

1-1 By: Burrows (Senate Sponsor - Perry) H.B. No. 4579
 1-2 (In the Senate - Received from the House April 28, 2021;
 1-3 May 10, 2021, read first time and referred to Committee on Water,
 1-4 Agriculture & Rural Affairs; May 13, 2021, reported favorably by
 1-5 the following vote: Yeas 8, Nays 0; May 13, 2021, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
1-8	X			
1-9	X			
1-10			X	
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			

1-17 A BILL TO BE ENTITLED
 1-18 AN ACT

1-19 relating to the powers, duties, and bond authority of the Lubbock
 1-20 Reese Redevelopment Authority; providing authority to impose a fee.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Section 3501.001, Special District Local Laws
 1-23 Code, is amended by adding Subdivision (4) to read as follows:

1-24 (4) "Bond" means an interest-bearing obligation
 1-25 issued by the authority under this chapter, including a bond,
 1-26 certificate, note, or other evidence of indebtedness.

1-27 SECTION 2. Section 3501.003(a), Special District Local Laws
 1-28 Code, is amended to read as follows:

1-29 (a) The purpose of the authority is to:

1-30 (1) undertake projects necessary or incidental to the
 1-31 industrial, commercial, or business development, redevelopment,
 1-32 maintenance, and expansion of new and existing businesses on the
 1-33 property, now or formerly known as Reese Air Force Base, described
 1-34 in Section 3501.002(a), including the acquisition, construction,
 1-35 operation, maintenance, enhancement, or disposal of:

1-36 (A) ~~[(1)]~~ roads, bridges, and rights-of-way;

1-37 (B) ~~[(2)]~~ housing;

1-38 (C) ~~[(3)]~~ property;

1-39 (D) ~~[(4)]~~ police, fire, medical, cultural,
 1-40 educational, and research services, equipment, institutions, and
 1-41 resources;

1-42 (E) ~~[(5)]~~ other community support services;

1-43 (F) ~~[(6)]~~ flood control, water, wastewater
 1-44 treatment, and all other utility facilities; and

1-45 (G) ~~[(7)]~~ other infrastructure improvements;

1-46 (2) encourage the development of new industry by
 1-47 private businesses; and

1-48 (3) encourage financing of projects designated under
 1-49 Section 3501.1024.

1-50 SECTION 3. Section 3501.004, Special District Local Laws
 1-51 Code, is amended to read as follows:

1-52 Sec. 3501.004. EXEMPTION FROM TAXATION. (a) The property,
 1-53 ~~[revenue, and]~~ income, and operations of the authority are exempt
 1-54 from taxes ~~[a tax]~~ imposed by the state or a political subdivision
 1-55 of the state.

1-56 (b) Section 25.07(a), Tax Code, applies to a leasehold or
 1-57 other possessory interest in real property granted by the authority
 1-58 for a project designated under Section 3501.1024(a) in the same
 1-59 manner as it applies to a leasehold or other possessory interest in
 1-60 real property constituting a project described by Section
 1-61 505.161(a), Local Government Code.

2-1 (c) A commercial aircraft to be used as an instrument of
 2-2 commerce that is under construction in the authority is presumed to
 2-3 be in interstate, international, or foreign commerce and not
 2-4 located in this state for longer than a temporary period for
 2-5 purposes of Sections 11.01 and 21.02, Tax Code.

2-6 (d) Tangible personal property located in the authority is
 2-7 presumed to be in interstate, international, or foreign commerce
 2-8 and not located in this state for longer than a temporary period for
 2-9 purposes of Sections 11.01 and 21.02, Tax Code, if the owner
 2-10 demonstrates to the chief appraiser for the appraisal district in
 2-11 which the authority is located that the owner intends to
 2-12 incorporate the property into or attach the property to a
 2-13 commercial aircraft described by Subsection (c).

2-14 (e) In this section, "commercial aircraft" means an
 2-15 aircraft that is designed to be used as described by Section
 2-16 21.05(e), Tax Code.

2-17 SECTION 4. Subchapter A, Chapter 3501, Special District
 2-18 Local Laws Code, is amended by adding Section 3501.005 to read as
 2-19 follows:

2-20 Sec. 3501.005. APPLICATION OF OTHER LAW. (a) In this
 2-21 section, "qualifying project" means any real estate project
 2-22 involving the construction of:

2-23 (1) a tenant finish-out or build-to-suit facility for
 2-24 a tenant who, through the execution of a lease with the authority,
 2-25 pays for or reimburses the authority for the cost of the
 2-26 improvements;

2-27 (2) infrastructure improvements including roads,
 2-28 driveways, or utility extensions made in connection with the sale
 2-29 or lease of property owned by the authority and for which the
 2-30 proceeds of the sale or the lease are used to reimburse the
 2-31 authority for the infrastructure improvements; or

2-32 (3) an income-producing facility that generates
 2-33 revenue for the authority and is constructed by a private developer
 2-34 with special expertise in development.

2-35 (b) Chapters 2267 and 2269, Government Code, do not apply to
 2-36 a qualifying project of the authority.

