

By: Shapiro

S.B. No. 500

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. Section 3(5), 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) facilities incidental, subordinate, or related to or appropriate in connection with property described by Paragraph (A) of this subdivision, located within the state, regardless of the date of construction or acquisition.

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

4 (b) The corporation shall be created and organized in the
5 same manner as a health facilities development corporation under
6 Chapter 221, Health and Safety Code, and has the same powers,
7 authority, and rights:

8 (1) with respect to cultural facilities and health
9 facilities that a health facilities development corporation has
10 with respect to health facilities under Chapter 221, Health and
11 Safety Code; and

12 (2) with respect to educational facilities, housing
13 facilities, and other facilities incidental, subordinate, or
14 related to those facilities that a nonprofit corporation created
15 under Section 53.35(b), Education Code, or an authority created
16 under Section 53.11, Education Code, has under Chapter 53,
17 Education Code.

18 SECTION 3. The Cultural Education Facilities Finance
19 Corporation Act (Article 1528m, Vernon's Texas Civil Statutes) is
20 amended by adding Section 4B to read as follows:

21 Sec. 4B. AUTHORIZATION TO FINANCE ACTIVITIES. This Act
22 authorizes the following entities to finance any activity in which
23 the entity is permitted to engage:

24 (1) a nonprofit corporation exempt from the state
25 franchise tax under Section 171.063, Tax Code;

26 (2) an organization that qualifies as a charitable
27 organization under Section 11.18, Tax Code; or

1 (3) an organization described in Section 501(c)(3),
2 Internal Revenue Code of 1986.

3 SECTION 4. This Act takes effect immediately if it receives
4 a vote of two-thirds of all the members elected to each house, as
5 provided by Section 39, Article III, Texas Constitution. If this
6 Act does not receive the vote necessary for immediate effect, this
7 Act takes effect September 1, 2009.