

By: Shapiro

S.B. No. 1736

A BILL TO BE ENTITLED

AN ACT

relating to the powers, duties, and financing of cultural education facilities finance corporations.

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

SECTION 1. Subdivision (5), Section 3, Cultural Education Facilities Finance Corporation Act (Article 1528m, Vernon's Texas Civil Statutes), is amended to read as follows:

(5) "Cultural facility" means any capital expenditure by a user. The term includes:

(A) real property or an interest in real property, including buildings and improvements, or equipment, furnishings, or other personal property that:

(i) is found by the board to be necessary or convenient to finance, refinance, acquire, construct, enlarge, remodel, renovate, improve, furnish, or equip for cultural education or community benefit;

(ii) is made available for use by the general public, the user, or community groups; and

(iii) is used for a purpose described by Section 2(a)(1) of this Act; ~~and~~

(B) a facility in which any of the following entities engage in any activity in which the entity is permitted to engage:

(1) a nonprofit corporation exempt from the state

1 franchise tax under Section 171.063, Tax Code;

2 (2) an organization described in Section 11.18, Tax
3 Code; or

4 (3) an organization described in Section 501(c)(3),
5 Internal Revenue Code of 1986; and

6 (C) facilities incidental, subordinate, or
7 related to or appropriate in connection with property described by
8 Paragraph (A) or (B) of this subdivision, located within the state,
9 regardless of the date of construction or acquisition.

10 SECTION 2. Subsection (b), Section 4, Cultural Education
11 Facilities Finance Corporation Act (Article 1528m, Vernon's Texas
12 Civil Statutes), is amended to read as follows:

13 (b) The corporation shall be created and organized in the
14 same manner as a health facilities development corporation under
15 Chapter 221, Health and Safety Code, and has the same powers,
16 authority, and rights:

17 (1) with respect to cultural facilities and health
18 facilities that a health facilities development corporation has
19 with respect to health facilities under Chapter 221, Health and
20 Safety Code; and

21 (2) with respect to educational facilities, housing
22 facilities, and other facilities incidental, subordinate, or
23 related to those facilities that a nonprofit corporation created
24 under Section 53.35(b), Education Code, or an authority created
25 under Section 53.11, Education Code, has under Chapter 53,
26 Education Code.

27 SECTION 3. This Act takes effect immediately if it receives

1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2007.