

By: Hayes

H.B. No. 4689

A BILL TO BE ENTITLED

1 AN ACT

2 relating to hotel and convention center projects, including the
3 authority of certain municipalities to receive certain tax revenue
4 derived from those projects and to pledge certain tax revenue for
5 the payment of obligations related to those projects.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Section 351.151(2), Tax Code, is amended to read
8 as follows:

9 (2) "Qualified convention center facility" means a
10 facility that has been or will be constructed and that:

11 (A) is primarily used to host conventions or
12 meetings;

13 (B) is wholly owned by a municipality to which
14 this subchapter applies, and none of which is or may be owned
15 through an undivided common interest;

16 (C) is connected to a qualified hotel or has an
17 exterior wall that is located not more than 1,000 feet from the
18 nearest exterior wall of a qualified hotel;

19 (D) is not located in a hotel, sports stadium, or
20 other structure but may share common infrastructure or facilities
21 with a hotel, such as a heating, ventilation, and air-conditioning
22 system, electrical system, or kitchen;

23 (E) has at least 5,000 [~~10,000~~] square feet of
24 continuous meeting space; and

1 (F) is configurable to simultaneously
2 accommodate multiple events described by Paragraph (A) of different
3 sizes and types.

4 SECTION 2. Section 351.152, Tax Code, is amended to read as
5 follows:

6 Sec. 351.152. APPLICABILITY. This subchapter applies only
7 to:

8 (1) a municipality described by Section
9 351.001(7)(B);

10 (2) a municipality described by Section
11 351.001(7)(D);

12 (3) a municipality described by Section
13 351.001(7)(E);

14 (4) a municipality described by Section
15 351.102(e)(3);

16 (5) a municipality that contains more than 75 percent
17 of the population of a county with a population of 1.5 million or
18 more;

19 (6) a municipality with a population of 150,000 or
20 more but less than 200,000 that is partially located in at least one
21 county with a population of 125,000 or more;

22 (7) a municipality with a population of 150,000 or
23 more but less than one million that is located in one county with a
24 population of 2.3 million or more;

25 (8) a municipality with a population of 180,000 or
26 more that:

27 (A) is located in two counties, each with a

1 population of 100,000 or more; and

2 (B) contains an American Quarter Horse Hall of
3 Fame and Museum;

4 (9) a municipality with a population of 96,000 or more
5 that is located in a county that borders Lake Palestine;

6 (10) a municipality with a population of 96,000 or
7 more that is located in a county that contains the headwaters of the
8 San Gabriel River;

9 (11) a municipality with a population of 99,900 or
10 more but less than 111,000 that is located in a county with a
11 population of 135,000 or more;

12 (12) a municipality with a population of 110,000 or
13 more but less than 135,000 at least part of which is located in a
14 county with a population of less than 135,000;

15 (13) a municipality with a population of 9,000 or more
16 but less than 10,000 that is located in two counties, each of which
17 has a population of 662,000 or more and a southern border with a
18 county with a population of 2.3 million or more;

19 (14) a municipality with a population of 200,000 or
20 more but less than 300,000 that contains a component institution of
21 the Texas Tech University System;

22 (15) a municipality with a population of 95,000 or
23 more that:

24 (A) is located in more than one county; and

25 (B) borders Lake Lewisville;

26 (16) a municipality with a population of 45,000 or
27 more that:

1 (A) contains a portion of Cedar Hill State Park;

2 (B) is located in two counties, one of which has a
3 population of two million or more and one of which has a population
4 of 149,000 or more; and

5 (C) has adopted a capital improvement plan for
6 the construction or expansion of a convention center facility;

7 (17) a municipality with a population of less than
8 6,000 that:

9 (A) is almost wholly located in a county with a
10 population of 600,000 or more that is adjacent to a county with a
11 population of two million or more;

12 (B) is partially located in a county with a
13 population of 1.8 million or more that is adjacent to a county with
14 a population of two million or more;

15 (C) has a visitor center and museum located in a
16 19th-century rock building in the municipality's downtown; and

17 (D) has a waterpark open to the public;

18 (18) a municipality with a population of 56,000 or
19 more that:

20 (A) borders Lake Ray Hubbard; and

21 (B) is located in two counties, one of which has a
22 population of less than 80,000;

23 (19) a municipality with a population of 83,000 or
24 more that:

