

## **BILL ANALYSIS**

C.S.H.B. 3797  
By: Gallego  
Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Reeves County held a venue district election several years ago that some contend was invalid. Questions arising out of the circumstances surrounding the election have prompted interested parties to seek legislative validation of the election and allow the district to access the funds collected after the election.

C.S.H.B. 3797 seeks to address these concerns by validating and confirming certain actions by local officials and providing for the associated district's dissolution.

### **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.H.B. 3797 validates and confirms the creation of, and election on, a venue project to finance the restoration and renovation of a venue as of the date of an election held before the effective date of this bill at which the voters of a municipality approved the creation of the venue project and the levy of a two percent increase in the local hotel occupancy tax and validates and confirms the levy and collection of a two percent increase in the local hotel occupancy tax for a venue project that occurred before the effective date of the bill. The bill excludes from such validation and confirmation any matter that on the effective date of this bill is involved in litigation if the litigation ultimately results in the matter being held invalid by a final court judgment or has been held invalid by a final court judgment. The bill clarifies that it does not validate any governmental act or proceeding that, under the law in effect at the time the act or proceeding occurred, would constitute a criminal offense punishable as a misdemeanor or felony.

C.S.H.B. 3797 amends the Local Government Code to authorize the governing body of each political subdivision that created a sports and community venue district wholly located in a county with a population of less than 15,000 to dissolve the district by adopting a concurrent order. The bill requires the assets and liabilities of a district dissolved to be transferred to the county in which the district is located. The bill requires the county, after payment of district liabilities, to use the district assets that remain for an approved venue project of the county.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2011.

### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 3797 differs from the original by authorizing the dissolution of a venue district in a county with a population of less than 15,000, whereas the original limited that authorization to a county with a population of less than 15,000, less than 2,800 square miles, and boarding the

Pecos River.

C.S.H.B. 3797 differs from the original by incorporating its provisions as amendments to the Local Government Code chapter governing sports and community venue districts, whereas the original amended no specific code.