

By: Williams

S.B. No. 397

A BILL TO BE ENTITLED

AN ACT

relating to the East Montgomery County Improvement District;
imposing a tax.

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

SECTION 1. Section 3846.001(3), Special District Local Laws Code, is amended to read as follows:

(3) "Venue" means:

(A) an arena, coliseum, stadium, or other type of area or facility:

(i) that is used or is planned for use for one or more professional or amateur sports events, community events, or other sports events, including rodeos, livestock shows, agricultural expositions, promotional events, and other civic or charitable events; and

(ii) for which a fee for admission to the events is charged or is planned to be charged; or

(B) a convention center facility or related improvement such as a convention center, civic center, civic center building, civic center hotel, auditorium, theater, opera house, music hall, exhibition hall, rehearsal hall, park, zoological park, museum, aquarium, tourist development area along an inland waterway, or plaza.

SECTION 2. Section 3846.103(b), Special District Local Laws Code, is amended to read as follows:

1 (b) A district improvement project or service may include:

2 (1) the construction, acquisition, lease, rental,
3 installment purchase, improvement, rehabilitation, repair,
4 relocation, and operation of:

5 (A) landscaping; lighting, banners, or signs;
6 streets or sidewalks, pedestrian or bicycle paths and trails;
7 pedestrian walkways, skywalks, crosswalks, or tunnels; highway
8 right-of-way or transit corridor beautification and improvements;

9 (B) drainage or storm water detention
10 improvements and solid waste, water, sewer, or power facilities and
11 services, including electrical, gas, steam, and chilled water
12 facilities and services;

13 (C) parks, lakes, gardens, recreational
14 facilities, open space, scenic areas, and related exhibits and
15 preserves; fountains, plazas, or pedestrian malls; public art or
16 sculpture and related exhibits and facilities; educational or
17 cultural exhibits and facilities; exhibits, displays, attractions,
18 or facilities for special events, holidays, or seasonal or cultural
19 celebrations;

20 (D) off-street parking facilities, bus
21 terminals, heliports, mass-transit, or roadway-borne or
22 water-borne transportation systems; ~~and~~

23 (E) other public improvements, facilities, or
24 services similar to the improvements, facilities, or services
25 described by Paragraphs (A)-(D); and

26 (F) a venue project authorized by Section
27 3846.301;

1 (2) the cost of removal, razing, demolition, or
2 clearing of land or improvements in connection with providing an
3 improvement project;

4 (3) the acquisition of property or an interest in the
5 property that is made in connection with an authorized improvement
6 project; and

7 (4) the provision of special or supplemental services
8 to improve or promote the area in the district or to protect the
9 public health and safety in the district, including advertising,
10 promotion, tourism, health and sanitation, public safety,
11 security, fire protection or emergency medical services, business
12 recruitment, development, elimination of traffic congestion, and
13 recreational, educational, or cultural improvements, enhancements,
14 or services.

15 SECTION 3. Section 3846.264(f), Special District Local Laws
16 Code, is amended to read as follows:

17 (f) If a political subdivision, including a municipality,
18 imposes or increases the rate of the political subdivision's [a]
19 sales and use tax in the development zone and the imposition or
20 increase causes the combined rate of sales and use taxes imposed by
21 political subdivisions in the development zone to exceed the
22 maximum combined rate of sales and use taxes imposed by political
23 subdivisions that is prescribed by Section 323.101(d), Tax Code,
24 the political subdivision's sales and use tax [authorized by this
25 section] is reduced to a rate that, when added to the rates of
26 existing sales and use taxes imposed in [as of the date] the
27 development zone, equals the maximum combined rate prescribed by

1 that section [~~authorized the sales and use tax so that the combined~~
2 ~~total of all local sales and use taxes imposed in the development~~
3 ~~zone does not exceed two percent~~].

4 SECTION 4. Subchapter G, Chapter 3846, Special District
5 Local Laws Code, is amended by adding Section 3846.304 to read as
6 follows:

7 Sec. 3846.304. PUBLIC PURPOSE OF VENUE PROJECT. (a) The
8 legislature finds for all constitutional and statutory purposes
9 that a venue project is owned, used, and held for public purposes by
10 the district.

11 (b) Section 25.07(a), Tax Code, does not apply to a
12 leasehold or other possessory interest granted by the district
13 while the district owns the venue project.

14 (c) The project is exempt from taxation under Section 11.11,
15 Tax Code, while the district owns the venue project.

16 (d) If approval and implementation of a resolution under
17 this chapter results in the removal from a school district's
18 property tax rolls of real property otherwise subject to ad valorem
19 taxation, the operator of the venue project located on that real
20 property shall pay to the school district on January 1 of each year
21 in which the project is in operation and in which the real property
22 is exempt from ad valorem taxation an amount equal to the ad valorem
23 taxes that would otherwise have been levied for the preceding tax
24 year on that real property by the school district, without
25 including the value of any improvements. This subsection does not
26 apply if the operator of the project is a political subdivision of
27 this state.

1 SECTION 5. Subchapter J, Chapter 3846, Special District
2 Local Laws Code, is amended by adding Section 3846.4535 to read as
3 follows:

4 Sec. 3846.4535. CONTINUING AUTHORITY TO IMPOSE HOTEL
5 OCCUPANCY TAX NOT LIMITED. (a) Except as provided by Section
6 3846.456, the district may impose a hotel occupancy tax under this
7 subchapter on any hotel located in the district, including a hotel
8 located on property added under Section 3846.107.

9 (b) The imposition of a hotel occupancy tax in the district
10 by a political subdivision, including a county or municipality,
11 does not diminish or limit the district's authority to impose the
12 hotel occupancy tax authorized by this subchapter.

13 SECTION 6. Section 3846.155(c), Special District Local Laws
14 Code, is repealed.

15 SECTION 7. (a) The legal notice of the intention to
16 introduce this Act, setting forth the general substance of this
17 Act, has been published as provided by law, and the notice and a
18 copy of this Act have been furnished to all persons, agencies,
19 officials, or entities to which they are required to be furnished
20 under Section 59, Article XVI, Texas Constitution, and Chapter 313,
21 Government Code.

22 (b) The governor, one of the required recipients, has
23 submitted the notice and Act to the Texas Commission on
24 Environmental Quality.

25 (c) The Texas Commission on Environmental Quality has filed
26 its recommendations relating to this Act with the governor,
27 lieutenant governor, and speaker of the house of representatives

1 within the required time.

2 (d) The general law relating to consent by political
3 subdivisions to the creation of districts with conservation,
4 reclamation, and road powers and the inclusion of land in those
5 districts has been complied with.

6 (e) All requirements of the constitution and laws of this
7 state and the rules and procedures of the legislature with respect
8 to the notice, introduction, and passage of this Act have been
9 fulfilled and accomplished.

10 SECTION 8. This Act takes effect immediately if it receives
11 a vote of two-thirds of all the members elected to each house, as
12 provided by Section 39, Article III, Texas Constitution. If this
13 Act does not receive the vote necessary for immediate effect, this
14 Act takes effect September 1, 2011.