

BILL ANALYSIS

H.B. 262
By: Wolens
Economic Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Major conventions often bring 10,000 attendees to a city, benefitting the state and local economy. Due to the lack of a hotel near its convention center, Dallas has not been able to attract the number of conventions that comparably sized cities have. Under current law, only cities with a population of 1.5 million or more can issue bonds, backed by hotel occupancy tax revenue, for the construction of a hotel within 1,000 feet of a convention center owned by the municipality. Houston is the only municipality in the state that meets this population criteria. HB 262 amends the Tax and Government Codes to give Dallas, which has a population greater than 1.18 million, this ability.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

HB 262 amends the Tax Code to lower the population requirement from 1.5 to 1.18 million in the definition of the terms "convention center facilities" or "convention center complex."

HB 262 amends the Tax Code to lower the population requirement from 1.5 to 1.18 million for municipalities allowed to pledge the revenue from a convention center hotel tax for the payment of principal of or interest on bonds issued to pay the cost of the acquisition and construction of the hotel. This pledge is limited to only the portion of the tax collected at this hotel

HB 262 amends the Government Code to lower the population requirement from 1.5 to 1.18 million for municipalities allowed to construct and operate a hotel that is within 1,000 feet of the convention center and to acquire a historic hotel that is located within 1 mile of the convention center

HB 262 amends the Government Code to lower the population requirement from 1.5 to 1.18 million in the definition of "qualified hotel project."

HB 262 amends the Government Code to lower the population requirement from 1.5 to 1.18 million for municipalities who may agree to guarantee from hotel occupancy taxes the bonds issued or incurred to pay for the cost of construction, remodeling, or rehabilitation of a qualified hotel project.

EFFECTIVE DATE

Immediately, or, if the Act does not receive the necessary vote, the Act takes effect, September 1, 2003.