

By: Tepper

H.B. No. 5092

Substitute the following for H.B. No. 5092:

By: Ward Johnson

C.S.H.B. No. 5092

A BILL TO BE ENTITLED

AN ACT

relating to the operation and dissolution of the Lubbock Reese
Redevelopment Authority and to agreements between Texas Tech
University and the authority.

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

SECTION 1. Section 3501.001, Special District Local Laws
Code, is amended by adding Subdivisions (5) and (6) to read as
follows:

(5) "Critical infrastructure" has the meaning
assigned by Section 117.001, Business & Commerce Code.

(6) "National security-related technology" means
technology that is:

(A) researched or developed in collaboration
with Texas Tech University for a use related to national security by
the United States Department of Defense, the United States
Department of Defense's component services and agencies, the United
States Department of Energy, the United States Department of
Homeland Security, or another collaborating partner in the public
or private sector; and

(B) used in qualified research, as defined by
Section 151.3182, Tax Code.

SECTION 2. Section 3501.003(a), Special District Local Laws
Code, is amended to read as follows:

(a) The purpose of the authority is to:

(1) undertake 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), and to research related to national security and critical infrastructure conducted on the property, including the acquisition, construction, operation, maintenance, enhancement, or disposal of:

- (A) roads, bridges, and rights-of-way;
- (B) housing;
- (C) property;
- (D) police, fire, medical, cultural, educational, and research services, equipment, institutions, and resources;
- (E) other community support services;
- (F) flood control, water, wastewater treatment, and all other utility facilities; and
- (G) other infrastructure improvements;

(2) encourage the development of new industry by private businesses; ~~and~~

(3) encourage financing of projects designated under Section 3501.1024; and

(4) facilitate the establishment of an applied research site in cooperation and collaboration with Texas Tech University.

SECTION 3. Sections 3501.004(c) and (d), Special District Local Laws Code, are amended to read as follows:

1 (c) Tangible personal property that is used primarily to
2 develop national security-related technology or critical
3 infrastructure technology, tangible personal property that is
4 national security-related technology or critical infrastructure
5 technology, or a [A] commercial aircraft to be used as an instrument
6 of commerce that is under construction or development, as
7 applicable, in the authority is presumed to be in interstate,
8 international, or foreign commerce and not located in this state
9 for longer than a temporary period for purposes of Sections 11.01
10 and 21.02, Tax Code.

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

20 SECTION 4. Section 3501.005(a), Special District Local Laws
21 Code, is amended to read as follows:

22 (a) In this section, "qualifying project" means any real
23 estate project involving the construction of:

24 (1) a tenant finish-out or build-to-suit facility for
25 a tenant who, through the execution of a lease with the authority,
26 pays for or reimburses the authority for the cost of the
27 improvements;

1 (2) infrastructure improvements including roads,
2 driveways, or utility extensions made in connection with the sale
3 or lease of property owned by the authority and for which the
4 proceeds of the sale or the lease are used to reimburse the
5 authority for the infrastructure improvements; or

6 (3) an income-producing facility that generates
7 revenue for the authority and is constructed by:

8 (A) a private developer with special expertise in
9 development; or

10 (B) an entity whose purpose is to support the
11 research and development of national security-related technology
12 or critical infrastructure technology or services in collaboration
13 with Texas Tech University.

14 SECTION 5. Section 3501.051, Special District Local Laws
15 Code, is amended to read as follows:

16 Sec. 3501.051. COMPOSITION OF BOARD. (a) The board is
17 composed of:

18 (1) six ~~[five]~~ directors appointed in the manner
19 provided by Subsection (b) ~~[by the governing body of the City of~~
20 ~~Lubbock from a list of persons recommended by the board under this~~
21 ~~section]; and~~

22 (2) ~~[one director appointed by the commissioners court~~
23 ~~of Lubbock County from a list of persons recommended by the board~~
24 ~~under this section; and~~

25 ~~[(3)]~~ the executive director of the South Plains
26 Association of Governments.

27 (b) Before the term of an appointed ~~[a]~~ director ~~[appointed~~

1 ~~under Subsection (a)(1) or (a)(2)]~~ expires, the board, in
2 consultation with the president of Texas Tech University, or the
3 president's designee ~~[City of Lubbock or Lubbock County, as~~
4 ~~applicable, shall recommend to the governing body of the City of~~
5 ~~Lubbock or the commissioners court of Lubbock County, as~~
6 ~~applicable, a list of persons to serve on the succeeding board.~~
7 ~~After reviewing the list of recommendations, the governing body of~~
8 ~~the City of Lubbock or the commissioners court of Lubbock County, as~~
9 ~~applicable],~~ shall appoint a person to serve as a successor
10 director ~~[the appropriate number of directors from the recommended~~
11 ~~persons, or request that the board provide additional~~
12 ~~recommendations].~~

13 (c) The ~~[governing body of the City of Lubbock, the~~
14 ~~commissioners court of Lubbock County, or the]~~ board ~~[, as~~
15 ~~appropriate,]~~ shall make ~~[recommendations and]~~ appointments of
16 successor directors to the board so that places on the board are
17 occupied by persons with experience in:

- 18 (1) real estate;
- 19 (2) finance;
- 20 (3) manufacturing;
- 21 (4) agriculture; and
- 22 (5) national security-related technology or critical
23 infrastructure technology ~~[general business].~~

24 SECTION 6. Section [3501.102\(b\)](#), Special District Local Laws
25 Code, is amended to read as follows:

26 (b) The authority may exercise~~[, on approval by and in~~
27 ~~coordination with the governor,]~~ any power necessary or convenient

