

## **BILL ANALYSIS**

C.S.H.B. 2514  
By: McClendon  
Urban Affairs  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The proposed complete committee substitute for House Bill No. 2514 enables the creation of an arts and entertainment district within a municipality with a population of more than 1,000,000. Through public and private collaboration, such districts will play a vital role in the cultural life and development of communities, and contribute to the public through interpretive, educational, and recreational uses.

In the City of Baltimore, Maryland, a similar law was enacted for the development of an arts and entertainment district and this was used as a reference point for drafting this legislation.

This legislation will allow for large municipalities to solicit grants and donations and to provide incentives and tax breaks for the development of the district for public purposes.

### **RULEMAKING AUTHORITY**

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

### **SUMMARY ANALYSIS**

The proposed complete committee substitute would amend Subtitle A, Title 10, Local Government Code, by adding Chapter 309, as follows:

#### CHAPTER 309. ARTS AND ENTERTAINMENT DISTRICTS

##### Sec. 309.001. ARTS AND ENTERTAINMENT DISTRICTS.

- (a) Would allow a municipality with a population of more than one million to designate a defined area as an arts and entertainment district.
- (b) Would require the municipal development of the area to contribute to the public through interpretive, educational, and recreational uses.
- (c) Would allow the municipality to solicit grants and donations for the development for the district.
- (d) Would allow the municipality to provide incentives to persons to develop the area in the district for public purposes.
- (e) Would allow the municipality to provide tax breaks to persons in the district to develop the district for public purposes.

### **EFFECTIVE DATE**

If the Act does not receive the necessary two-thirds vote for immediate effect, the Act would take effect September 1, 2007.

**COMPARISON OF ORIGINAL TO SUBSTITUTE**

The proposed complete committee substitute makes a more specific reference to the Local Government Code than was stated in the original bill.