

BILL ANALYSIS

Senate Research Center

C.S.H.B. 1772
By: Brimer (Harris)
State Affairs
5/8/2001
Committee Report (Substituted)

DIGEST AND PURPOSE

Under current law, venue projects include arenas, coliseums, stadiums, convention centers, civic center hotels, museums, and any other economic development projects. However, since economic development is not explicitly defined and is potentially subject to broad interpretation, the financing options for such projects may not be clearly defined. In addition, campaigns for elections for venue projects are not subject to the same requirements as political campaigns, especially for campaign materials. This may lead to both proponents and opponents making accusations and statements that may be inaccurate or untrue without fear of legal retribution. C.S.H.B. 1772 includes in the definition of "venue" certain economic development projects in municipalities regarding venue projects, establishes campaign material guidelines for elections related to such projects, and provides penalties for a violation of campaign material guidelines.

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 334.001(4), Local Government Code, to redefine "venue."

SECTION 2. Amends Chapter 334B, Local Government Code, by adding Section 334.025, as follows:

Sec. 334.025. FALSE AND MISLEADING CAMPAIGN MATERIAL. (a) Defines "campaign material" under this section.

(b) Prohibits a person from printing, broadcasting, or publishing, or causing to be printed, broadcast, or published, campaign material that contains false and misleading information.

(c) Authorizes an individual to file a complaint with the Texas Ethics Commission (commission) in accordance with Chapter 571E (Complaint Procedures and Hearings), Government Code, alleging a violation of Subsection (b). Authorizes the commission to impose a penalty in accordance with Chapter 571 (Texas Ethics Commission), Government Code, if the commission determines that the campaign materials contain false and misleading information.

(d) Provides that, notwithstanding any other law, the commission has jurisdiction to consider and investigate a complaint filed under this section and to impose a penalty.

SECTION 3. Amends Chapter 334E, Local Government Code, by adding Section 334.1135, as follows:

Sec. 334.1135. REIMBURSEMENT FOR TAX COLLECTION EXPENSES. Requires a municipality or county, subject to Subsection (b), to allow a person who is required to collect and remit the tax imposed under this subchapter one percent of the amount collected and required to be remitted as reimbursement to the person for the costs of collecting the tax.

(b) Provides that a person required to collect and remit the tax imposed under this subchapter is not entitled to reimbursement under Subsection (a) except under certain conditions. Provides that if the person remits the amount required to be collected by mail, the date postmarked by the United States Postal Service is considered to be the date of receipt by the municipality or county.

SECTION 4. Amends Section 334.2515, Local Government Code, to provide that, except as provided by Section 334.2516, this subchapter does not apply to the financing of certain venue projects.

SECTION 5. Amends, Chapter 334H, Local Government Code, by adding Section 334.2516, as follows:

Sec. 334.2516. USE OF REVENUE BY CERTAIN MUNICIPALITIES FOR CERTAIN PURPOSES. Provides that this section applies only to certain municipalities. Authorizes a municipality to use revenue under this subchapter for certain purposes. Authorizes the municipality to pledge the revenue to the payment of bonds or other obligations the municipality issues to finance the convention center facility infrastructure.

SECTION 6. Amends Section 334.256, Local Government Code, as follows:

Sec. 334.256. Requires each bill or other receipt for a hotel charge subject to the tax imposed under this subchapter to contain a statement in a conspicuous location stating: " _____ (insert name of taxing municipality or county) requires that an additional tax of _____ percent (insert rate of tax) be imposed on each hotel charge for the purpose of financing a venue project. In addition to the tax imposed to finance a venue project, the State of Texas requires that a tax of six percent be imposed on each hotel charge."

(b) Requires the statement required by Subsection (a), if a hotel charge is subject to any additional hotel occupancy taxes, to be modified to state each additional entity that imposes a hotel occupancy tax and the rate of that tax.

SECTION 7. Amends Chapter 335D, Local Government Code, by adding Section 335.055, as follows:

Sec. 335.055. FALSE AND MISLEADING CAMPAIGN MATERIAL. (a) Defines "campaign material" under this section.

(b) Prohibits a person from printing, broadcasting, or publishing, or causing to be printed, broadcast, or published, campaign material that contains false and misleading information.

(c) Authorizes an individual to file a complaint with the Texas Ethics Commission (commission) in accordance with Chapter 571E, Government Code, alleging a violation of Subsection (b). Authorizes the commission to impose a penalty in accordance with Chapter 571 (Texas Ethics Commission), Government Code, if the commission determines that the campaign materials contain false or misleading information.

(d) Provides that, notwithstanding any other law, the commission has jurisdiction to consider and investigate a complaint filed under this section and to impose a penalty.

SECTION 8. Amends Section 4B (a-3)(1), Development Corporation Act of 1979 (Article 5190.6, V.T.C.S.), to add language providing that this subsection does not affect the authority of a municipality to call an election under this section to levy a sales and use tax for any purpose authorized by this section after the sales and use tax described by this subsection is no longer collected as provided by Subsection (i) of this section.

SECTION 9. Amends Section 4B(h), Development Corporation Act of 1979 (Article 5190.6, V.T.C.S.), to delete language relating to the principal amount of bonds and other obligations that by their terms are payable in whole or in part from the sales and use tax.

SECTION 10. (a) Effective date: September 1, 2001.

(b) Makes application of this Act prospective regarding a sports and community venue project approved before the effective date of this Act.

(c) Makes application of this Act prospective regarding the use of tax revenue pledged to secure bonds issued before the effective date of this Act.

(d) Makes application of this Act prospective regarding the use of tax revenue pledged or dedicated before the effective date of this Act for the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of sports and community venue projects.

(e) Makes application of this Act prospective regarding the use of tax revenue for a sports and community venue project that was under construction on the effective date of this Act, including the pledging of such revenue to secure bonds, additional bonds, and refunding bonds.