1 to accomplish a purpose of this chapter, including the power to:

2 (1) sue and be sued, and plead and be impleaded, in its
3 own name;

4 (2) adopt an official seal;

5 (3) adopt and enforce bylaws and rules for the conduct
6 of its affairs;

7 (4) acquire, hold, own, and dispose of its revenue,
8 income, receipts, and money from any source;

9 (5) select its depository;

10 (6) establish its fiscal year;

11 (7) adopt an annual operating budget for all major
12 expenditures before the beginning of the fiscal year;

13 (8) establish a system of accounts for the authority;

14 (9) invest its money in accordance with Chapter [2256](#),
15 Government Code;

16 (10) acquire, hold, own, use, rent, lease, or dispose
17 of any property, including a license, patent, right, right-of-way,
18 easement, and other interest in property, by purchase, exchange,
19 gift, assignment, condemnation, lease, sale, or any other means, to
20 perform a duty or to exercise a power under this chapter;

21 (11) manage, operate, or improve that property, to
22 perform a duty or to exercise a power under this chapter;

23 (12) sell, assign, lease, encumber, mortgage, or
24 otherwise dispose of any base property, or any interest in that
25 property, release or relinquish any right, title, claim, lien,
26 interest, easement, or demand, however acquired, and,
27 notwithstanding any other law, conduct any transaction authorized

1 by this subdivision by public or private sale;

2 (13) lease or rent any land, buildings, structures, or
3 facilities located on the base property to any person to accomplish
4 the purposes of this chapter;

5 (14) request and accept any appropriation, grant,
6 allocation, subsidy, guarantee, aid, service, labor, material,
7 gift, or money from any source, including the federal government,
8 the state, a public agency, and a political subdivision;

9 (15) maintain an office;

10 (16) appoint and determine the duties, tenure,
11 qualifications, compensation, and removal of officers, employees,
12 agents, professional advisors, and counselors, including financial
13 consultants, accountants, attorneys, architects, engineers,
14 appraisers, and financing experts, as considered necessary or
15 advisable by the board;

16 (17) borrow money as necessary to acquire, improve, or
17 operate a facility on the base property, not to exceed the amount
18 determined by the board;

19 (18) establish, impose, and collect rents, rates,
20 fees, and charges for its facilities and services;

21 (19) exercise the powers Chapter 380, Local Government
22 Code, grants to a municipality for expansion of economic
23 development and commercial activity;

24 (20) lend money for a purpose authorized by Section
25 52-a, Article III, Texas Constitution;

26 (21) authorize by resolution the incorporation of a
27 nonprofit airport facility financing corporation in the manner

provided by Subchapter E, Chapter 22, Transportation Code, for the purposes provided by Section 22.152(a), Transportation Code;

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

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

(24) lease, own, and operate port facilities for air, truck, and rail transportation;

(25) provide security for port functions, facilities, and operations;

(26) 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]

(27) participate as a member or partner of a limited liability company, a limited liability partnership, or other entity organized to finance a project designated as a redevelopment project under Section 3501.1024; and

(28) enter into interagency agreements with Texas Tech University in the manner provided by Chapter 771, Government Code,

1 as necessary to:

2 (A) facilitate and support Texas Tech University
3 research and development activities on base property; or

4 (B) facilitate the transfer of portions of the
5 base property to Texas Tech University to further a purpose of the
6 authority.

7 SECTION 7. Subchapter D, Chapter 3501, Special District
8 Local Laws Code, is amended to read as follows:

9 SUBCHAPTER D. TRANSFER OF OWNERSHIP; DISSOLUTION

10 Sec. 3501.151. LEGISLATIVE INTENT. (a) The legislature
11 intends that the authority transfer ownership of portions of the
12 base property to Texas Tech University in a manner authorized by
13 this chapter as necessary for the purposes of an agreement
14 described by Section 3501.102(b)(28). The agreement may provide
15 for the continued operation of the authority after the transfer.

16 (b) The legislature intends that the authority be dissolved
17 under Section 3501.152 after conveyance or transfer ~~[and sale]~~ of
18 all of the base property.

19 Sec. 3501.152. DISSOLUTION ~~[DUTY TO DISSOLVE]~~. ~~[(a)]~~ The
20 authority may ~~[shall]~~ be dissolved only ~~[on approval of the City of~~
21 ~~Lubbock and Lubbock County]~~:

22 (1) when the board determines that all the functions
23 of the authority are performed and completed; ~~[and]~~

24 (2) after all debts or obligations have been satisfied
25 or retired with the assets of the authority; and

26 (3) after ~~[-~~

27 ~~[(b) On dissolution,~~ any remaining real property and other

assets of the authority have been ~~[shall be]~~ conveyed or transferred:

(A) to Texas Tech University, if approved by the Board of Regents of the Texas Tech University System; or

(B) if Texas Tech University declines to accept any remaining real property and other assets of the authority, to the City of Lubbock ~~[and Lubbock County in proportion to any initial contribution of money made]~~.

SECTION 8. Subchapter C, Chapter 109, Education Code, is amended by adding Section 109.105 to read as follows:

Sec. 109.105. APPLIED RESEARCH SITE AT FORMER REESE AIR FORCE BASE. 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, Chapter 61, of this 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. 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 of directors of the Lubbock Reese Redevelopment Authority 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. The change in law applies only to a member appointed on or after the effective date of this Act. This Act does not prohibit a person who is a member of the

1 board on the effective date of this Act from being reappointed to
2 the board if the person has the qualifications required for a member
3 under Section 3501.051(c), Special District Local Laws Code, as
4 amended by this Act.

5 SECTION 10. This Act takes effect September 1, 2025.