

**SUBJECT:** City and county bond authority to purchase land around a military base

**COMMITTEE:** Defense and Veterans' Affairs — committee substitute recommended

**VOTE:** 8 ayes — Corte, Vaught, Chavez, Edwards, Farias, Maldonado, Ortiz, Pickett

0 nays

1 absent — C. Turner

**WITNESSES:** For — (*Registered, but did not testify:* James Cunningham, Texas Council of Chapters, Military Officers Association of America; Jimmy Gaines, Texas Landowners Council, Inc.; Shanna Igo, Texas Municipal League; Ned Munoz, Texas Association of Builders; Patricia Shipton, City of El Paso)

Against — None

**DIGEST:** CSHJR 132 would allow the Legislature to authorize a municipality or county to issue bonds or notes to finance the acquisition of land adjacent to a military base in order to create a buffer zone or open space and prevent encroachment on the base. The bonds or notes also could be used to finance construction of highways, utilities, or other infrastructure that would protect or promote the military installation's mission. CSHJR 132 also would allow the governmental entity to pledge increases in property tax revenue in the zone to repay the bonds or notes.

The proposal would be presented to voters at an election on Tuesday, November 3, 2009. The ballot proposal would read: "The constitutional amendment authorizing the financing, including through tax increment financing, of the acquisition by municipalities and counties of buffer areas or open spaces adjacent to a military installation for the prevention of encroachment or for the construction of roadways, utilities, or other infrastructure to protect or promote the mission of the military installation.

**SUPPORTERS SAY:** HJR 132 would allow cities and counties to help shield military installations in their area from encroachment by development and to protect the base's mission. Cities currently may issue bonds to purchase

land that is blighted or distressed in order to develop it; however, many military bases lie in unincorporated areas, which fall under a county's jurisdiction rather than that of a city. While the areas may not be blighted, they often are in need of protection from encroachment to ensure the safety and security of an installation's operations and training. Military installations provide a great economic benefit to their surrounding communities, and encroachment on those installations could impede their operations and the local economy to an extent greater than increased property taxes.

Allowing the Legislature to authorize a city or county to issue these bonds could allow property owners to be paid for their land. The infrastructure financed by the bonds would likely increase property tax revenue in the tax zone established by the city or county, and this revenue could be pledged to repayment of the bonds.

**OPPONENTS  
SAY:**

HJR 132 and its enabling legislation would allow cities and counties to build infrastructure under the broad justification of protecting or promoting the mission of a military installation could lead to higher property taxes at a time when property owners are already feeling an economic burden. While protecting military bases is a worthy goal, cities and counties should not be allowed to increase property taxes to finance the bonds.

**NOTES:**

The substitute differs from the joint resolution as filed by adding language to allow any bonds or notes issued by a municipality or county to be used for the construction of utilities to protect or promote a military installation, and by allowing any municipality or county authorized to issue the bonds or notes to pledge increases in real or personal property taxes for fund their repayment.

HB 4130 by Corte, the enabling legislation for HJR 132, which would allow a municipality or county to issue bonds or notes to finance the acquisition of buffer areas or open spaces adjacent to a military installation, is the May 11 General State Calendar for today.