

SUBJECT:	Extending the duration of certain project financing zones
COMMITTEE:	Ways & Means — favorable, without amendment
VOTE:	11 ayes — Meyer, Thierry, Button, Craddick, Gervin-Hawkins, Hefner, Muñoz, Noble, Raymond, Shine, Turner 0 nays
WITNESSES:	For — Michael Crum, City of Fort Worth (<i>Registered, but did not testify</i> : Scott Joslove, Texas Hotel and Lodging Association; Ron Hinkle, Texas Travel Alliance) Against — None
BACKGROUND:	Some have suggested that extending the duration of project financing zones (PFZ), which allow municipalities to use incremental hotel associated revenue for certain projects, could help to address PFZ underperformance due to the COVID-19 pandemic.
DIGEST:	HB 2608 would extend by 2 years the expiration date for a project financing zone due to the effect of COVID-19 pandemic on hotel associated revenues if the zone: <ul style="list-style-type: none">• was designated by a municipality as a project financing zone in or before 2019; and• was in existence on March 15, 2020. <p>The bill would raise the population range of municipalities in which a qualified project was eligible for PFZ designation from between 650,000 and 750,000 to between 850,000 and 950,000.</p> <p>The bill would take effect September 1, 2023.</p>
NOTES:	The Legislative Budget Board estimates that there will be two additional years of negative fiscal implication in fiscal year 2044 and 2045.

