

By: Madla

S.B. No. 1090

A BILL TO BE ENTITLED

AN ACT

relating to the powers and duties of a defense base development authority.

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

SECTION 1. Subsection (a), Section 379B.004, Local Government Code, is amended to read as follows:

(a) An authority may exercise power necessary or convenient to carry out a purpose of this chapter, including the power to:

- (1) adopt an official seal, or alter it;
- (2) adopt rules;
- (3) enter into a contract or incur a liability;
- (4) acquire and dispose of money;
- (5) select a depository;
- (6) establish a system of accounts for the authority;
- (7) invest funds in accordance with Chapter 2256, Government Code;
- (8) set the fiscal year for the authority;
- (9) adopt an annual operating budget for major expenditures before the beginning of the fiscal year;
- (10) borrow money or issue a bond in an amount that does not exceed the maximum amount set by the board [~~governing body of the municipality~~];
- (11) loan money;
- (12) acquire, lease, lease-purchase, convey, grant a

1 mortgage on, or otherwise dispose of a property right, including a
2 right regarding base property;

3 (13) lease property located on the base property to a
4 person to effect the purposes of this chapter;

5 (14) request and accept a donation, grant, guaranty,
6 or loan from any source permitted by law;

7 (15) operate and maintain an office;

8 (16) charge for a facility or service;

9 (17) exercise a power granted to a municipality by
10 Chapter 380;

11 (18) authorize by resolution the incorporation of a
12 nonprofit airport facility financing corporation as provided and
13 authorized by Subchapter E, Chapter 22, Transportation Code, to
14 provide financing to pay the costs, including interest, and
15 reserves for the costs of an airport facility authorized by that
16 chapter and for other purposes set forth in the articles of
17 incorporation; ~~and~~

18 (19) exercise the powers granted to a local government
19 for the financing of facilities to be located on airport property,
20 including those set out in Chapter 22, Transportation Code,
21 consistent with the requirements and the purposes of Section 52-a,
22 Article III, Texas Constitution;

23 (20) lease, own, and operate an airport and exercise
24 the powers granted to municipalities and counties by Chapter 22,
25 Transportation Code;

26 (21) lease, own, and operate port facilities for air,
27 trucking, and rail transportation;

1 (22) provide security for port functions, facilities,
2 and operations; and

3 (23) cooperate with and participate in programs and
4 security efforts of this state and the federal Department of
5 Homeland Security.

6 SECTION 2. Subsection (a), Section 379B.010, Local
7 Government Code, is amended to read as follows:

8 (a) An authority may issue bonds if authorized by board
9 resolution [~~only if the municipality that established the authority~~
10 ~~authorizes the issuance by resolution~~].

11 SECTION 3. Subsection (b), Section 379B.011, Local
12 Government Code, is amended to read as follows:

13 (b) Section 25.07(a), Tax Code, applies to a leasehold or
14 other possessory interest in real property granted by an authority
15 for a project designated under Section 379B.009(a) in the same
16 manner as it applies to a leasehold or other possessory interest in
17 real property constituting a project described by Section 4B(k),
18 Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas
19 Civil Statutes), except for the requirement in Section 4B(k) that
20 the voters of the municipality that created the authority have
21 authorized the levy of a sales and use tax for the benefit of the
22 authority.

23 SECTION 4. The changes in law made by this Act apply only to
24 the borrowing of money or the issuance of an interest-bearing
25 obligation that occurs on or after the effective date of this Act.
26 The borrowing of money or the issuance of an interest-bearing
27 obligation that occurred before the effective date of this Act is

1 governed by the law as it existed when the money was borrowed or the
2 interest-bearing obligation was issued, and the former law is
3 continued in effect for that purpose. Any interest-bearing
4 obligation issued by a defense base development authority before
5 the effective date of this Act that was validly issued by the
6 authority remains valid, enforceable, and binding and shall be paid
7 in full, both principal and interest, in accordance with its terms
8 and from the sources pledged to the payment of the interest-bearing
9 obligation.

10 SECTION 5. This Act takes effect September 1, 2005.