

GOVERNMENT CODE
SUBTITLE G. ECONOMIC DEVELOPMENT PROGRAMS INVOLVING BOTH STATE AND
LOCAL GOVERNMENTS

CHAPTER 2301. SUPERCONDUCTING SUPER COLLIDER FACILITY RESEARCH
AUTHORITY

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 2301.001. DEFINITIONS. In this chapter:

(1) "Agreement" includes a contract or lease.
(2) "Authority" means a research authority created under this chapter.

(3) "Board" means the board of directors of an authority.

(4) "Bond" means any type of obligation issued by an authority under this chapter, including any bond, note, draft, bill, warrant, debenture, interim certificate, revenue or bond anticipation note, any form of contract the authority considers appropriate for the purchase of property including an installment purchase, conditional purchase, or lease with option to purchase, or other evidence of indebtedness.

(5) "Eligible project" means a project necessary or incidental to the super collider facility and its neighboring communities, including the acquisition, construction, operation, maintenance, or enhancement of:

(A) roads, bridges, and rights of way;
(B) housing;
(C) real and personal property;
(D) police, fire, medical, cultural, educational, and research services, equipment, institutions, and resources;

(E) other community support services;
(F) flood control, water, and wastewater treatment facilities;

(G) other infrastructure improvements; and
(H) rights useful in connection with the super collider facility and its neighboring communities.

(6) "Public entity" means any county, municipality, district or authority created under Article III, Section 52, or Article XVI, Section 59, of the Texas Constitution, or other political or corporate body of the state.

(7) "Super collider facility" means any superconducting super collider high-energy research facility that is or is proposed to be sponsored, authorized, and funded in part by the United States government.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.002. ESTABLISHMENT OF AUTHORITY. (a) Two or more public entities, by adopting substantially identical resolutions, orders, or ordinances, may establish a research authority and specify the authority's powers consistent with this chapter.

(b) The name of an authority must include the name or description of the area of the state in which the super collider facility is located or proposed to be located.

(c) An additional public entity may join an authority:
(1) by adopting a resolution, order, or ordinance substantially identical to those by which the authority is established; and

(2) on attaining the consent of the public entities that established the authority or that are subsequently added.

(d) Subject to the terms of an agreement entered into by an authority, public entities comprising the authority may amend their resolutions, orders, or ordinances establishing an authority by the adoption of substantially identical amending resolutions, orders, or ordinances.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.003. BOARD OF DIRECTORS. (a) An authority is governed by a board of directors composed of the number of directors determined by the resolutions, orders, or ordinances governing the authority. Directors serve two-year terms expiring June 1 of each odd-numbered year.

(b) The board shall elect a presiding officer from among its members.

(c) An employee, officer, or member of the governing body of a participating public entity may serve as a director.

(d) A director, officer, or employee of an authority may not have a personal interest, other than in the individual's official capacity, in an agreement executed by the authority.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.004. PAYMENT FROM AD VALOREM TAXES. (a) An agreement that is between one or more public entities and an authority and includes payments in whole or in part from ad valorem taxes levied by the public entity may provide that the authority shall establish a uniform tax rate that each participating public entity is obligated to levy and collect for the authority and pay to the authority as provided by the agreement. The rate established by the authority may not exceed any maximum rate in the agreement.

(b) A payment under an agreement under this section that is made in whole or in part from ad valorem taxes is payment of principal and interest on an evidence of indebtedness of the public entity for the purposes of Section 26.04, Tax Code, regardless of whether the agreement constitutes "debt" within the meaning of that section or pays the principal and interest on bonds of the authority.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.005. WRITTEN CONTRACT REQUIREMENTS. (a) A county may not contract with an authority providing for periodic payments to be made by the county for longer than one year unless the authority also contracts as provided by Subsection (b) with at least two other counties.

(b) Each contract executed under this section must:

(1) be in writing;

(2) be in substantially the same form, except as to the source and timing of funds to be paid under the contract;

(3) provide that funds or any amounts earned from the investment of those funds received by the authority under the contract may not be used for payment of salary to an employee of the authority; and

(4) provide that funds received by the authority under the contract may be used only to pay or reimburse the costs of the acquisition of land or an interest in land or to pay expenses or other costs incidental to that acquisition.

