

Chapter 1158

AN ACT

relating to the transfer of municipal property to economic development corporations by certain municipalities.

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

SECTION 1. Chapter 253, Local Government Code, is amended by adding Section 253.012 to read as follows:

Sec. 253.012. CONVEYANCE TO ECONOMIC DEVELOPMENT CORPORATION BY CERTAIN MUNICIPALITIES. (a) In this section, "economic development corporation" means a Type A corporation governed by Chapter 504 or a Type B corporation governed by Chapter 505.

(b) This section applies only to a municipality with a population of 20,000 or less.

(c) A municipality may transfer to an economic development corporation, for consideration described by this section, real property or an interest in real property without complying with the notice and bidding requirements of Section 272.001(a) or other law.

(d) Consideration for a transfer authorized by this section is in the form of an agreement between the parties that requires the economic development corporation to use the property in a manner that primarily promotes a public purpose of the municipality. If the economic development corporation at any time fails to use the property in that manner, ownership of the property automatically reverts to the municipality.

1 (e) The municipality shall transfer the property by an
2 appropriate instrument of transfer. The instrument must include a
3 provision that:

4 (1) requires the economic development corporation to
5 use the property in a manner that primarily promotes a public
6 purpose of the municipality; and

7 (2) indicates that ownership of the property
8 automatically reverts to the municipality if the nonprofit
9 organization at any time fails to use the property in that manner.

10 (f) A municipality may not transfer property to an economic
11 development corporation under this section if the municipality
12 acquired the property through eminent domain.

13 SECTION 2. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2009.

David Newkirk

President of the Senate

H.B. No. 3072

John Strawn

Speaker of the House

I certify that H.B. No. 3072 was passed by the House on May 5, 2009, by the following vote: Yeas 142, Nays 2, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3072 on May 29, 2009, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Robert Haney

Chief Clerk of the House

I certify that H.B. No. 3072 was passed by the Senate, with amendments, on May 26, 2009, by the following vote: Yeas 31, Nays 0.

Daisy Spaw

Secretary of the Senate

APPROVED:

19 Jun '09

Date

Rick Perry

Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2 PM O'CLOCK

JUN 19 2009

Colby Hunter III