

## **BILL ANALYSIS**

Senate Research Center

C.S.S.B. 1127  
By: Madla  
Veterans Affairs  
4-8-97  
Committee Report (Substituted)

### **DIGEST**

Currently, the city of San Antonio is faced with the closure of Kelly Air Force Base, its largest military installation in terms of mission and civilian employment. The city council determined that a community-wide strategy could convert and privatize the industrial uses on the base, create new jobs, and maintain current employment. To accomplish this process the Greater Kelly Development Corporation was chartered by the city council as a nonprofit development corporation under the Development Corporation Act of 1979, Article 5190.6, V.T.C.S., as amended. The Act has never been utilized as the vehicle for performing all the functions required to close a military installation. The need to issue bonds, charge user fees and finance the project requires that the statute be clarified to more specifically authorize such activities, only in cases in which a "project" involves a military installation or facility closed or realigned pursuant to the Defense Base and Realignment Act of 1990 (10 U.S.C. Section 2687) as amended. S.B. 1127 would outline provisions regarding the operation of certain military installations as businesses by development corporations.

### **PURPOSE**

As proposed, C.S.S.B. 1127 outlines provisions regarding the operation of certain military installations as businesses by development corporations.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Section 2(10), Article 5190.6, V.T.C.S. (Development Corporation Act of 1979), to redefine "project" as, among others, the land, buildings, equipment, facilities, and improvements found by the board of directors of any corporation organized pursuant to the provisions of the Development Corporation Act to be required or suitable for the promotion of development or redevelopment and expansion, of a military base closed or realigned pursuant to recommendation of the Defense Closure and Realignment Commission pursuant to the Defense Base Closure and Realignment Act of 1990.

SECTION 2. Amends Section 23(b), Article 5190.6, V.T.C.S., to require any industrial development corporation organized pursuant to the provisions of this Act to have all powers necessary to own and operate a project as a business if the project is a military installation or facility closed or realigned pursuant to the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. Section 2687 note) as amended.

SECTION 3. Effective date: September 1, 1997.

SECTION 4. Emergency clause.

### **SUMMARY OF COMMITTEE CHANGES**

SECTION 1.

Amends Section 2(10), Article 5190.6, V.T.C.S., to redefine "project."

SECTION 2.

Amends Section 23(b), Article 5190.6, V.T.C.S., to insert "own and" after "to" and before "operate."