25 (A) borders Clear Lake; and

26 (B) is primarily located in a county with a
27 population of less than 300,000;

1 (20) a municipality with a population of less than
2 2,000 that:

3 (A) is located adjacent to a bay connected to the
4 Gulf of Mexico;

5 (B) is located in a county with a population of
6 290,000 or more that is adjacent to a county with a population of
7 four million or more; and

8 (C) has a boardwalk on the bay;

9 (21) a municipality with a population of 75,000 or
10 more that:

11 (A) is located wholly in one county with a
12 population of 575,000 or more that is adjacent to a county with a
13 population of four million or more; and

14 (B) has adopted a capital improvement plan for
15 the construction or expansion of a convention center facility;

16 (22) a municipality with a population of less than
17 75,000 that is located in three counties, at least one of which has
18 a population of four million or more;

19 (23) an eligible coastal municipality with a
20 population of 3,000 or more but less than 5,000;

21 (24) a municipality with a population of 90,000 or
22 more but less than 150,000 that:

23 (A) is located in three counties; and

24 (B) contains a branch campus of a component
25 institution of the University of Houston System;

26 (25) a municipality that is:

27 (A) primarily located in a county with a

1 population of four million or more; and

2 (B) connected by a bridge to a municipality
3 described by Subdivision (20);

4 (26) a municipality with a population of 20,000 or
5 more but less than 25,000 that:

6 (A) contains a portion of Mustang Bayou; and

7 (B) is wholly located in a county with a
8 population of less than 500,000;

9 (27) a municipality with a population of 70,000 or
10 more but less than 90,000 that is located in two counties, one of
11 which has a population of four million or more and the other of
12 which has a population of less than 50,000;

13 (28) a municipality with a population of 10,000 or
14 more that:

15 (A) is wholly located in a county with a
16 population of four million or more; and

17 (B) has a city hall located less than three miles
18 from a space center operated by an agency of the federal government;

19 (29) a municipality that is the county seat of a
20 county:

21 (A) through which the Pedernales River flows; and

22 (B) in which the birthplace of a president of the
23 United States is located;

24 (30) a municipality that contains a portion of U.S.
25 Highway 79 and State Highway 130;

26 (31) a municipality with a population of 48,000 or
27 more but less than 95,000 that is located in two counties, one of

1 which has a population of 900,000 or more but less than 1.7 million;

2 (32) a municipality with a population of less than
3 25,000 that contains a museum of Western American art;

4 (33) a municipality with a population of 50,000 or
5 more that is the county seat of a county that contains a portion of
6 the Sam Houston National Forest;

7 (34) a municipality with a population of less than
8 25,000 that:

9 (A) contains a cultural heritage museum; and

10 (B) is located in a county that borders the
11 United Mexican States and the Gulf of Mexico;

12 (35) a municipality that is the county seat of a county
13 that:

14 (A) has a population of 115,000 or more;

15 (B) is adjacent to a county with a population of
16 1.8 million or more; and

17 (C) hosts an annual peach festival;

18 (36) a municipality that is the county seat of a county
19 that:

20 (A) has a population of 585,000 or more; and

21 (B) is adjacent to a county with a population of
22 four million or more;

23 (37) a municipality with a population of less than
24 10,000 that:

25 (A) contains a component university of The Texas
26 A&M University System; and

27 (B) is located in a county adjacent to a county

1 that borders Oklahoma;

2 (38) a municipality with a population of less than
3 6,100 that:

4 (A) is located in two counties, each of which has
5 a population of 600,000 or more but less than two million; and

6 (B) hosts an annual Cajun Festival;

7 (39) a municipality with a population of 13,000 or
8 more that:

9 (A) is located on an international border; and

10 (B) is located in a county:

11 (i) with a population of less than 400,000;

12 and

13 (ii) in which at least one World Birding
14 Center site is located;

15 (40) a municipality with a population of 4,000 or more
16 that:

17 (A) is located on an international border; and

18 (B) is located not more than five miles from a
19 state historic site that serves as a visitor center for a state park
20 that contains 300,000 or more acres of land;

21 (41) a municipality with a population of 36,000 or
22 more that is adjacent to at least two municipalities described by
23 Subdivision (15);

24 (42) a municipality with a population of 28,000 or
25 more in which is located a historic railroad depot and heritage
26 center;

