

BILL ANALYSIS

Senate Research Center

H.B. 4360
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Economic Development
5/14/2009
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, a municipality or county may not use revenue it derives from oil and gas leases on municipal or county owned properties to construct or renovate a venue that is part of an approved venue project. A municipality or county may not enter into an interlocal agreement to use revenue it derives from fees imposed by a joint operating board to which it is a party to construct or renovate a voter approved venue project.

Under current law, a municipality or county may impose a tax on motor vehicles parking in a parking facility of a voter approved venue project only during the period from three hours before to three hours after the scheduled beginning time for an event in that venue. The parking tax imposed by a municipality or county for parking in a parking facility of an approved venue project may not exceed \$3 for each motor vehicle.

H.B. 4360 amends current law relating to revenue sources for certain venue projects.

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 334.042(c), Local Government Code, as follows:

- (c) Authorizes the municipality or county to deposit into the venue project fund:
 - (1) Makes a nonsubstantive change;
 - (2) Makes a nonsubstantive change;
 - (3) if the revenue is not otherwise dedicated, all or a portion of any revenue the municipality or county receives from bonuses, delay rentals, royalties, and any other payments the municipality or county receives as the owner of oil, gas, and other mineral interests;
 - (4) if the revenue is not otherwise dedicated, all or a portion of any revenues the municipality or county receives from the fees, payments, or charges imposed by a joint operating board to which a municipality or county is a party, or a nonprofit corporation created by and acting on behalf of a county or municipality; and
 - (5) any other revenue the municipality by ordinance or the county by order determines is appropriate for use in financing a venue project and related infrastructure.

SECTION 2. Amends Section 334.201, Local Government Code, by adding Subsection (b-1), to authorize the municipality or county, notwithstanding Subsection (b) (relating to period of time a municipality may impose an event parking tax), if the approved venue project consists of three or more separate but adjacent venue facilities, to impose the tax during any hours.

SECTION 3. Amends Section 334.202, Local Government Code, by amending Subsection (b) and adding Subsection (b-1), as follows:

(b) Prohibits the amount of the tax, regardless of the method of imposition, from exceeding \$3 for each motor vehicle, except as provided by Subsection (b-1).

(b-1) Authorizes a municipality with a population of more than 700,000 within a county with a population of more than one million adjacent to a county with a population of more than two million to impose the tax authorized by this subchapter at a rate not to exceed \$5 for each motor vehicle.

SECTION 4. Amends Section 334.203(a), Local Government Code, to authorize a municipality or county that has adopted a tax under this subchapter at a rate of less than \$3 a vehicle, except as provided by Section 334.2031, to by ordinance or order increase the rate of the tax to a maximum of \$3 a vehicle if the increase is approved by a majority of the registered voters of that municipality or county voting at an election called and held for that purpose.

SECTION 5. Amends Subchapter G, Chapter 334, Local Government Code, by adding Section 334.2031, as follows:

Sec. 334.2031. RATE INCREASE IN CERTAIN MUNICIPALITIES IN CERTAIN POPULOUS COUNTIES. (a) Provides that this section applies only to a municipality with a population of more than 700,000 within a county with a population of more than one million that is adjacent to a county with a population of more than two million.

(b) Authorizes a municipality that has adopted a tax under this subchapter at a rate of less than \$5 a vehicle by ordinance to increase the rate of the tax to a maximum of \$5 a vehicle if the increase is approved by a majority of the registered voters of the municipality voting at an election called and held for that purpose.

(c) Requires the ballot for the election to increase the rate of the tax to be printed to permit voting for or against the proposition: "The increase of the parking tax for the purpose of financing _____ (insert description of venue project) to a maximum rate of _____ (insert new maximum rate not to exceed \$5)."

SECTION 6. Effective date: upon passage or September 1, 2009.