

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 1789
By: Maldonado et al. (Ogden)
Economic Development
5/12/2009
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2004, the Taylor City Council began to plan the building of a sports complex for the citizens of Eastern Williamson County. Since that time, the concept has grown to a regional sporting venue, not only to address the sporting needs of the region but also to serve as an economic development catalyst for Taylor.

This legislation will assist Taylor, as well as other cities of similar size and situations, with the necessary funding to upgrade and enhance their park or park systems.

C.S.H.B. 1789 amends current law relating to the use of municipal hotel occupancy tax revenue to enhance and upgrade sports facilities, coliseums, and multiuse facilities in certain municipalities.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 351.101(a), Tax Code, to authorize revenue from the municipal hotel occupancy tax to be used only to promote tourism and the convention and hotel industry, and limits that use to the following activities:

(1)-(6) Makes no changes to these subdivisions.

(7) subject to Section 351.1076 (Use of Tax Revenue), the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields, including facilities or fields for baseball, softball, soccer, and flag football, if the municipality meets certain criteria, including that the municipality has a population of at least 13,000 but less than 39,000 and is located in a county that has a population of at least 200,000, or has a population of at least 65,000 but less than 80,000 and no part of which is located in a county with a population greater than 150,000; and

(8) for a municipality with a population of at least 65,000 but less than 80,000, no part of which is located in a county with a population greater than 150,000, the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility.

SECTION 2. Amends Section 351.003, Tax Code, by adding Subsection (d), as follows:

(d) Prohibits the rate for a municipality with a population of at least 65,000 but less than 80,000, no part of which is located in a county with a population greater than 150,000, that intends to construct, improve, enlarge, equip, repair, operate, and maintain a coliseum or multiuse facility from exceeding nine percent of the price paid for a room. Requires that projects funded with said rate be determined to have a substantial impact on hotel activity.

SECTION 3. Effective date: upon passage or September 1, 2009.