

By: Gervin-Hawkins

H.B. No. 5634

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain municipalities and local government corporations to use certain tax revenue for certain qualified projects.

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

SECTION 1. Section 351.1015, Tax Code, is amended by amending Subsection (k) to read as follows:

This subsection applies only to ~~For~~ a municipality described by Subsection (b)(2). ~~The~~ term "qualified project" means only a convention center facility or a venue described by Section 334.001(4)(A), Local Government Code, and any related infrastructure. Commencement of any one qualified project designated by the municipality in accordance with this Section within the specified period described in Subsection (g) shall satisfy the requirements of that subsection and permit the use of project financing zone revenues on all designated qualified projects.

SECTION 2. Section 351.1015, Tax Code, is amended by adding Subsection (1) to read as follows:

(1) A municipality described by Subsection (b)(2), after designation of a project financing zone under Subsection (a)(4) and notification to the comptroller under Subsection (f), may, by ordinance, designate additional qualified projects within a zone, provided that any such additional qualified project shall:

1 (1) comply with the requirements of Subsection (k);

2 (2) with respect to an outer wall of the added qualified
3 project, be within 1,000 feet of the outer wall of an
4 already-designated qualified project; and

5 (3) not act to extend the duration or boundaries of the
6 established project financing zone or the period of time by which
7 the requirements of Subsection (g) are satisfied.

8 A municipality that adds a qualified project to a project
9 financing zone under this Subsection shall notify the comptroller
10 of such addition not later than the 30th day after the date the
11 municipality adopts the ordinance adding such qualified project.
12 Upon provision of such notice to the Comptroller, the added
13 qualified project shall constitute a qualified project for all
14 purposes of this Section except for establishing the boundaries and
15 duration of the project financing zone under Subsection (a)(4) and
16 for determining compliance with the requirements of Subsection (g).

17 SECTION 2. This Act takes effect September 1, 2025.