

By: Cortez

H.B. No. 2761

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the powers and duties of a defense based development
3 authority.

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

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

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

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

1 right regarding base property;

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

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

6 (15) operate and maintain an office;

7 (16) charge for the use, lease, or sale of an open
8 space or a facility;

9 (17) exercise a power granted to a municipality by
10 Chapter 380;

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

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

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

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

1 (22) provide security for port functions, facilities,
2 and operations; ~~and~~

3 (23) cooperate with and participate in programs and
4 security efforts of this state and the federal Department of
5 Homeland Security; and

6 (24) participate as a member or partner of a limited
7 liability company or a limited liability partnership or other
8 entity created for the purpose of financing projects that are
9 designated as redevelopment projects pursuant to Section 379B.009.

10 SECTION 2. Sections 379B.010(a) and (b), Local Government
11 Code, are amended to read as follows:

12 (a) An authority may issue bonds, if authorized by board
13 resolution, for the purpose of financing or refinancing base
14 property, paying operating and maintenance expenses, funding
15 capitalized interest on the bonds for the period of time determined
16 by the board, making a deposit into a debt service reserve fund and
17 other funds related to the bonds, and financing other purposes
18 authorized by this chapter.

19 (b) A bond issued under this chapter must:

20 (1) be payable solely from authority revenue and may
21 be secured by a mortgage on base property;

22 (2) mature not later than 40 years after its date of
23 issuance; and

24 (3) state on its face that it is not an obligation of
25 this state or the municipality.

26 SECTION 3. This Act takes effect September 1, 2017.