

BILL ANALYSIS

Senate Research Center

S.B. 1752
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S/C on Emerging Technologies & Economic Dev.
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Section 334.1015, Local Government Code, prohibits the use of short term motor vehicle rental tax to finance a venue project that is an area or facility that is part of a municipal parks and recreation system. Section 334.2516(a) limits use of hotel occupancy tax revenues to a city located in three counties, having a population of less than 120,000, and that has acquired by purchase or lease for at least 20 years real property required by the terms of the acquisition to be maintained as park property.

As proposed, S.B. 1752 allows a number of financially challenged cities in smaller counties along the Rio Grande to have additional flexibility in financing Chapter 334 venues by being able to use these tax revenues to fund bond issues and other financial obligations. The removal of the restriction against using the short term car rental tax revenues for venues in city parks and recreation systems would also give these cities additional flexibility and cost savings by allowing them to build these facilities on land already owned by the cities. S.B. 1752 enhances both economic development and the quality of life in these smaller and financially challenged cities.

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 334.1015, Local Government Code, as follows:

Sec. 334.1015. APPLICATION. Adds provision that this subchapter does not apply, except as provided by Section 334.1136, to certain venue projects.

SECTION 2. Amends Subchapter E, Chapter 334, Local Government Code, by adding Section 334.1136, as follows:

Sec. 334.1136. USES FOR REVENUES BY CERTAIN MUNICIPALITIES FOR CERTAIN PURPOSES. Authorizes certain municipalities to use short term motor vehicle rental tax under this chapter to acquire, construct, improve an[d] equip certain venue projects, if so approved by the governing body of the municipality. Authorizes the municipality to pledge these revenues, together with other revenues, as specified.

SECTION 3. Amends Section 334.2516, Local Government Code, by adding Subsection (c), as follows:

(c) Provides that this section applies to certain municipalities, to acquire, construct, improve and equip certain venue projects, if so approved by the governing body of the municipality. Authorizes the municipality to pledge these revenues, together with other revenues, as specified.

SECTION 4. Effective date: upon passage or September 1, 2005.