

By: Paul, Bumgarner

H.B. No. 3255

Substitute the following for H.B. No. 3255:

By: Button

C.S.H.B. No. 3255

A BILL TO BE ENTITLED

AN ACT

relating to the authority of a development corporation created by the Gulf Coast Authority to finance certain projects.

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

SECTION 1. Section 3.01, Chapter 409, Acts of the 61st Legislature, Regular Session, 1969, is amended by amending Subsection (g) and adding Subsections (h), (i), (j), (k), and (l) to read as follows:

(g) A development corporation created by the authority under Chapter 501, Local Government Code, may finance:

(1) projects described by Subchapter C, Chapter 501, Local Government Code, located inside or outside this state; ~~and~~

(2) qualified improvements as defined by Section 399.002, Local Government Code, located inside or outside this state in the same manner and to the same extent as a municipality or county may do so under Chapter 399 of that code; and

(3) projects located inside or outside this state that acquire, construct, equip, renovate, improve, or refinance:

(A) educational and housing facilities in the same manner as a higher education facility authority under Chapter 53A, Education Code;

(B) health facilities in the same manner as a development corporation under Chapter 221, Health and Safety Code;

(C) the facilities or activities of an

organization that is exempt from the payment of federal income taxes under Section 501(a), Internal Revenue Code of 1986, by being listed as an exempt entity under Section 501(c)(3) of that code;

(D) facilities for the production or storage of energy, including biomass, geothermal, nuclear, or hydroelectric energy;

(E) telecommunications service facilities or equipment, and any feature, function, or capability that is provided by the facility or equipment, including subscriber numbers, databases, signaling systems, and information sufficient for billing and collection or used in the transmission, routing, or other provision of telecommunications services; and

(F) the periodic acquisition of natural gas or electricity for a user, as described by Section 501.003, Local Government Code.

(h) Notwithstanding Section 501.160, Local Government Code, a development corporation created by the authority has all of the powers of a public facility corporation under Chapter 303, Local Government Code, for the purpose of acquiring natural gas or electricity as provided by Subsection (g)(3)(F) of this section.

(i) Notwithstanding any other law, a development corporation created by the authority may finance, acquire, construct, improve, lease, operate, or otherwise support a facility, activity, or undertaking that a local government, as defined by Section 271.081, Local Government Code, or an entity created on behalf of a local government is authorized to finance, acquire, construct, improve, lease, operate, or otherwise support,

1 regardless of whether the facility, activity, or undertaking is an
2 authorized project under Subchapter C, Chapter 501, Local
3 Government Code. The legislative findings contained in Section
4 501.004, Local Government Code, apply to this subsection and to any
5 facility, activity, or undertaking authorized by this subsection to
6 the same extent as if expressly made in this subsection.

7 (j) If a development corporation created by the authority
8 issues a public security for an out-of-state project under
9 Subsection (g) of this section, the development corporation shall
10 submit to the attorney general:

11 (1) a resolution approving the public security; and
12 (2) a detailed description of the proposed project and
13 financing for the project.

14 (k) Notwithstanding any other law, a public security issued
15 under Subsection (g) of this section for a project located outside
16 this state or a contract supporting the public security is not
17 subject to the review and approval of the attorney general if the
18 attorney general does not request in writing the submission of the
19 record of proceedings relating to the authorization of the public
20 security within 12 business days from the date of receipt by the
21 attorney general of the information under Subsection (j) of this
22 section.

23 (l) Notwithstanding Sections 501.251, 501.252, 501.255, and
24 501.256, Local Government Code, if a development corporation
25 created by the authority finds that a project:

26 (1) described by Subsection (g) of this section that
27 is located outside of this state is required or suitable for the

1 development or promotion of new or expanded business enterprises,
2 the project meets the public purpose of Chapter 501, Local
3 Government Code; and

4 (2) is suitable for the development or promotion of
5 new or expanded business enterprises, the project fully satisfies
6 and is considered sufficient for purposes of any project approval
7 standards adopted by the Texas Economic Development and Tourism
8 Office.

9 SECTION 2. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2025.