

BILL ANALYSIS

H.B. 3440
By: Parker
Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Development Corporation Act of 1979 (Act) is the organizing statute pursuant to which hundreds of Texas municipalities foster economic development. Airports are specifically included within the definition of qualifying projects under the Act. H.B. 3440 is intended to clarify that airport projects include the hangars, maintenance and repair facilities, air cargo facilities and related infrastructure that constitute an airport facility. The bill also clarifies the authority of an entity that acquires a leasehold interest from a development corporation to enter into subleases if they have an agreement with the development corporation that authorizes such subleases.

RULEMAKING AUTHORITY

It is the opinion of the committee that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Reenacts and amends Section 2(11), Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), as amended by Chapters 1, 1048, and 1148, Acts of the 79th Legislature, Regular Session, 2005 to clarify that airport projects include the hangars, maintenance and repair facilities, air cargo facilities and other infrastructure related to the airport. It also makes conforming changes.

SECTION 2. Amends Section 4B(a)(2), Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes) to make conforming changes to those in SECTION 1. Specifically, the definition of "project" is modified to include the development and expansion of airports and related facilities. This section also clarifies that an entity that acquires a leasehold or other possessory interest from a development corporation may sublease that interest if they have an agreement with the development corporation that authorizes such subleases.

SECTION 3. States the effective date for this Act.

EFFECTIVE DATE

Upon passage, or, if the Act does not receive the necessary vote, the Act takes effect September 1, 2007.