(c) The requirement that payments to be made under a contract are determined according to a uniform amount for each motor vehicle registered in the county does not make the contracts have a different form.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.006. TAX EXEMPTION. An authority and its property, income, and operations are exempt from taxes imposed by the state, an agency or instrumentality of this state, or a public entity of the state.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.007. LOANS AND GRANTS. A public entity may make loans and grants of public money or property for eligible projects that contribute to the public purposes of development and diversification of the economy of the state, the elimination of underemployment and unemployment in the state, or the development or expansion of transportation or commerce in the state.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

SUBCHAPTER B. POWERS OF AN AUTHORITY

Sec. 2301.031. DESCRIPTION OF AUTHORITY. An authority is a political and corporate body and a political subdivision of this state.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.032. AUTHORITY TO BRING SUIT. An authority may sue and be sued.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.033. AGREEMENTS. An authority may make agreements with and accept donations, grants, and loans from any person, including the United States, this state, a department or agency of this state, a public entity, and a public or private corporation, including those public entities creating the authority.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.034. ACQUISITION OF PROPERTY. An authority may:

(1) without taking competitive bids, acquire, convey, grant, loan, pledge, mortgage, grant a security interest in, or otherwise dispose of any land, easement, road, bridge, infrastructure improvement, other property or improvement, service or cash, or interest in any of the items described by this subdivision that will permit or aid in the accomplishment of the purposes of this chapter; and

(2) exercise the power of eminent domain to acquire land, easements, and property interests as determined to be

necessary by the board for eligible projects, including the power to acquire fee title in land condemned.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.035. FUNDS. An authority may:

- (1) make loans to public or private entities to fund eligible projects;
- (2) issue bonds to fund eligible projects; and
- (3) encumber its property, pledge its revenues, and enter credit agreements, as defined by Section 1371.001, to secure its bonds.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.
Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.243, eff. Sept. 1, 2001.

Sec. 2301.036. ELIGIBLE PROJECTS. An authority may:

- (1) undertake eligible projects;
- (2) adopt and enforce reasonable rules to carry out the authority's purposes, to secure and maintain safe, efficient, and normal operation and maintenance of the super collider facility and its eligible projects, and to regulate privileges on any land, easement, or property interest adjoining the site of the super collider facility to prevent activities on the adjoining land, easement, or property interest that could adversely affect the safe, efficient, and normal operation and maintenance of the super collider facility or its eligible projects; and
- (3) exercise any power necessary or useful to an eligible project.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.037. EXERCISE OF OTHER POWERS. An authority may:

- (1) adopt bylaws and exercise any power consistent with this chapter and the resolutions, orders, or ordinances creating the authority; and
- (2) perform any act necessary for the full exercise of the powers vested in the authority and exercise any power, right, or duty that will permit accomplishment of the purposes of the authority.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

SUBCHAPTER C. POWERS OF STATE AGENCIES AND PUBLIC ENTITIES

Sec. 2301.061. POWERS OF STATE AGENCIES AND PUBLIC ENTITIES TO ACT. A public entity or state agency may carry out the purposes of this chapter without any further authorization.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.062. AGREEMENTS. A public entity or state agency may make agreements with and accept donations, grants, and loans from any person, including the United States, this state, a department or agency of this state, a public entity, and a public or private corporation, including any authority and the Texas National Research Laboratory Commission.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.063. ACQUISITION OF PROPERTY. A public entity or state agency may without taking competitive bids, acquire, convey, grant, loan, pledge, mortgage, grant a security interest in, or otherwise dispose of any land, easement, road, bridge, infrastructure improvement, or other property or improvement, service or cash, or interest in any item described by this subdivision that will permit or aid in the accomplishment of the purposes of this chapter.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.0635. NOTICE OF CERTAIN LEASES TO TAX APPRAISAL OFFICE. (a) A public entity or state agency that owns real property or a facility acquired under this chapter shall notify the tax appraisal office for the county in which the property is located of any possessory interest in the property, including a leasehold, that on January 1 is held by another person.

