

## **BILL ANALYSIS**

Senate Research Center  
77R8595 CBH-F

S.B. 1231  
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Intergovernmental Relations  
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As Filed

### **DIGEST AND PURPOSE**

Currently, the cities of Dallas and San Antonio wish to build convention center hotels so that they may compete for convention business with other world-class cities in the United States. Since the convention centers are public entities, construction of these hotels is not possible without funding assistance. As proposed, S.B. 1231 allows the cities of Dallas and San Antonio to use hotel occupancy taxes from convention center hotels to pay off bonds used to finance the hotel construction.

### **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 151.429(h), Tax Code, to provide that the rebate, refund, or payment of sales and use taxes does not apply to a qualified hotel project described by Section 2303.003(8)(B) (Definitions), Government Code.

SECTION 2. Amends Section 351.001(2), Tax Code, to redefine “convention center facilities” or “convention center complex.”

SECTION 3. Amends Section 351.102, Tax Code, by adding Subsection (d) to authorize a civic center authority that is created under Chapter 281 (Municipal Civic Center Authorities), Local Government Code, by certain municipalities, and that acts on behalf of that municipality, to pledge certain revenues for the payment of bonds issued for the construction of the hotel.

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

SECTION 5. Amends Sections 1504.001 and 1504.002, Government Code, as follows:

Sec. 1504.001. Authorizes a civic center authority created under Chapter 281, Local Government Code, by a certain municipality, to, on behalf of that municipality, establish, acquire, lease as lessee or lessor, construct, improve, enlarge, equip, repair, operate, or maintain certain facilities that are owned by or located on land owned by the authority and that are located within 1,000 feet of a convention center facility owned by the municipality.

Sec. 1504.002. Authorizes a civic center authority created under Chapter 281, Local Government Code, by a certain municipality, to, on behalf of that municipality, issue bonds or incur other obligations to acquire, lease, construct, or equip a facility described by Section 1504.001(c).

SECTION 6. (a) Provides that, in accordance with Section 311.031(c) (regarding Saving Provisions), Government Code, which gives effect to a substantive amendment enacted by the same legislature that codifies the amended statute, the text of Sections 1504.001

and 1504.002, Government Code, as set out in Section 5 of this Act, gives effect to changes made by Chapter 1004, Acts of the 76th Legislature, Regular Session, 2001.

(b) Provides that, to the extent of any conflict, this Act prevails over another Act of the 77th Legislature, Regular Session, 2001, relating to nonsubstantive additions and corrections in enacted codes.

SECTION 7. Effective date: September 1, 2001.