

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

7 Sec. 379B.004. POWERS AND DUTIES OF AUTHORITY. (a) An  
8 authority may exercise power necessary or convenient to carry out a  
9 purpose of this chapter, including the power to:

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

1 mortgage on, or otherwise dispose of a property right, including a  
2 right regarding base property;

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

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

7           (15) operate and maintain an office;

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

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

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

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

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

27           (21) lease, own, and operate port facilities for air,

1 trucking, and rail transportation;

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

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

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

11 SECTION 2. Section 379(B).010, Local Government Code, is  
12 amended to read as follows:

13 Sec. 379B.010. BONDS. (a) An authority may issue bonds, if  
14 authorized by board resolution, for the purpose of financing or  
15 refinancing base property, paying operating and maintenance  
16 expenses, funding capitalized interest on the bonds for the period  
17 of time determined by the board, making a deposit into a debt  
18 service reserve fund and other funds related to the bonds, and  
19 financing other purposes authorized by this chapter.

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

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

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

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

27 (c) An authority issuing bonds under this section may

1 exercise the powers granted to the governing body of an issuer with  
2 regard to the issuance of obligations and the execution of credit  
3 agreements under Chapter [1371](#), Government Code.

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