(b) Notice under this section is given by delivering to the tax appraisal office, not later than May 1, a copy of each instrument evidencing the conveyance of a possessory interest in the property.

(c) If after receipt of notice under Subsection (b) the chief appraiser of the tax appraisal office determines that additional information relating to the conveyance of the possessory interest is necessary for the appraisal of that interest for ad valorem tax purposes, the chief appraiser may request the public entity or state agency to provide the additional information. If the chief appraiser requests additional information under this subsection, the public entity or state agency shall deliver the

requested information to the tax appraisal office, or notify the chief tax appraisal office that it does not possess the requested information, before the 30th day after the date of the request.

Added by Acts 1995, 74th Leg., ch. 177, Sec. 1, eff. Aug. 28, 1995.

Sec. 2301.064. USE OF FUNDS. A public entity or state agency may:

(1) use its funds, including tax revenues, to plan, acquire, construct, own, operate, maintain, or enhance eligible projects, including, in the case of a public entity, eligible projects located outside the jurisdiction or boundaries of the public entity if the governing body of the public entity determines that the project will contribute to the development and diversification of the economy, the elimination of unemployment or underemployment, or the development or expansion of commerce within the public entity;

(2) levy taxes to provide for payment of amounts required under agreements with any person, including the United States, the state, a department and agency of this state, a public entity, and a public or private corporation, including any authority and the Texas National Research Laboratory Commission; and

(3) pledge tax revenue to the payment of agreements.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.065. ELIGIBLE PROJECTS. (a) A public entity or state agency may:

(1) participate in or undertake eligible projects; and

(2) adopt and enforce reasonable rules:

(A) to secure and maintain safe, efficient, and normal operation and maintenance of the super collider facility and its eligible projects;

(B) in the case of a public entity, to regulate privileges on any land, easement, or property interest that is located within the jurisdiction or boundaries of the public entity and that adjoins the super collider facility site; and

(C) in the case of a public entity, to prevent activities on adjoining land, easement, or property interest that would adversely affect the safe, efficient, and normal operation and maintenance of the super collider facility or its eligible projects.

(b) A state agency may not exercise any rule-making powers under Subsection (a).

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.066. EFFECT ON OTHER LAWS. This subchapter does not change the power of the state or any state agency to levy, collect, or set rates of taxes.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.067. ENFORCEMENT OF REGULATIONS. (a) A person who violates a rule adopted under Sections 2301.036 and 2301.065 commits an offense. An offense under this subsection is a Class C misdemeanor.

(b) Public entities and an authority are encouraged to cooperate in the adoption and enforcement of rules to achieve a uniformity of standards applicable to the regulation of privileges and activities on any land, easement, or property interest adjoining the super collider facility site.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.068. ELECTIONS. (a) A public entity may enter an agreement payable by taxes or otherwise without authorization through an election, if the transaction is not a bond or obligation of a public entity issued for making loans or grants payable from ad valorem taxes, within the meaning of Article III, Section 52-a, of the Texas Constitution.

(b) An election required by the Texas Constitution to be held by the public entity to authorize an agreement proposed to be made under this chapter shall be held under the applicable law governing bond elections for the public entity.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

SUBCHAPTER D. BONDS AND OTHER FUNDS

Sec. 2301.091. BONDS. (a) By resolution, an authority may authorize the issuance, sale, and delivery of bonds for the accomplishment of its purposes.

(b) Any bonds that are payable from ad valorem taxes levied by a public entity to pay principal and interest on bonds of an authority may be issued only after an affirmative vote of the

qualified voters of the public entities that comprise the authority.

(c) To accomplish the purposes of this chapter, an authority has the powers granted to industrial development corporations by Section 23, except the limitations provided by Subsection (a)(11) of that section, and Sections 25(e), 26, 27, and 29, Development Corporation Act of 1979 (Article 5190.6, Vernon's Texas Civil Statutes), but is otherwise governed by this chapter.

