

## **BILL ANALYSIS**

Senate Research Center  
81R29022 NC-F

C.S.H.B. 2032  
By: England (Harris)  
Economic Development  
5/4/2009  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Under current law, certain cities qualify to use Chapter 334 (Sports and Community Venues), Local Government Code, to finance the development of convention and meeting space on certain park land. However, the law as written applies only to municipalities with a population of less than 120,000. As a city's population grows, it can exceed the population limitation and inadvertently cease qualifying under certain law.

C.S.H.B. 2032 amends current law relating to the authority of certain municipalities to use tax revenue for certain venue projects.

### **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 Subchapter A, Chapter 334, Local Government Code, by adding Section 334.0082, as follows:

Sec. 334.0082. VENUE PROJECTS IN CERTAIN MUNICIPALITIES. (a) Provides that this section applies only to a municipality that has a population of at least 176,000, that borders the Rio Grande, and that approved a sports and community venue project before January 1, 2009.

(b) Authorizes a municipality to which this section applies, notwithstanding any other law, including Section 334.089 (Abolition of Tax), after complying with Section 334.022 (State Fiscal Impact Analysis), to hold an election under Section 334.024 (Election) on the question of approving and implementing a resolution to authorize the municipality to plan, acquire, establish, develop, construct, or renovate a convention center and related infrastructure in the city limits of the municipality as part of an existing or previously approved sports and community venue project, regardless of whether the convention center is located on the premises of the existing or previously approved venue project; impose a tax under Subchapter H (Hotel Occupancy Taxes) at a rate not to exceed two percent of the cost of a room; and authorize the municipality to finance, operate, and maintain the venue project described by Subdivision (1), including the convention center, using the revenue from any taxes imposed by the municipality under this chapter, including taxes previously approved in relation to the existing or previously approved venue project.

(c) Authorizes the municipality, if the resolution is approved by a majority of the votes cast in the election, to implement the resolution.

SECTION 2. Amends Section 334.2516(a), Local Government Code, to provide that this section applies only to a municipality that has a population of less than 130,000 as shown by the 2000 federal decennial census, rather than a population of less than 120,000, and meets certain other requirements.

SECTION 3. Amends Section 351.001(7), Tax Code, to redefine "eligible central municipality."

SECTION 4. Amends Section 1504.003(a), Government Code, to require that bonds issued under this subchapter be secured by a pledge of and be payable from all or a designated part of the revenue from the facility for which the bonds are issued or from additional sources made available by the municipality for that purpose, as provided in the ordinance authorizing or approving the issuance of bonds.

SECTION 5. Effective date: upon passage or September 1, 2009.