

BILL ANALYSIS

Senate Research Center
89R23445 JTZ-F

H.B. 5092
By: Tepper (Perry)
Local Government
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Lubbock Reese Redevelopment Authority (LRRRA), was established by the Texas Legislature to receive property of the former Reese Air Force Base from the federal government after the 1995 Base Realignment and Closure (BRAC) process.

While most BRAC bases are established under the Local Government Code, LRRRA remains in the Special District Local Laws Code. This is because unlike all other BRAC bases, LRRRA is not funded by city or county tax dollars. All revenues are sourced from leasing the assets of the former base in furtherance of the mission to replace jobs lost by the base closure and to create economic development.

H.B. 5092 would allow LRRRA to research national security related technology or critical infrastructure technology in collaboration with Texas Tech University, the Department of Defense, the Department of Energy, the Department of Homeland Security, and other collaborating partners. Additionally, the bill allows the transfer of portions of LRRRA to Texas Tech University and requires the president of Texas Tech to be consulted when LRRRA appoints new board members.

H.B. 5092 amends current law relating to the operation and dissolution of the Lubbock Reese Redevelopment Authority and to agreements between Texas Tech University and the authority.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 3501.001, Special District Local Laws Code, by adding Subdivisions (5) and (6) to define "critical infrastructure" and "national security-related technology."

SECTION 2. Amends Section 3501.003(a), Special District Local Laws Code, as follows:

(a) Provides that the purpose of the Lubbock Reese Redevelopment Authority (authority) includes undertaking projects necessary or incidental to the industrial, commercial, or business development, redevelopment, maintenance, and expansion of new and existing businesses on the property, now or formerly known as Reese Air Force Base, described in Section 3501.002(a) (relating to the territory of the authority), and researching related to national security and critical infrastructure conducted on the property, including the acquisition, construction, operation, maintenance, enhancement, or disposal of certain infrastructure improvements and facilitating the establishment of an applied research site in cooperation and collaboration with Texas Tech University. Makes nonsubstantive changes.

SECTION 3. Amends Sections 3501.004(c) and (d), Special District Local Laws Code, as follows:

(c) Provides that tangible personal property that is used primarily to develop national security-related technology or critical infrastructure technology, tangible personal property that is national security-related technology or critical infrastructure technology, or a commercial aircraft to be used as an instrument of commerce that is under construction or development, as applicable, in the authority is presumed to be in interstate, international, or foreign commerce and not located in this state for longer than a temporary period for purposes of Sections 11.01 (Real and Tangible Personal Property) and 21.02 (Real Property), Tax Code. Makes a nonsubstantive change.

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

SECTION 4. Amends Section 3501.005(a), Special District Local Laws Code, to redefine "qualifying project."

SECTION 5. Amends Section 3501.051, Special District Local Laws Code, as follows:

Sec. 3501.051. COMPOSITION OF BOARD. (a) Provides that the board of directors of the authority (board) is composed of six directors appointed in the manner provided by Subsection (b) and the executive director of the South Plains Association of Governments, rather than five directors appointed by the governing body of the City of Lubbock from a list of persons recommend by the board under this section, one director appointed by the commissioners court of Lubbock County from a list of persons recommended by the board under this section, and the executive director of the South Plains Association of Governments. Makes nonsubstantive changes.

(b) Requires the board, before the term of an appointed director expires, in consultation with the president of Texas Tech University, or the president's designee, to appoint a person to serve as a successor director.

Deletes existing text requiring the board, before the term of a director appointed under Subsection (a)(1) (relating to providing that the board is composed of five directors appointed by the governing body of the City of Lubbock) or (a)(2) (relating to providing that the board is composed of one director appointed by the commissioners court of Lubbock County) expires, in consultation with the City of Lubbock or Lubbock County, as applicable, to recommend to the governing body of the City of Lubbock or the commissioners court of Lubbock County, as applicable, a list of persons to serve on the succeeding board.

Deletes existing text requiring the governing body of the City of Lubbock or the commissioners court of Lubbock County, as applicable, after reviewing the list of recommendations, to appoint the appropriate number of directors from the recommended persons, or request that the board provide additional recommendations.