2-37 SECTION 5. Subchapter B, Chapter 3501, Special District
 2-38 Local Laws Code, is amended by adding Section 3501.056 to read as
 2-39 follows:

2-40 Sec. 3501.056. HEARINGS BY TELECOMMUNICATION DEVICE. (a)
 2-41 Notwithstanding Chapter 551, Government Code, or other law, if the
 2-42 president or vice president of the board, or chairperson or vice
 2-43 chairperson of a board committee, is physically present at a
 2-44 meeting of the board or committee, any number of the other members
 2-45 of the board or committee may attend the meeting by use of telephone
 2-46 conference call, video conference call, or other similar
 2-47 telecommunication device. A member of the board or committee who
 2-48 attends a meeting via a telecommunication device is considered
 2-49 present for purposes of constituting a quorum, voting, and any
 2-50 other form of participation in the board or committee meeting. This
 2-51 subsection applies regardless of the subject of the meeting or
 2-52 topics considered at the meeting.

2-53 (b) If the board or committee of the board holds a meeting
 2-54 using a telecommunication device in the manner provided by
 2-55 Subsection (a):

2-56 (1) the meeting is subject to the notice requirements
 2-57 for other meetings;

2-58 (2) the board or committee must specify in the notice
 2-59 the location of the meeting at which the president, vice president,
 2-60 chairperson, or vice chairperson will be physically present;

2-61 (3) the board or committee must make the meeting open
 2-62 and audible to the public at the location specified under
 2-63 Subdivision (2); and

2-64 (4) the board or committee must provide two-way audio
 2-65 communication between board or committee members attending the
 2-66 meeting and, if the two-way audio communication link with a member
 2-67 is disrupted, stop the meeting until the link is reestablished.

2-68 SECTION 6. Section 3501.102(b), Special District Local Laws
 2-69 Code, is amended to read as follows:

- 3-1 (b) The authority may exercise, on approval by and in
3-2 coordination with the governor, any power necessary or convenient
3-3 to accomplish a purpose of this chapter, including the power to:
3-4 (1) sue and be sued, and plead and be impleaded, in its
3-5 own name;
3-6 (2) adopt an official seal;
3-7 (3) adopt and enforce bylaws and rules for the conduct
3-8 of its affairs;
3-9 (4) acquire, hold, own, and dispose of its revenue,
3-10 income, receipts, and money from any source;
3-11 (5) select its depository;
3-12 (6) establish its fiscal year;
3-13 (7) adopt an annual operating budget for all major
3-14 expenditures before the beginning of the fiscal year;
3-15 (8) establish a system of accounts for the authority;
3-16 (9) invest its money in accordance with Chapter 2256,
3-17 Government Code;
3-18 (10) acquire, hold, own, use, rent, lease, or dispose
3-19 of any property, including a license, patent, right, right-of-way,
3-20 easement, and other interest in property, by purchase, exchange,
3-21 gift, assignment, condemnation, lease, sale, or any other means, to
3-22 perform a duty or to exercise a power under this chapter;
3-23 (11) manage, operate, or improve that property, to
3-24 perform a duty or to exercise a power under this chapter;
3-25 (12) sell, assign, lease, encumber, mortgage, or
3-26 otherwise dispose of any base property, or any interest in that
3-27 property, release or relinquish any right, title, claim, lien,
3-28 interest, easement, or demand, however acquired, and,
3-29 notwithstanding any other law, conduct any transaction authorized
3-30 by this subdivision by public or private sale;
3-31 (13) lease or rent any land, buildings, structures, or
3-32 facilities located on the base property to any person to accomplish
3-33 the purposes of this chapter;
3-34 (14) request and accept any appropriation, grant,
3-35 allocation, subsidy, guarantee, aid, service, labor, material,
3-36 gift, or money from any source, including the federal government,
3-37 the state, a public agency, and a political subdivision;
3-38 (15) maintain an office;
3-39 (16) appoint and determine the duties, tenure,
3-40 qualifications, compensation, and removal of officers, employees,
3-41 agents, professional advisors, and counselors, including financial
3-42 consultants, accountants, attorneys, architects, engineers,
3-43 appraisers, and financing experts, as considered necessary or
3-44 advisable by the board;
3-45 (17) borrow money as necessary to acquire, improve, or
3-46 operate a facility on the base property, not to exceed the amount
3-47 determined by the board [~~governing body of the City of Lubbock~~];
3-48 (18) establish, impose, and collect rents, rates,
3-49 fees, and charges for its facilities and services; [~~and~~]
3-50 (19) exercise the powers Chapter 380, Local Government
3-51 Code, grants to a municipality for expansion of economic
3-52 development and commercial activity;
3-53 (20) lend money for a purpose authorized by Section
3-54 52-a, Article III, Texas Constitution;
3-55 (21) authorize by resolution the incorporation of a
3-56 nonprofit airport facility financing corporation in the manner
3-57 provided by Subchapter E, Chapter 22, Transportation Code, for the
3-58 purposes provided by Section 22.152(a), Transportation Code;
3-59 (22) exercise the powers granted to a local government
3-60 for the financing of facilities to be located on airport property,
3-61 including powers granted by Chapter 22, Transportation Code,
3-62 consistent with the requirements and the purposes of Section 52-a,
3-63 Article III, Texas Constitution;
3-64 (23) lease, own, and operate an airport and exercise
3-65 the powers granted to municipalities and counties by Chapter 22,
3-66 Transportation Code;
3-67 (24) lease, own, and operate port facilities for air,
3-68 truck, and rail transportation;
3-69 (25) provide security for port functions, facilities,