27 (43) a municipality located in a county that has a

1 population of not more than 300,000 and in which a component
2 university of the University of Houston System is located;

3 (44) a municipality with a population of less than
4 500,000 that is:

5 (A) located in two counties; and

6 (B) adjacent to a municipality described by
7 Subdivision (31); ~~and~~

8 (45) a municipality that:

9 (A) has a population of more than 67,000; and

10 (B) is located in two counties with 90 percent of
11 the municipality's territory located in a county with a population
12 of at least 580,000, and the remaining territory located in a county
13 with a population of at least four million; and

14 (46) a municipality with a population of 45,000 or
15 more that:

16 (A) is not the county seat of a county;

17 (B) is located in a single county; and

18 (C) contains a portion of Lake Lewisville.

19 SECTION 3. Sections 351.157(b) and (c), Tax Code, are
20 amended to read as follows:

21 (b) This section applies only to:

22 (1) a municipality described by Section 351.152(3);

23 (2) a municipality described by Section 351.152(6);

24 (3) a municipality described by Section 351.152(7);

25 (4) a municipality described by Section 351.152(10);

26 (4-a) a municipality described by Section
27 351.152(14);

- 1 (5) a municipality described by Section 351.152(16);
- 2 (6) a municipality described by Section 351.152(22);
- 3 (7) a municipality described by Section 351.152(25);
- 4 (8) a municipality described by Section 351.152(34);
- 5 (9) a municipality described by Section 351.152(35);
- 6 (10) a municipality described by Section 351.152(36);
- 7 (11) a municipality described by Section 351.152(38);
- 8 ~~and~~
- 9 (12) a municipality described by Section 351.152(43);
- 10 and
- 11 (13) a municipality described by Section 351.152(46).

12 (c) A municipality is entitled to receive revenue under
13 Subsection (d) derived from the following types of establishments
14 that meet the requirements of Subsections (a)(1), (2), (3), and
15 (4):

16 (1) for a municipality described by Subsection (b)(1):

17 (A) restaurants, bars, and retail
18 establishments; and

19 (B) swimming pools and swimming facilities owned
20 or operated by the related qualified hotel;

21 (2) for a municipality described by Subsection (b)(2),
22 swimming pools and swimming facilities, restaurants, bars, and
23 retail establishments;

24 (3) for a municipality described by Subsection (b)(3),
25 restaurants, bars, and retail establishments;

26 (4) for a municipality described by Subsection (b)(4):

27 (A) restaurants, bars, and retail

1 establishments; and

2 (B) swimming pools and swimming facilities owned
3 or operated by the related qualified hotel;

4 (4-a) for a municipality described by Subsection
5 (b)(4-a):

6 (A) restaurants, bars, and retail
7 establishments; and

8 (B) swimming pools and swimming facilities owned
9 or operated by the related qualified hotel;

10 (5) for a municipality described by Subsection (b)(5),
11 restaurants, bars, and retail establishments;

12 (6) for a municipality described by Subsection (b)(6),
13 restaurants, bars, and retail establishments;

14 (7) for a municipality described by Subsection (b)(7),
15 restaurants, bars, and retail establishments;

16 (8) for a municipality described by Subsection (b)(8),
17 restaurants, bars, and retail establishments;

18 (9) for a municipality described by Subsection (b)(9),
19 restaurants, bars, and retail establishments;

20 (10) for a municipality described by Subsection
21 (b)(10):

22 (A) restaurants, bars, and retail
23 establishments; and

24 (B) swimming pools and swimming facilities owned
25 or operated by the related qualified hotel;

26 (11) for a municipality described by Subsection
27 (b)(11):

1 (A) restaurants, bars, and retail
2 establishments; and

3 (B) swimming pools and swimming facilities owned
4 or operated by the related qualified hotel; ~~and~~

5 (12) for a municipality described by Subsection
6 (b)(12):

7 (A) restaurants, bars, and retail
8 establishments; and

9 (B) swimming pools and swimming facilities owned
10 or operated by the related qualified hotel; and

11 (13) for a municipality described by Subsection
12 (b)(13):

13 (A) restaurants, bars, and retail
14 establishments; and

15 (B) swimming pools and swimming facilities owned
16 or operated by the related qualified hotel.

17 SECTION 4. This Act takes effect September 1, 2023.