

## **BILL ANALYSIS**

Senate Research Center

S.B. 893  
By: Moncrief  
Finance  
3-25-97  
Committee Report (Amended)

### **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. Emergency clause.  
Effective date: upon passage.

### **SUMMARY OF COMMITTEE CHANGES**

Amendment 1.

On Page 4, line 18 to Page 5, line 20, strike SECTION 6.