(d) In issuing bonds, an authority may exercise the powers granted to the governing body of an issuer relating to the issuance of obligations under Chapter 1371.

(e) The bonds may not be a debt or pledge of the faith and credit of the state, the authority, or a public entity, but may be payable solely from revenues arising under this chapter, from grants provided by the United States, the state, a department or agency of this state, public or private entities, or from agreements with public or private entities.

(f) As determined by the board, an authority may pledge to the payment of any bond the revenues of all or part of the eligible projects acquired or undertaken by the authority.

(g) A bond issued by an authority shall contain on its face a statement of the limitation in Subsections (e) and (f).

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993. Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.244, eff. Sept. 1, 2001.

Sec. 2301.092. ISSUANCE OF BONDS. (a) Bonds authorized under Section 2301.091 may be executed and delivered as a single issue or as several issues and may be in any denomination and form, including registered uncertified obligations not represented by written instruments and commonly known as book-entry obligations, for which the registration of ownership and transfer shall be provided by the authority under a system of books and records maintained by a financial institution domiciled inside or outside the state and serving as trustee, paying agent, or bond registrar.

(b) The bonds of an authority must be signed by the presiding officer or assistant presiding officer of the authority, be attested by the secretary, and bear the seal of the authority. The signatures may be printed or lithographed on the bonds if authorized by the authority, and the seal may be impressed, lithographed, or printed on the bonds.

(c) The authority may adopt or use for any purpose the signature of an individual who has been an officer of the authority, regardless of whether the individual has ceased to be an officer at the time the bonds are delivered to a purchaser.

(d) The bonds must mature serially or otherwise not to exceed 40 years after their respective dates of issuance and may be sold at a public or private sale at a price or under terms determined by the authority to be the most advantageous reasonably obtainable.

(e) The bonds may bear no interest or a rate of interest determined by the authority or by a contractual agreement approved by the authority, but may not exceed the maximum net effective interest rate allowed by Chapter 1204.

(f) The bonds may be subject to redemption before maturity at times and prices approved by the authority.

(g) The bonds are subject to review and approval by the attorney general in the same manner and with the same effect as is provided by Chapter 1371.

(h) The bonds are legal and authorized investments for a bank, trust company, savings and loan association, insurance company, fiduciary, trustee, or guardian or a sinking fund of a municipality, county, school district, or other political subdivision of this state.

(i) The bonds may be used to secure deposits of public funds of this state and municipalities, counties, school districts, or other political subdivisions of this state. The bonds are lawful and sufficient security for deposits to the extent of the principal amount of the bonds or their value on the market, whichever is less, when accompanied by all attached unmatured coupons.

(j) An authority may issue bonds to refund all or part of its outstanding bonds, including unpaid interest, in the manner provided by law.

(k) The bonds, any interest on the bonds, any transaction relating to the bonds, and any profit made in the sale of the bonds are exempt from taxation by the state, an agency or instrumentality

of the state, or any political subdivision of the state.
Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.
Amended by Acts 2001, 77th Leg., ch. 1420, Sec. 8.245, eff. Sept. 1, 2001.

Sec. 2301.093. USE OF PROCEEDS. (a) The proceeds of bonds issued under this chapter may be used only to finance eligible projects, pay professional and consulting fees and related expenses, and pay the costs of issuance of the bonds.

(b) An authority may set aside from the proceeds of the sale of bonds amounts for payments into the interest and sinking fund and reserve fund, and for interest and operating expenses during construction and development, as specified in the proceedings authorizing the bonds.

(c) Bond proceeds may be invested, pending their use, in securities, interest-bearing certificates, and time deposits as specified in the authorizing proceedings.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.

Sec. 2301.094. USE OF FUNDS. The authority may use funds, including tax revenues or other money received by the authority from a public entity, to finance eligible projects located outside the jurisdiction or boundary of the public entity, if the governing body of the public entity determines that the eligible projects will contribute to the development and diversification of the economy, the elimination of unemployment or underemployment, or the development or expansion of commerce within the public entity.

Added by Acts 1993, 73rd Leg., ch. 268, Sec. 1, eff. Sept. 1, 1993.