

By: Menendez

H.B. No. 2042

A BILL TO BE ENTITLED

1 AN ACT
2 relating to defense base development authorities, including the
3 powers of an authority and the taxation of certain tangible
4 personal property located on the base property for which the
5 authority is established.

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

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

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

- 11 (1) adopt an official seal, or alter it;
- 12 (2) adopt rules;
- 13 (3) enter into a contract or incur a liability;
- 14 (4) acquire and dispose of money;
- 15 (5) select a depository;
- 16 (6) establish a system of accounts for the authority;
- 17 (7) invest funds in accordance with Chapter 2256,
18 Government Code;
- 19 (8) set the fiscal year for the authority;
- 20 (9) adopt an annual operating budget for major
21 expenditures before the beginning of the fiscal year;
- 22 (10) borrow money or issue a bond in an amount that
23 does not exceed the maximum amount set by the board;
- 24 (11) loan money;

1 (12) acquire, lease, lease-purchase, convey, grant a
2 mortgage on, or otherwise dispose of a property right, including a
3 right regarding base property;

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

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

8 (15) operate and maintain an office;

9 (16) charge for the use, lease, or sale of an open
10 space or a facility [~~or service~~];

11 (17) exercise a power granted to a municipality by
12 Chapter 380;

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

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

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

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

3 (22) provide security for port functions, facilities,
4 and operations; and

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

8 SECTION 2. Chapter 379B, Local Government Code, is amended
9 by adding Section 379B.0042 to read as follows:

10 Sec. 379B.0042. SERVICES. An authority may charge for a
11 service provided, including:

12 (1) professional consultation services provided in
13 relation to international trade, planning, land use, or
14 construction;

15 (2) real estate development services, including an
16 employee licensed under Chapter 1101, Occupations Code, acting as a
17 broker;

18 (3) support or participation in the acquisition of
19 venture capital to finance the authority's redevelopment project,
20 both inside and outside the authority;

21 (4) participation in or assistance on a joint venture
22 composed of both public and private entities;

23 (5) promotion of an activity that creates employment
24 opportunities; and

25 (6) any other service provided in relation to a
26 project undertaken by the authority, alone or with others, to
27 fulfill an authority purpose or objective.

1 SECTION 3. Effective January 1, 2012, Section 379B.011,
2 Local Government Code, is amended by adding Subsections (c), (d),
3 and (e) to read as follows:

4 (c) A commercial aircraft to be used as an instrumentality
5 of commerce that is under construction inside the authority is
6 presumed to be in interstate, international, or foreign commerce
7 and not located in this state for longer than a temporary period for
8 purposes of Sections 11.01 and 21.02, Tax Code.

9 (d) Tangible personal property located inside the authority
10 is presumed to be in interstate, international, or foreign commerce
11 and not located in this state for longer than a temporary period for
12 purposes of Sections 11.01 and 21.02, Tax Code, if the owner
13 demonstrates to the chief appraiser for the appraisal district in
14 which the authority is located that the owner intends to
15 incorporate the property into or attach the property to a
16 commercial aircraft described by Subsection (c).

17 (e) In this section, "commercial aircraft" means an
18 aircraft under construction that is designed to be used as
19 described by Section 21.05(e), Tax Code.

20 SECTION 4. Sections 379B.011(c), (d), and (e), Local
21 Government Code, as added by this Act, apply only to ad valorem
22 taxes imposed for a tax year beginning on or after January 1, 2012.

23 SECTION 5. Except as otherwise provided by this Act, this
24 Act takes effect September 1, 2011.