

By: Estes, et al.

S.B. No. 252

A BILL TO BE ENTITLED

AN ACT

relating to a project of a development corporation in connection with a military base or facility.

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

SECTION 1. Section 2(11), Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), is amended to read as follows:

(11) [~~(A)~~] "Project" shall mean the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements (one or more) that are for the creation or retention of primary jobs and that are found by the board of directors to be required or suitable for the development, retention, or expansion of manufacturing and industrial facilities, research and development facilities, military facilities, transportation facilities (including but not limited to airports, ports, mass commuting facilities, and parking facilities), sewage or solid waste disposal facilities, recycling facilities, air or water pollution control facilities, facilities for the furnishing of water to the general public, distribution centers, small warehouse facilities capable of serving as decentralized storage and distribution centers, primary job training facilities for use by institutions of higher education, and regional or national corporate headquarters facilities.

"Project" also includes job training required or

1 suitable for the promotion of development and expansion of business
2 enterprises and other enterprises described by this Act, as
3 provided by Section 38 of this Act.

4 "Project" also includes expenditures found by the board
5 of directors to be required or suitable for infrastructure
6 necessary to promote or develop new or expanded business
7 enterprises limited to streets and roads, rail spurs, water and
8 electric utilities, gas utilities, drainage and related
9 improvements, and telecommunications and Internet improvements.

10 "Project" also includes the infrastructure,
11 improvements, land acquisition, buildings, or expenditures that
12 are found by the board of directors to be required or suitable for:

13 (A) promoting or supporting a military base in
14 active use to prevent the possible future closure or realignment of
15 the base;

16 (B) attracting new military missions to a
17 military base in active use; or

18 (C) redeveloping a military base that has been
19 closed or realigned, including a military base closed or realigned
20 pursuant to the recommendation of the Defense Base Closure and
21 Realignment Commission under the Defense Base Closure and
22 Realignment Act of 1990 (10 U.S.C. Section 2687 note).

23 SECTION 2. Section 2(17), Development Corporation Act of
24 1979 (Article 5190.6, Vernon's Texas Civil Statutes), is amended to
25 read as follows:

26 (17) "Primary job" means:

27 (A) a job that is:

1 (i) [~~(A)~~] available at a company for which a
 2 majority of the products or services of that company are ultimately
 3 exported to regional, statewide, national, or international
 4 markets infusing new dollars into the local economy; and

5 (ii) [~~(B)~~] included in one of the following
 6 sectors of the North American Industry Classification System
 7 (NAICS):

8	NAICS Sector #	Description
9	111	Crop Production
10	112	Animal Production
11	113	Forestry and Logging
12	11411	Commercial Fishing
13	115	Support Activities for Agriculture and
14		Forestry
15	211-213	Mining
16	221	Utilities
17	311-339	Manufacturing
18	42	Wholesale Trade
19	48-49	Transportation and Warehousing
20	51 (excluding 512131	Information (excluding movie theaters and
21	and 512132)	drive-in theaters)
22	523-525	Securities, Commodity Contracts, and Other
23		Financial Investments and Related
24		Activities; Insurance Carriers and Related
25		Activities; Funds, Trusts, and Other
26		Financial Vehicles
27	5413, 5415, 5416,	Scientific Research and Development Services

1 5417, and 5419

2 551 Management of Companies and Enterprises

3 922140 Correctional Institutions; or

4 (B) a job that is included in sector number
5 928110 of the North American Industry Classification System (NAICS)
6 described as National Security; Armed Forces, Army, Navy, Air
7 Force, Marine Corps, and Military Bases.

8 SECTION 3. Section 23(b), Development Corporation Act of
9 1979 (Article 5190.6, Vernon's Texas Civil Statutes), is amended to
10 read as follows:

11 (b) The corporation shall not have the power to own or
12 operate any project as a business other than as lessor, seller, or
13 lender or pursuant to the requirements of any trust agreement
14 securing the credit transaction. Accordingly, the user pursuant to
15 any lease, sale, or loan agreement relating to a project shall be
16 considered to be the owner of the project for the purposes of the
17 application of any ad valorem, sales, and use taxes or any other
18 taxes levied or imposed by this state or any political subdivision
19 of this state. The purchase and holding of mortgages, deeds of
20 trust, or other security interests and contracting for any
21 servicing thereof shall not be deemed the operation of a project.
22 The corporation shall, however, have all powers necessary to own
23 and operate a project as a business if the project is a military
24 installation or military facility that has been closed or
25 realigned, including a military installation or facility closed or
26 realigned pursuant to the Defense Base Closure and Realignment Act
27 of 1990 (10 U.S.C. Section 2687 note) as amended.

1 SECTION 4. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2005.