(c) Requires the board to make appointments of successor directors to the board so that places on the board are occupied by persons with experience in certain areas, including experience in national security-related technology or critical infrastructure technology, rather than general business. Makes conforming and nonsubstantive changes.

SECTION 6. Amends Section 3501.102(b), Special District Local Laws Code, as follows:

(b) Authorizes the authority, rather than authorizes the authority on approval by and in coordination with the governor, to exercise any power necessary or convenient to

accomplish a purpose of Chapter 3501 (Lubbock Reese Redevelopment Authority), including the power to cooperate with and participate in programs and critical infrastructure and national security efforts of this state and the United States Department of Defense, the component services and agencies of the United States Department of Defense, the United States Department of Energy, the United States Department of Homeland Security, or another collaborating partner in the public or private sector and enter into interagency agreements with Texas Tech University in the manner provided by Chapter 771 (Interagency Cooperation Act), Government Code, as necessary to facilitate and support Texas Tech University research and development activities on base property or facilitate the transfer of portions of the base property to Texas Tech University to further a purpose of the authority. Makes nonsubstantive changes.

SECTION 7. Amends Subchapter D, Chapter 3501, Special District Local Laws Code, as follows:

SUBCHAPTER D. TRANSFER OF OWNERSHIP; DISSOLUTION

Sec. 3501.151. LEGISLATIVE INTENT. (a) Provides that the legislature intends that the authority transfer ownership of portions of the base property to Texas Tech University in a manner authorized by this chapter as necessary for the purposes of an agreement described by certain provisions of Section 3501.102 (General Powers and Duties). Authorizes the agreement to provide for the continued operation of the authority after the transfer.

(b) Provides that the legislature intends that the authority be dissolved under Section 3501.152 after conveyance or transfer, rather than after conveyance and sale, of all of the base property.

Sec. 3501.152. New heading: DISSOLUTION. Provides that the authority is authorized to be dissolved only when the board determines that all the functions of the authority are performed and completed, after all the debts or obligations have been satisfied or retired with the assets of the authority, and after any remaining real property and other assets of the authority have been conveyed or transferred to Texas Tech University, if approved by the Board of Regents of the Texas Tech University System or if Texas Tech University declines to accept any remaining real property and other assets of the authority, to the City of Lubbock.

Deletes existing text requiring the authority to be dissolved on approval of the City of Lubbock and Lubbock County when all functions of the authority are performed and completed and after all debts or obligations have been satisfied or retired with the assets of the authority. Deletes existing text requiring that any remaining assets of the authority, on dissolution, be conveyed or transferred to the City of Lubbock and Lubbock County in proportion to any initial contribution of money made. Makes nonsubstantive changes.

SECTION 8. Amends Subchapter C, Chapter 109, Education Code, by adding Section 109.105, as follows:

Sec. 109.105. APPLIED RESEARCH SITE AT FORMER REESE AIR FORCE BASE. Provides that a facility transferred to Texas Tech University from the Lubbock Reese Redevelopment Authority under Chapter 3501, Special District Local Laws Code, is not required to be included in a facilities inventory audit under Subchapter C (Powers and Duties of Board), Chapter 61 (Texas Higher Education Coordinating Board), of the Education Code and is not subject to the facilities inventory rules of the Texas Higher Education Coordinating Board until the facility is placed in service and assigned an educational and general function by the university.

SECTION 9. Provides that the changes in law made by this Act to Section 3501.051, Special District Local Laws Code, do not affect the entitlement of a member serving on the board immediately before the effective date of this Act to continue to carry out the board's functions for the remainder of the member's term. Provides that the change in law applies only to a member

appointed on or after the effective date of this Act. Provides that this Act does not prohibit a person who is a member of the board on the effective date of this Act from being reappointed to the board if the person has the qualifications required for a member under Section 3501.051(c), Special District Local Laws Code, as amended by this Act.

SECTION 10. Effective date: September 1, 2025.