4-1 and operations;
 4-2 (26) cooperate with and participate in programs and
 4-3 security efforts of this state and the United States Department of
 4-4 Homeland Security; and

4-5 (27) participate as a member or partner of a limited
 4-6 liability company, a limited liability partnership, or other entity
 4-7 organized to finance a project designated as a redevelopment
 4-8 project under Section 3501.1024.

4-9 SECTION 7. Subchapter C, Chapter 3501, Special District
 4-10 Local Laws Code, is amended by adding Sections 3501.1021,
 4-11 3501.1022, 3501.1023, and 3501.1024 to read as follows:

4-12 Sec. 3501.1021. INLAND PORT AND TRADE POWERS. (a) The
 4-13 authority may establish and operate an inland port and related port
 4-14 facilities to engage in world trade.

4-15 (b) The authority may participate in national and
 4-16 international agreements advancing world trade at the port.

4-17 Sec. 3501.1022. SERVICES. The authority may charge a fee
 4-18 for a service including:

4-19 (1) professional consultation services provided in
 4-20 relation to international trade, planning, land use, or
 4-21 construction;

4-22 (2) real estate development services, including
 4-23 services provided by a person licensed under Chapter 1101,
 4-24 Occupations Code, acting as a broker;

4-25 (3) support or participation in the acquisition of
 4-26 venture capital to finance the authority's redevelopment project,
 4-27 both inside and outside the authority;

4-28 (4) participation in or assistance on a joint venture
 4-29 composed of both public and private entities;

4-30 (5) promotion of an activity that creates employment
 4-31 opportunities; and

4-32 (6) any other service provided in relation to a
 4-33 project undertaken by the authority, alone or with others, to
 4-34 fulfill an authority purpose or objective.

4-35 Sec. 3501.1023. TRANSPORTATION PROJECT. (a) The authority
 4-36 may implement a transportation project:

4-37 (1) on the base property; or

4-38 (2) outside of the base property to provide access to
 4-39 the base property.

4-40 (b) The authority may enter into an agreement with a person
 4-41 to plan, finance, construct, or maintain a project described by
 4-42 Subsection (a).

4-43 (c) The authority may construct a building, loading dock, or
 4-44 other facility as part of a transportation project described by
 4-45 Subsection (a)(1).

4-46 Sec. 3501.1024. REDEVELOPMENT PROJECTS. (a) The board may
 4-47 designate as a redevelopment project a project that relates to:

4-48 (1) the development of base property and the
 4-49 surrounding areas; or

4-50 (2) the development of property directly related to
 4-51 the purposes or goals of the authority.

4-52 (b) A project designated under Subsection (a) is for a
 4-53 public purpose.

4-54 SECTION 8. Section 3501.106, Special District Local Laws
 4-55 Code, is amended to read as follows:

4-56 Sec. 3501.106. [REVENUE] BONDS. (a) The authority may
 4-57 issue [~~for any authority purpose~~] bonds if authorized by board
 4-58 resolution.

4-59 (b) A bond issued under this chapter must:

4-60 (1) be [~~or other obligations~~] payable solely from [~~any~~
 4-61 ~~source of~~] authority revenue;

4-62 (2) mature not later than 40 years after its date of
 4-63 issuance; and

4-64 (3) state on its face that it is not an obligation of
 4-65 this state or a municipality.

4-66 (c) The authority may exercise the powers granted to the
 4-67 governing body of an issuer with regard to the issuance of
 4-68 obligations and the execution of credit agreements under Chapter
 4-69 1371, Government Code [~~issue a bond or other obligation in the form~~]

5-1 ~~of a bond, note, certificate of participation or other instrument~~
5-2 ~~evidencing a proportionate interest in payments to be made by the~~
5-3 ~~authority, or other type of obligation].~~

5-4 SECTION 9. (a) The legal notice of the intention to
5-5 introduce this Act, setting forth the general substance of this
5-6 Act, has been published as provided by law, and the notice and a
5-7 copy of this Act have been furnished to all persons, agencies,
5-8 officials, or entities to which they are required to be furnished
5-9 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
5-10 Government Code.

5-11 (b) The governor, one of the required recipients, has
5-12 submitted the notice and Act to the Texas Commission on
5-13 Environmental Quality.

5-14 (c) The Texas Commission on Environmental Quality has filed
5-15 its recommendations relating to this Act with the governor,
5-16 lieutenant governor, and speaker of the house of representatives
5-17 within the required time.

5-18 (d) All requirements of the constitution and laws of this
5-19 state and the rules and procedures of the legislature with respect
5-20 to the notice, introduction, and passage of this Act have been
5-21 fulfilled and accomplished.

5-22 SECTION 10. This Act takes effect September 1, 2021.

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