

BILL ANALYSIS

H.B. 2608
By: Coleman
Urban Affairs
Committee Report (Amended)

BACKGROUND AND PURPOSE

Government Code Chapter 1504 is entitled *Obligations for Municipal Buildings*. Subchapter A, to be amended by House Bill 2608 authorizes the issuance of revenue bonds for specified purposes (civic centers, halls, museums, recreational facilities, etc.).

As currently constituted, Section 1504.012 of the Government Code allows municipalities with populations of 1.5 million or more people to enter into leases for terms not to exceed 60 years if the lessee proposes to invest more than \$20 million to renovate or redevelop existing civic center buildings and facilities. H.B. 2608 amends this section of the Government Code to allow for applicability to municipalities of 1 million or more and to apply to new buildings and facilities.

RULEMAKING AUTHORITY

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

ANALYSIS

SECTION 1. Amends Section 1504.012, Government Code, to permit a municipality with a population of 1 million or more to enter into leases for terms not to exceed 60 years if the lessee proposes to invest more than \$20 million to develop a new building or facilities on civic center property. Additionally, the municipality must find that the new building and facilities will generate additional revenue and that a term exceeding 30 years is necessary to enable the lessee to recoup its investment or obtain financing for the project.

SECTION 2. Effective date.

EFFECTIVE DATE

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

EXPLANATION OF AMENDMENTS

Committee Amendment No. 1 to H.B. 2608 changes the applicability of Section 1504.012, Government Code, to municipalities of 1 million or more. Currently, Texas cities meeting this bracket are Dallas, Houston, and San Antonio.