

## **BILL ANALYSIS**

H.B. 2761  
By: Cortez  
Defense & Veterans' Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Interested parties contend that clarity is needed in regard to the powers afforded to a defense base development authority to borrow money or raise capital for certain authorized projects. H.B. 2761 seeks to provide this clarity by revising an authority's project financing options.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

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

### **ANALYSIS**

H.B. 2761 amends the Local Government Code to include among a defense base development authority's powers and duties the authority to participate as a member or partner of a limited liability company or a limited liability partnership or other entity created for the purpose of financing projects that are designated as redevelopment projects by the authority's board of directors. The bill specifies the purposes for which such an authority may issue bonds to the financing or refinancing of base property, the payment of operating and maintenance expenses, the funding of capitalized interest on the bonds for the period of time determined by the authority's board, the making of a deposit into a debt service reserve fund and other funds related to the bonds, and the financing of other authorized purposes. The bill authorizes a bond issued by the authority to be secured by a mortgage on base property.

### **EFFECTIVE DATE**

September 1, 2017.