

By: Birdwell

S.B. No. 1167

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain municipalities to receive certain tax revenue derived from a hotel and convention center project and to pledge certain tax revenue for the payment of obligations related to the project.

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

SECTION 1. Section 351.152, Tax Code, is amended to read as follows:

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

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

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

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

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

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

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

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

4 (8) a municipality with a population of 180,000 or
5 more that:

6 (A) is located in two counties, each with a
7 population of 100,000 or more; and

8 (B) contains an American Quarter Horse Hall of
9 Fame and Museum;

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

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

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

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

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

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

1 (15) a municipality with a population of 95,000 or
2 more that:

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

4 (B) borders Lake Lewisville;

5 (16) a municipality with a population of 45,000 or
6 more that:

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

8 (B) is located in two counties, one of which has a
9 population of two million or more and one of which has a population
10 of 149,000 or more; and

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

13 (17) a municipality with a population of less than
14 6,000 that:

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

18 (B) is partially located in a county with a
19 population of 1.8 million or more that is adjacent to a county with
20 a population of two million or more;

21 (C) has a visitor center and museum located in a
22 19th-century rock building in the municipality's downtown; and

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

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

26 (A) borders Lake Ray Hubbard; and

27 (B) is located in two counties, one of which has a

1 population of less than 80,000;

2 (19) a municipality with a population of 83,000 or
3 more that:

4 (A) borders Clear Lake; and

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

7 (20) a municipality with a population of less than
8 2,000 that:

9 (A) is located adjacent to a bay connected to the
10 Gulf of Mexico;

11 (B) is located in a county with a population of
12 290,000 or more that is adjacent to a county with a population of
13 four million or more; and

14 (C) has a boardwalk on the bay;

15 (21) a municipality with a population of 75,000 or
16 more that:

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

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

22 (22) a municipality with a population of less than
23 75,000 that is located in three counties, at least one of which has
24 a population of four million or more;

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

27 (24) a municipality with a population of 90,000 or

1 more but less than 150,000 that:

2 (A) is located in three counties; and

3 (B) contains a branch campus of a component
4 institution of the University of Houston System;

5 (25) a municipality that is:

6 (A) primarily located in a county with a
7 population of four million or more; and

8 (B) connected by a bridge to a municipality
9 described by Subdivision (20);

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

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

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

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

19 (28) a municipality with a population of 10,000 or
20 more that:

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

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

25 (29) a municipality that is the county seat of a
26 county:

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

1 (B) in which the birthplace of a president of the
2 United States is located;

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

5 (31) a municipality with a population of 48,000 or
6 more but less than 95,000 that is located in two counties, one of
7 which has a population of 900,000 or more but less than 1.7 million;

8 (32) a municipality with a population of less than
9 25,000 that contains a museum of Western American art;

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

13 (34) a municipality with a population of less than
14 25,000 that:

15 (A) contains a cultural heritage museum; and

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

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

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

21 (B) is adjacent to a county with a population of
22 1.8 million or more; and

23 (C) hosts an annual peach festival;

24 (36) a municipality that is the county seat of a county
25 that:

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

27 (B) is adjacent to a county with a population of

1 four million or more;

2 (37) a municipality with a population of less than
3 10,000 that:

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

6 (B) is located in a county adjacent to a county
7 that borders Oklahoma;

8 (38) a municipality with a population of less than
9 6,100 that:

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

12 (B) hosts an annual Cajun Festival;

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

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

16 (B) is located in a county:

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

18 and

19 (ii) in which at least one World Birding
20 Center site is located;

21 (40) a municipality with a population of 4,000 or more
22 that:

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

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

27 (41) a municipality with a population of 36,000 or

more that is adjacent to at least two municipalities described by Subdivision (15);

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

(43) a municipality located in a county that has a population of not more than 300,000 and in which a component university of the University of Houston System is located;

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

(A) located in two counties; and

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

(45) a municipality that:

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

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

(46) a municipality that is the county seat of a county:

(A) through which the Brazos River flows; and

(B) in which a national monument is located.

SECTION 2. Subchapter C, Chapter 351, Tax Code, is amended by adding Section 351.161 to read as follows:

Sec. 351.161. RECAPTURE OF LOST STATE TAX REVENUE FROM CERTAIN MUNICIPALITIES. (a) This section applies only to a

1 municipality described by Section 351.152(46).

2 (b) On the 20th anniversary of the date a hotel designated
3 as a qualified hotel by a municipality to which this section applies
4 is open for initial occupancy, the comptroller shall determine:

5 (1) the total amount of state tax revenue received
6 under Section 351.156 by the municipality from the qualified
7 project of which the qualified hotel was a part during the period
8 for which the municipality was entitled to receive that revenue;
9 and

10 (2) the total amount of state tax revenue described by
11 Section 351.156 received by the state during the period beginning
12 on the 10th anniversary of the date the qualified hotel opened for
13 initial occupancy and ending on the 20th anniversary of that date
14 from the same sources from which the municipality received revenue
15 under Section 351.156.

16 (c) If the amount determined under Subsection (b)(1)
17 exceeds the amount determined under Subsection (b)(2), the
18 municipality shall remit to the comptroller the municipal hotel
19 occupancy tax revenue received by the municipality from the
20 qualified hotel until the amount remitted to the comptroller equals
21 the difference between the amount described by Subsection (b)(1)
22 and the amount described by Subsection (b)(2).

23 (d) The comptroller shall deposit revenue received under
24 this section in the manner prescribed by Section 156.251.

25 SECTION 3. This Act takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2023.