

AN ACT

relating to term limits for certain contracts regarding airports and associated air navigation facilities operated by or on behalf of a local government.

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

SECTION 1. Section 22.020(a), Transportation Code, is amended to read as follows:

(a) A local government, by contract, lease, or other arrangement, on a consideration fixed by the local government and for a term not to exceed 50 [~~40~~] years, may authorize a qualified person to operate, as the agent of the local government or otherwise, an airport owned or controlled by the local government.

SECTION 2. Sections 22.021(a) and (d), Transportation Code, are amended to read as follows:

(a) In operating an airport or air navigation facility that it owns, leases, or controls, a local government may enter into a contract, lease, or other arrangement for a term not exceeding 50 [~~40~~] years with a person:

(1) granting the privilege of using or improving the airport or air navigation facility, a portion or facility of the airport or air navigation facility, or space in the airport or air navigation facility for commercial purposes;

(2) conferring the privilege of supplying goods, services, or facilities at the airport or air navigation facility;

1 or

2 (3) making available services to be furnished by the  
3 local government or its agents at the airport or air navigation  
4 facility.

5 (d) The 50-year [~~40-year~~] limit on the term of a contract,  
6 lease, or other arrangement provided by Subsection (a) does not  
7 apply to a contract, lease, or other arrangement under this section  
8 between a local government and this state, the United States, or an  
9 agency or instrumentality of this state or the United States.

10 SECTION 3. Sections [22.022](#)(a) and (b), Transportation Code,  
11 are amended to read as follows:

12 (a) A lease of real property may not exceed 50 [~~40~~] years if:

13 (1) the lease is made under Section [22.011](#)(c) or (d),  
14 Section [22.020](#), or Section [22.021](#); and

15 (2) at the time of the execution of the lease, the  
16 property is used as nonaeronautical property and is located on an  
17 airport on which there are active federal governmental aircraft  
18 operations on federal government property.

19 (b) A renewal or extension of a lease under Subsection (a)  
20 may not exceed 50 [~~40~~] years. If the lease provides for more than  
21 one renewal or extension, the renewals or extensions may not in the  
22 aggregate exceed 50 [~~40~~] years.

23 SECTION 4. This Act takes effect September 1, 2023.

S.B. No. 1716

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1716 passed the Senate on May 3, 2023, by the following vote: Yeas 30, Nays 1.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1716 passed the House on May 12, 2023, by the following vote: Yeas 134, Nays 6, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor