

## **BILL ANALYSIS**

Senate Research Center  
76R3043 MXM-D

S.B. 1092  
By: Brown  
State Affairs  
4/28/1999  
As Filed

### **DIGEST**

Currently, no state statute authorizes a county to establish a spaceport authority. A spaceport authority designs, constructs, and operates a commercial spaceport, and encourages local economic development through the production of related industries. The authority would be a political subdivision and a special district. S.B. 1092 would authorize the establishment of a spaceport authority, and grant to the authority the power of eminent domain and the right to issue bonds.

### **PURPOSE**

As proposed, S.B. 1092 authorizes the establishment of a spaceport authority.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the board of commissioners of a spaceport authority in SECTION 1 (Sections 2312.030(d), 2312.061, 2312.064, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Title 10G, Government Code, by adding Chapter 2312, as follows:

#### CHAPTER 2312. SPACEPORTS

##### SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2312.001. DEFINITIONS. Defines “authority,” “board,” “commissioner,” “spacecraft,” and “spaceport.”

Sec. 2312.002. EXPIRATION. Provides that this chapter expires September 1, 20003, if the comptroller has not yet registered a spaceport authority (authority).

##### SUBCHAPTER B. ESTABLISHMENT OF AUTHORITY; POWERS AND DUTIES

Sec. 2312.021. ESTABLISHMENT. Sets forth provisions authorizing a county and any combination of municipalities or counties to establish an authority by certain actions. Provides that the established authority is a political subdivision of the state and a special district.

Sec. 2312.022. REGISTRATION. Requires an authority to register with the comptroller immediately after it is established.

Sec. 2312.023. GENERAL POWERS AND DUTIES. Provides that the authority has power and duties prescribed by this chapter, and may perform other acts necessary to carry out the purposes of this chapter.

Sec. 2312.024. ECONOMIC DEVELOPMENT. Requires the authority to encourage the economic development of the area in which it is located.

Sec. 2312.025. SPACEPORT DEVELOPMENT. Requires the authority to design, construct, and operate a spaceport through private enterprise under the authority’s supervision.

Sec. 2312.026. SPACEPORT SITE. Prohibits the authority from issuing a bond or acquiring

property unless a site in the territory of a county that established the authority has been designated as the site for a spaceport.

Sec. 2312.027. ACQUISITION OF PROPERTY; EMINENT DOMAIN. Sets forth the abilities of the spaceport to acquire property and exercise the power of eminent domain. Requires the authority to obtain a resolution from the county's or municipality's governing body in which the property is located approving any condemnation before exercising the power of eminent domain. Provides that territory in the extraterritorial jurisdiction of a municipality is considered to be in the jurisdiction of the municipality. Provides that the exercise of eminent domain is governed by Chapter 21, Property Code.

Sec. 2312.028. AGREEMENTS; DONATIONS; ENVIRONMENTAL LIABILITY. Authorizes the authority to make an agreement with or accept a donation, grant, or loan from any person, and to enter into an interlocal contract under Chapter 791. Prohibits the authority from contracting to operate a spaceport unless the agreement provides that the person contracting with the authority assumes the authority's liability for a cause of action arising from environmental damage.

Sec. 2312.029. AUTHORITY TO BRING SUIT. Authorizes the authority to sue and be sued.

#### SUBCHAPTER C. BOARD ORGANIZATION

Sec. 2312.051. BOARD OF COMMISSIONERS. Sets forth the composition, terms, qualifications, and rulemaking for office of the authority's board of commissioners.

Sec. 2312.052. BOARD MEETINGS. Requires the board to meet at least once every three months and at the call of the presiding officer or a majority of the commissioners.

#### SUBCHAPTER D. BOARD POWERS AND DUTIES

Sec. 2312.061. GENERAL POWERS AND DUTIES OF THE BOARD; RULEMAKING AUTHORITY. Provides that the board is responsible for the authority and shall exercise the powers and duties of the authority. Requires the board to formulate, by rule, general policy and procedures to govern the authority and its activities.

Sec. 2312.062. COMPENSATION AND EXPENSES. Provides that a commissioner of the board (commissioner) serves without compensation, but may be reimbursed for expenses.

Sec. 2312.063. EXECUTIVE DIRECTOR. Sets forth those persons that the board may employ.

Sec. 2312.064. EDUCATION; ADVISORY AGENCIES. Requires the board to develop, by rule, a plan for higher education courses and degree programs to be offered at or near a spaceport, that must be related to the purposes of this chapter. Requires the Texas Aerospace Commission (commission) and the Texas Higher Education Coordinating Board to cooperate with and advise the board with this section.

#### SUBCHAPTER E. FINANCES; TAXES; BONDS

Sec. 2312.101. MISCELLANEOUS FINANCIAL POWERS. Sets forth financial powers of the authority.

Sec. 2312.102. TAX EXEMPTION. Exempts an authority's property, income, and operations from state taxes or a political subdivision's taxes. Requires the authority to make a payment equal to the ad valorem taxes owned by the authority to the proper political subdivision of the state, in lieu of taxes. Provides that certain tangible property is not taxable under Section 11.01, Tax Code, if the property is located in the spaceport less than 175 days. Provides that Chapter 151, Tax Code, does not apply to tangible property purchased by a person for use in a spaceport.

Sec. 2312.103. BONDS. Authorizes an authority to issue certain bonds.

Sec. 2312.104. TEXAS SPACEPORT FUND. Defines "commission." Creates the Texas

spaceport fund as a separate account in the general revenue fund. Authorizes the commission to use money appropriated to the commission from the fund to provide a grant to an eligible authority. Authorizes the commission to provide necessary procedures to administer the fund and the grant program. Establishes that the authority is eligible to receive a grant for certain spaceports. Requires the commission to consider certain factors in determining whether to grant money to an eligible authority. Prohibits the commission from granting money to an authority without the approval of the governor, lieutenant governor, and speaker of the house.

SECTION 2. Effective date: September 1, 1999.

SECTION 3. Emergency clause.