

BILL ANALYSIS

Senate Research Center

S.B. 893
By: Moncrief
Finance
3-19-97
As Filed

DIGEST

Currently, the law provides for cities with a population of 1,500,000 or more to pledge certain hotel tax revenues for the acquisition and construction of a convention center hotel. Recently, a hotel study confirmed that Fort Worth currently lacks adequate hotel space to accommodate and compete for medium to large conventions. This bill authorizes cities with a population of 440,000 or more to have the ability to use hotel occupancy taxes and sales and use taxes collected at a municipally-owned hotel project that is within an enterprise zone and within 1,000 feet of a city-or county-owned convention center, to be rebated for a period of 10 years to the municipality to pay the bonds to construct the hotel.

PURPOSE

As proposed, S.B. 893 authorizes cities with a population of 440,000 or more to have the ability to use hotel occupancy taxes and sales and use taxes collected at a municipally-owned hotel project that is within an enterprise zone and within 1,000 feet of a city-or county-owned convention center, to be rebated for a period of 10 years to the municipality to pay the bonds to construct the hotel.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 351.001(2), Tax Code, to redefine "convention center facilities."

SECTION 2. Amends Section 351.102(a), Tax Code, to authorize a municipality with a population of 440,00 or more, rather than 1,500,00 or more, to pledge revenue for payment of obligations of the municipality.

SECTION 3. Amends Section(2)(a), Article 1269j-4.1, V.T.C.S., to provide that certain facilities owned by a county with a population of 440,000 or more, rather than 1,500,00 or more, to take certain actions on buildings or recreational facilities. Makes a conforming change.

SECTION 4. Amends Section 2303.003(8), Government Code, to redefine "qualified hotel project."

SECTION 5. Amends Section 2303.5055(b), Government Code, to authorize a municipality with a population of 440,000 or more to agree to guarantee obligations of the municipality from certain taxes.

SECTION 6. Amends Section 4B(a)(2), Article 5190.6, V.T.C.S., to redefine "project."

SECTION 7. Emergency clause.
Effective date: upon passage.