

BILL ANALYSIS

Senate Research Center

S.B. 837
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Intergovernmental Relations
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Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Texas cities are competing nationally with similarly sized cities that often have larger budgets enabling them to secure conventions while Texas cities lose out.

H.B. 1400, 82nd Legislature, Regular Session, 2011, allowed for the creation of tourism public improvement districts (PID) in cities meeting certain population criteria. The Dallas PID has been in existence for two years and experienced no opposition at public hearings regarding the creation of the PID nor at annual budget approval meetings. During this time, Dallas increased the closure rate on citywide convention business from 23 percent to 41 percent.

S.B. 837 amends the existing population bracket to include Arlington, Austin, and San Antonio.

S.B. 837 amends current law relating to a common characteristic or use project in a public improvement district 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 372.0035(a), Local Government Code, as follows:

(a) Provides that this section applies only to:

(1) a municipality that:

(A) has a population of more than 650,000 and less than two million, rather than more than one million and a council-manager form of government and that is located wholly or partly in a county with a population of more than two million; or

(B) has a population of more than 325,000 and less than 625,000; and

(2) a public improvement district established under this subchapter and solely composed of territory in which the only businesses are:

(A) hotels with 100 or more rooms ordinarily used for sleeping, if the district is established by a municipality described by Subdivision (1)(A); or

(B) hotels with 75 or more rooms ordinarily used for sleeping, if the district is established by a municipality described by Subdivision (1)(B).

SECTION 2. Amends Section 372.005, Local Government Code, by adding Subsection (b-1), as follows:

(b-1) Provides that, notwithstanding Subsection (b), a petition for the establishment of a public improvement district described by Section 372.0035(a)(2) is sufficient only if signed by record owners of taxable real property liable for assessment under the proposal who constitute:

(1) more than 60 percent of the appraised value of taxable real property liable for assessment under the proposal, as determined by the current roll of the appraisal district in which the property is located; and

(2) more than 60 percent of all record owners of taxable real property that are liable for assessment under the proposal, or the area of all taxable real property that is liable for assessment under the proposal.

SECTION 3. Effective date: upon passage or September 1, 2015.