 (18) exercise the powers Chapter 552, Transportation
9 Code, grants to a road utility district;

10 (19) exercise the powers Subchapter C, Chapter 271,
11 Local Government Code, grants to a municipality or county;

12 (20) exercise the powers Chapter 552, Local Government
13 Code, grants to a municipality for the provision of municipal
14 utilities;

15 (21) contract and be contracted with, in the
16 authority's own name, another person in the performance of the
17 authority's powers or duties to carry out a project described by
18 Section 3503.003(a)(3), or to accomplish the purposes of this
19 chapter for a period of years, on the terms, and by competitive
20 bidding or by negotiated contract, all as the board considers
21 appropriate, desirable, and in the best interests of the authority
22 and the accomplishment of chapter purposes;

23 (22) acquire, hold, own, sell, assign, lease,
24 encumber, mortgage, or otherwise dispose of any real, personal, or
25 mixed property located outside the perimeter of the property
26 described by Section 3503.004 if the other property enhances or
27 facilitates the development, redevelopment, maintenance, or

1 expansion of new and existing businesses, industry, or commercial
2 activity on the property;

3 (23) exercise the powers Chapter 22, Transportation
4 Code, grants to a municipality or county;

5 (24) exercise the powers Chapter 379B, Local
6 Government Code, grants to a defense base development authority;

7 (25) exercise the powers of a municipality under
8 Chapters 211 and 212, Local Government Code, in the territory of the
9 authority, including an area of the authority that is in the
10 boundaries of a municipality's limited purpose jurisdiction and
11 extraterritorial jurisdiction. On annexation of an area of the
12 authority for full purposes by a municipality, the authority's
13 power to regulate the area under Chapters 211 and 212 expires. The
14 authority regains the power in an area if the municipality
15 disannexes the area;

16 (26) fund and carry out a project the board determines
17 will promote or support an active military base located in the same
18 county as the authority to prevent closure or realignment of the
19 base and attract new military missions to the base, including a
20 project to create jobs, retain jobs, grant or loan money to a
21 federal entity, make improvements to infrastructure, buildings, or
22 land, or acquire land; and

23 (27) for a fee, provide services, provide investment
24 capital, or operate facilities as an independent contractor inside
25 or outside the boundaries of the authority and this state to
26 promote, enhance, develop, or assist a person in the:

27 (A) creation and operation of a new business,

1 industry, ~~[or]~~ commercial activity, or manufacturing operation:

2 (i) inside [in] the boundaries of the
3 authority; or

4 (ii) on a military base located in the same
5 county as the authority; or

6 (B) expansion or relocation of an existing
7 business, industry, commercial activity, or manufacturing
8 operation:

9 (i) inside the boundaries of the authority;
10 or

11 (ii) on a military base located in the same
12 county as the authority.

13 SECTION 2. Section 3503.112, Special District Local Laws
14 Code, is amended to read as follows:

15 Sec. 3503.112. NONPROFIT CORPORATIONS AND LIMITED
16 LIABILITY COMPANIES ~~[FOR SPECIAL PROJECTS]~~. (a) The authority may
17 authorize by resolution the creation of a nonprofit corporation
18 under the Business Organizations Code ~~[solely]~~ to undertake on
19 behalf of the authority a project described by Section 3503.003 or
20 carry out any other purpose described by that section on the
21 authority's behalf ~~[3503.003(a)(3)]~~.

22 (a-1) After the creation of a nonprofit corporation under
23 Subsection (a), the authority may authorize by resolution:

24 (1) the creation of a limited liability company under
25 the Business Organizations Code for the purposes described by
26 Subsection (a); and

27 (2) the designation of the nonprofit corporation

1 described by Subsection (a) to participate as a member of the
2 company.

3 (b) The board shall appoint the board of directors of each
4 nonprofit corporation or limited liability company created under
5 this section. A board member is not required to reside in the
6 authority.

7 (c) A board member or employee of the authority may
8 simultaneously serve as a member of the board of directors of a
9 nonprofit corporation or limited liability company created under
10 this section. A person serving as a board member of the authority
11 and of a nonprofit corporation or limited liability company created
12 under this section may participate in all votes relating to the
13 business of the authority, ~~[or the]~~ corporation, or company.

14 (d) A [The] nonprofit corporation or limited liability
15 company created under this section may not exercise the power of
16 eminent domain.

17 (e) A nonprofit corporation or limited liability company
18 created under this section is subject to Chapters 551 and 552,
19 Government Code.

20 SECTION 3. This Act takes effect immediately if it receives
21 a vote of two-thirds of all the members elected to each house, as
22 provided by Section 39, Article III, Texas Constitution. If this
23 Act does not receive the vote necessary for immediate effect, this
24 Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1187 passed the Senate on May 3, 2023, by the following vote: Yeas 29, Nays 2.

Secretary of the Senate

I hereby certify that S.B. No. 1187 passed the House on May 9, 2023, by the following vote: Yeas 125, Nays 17, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor