

LOCAL GOVERNMENT CODE

TITLE 12. PLANNING AND DEVELOPMENT

SUBTITLE C1. ADDITIONAL PLANNING AND DEVELOPMENT PROVISIONS

APPLYING TO MORE THAN ONE TYPE OF LOCAL GOVERNMENT

CHAPTER 507. SPACEPORT DEVELOPMENT CORPORATIONS

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 507.001. DEFINITIONS. In this chapter:

(1) "Authorizing entity" means the political subdivision or combination of political subdivisions that authorizes the creation of a spaceport development corporation as permitted under Section [507.003](#).

(2) "Spacecraft" means any object and its components designed to be launched for operations in a suborbital trajectory, in earth orbit, or in outer space. The term includes a satellite, a payload, an object carrying crew or a space flight participant, and any subcomponents of the launch vehicle or reentry vehicle specifically designed or adapted for that object.

(3) "Spaceport" includes:

(A) an area intended to be used for space flight activities, as defined by Section 100A.001, Civil Practice and Remedies Code;

(B) a spaceport building or facility located in an area reasonably proximate to a launch vehicle, reentry vehicle, or spacecraft launching or landing area;

(C) an area reasonably proximate to a launch vehicle, reentry vehicle, or spacecraft launching or landing area that is intended for use for a spaceport building or facility; and

(D) a right-of-way related to a launch vehicle, reentry vehicle, or spacecraft launching or landing area, building, facility, or other area that is reasonably proximate to a launching or landing area.

(4) "Spaceport development corporation" means a corporation governed by this chapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

Amended by:

Acts 2013, 83rd Leg., R.S., Ch. 953 (H.B. [1791](#)), Sec. 4, eff. September 1, 2013.

Sec. 507.002. SCOPE OF PROJECT. For purposes of a spaceport development corporation, in addition to land, buildings, equipment, facilities, and improvements that constitute a project under Chapter [501](#), "project" includes the land, buildings, equipment, facilities, and improvements found by the board of directors of the corporation to:

(1) be required or suitable for use for the promotion or development of a spaceport, related area transportation facilities, automobile parking facilities, and related roads, streets, and water and sewer facilities, and other related improvements that enhance the spaceport or another item specified by this subdivision;

(2) promote or develop new or expanded business enterprises relating to a spaceport;

(3) promote or develop educational programs or job training relating to a spaceport; or

(4) be required or suitable for the promotion of development and expansion of affordable housing, as defined by 42 U.S.C. Section 12745, relating to a spaceport.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

Sec. 507.003. AUTHORITY TO CREATE CORPORATION BY ELIGIBLE ENTITIES. The following entities are eligible to authorize the creation under this subtitle of a spaceport development corporation:

(1) a county;

(2) a municipality with a population of two million or more; or

(3) a combination of one or more municipalities and one or more counties.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 120 (H.B. 303), Sec. 1, eff. May 23, 2019.

Sec. 507.004. CONTENTS OF CERTIFICATE OF FORMATION. The certificate of formation of a spaceport development corporation:

(1) must state that the corporation is governed by this chapter; and

(2) may include in the corporation's name any word or phrase the authorizing entity specifies.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.005. CORPORATION NOT SUBJECT TO CERTAIN PROVISIONS. Sections 501.203, 501.205, 501.251-254, 501.255(a) and (b), 501.256, and 501.257 do not apply to a corporation under this chapter.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.006. CONFLICTS OF LAW. To the extent of any conflict between this chapter and any other provision of this subtitle, this chapter prevails.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

SUBCHAPTER B. GOVERNANCE OF CORPORATION

Sec. 507.051. BOARD OF DIRECTORS. (a) A spaceport development corporation is governed by a board of seven directors.

(b) If a single county authorizes the creation of a spaceport development corporation, the commissioners court of the county shall appoint the directors of the corporation. If a single municipality authorizes the creation of a spaceport development corporation under Section 507.003(2), the governing body of the municipality shall appoint the directors of the corporation.

(b-1) If more than one political subdivision authorizes the

creation of a spaceport development corporation, the governing bodies of the political subdivisions shall appoint the directors through written agreement between the governing bodies.

(c) Each director serves a two-year term that expires June 1 of each odd-numbered year, except that three or four of the initial directors may serve a one-year term so that the terms may be staggered in the future.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 120 (H.B. 303), Sec. 2, eff. May 23, 2019.

Sec. 507.052. OFFICERS. (a) The board of directors of a spaceport development corporation shall elect a presiding officer from among its members.

(b) The board of directors by rule may provide for the election of other officers.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.053. MEETINGS. The board of directors of a spaceport development corporation shall meet:

(1) at least once every three months; and

(2) at the call of the presiding officer or a majority of the directors.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 507.101. GENERAL POWERS AND LIMITATIONS OF CORPORATION. A spaceport development corporation:

(1) has the powers granted by this chapter and by other chapters of this subtitle; and

(2) is subject to the limitations of a corporation authorized to be created under another provision of this subtitle.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.102. ACQUISITION, MORTGAGE, OR DISPOSAL OF PROPERTY. (a) A spaceport development corporation may acquire property but only if a site in the territory of the authorizing entity has been designated as the site for a spaceport.

(b) A spaceport development corporation may:

- (1) mortgage property; or
- (2) convey or otherwise dispose of property.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.103. EMINENT DOMAIN. (a) This section does not apply to a spaceport development corporation whose authorizing entity is a single municipality with a population of two million or more.

(a-1) A spaceport development corporation may exercise the power of eminent domain to acquire property for a spaceport, including the power to:

- (1) acquire fee title in land condemned;
- (2) relocate or modify a railroad, utility line, pipeline, or other facility that may interfere with a spaceport; or
- (3) impose a reasonable restriction on using the surface of the property for mineral development if the corporation does not own the mineral rights.

(b) Before exercising the power of eminent domain under this chapter, a spaceport development corporation must obtain a resolution approving the proposed condemnation from the governing body of a county or municipality in which the property is located. For purposes of this chapter, territory in the extraterritorial jurisdiction of a municipality is considered to be in the jurisdiction of the municipality.

(c) Chapter 21, Property Code, governs the exercise of the power of eminent domain by a spaceport development corporation.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Amended by:

Acts 2019, 86th Leg., R.S., Ch. 120 (H.B. 303), Sec. 3, eff. May 23, 2019.

Sec. 507.104. CONTRACTS. (a) Except as provided by Subsection (b), a spaceport development corporation may enter into:

- (1) an agreement with any person; or
- (2) an interlocal contract under Chapter 791, Government Code.

(b) A spaceport development corporation may not enter into a contract to operate a spaceport unless the agreement provides that the person contracting with the corporation assumes the corporation's liability for a cause of action arising from environmental damage.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.105. GENERAL POWERS RELATED TO FINANCES. A spaceport development corporation may:

- (1) impose a charge for using a spaceport or a service the corporation provides;
- (2) borrow money;
- (3) loan money to fund a spaceport; and
- (4) invest money under the corporation's control in an investment authorized by Chapter 2256, Government Code.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.106. DONATIONS, GRANTS, AND LOANS. A spaceport development corporation may accept a donation, grant, or loan from any person.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01, eff. April 1, 2009.

Sec. 507.107. AUTHORITY TO SUE AND BE SUED. A spaceport development corporation may sue and be sued.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. 2278), Sec. 3.01,

eff. April 1, 2009.

Sec. 507.108. HIGHER EDUCATION COURSES AND DEGREE PROGRAMS.

(a) The board of directors of a spaceport development corporation by rule may develop a plan for higher education courses and degree programs to be offered at or near a spaceport.

(b) A course or degree program offered under this section must be related to the purposes of this chapter.

(c) The aerospace and aviation office of the Texas Economic Development and Tourism Office and the Texas Higher Education Coordinating Board shall cooperate with and advise the board of directors in carrying out this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

SUBCHAPTER D. BONDS

Sec. 507.151. AUTHORITY TO ISSUE BONDS; APPROVAL. (a) A spaceport development corporation may issue bonds only if a site in the territory of the authorizing entity has been designated as the site for a spaceport.

(b) Bonds issued under this chapter must be approved by the governing body of each political subdivision that authorized creation of the spaceport development corporation.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

Sec. 507.152. BONDS NOT OBLIGATION OF CERTAIN ENTITIES. Bonds issued by a spaceport development corporation are not an obligation or a pledge of the faith and credit of this state, a political subdivision that authorized the creation of the corporation, or another political subdivision or agency of this state.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

Sec. 507.153. BOND REQUIREMENTS. Bonds issued under this

chapter must:

(1) be payable only from the revenue of a spaceport developed by the spaceport development corporation issuing the bonds;

(2) mature not later than 50 years after the date of issuance; and

(3) state on their faces that the bonds are not an obligation of the State of Texas or a political subdivision of this state, other than the corporation that issued the bonds.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

SUBCHAPTER E. TAXES

Sec. 507.201. EXEMPTION FROM CERTAIN TAXES. (a) The property, income, and operations of a spaceport development corporation are exempt from taxes imposed by this state or a political subdivision of this state.

(b) Tangible personal property located in the spaceport, such as a spacecraft or other property necessary to launch the spacecraft, is exempt from ad valorem taxation.

(c) Chapter [151](#), Tax Code, does not apply to tangible personal property purchased by a person for use in a spaceport.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.

Sec. 507.202. PAYMENT IN LIEU OF AD VALOREM TAXES. In lieu of taxes, a spaceport development corporation shall pay to each political subdivision of this state in which land owned by the corporation is located an amount equal to the amount of ad valorem taxes that would be imposed on that land if the land were privately owned.

Added by Acts 2007, 80th Leg., R.S., Ch. 885 (H.B. [2278](#)), Sec. 3.01, eff. April 1, 2009.