

By: Bell of Montgomery

H.B. No. 5321

A BILL TO BE ENTITLED

1 AN ACT
2 relating to the authority of the East Montgomery County Improvement
3 District to receive certain tax revenue derived from a hotel and
4 convention center project and to pledge certain tax revenue for the
5 payment of obligations related to the project.

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

7 SECTION 1. Chapter 3846, Special District Local Laws Code,
8 is amended by adding Subchapter K to read as follows:

9 SUBCHAPTER K. HOTEL AND CONVENTION CENTER PROJECTS

10 Sec. 3846.501. DEFINITIONS. (a) In this subchapter,
11 "qualified convention center facility," "qualified hotel," and
12 "qualified project" have the meanings assigned by Section 351.151,
13 Tax Code.

14 (b) Notwithstanding Section 351.157(a), Tax Code, for
15 purposes of a qualified project of the district, "qualified
16 establishment" means an establishment:

17 (1) that is:

18 (A) a restaurant, bar, or retail establishment;

19 (B) located on land owned by any person; and

20 (C) constructed on or after the date the district
21 commences a qualified project under this subchapter; and

22 (2) the nearest exterior wall of which is located not
23 more than 1,000 feet from the nearest exterior wall of a qualified
24 convention center facility or qualified hotel.

Sec. 3846.502. HOTEL AND CONVENTION CENTER PROJECTS. (a)

The board by order may authorize proceeds from the hotel occupancy tax imposed under Subchapter J of this chapter to be used for a qualified project under Subchapter C, Chapter 351, Tax Code. The use authorized by this subsection is in addition to any other use authorized by law.

(b) If the board adopts an order described by Subsection (a):

(1) a reference in Subchapter C, Chapter 351, Tax Code, to a municipality is a reference to the district; and

(2) the district is considered to be a municipality for purposes of Subchapter C, Chapter 351, Tax Code, with the same rights, privileges, and responsibilities as a municipality under that subchapter, including the ability to pledge or commit revenue under Section 351.155, Tax Code, for bonds or other obligations issued for a qualified project or contractual obligations for a qualified project and to receive certain tax revenue under Sections 351.156 and 351.157, Tax Code.

(c) Notwithstanding any other law, including a provision of Subchapter C, Chapter 351, Tax Code:

(1) the qualified convention center facility and qualified hotel associated with a qualified project of the district may be located on land owned by any person; and

(2) the district may not pledge or commit revenue for more than one qualified project.

(d) In the event of a conflict between this section and another provision of this chapter, this section controls.

1 (e) The comptroller may adopt rules necessary to implement
2 and administer this section.

3 SECTION 2. (a) The legal notice of the intention to
4 introduce this Act, setting forth the general substance of this
5 Act, has been published as provided by law, and the notice and a
6 copy of this Act have been furnished to all persons, agencies,
7 officials, or entities to which they are required to be furnished
8 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
9 Government Code.

10 (b) The governor, one of the required recipients, has
11 submitted the notice and Act to the Texas Commission on
12 Environmental Quality.

13 (c) The Texas Commission on Environmental Quality has filed
14 its recommendations relating to this Act with the governor,
15 lieutenant governor, and speaker of the house of representatives
16 within the required time.

17 (d) All requirements of the constitution and laws of this
18 state and the rules and procedures of the legislature with respect
19 to the notice, introduction, and passage of this Act have been
20 fulfilled and accomplished.

21 SECTION 3. This Act takes effect immediately if it receives
22 a vote of two-thirds of all the members elected to each house, as
23 provided by Section 39, Article III, Texas Constitution. If this
24 Act does not receive the vote necessary for immediate effect, this
25 Act takes effect September 1, 2023.