

By: Pickett

H.B. No. 2142

A BILL TO BE ENTITLED

AN ACT

relating to the construction, remodeling, or rehabilitation of certain hotel projects.

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

SECTION 1. Section 2303.003(8), Government Code, is amended to read as follows:

(8) "Qualified hotel project" means:

(A) a hotel proposed to be constructed by a municipality or a nonprofit municipally sponsored local government corporation created under the Texas Transportation Corporation Act, Chapter 431, Transportation Code, that is within 1,000 feet of a convention center owned by a municipality having a population of 1,500,000 or more, including shops, parking facilities, and any other facilities ancillary to the hotel; and

(B) a hotel proposed to be constructed, remodeled, or rehabilitated by a municipality or a nonprofit municipally sponsored local government corporation created under the Texas Transportation Corporation Act, Chapter 431, Transportation Code, that is within 3,000 feet of the property line of a convention center owned by a municipality having a population of more than 500,000 and that borders the United Mexican States, including shops, parking facilities, and any other facilities ancillary to the hotel.

SECTION 2. Section 2303.5055(b), Government Code, is

1 amended to read as follows:

2 (b) A municipality with a population of 1,500,000 or more or
3 a municipality having a population of more than 500,000 and that
4 borders the United Mexican States may agree to guarantee from hotel
5 occupancy taxes the bonds or other obligations of a municipally
6 sponsored local government corporation created under the Texas
7 Transportation Corporation Act, Chapter 431, Transportation Code,
8 [~~Article 15281, Vernon's Texas Civil Statutes~~] that were issued
9 or incurred to pay the cost of construction, remodeling, or
10 rehabilitation of a qualified hotel project.

11 SECTION 3. Section 351.001(2), Tax Code, is amended to read
12 as follows:

13 (2) "Convention center facilities" or "convention
14 center complex" means facilities that are primarily used to host
15 conventions and meetings. The term means civic centers, civic
16 center buildings, auditoriums, exhibition halls, and coliseums
17 that are owned by the municipality or other governmental entity or
18 that are managed in whole or part by the municipality. In a
19 municipality with a population of 1.5 million or more, "convention
20 center facilities" or "convention center complex" means civic
21 centers, civic center buildings, auditoriums, exhibition halls,
22 and coliseums that are owned by the municipality or other
23 governmental entity or that are managed in part by the
24 municipality, hotels owned by the municipality or a nonprofit
25 municipally sponsored local government corporation created under
26 Chapter 431, Transportation Code, within 1,000 feet of a convention
27 center owned by the municipality, or a historic hotel owned by the

1 municipality or a nonprofit municipally sponsored local government
2 corporation created under Chapter 431, Transportation Code, within
3 one mile of a convention center owned by the municipality. The term
4 includes parking areas or facilities that are for the parking or
5 storage of conveyances and that are located at or in the vicinity of
6 other convention center facilities. The term also includes a hotel
7 owned by or located on land that is owned by an eligible central
8 municipality or by a nonprofit corporation acting on behalf of an
9 eligible central municipality and that is located within 1,000 feet
10 of a convention center facility owned by the municipality. The term
11 also includes a hotel proposed to be constructed, remodeled, or
12 rehabilitated by a municipality or a nonprofit municipally
13 sponsored local government corporation created under Chapter 431,
14 Transportation Code, that is within 3,000 feet of the property line
15 of a convention center owned by a municipality having a population
16 of more than 500,000 and that borders the United Mexican States,
17 including shops, parking facilities, and any other facilities
18 ancillary to the hotel.

19 SECTION 4. Section 351.102(a), Tax Code, is amended to read
20 as follows:

21 (a) Subject to the limitations provided by this subchapter,
22 a municipality may pledge the revenue derived from the tax imposed
23 under this chapter for the payment of bonds that are issued under
24 Section 1504.002(a), Government Code, for one or more of the
25 purposes provided by Section 351.101 or, in the case of a
26 municipality of 1,500,000 or more or a municipality having a
27 population of more than 500,000 and that borders the United Mexican

1 States, for the payment of principal of or interest on bonds or
2 other obligations of a municipally sponsored local government
3 corporation created under Chapter 431, Transportation Code, that
4 were issued to pay the cost of the acquisition and construction of a
5 convention center hotel or the cost of acquisition, remodeling, or
6 rehabilitation of a historic hotel structure; provided, however,
7 such pledge may only be that portion of the tax collected at such
8 hotel.

9 SECTION 5. This Act takes effect immediately if it receives
10 a vote of two-thirds of all the members elected to each house, as
11 provided by Section 39, Article III, Texas Constitution. If this
12 Act does not receive the vote necessary for immediate effect, this
13 Act takes effect September 1, 2005.