

## **BILL ANALYSIS**

H.B. 2853  
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Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

Current law requires certain municipalities in which voters have previously authorized a street maintenance municipal sales and use tax to hold a reauthorization election for the tax every four years. These elections, interested parties note, cost money and limit a municipality's ability to bond against the revenue stream. In addition, the parties explain, current law does not authorize revenue from the tax to be spent on sidewalks. The purpose of H.B. 2853 is to provide for such use and to provide certain large cities with the option of putting an eight-year authorization period on the ballot, which would reduce the number of elections the city is required to order and potentially save taxpayer money.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 2853 amends the Tax Code to provide for the expiration of a municipal sales and use tax for street maintenance in certain municipalities on the last day of the first calendar quarter occurring after the eighth anniversary of the date the tax was last reauthorized if, at the reauthorization election, the voters approved the imposition of the tax for a period that expires on that anniversary instead of the period that expires on the fourth anniversary after such date. The bill conditions the expiration on the tax being imposed in a municipality that is intersected by two interstate highways, that has a population of 150,000 or more, and in which at least 66 percent of the voters voting in each of the last two consecutive elections concerning the adoption or reauthorization of the tax favored adoption or reauthorization and on that tax not having expired since the first of those two consecutive elections. The bill includes the maintenance and repair of existing municipal sidewalks among the authorized uses of revenue from municipal sales and use taxes for street maintenance.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.