

By: Smith

H.B. No. 3402

A BILL TO BE ENTITLED

AN ACT

relating to the authorization of a venue district to act as an endorsing entity to attract games, events and related activities.

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

SECTION 1. Subchapter E, Chapter 335, Local Government Code, is amended by adding a new Section 335.078 to read as follows:

"Sec. 335.078. VENUE DISTRICT AS ENDORSING ENTITY. (a) Subject to subsection (b), a venue district located in a county with a population of 3.3 million or more may act as an endorsing municipality and endorsing county under Article 1590.14, Vernon's Texas Civil Statutes.

(b) A venue district acting as an endorsing municipality or endorsing county shall be responsible for remitting funds for deposit into the applicable game or event trust fund, but the determination of the incremental increase in receipts attributable to games, events and related activities under Article 1590.14, Vernon's Texas Civil Statutes, shall be based on the sales and use, hotel occupancy, mixed beverage or other tax imposed or to be received by the municipality or county that created the venue district, as applicable, and not any tax of the venue district.

(c) A venue district acting as an endorsing municipality or endorsing county may guarantee its obligations under a game or event support contract by pledging surcharges from user fees, including parking or ticket fees, charged in connection with the

1 games, events or related activities.

2 (d) Subject to subsection (b), a venue district acting under
3 this section shall have all the powers of an endorsing municipality
4 and endorsing county under Article 5190.14, Vernon's Texas Civil
5 Statutes, and any action required under that Act to be taken by an
6 endorsing municipality by ordinance or an endorsing county by order
7 may be taken by order or resolution of the venue district."

8 SECTION 2. This Act takes effect immediately if it receives
9 a vote of two-thirds of all the members elected to each house, as
10 provided by Section 39, Article III, Texas Constitution. If this
11 Act does not receive the vote necessary for immediate effect, this
12 Act takes effect September 1, 2015.