

BILL ANALYSIS

Senate Research Center

S.B. 1730
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Business & Commerce
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Enrolled

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Under current law, a municipality or county may not use revenue derived from ad valorem taxes to construct, operate, maintain, or renovate a venue that is part of an approved venue project.

S.B. 1730 provides an exception by allowing the municipality to conduct an election in order to authorize an ad valorem tax for the purpose of construction, operation, maintenance, or renovation of a venue that is part of an approved project and the levy of such an ad valorem tax approved in accordance with the statute.

S.B. 1730 does not apply to venues that would be authorized as a municipal parks and recreation system; improvements or additions to a parks and recreation system; or an area or facility that is part of a municipal parks and recreation system.

S.B. 1730 does not apply to a watershed protection and preservation project; a recharge, recharge area, or recharge feature protection project; a conservation easement; or an open-space preservation program intended to protect water.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter B, Chapter 334, Local Government Code, by adding Section 334.0241, as follows:

Sec. 334.0241. ELECTION ON USE OF AD VALOREM TAXES. (a) Authorizes the governing body of a municipality or county imposing a hotel occupancy tax under Subchapter H to order an election on the question of approving the use of revenue derived from ad valorem taxes to finance a venue project.

(b) Requires the ballot at the election held under this section to be printed to permit voting for or against the proposition. Sets forth specific wording of the ballot.

(c) Requires, if a majority of the votes cast at the election under this section favor the use of revenue derived from ad valorem taxes to finance a venue project, the municipality or county to annually deposit an amount not to exceed the authorized amount of ad valorem tax revenue in the venue project fund of the municipality or county and authorizes the use of that amount to finance the venue project.

SECTION 2. Amends Section 334.041(f), Local Government Code, to provide that this provision does not apply to a county or municipality for which the use of revenue derived from ad valorem taxes to finance a venue project is approved at an election held under Section 334.0241.

SECTION 3. Effective date: upon passage or September 1, 2005.