

## **BILL ANALYSIS**

Senate Research Center  
82R5009 TJB-D

H.B. 1040  
By: Gallego (Uresti)  
Economic Development  
5/4/2011  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Several years ago, Reeves County held a venue district election in which voters approved a two percent hotel occupancy tax. However, the election was held within the Pecos city limits, rather than countywide as required by law. A sports and community venue district subsequently was created by concurrent order of the mayor of the town of Pecos and the county judge of Reeves County. More recently, Reeves County officials held another countywide initiative that was passed. H.B. 1040 validates the first election and allows the district access to the funds collected after the original election.

H.B. 1040 validates and confirms the creation of, and election on, a venue project to finance the restoration and renovation of a venue as of the date of an election held before the bill's effective date at which the voters of a municipality approved the creation of the venue project and the levy of a two percent increase in the local hotel occupancy tax. The bill also validates and confirms the levy and collection of a two percent increase in the local hotel occupancy tax for a venue project that occurred before the bill's effective date. The bill makes its provisions inapplicable to any matter that on the bill's effective date is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment or has been held invalid by a final court judgment. The bill specifies that its provision do not validate any governmental act or proceeding that, under the law, in effect at the time the act or proceeding occurred, would constitute a criminal offense punishable as a misdemeanor or felony.

H.B. 1040 amends current law relating to the validation of the creation of, and certain acts related to, a venue project.

### **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. (a) Provides that the legislature validates and confirms:

(1) the creation of, and election on, a venue project to finance the restoration and renovation of a venue as of the date of an election held before the effective date of this Act at which the voters of a municipality approved the creation of the venue project and the levy of a two percent increase in the local hotel occupancy tax; and

(2) the levy and collection of a two percent increase in the local hotel occupancy tax for a venue project that occurred before the effective date of this Act.

(b) Provides that this section does not apply to any matter that on the effective date of this Act:

(1) is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment; or

(2) has been held invalid by a final court judgment.

(c) Provides that this Act does not validate any governmental act or proceeding that, under the law in effect at the time the act or proceeding occurred, would constitute a criminal offense punishable as a misdemeanor or felony.

SECTION 2. Effective date: upon passage or September 1, 2011.