

BILL ANALYSIS

C.S.S.B. 1833
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Technology, Economic Development & Workforce
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Currently, governmental bodies, including cities and counties, may agree to rebate, refund, or pay eligible taxable proceeds, including hotel occupancy taxes, property taxes, sales and use taxes, and mixed beverage taxes to the owner of a qualified hotel project at which the eligible proceeds were generated.

C.S.S.B. 1833 expands the definition of a qualified hotel project to include a hotel proposed to be constructed by a county or a county-sponsored local government corporation that is within 1,000 feet of a convention center owned by a municipality with a population of 1.5 million or more or a county with a population of 3.3 million or more and authorizes a county to refund its local sales and use tax under certain circumstances.

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

C.S.S.B. 1833 amends the Government Code to add a hotel that meets certain conditions and is proposed to be constructed by a county or a county-sponsored local government corporation to the definition of "qualified hotel project" for purposes of the law relating to refund, rebate, or payment of tax proceeds to a qualified hotel project under the enterprise zone program. The bill specifies that the conditions include that the hotel is within 1,000 feet of a convention center owned by a municipality having a population of 1.5 million or more or a county having a population of 3.3 million or more, as appropriate. The bill authorizes the governing body of a municipality or county, rather than only the governing body of a municipality, through a program to refund certain local sales and use taxes paid by a qualified business, to encourage the development of areas designated as enterprise zones.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.S.B. 1833 differs from the original by specifying that the county owning a convention center in the definition of "qualified hotel project" under the enterprise zone program is a county having a population of 3.3 million or more. The substitute removes provisions in the original establishing that the bill does not make an appropriation and only takes effect if a specific appropriation is provided by the 81st Legislature.