

- SUBJECT:** Increasing revenue sources for certain venue projects
- COMMITTEE:** Business and Industry — committee substitute recommended
- VOTE:** 7 ayes — Deshotel, Elkins, England, Giddings, Keffer, Orr, S. Turner
0 nays
4 absent — Christian, Gattis, S. Miller, Quintanilla
- WITNESSES:** None
- BACKGROUND:** While there currently are no Texas cities with populations of more than 700,000 in a county with more than one million people next to a county with more than two million people, Fort Worth is expected to meet these requirements after the 2010 census.
- DIGEST:** **Venue-project fund.** CSHB 4360 would amend Local Government Code, sec. 34.042(c) to increase the types of funding that a county or municipality may deposit into a venue project fund. These would include:
- bonuses, delay rentals, royalties, and any other payments the municipality or county received as the owner of mineral interests;
 - fees, payments, or charges imposed by a joint operating board to which a municipality or county was party or a nonprofit corporation that was created by and was acting on behalf of a county or municipality; and
 - any other revenue a municipality by ordinance or a county by order determined was appropriate for use in financing a venue project and related infrastructure.
- Car-rental taxes.** CSHB 4360 would amend sec. 334.103 to add a municipality that had a population of more than 700,000 in a county that had a population of more than one million that was adjacent to a county that had population of more than two million to the list of entities that are authorized to impose a car-rental tax of up to but not more than 6 percent or to increase that tax up to a 6 percent ceiling, by local election.

Event-parking taxes. CSHB 4360 would amend sec. 334.201 to allow a municipality or county to impose an event-parking tax during any hours, if the approved venue project consisted of three or more separate but adjacent venue facilities.

CSHB 4360 would amend sec. 334.202 to allow a municipality that had a population of more than 700,000 that was within a county that had a population of more than one million that was adjacent to a county that had a population of more than two million to impose an event-parking tax that would not exceed \$5 for each motor vehicle.

Hotel-occupancy taxes. CSHB 4360 would amend ch. 334 to add sec. 334.2031 to allow for a rate increase in hotel-occupancy taxes of certain municipalities and populous counties by local election. The bill would amend sec. 334.254(c) to allow a municipality that had a population of more than 700,000 within a county that had a population of more than one million that was adjacent to a county with a population of more than two million to impose a hotel occupancy tax of not more than three percent of the price paid for a room in a hotel. CSHB 4360 would allow a city with more than 700,000 in a county with more than one million people next to a county of more than two million people to increase its hotel occupancy tax up to a ceiling of three percent by local election.

The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2009.

NOTES:

The substitute differs from the bill as filed by adding provisions to allow a city of more than 700,000 in a county of more than one people adjacent to a county of more than two million people to utilize car rental, event parking, and hotel occupancy taxes.