BILL ANALYSIS

C.S.H.B. 1136 By: Price Urban Affairs Committee Report (Substituted)

BACKGROUND AND PURPOSE

It has been noted that public improvement districts have been successful in boosting tourism in their respective localities and that other localities may benefit from the creation of such districts. C.S.H.B. 1136 seeks to address this issue by extending the authority to undertake a project that confers a special benefit on areas that share a common characteristic or use to certain municipalities.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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. 1136 amends the Local Government Code to extend the authority to undertake a project that confers a special benefit on areas that share a common characteristic or use to any municipality that establishes under the Public Improvement District Assessment Act a public improvement district solely composed of territory in which the only businesses are one or more hotels. The bill restricts the purposes for which such a district created after September 1, 2019, may undertake such a project to certain authorized advertising, promotion, or business recruitment directly related to hotels.

C.S.H.B. 1136 authorizes the governing body of a municipality to include property in a public improvement district established by the municipality and solely composed of territory in which the only businesses are one or more hotels if the property is a hotel and if the property could have been included in the district without violating a petition requirement for over 60 percent of the record owners of applicable property to have signed the original petition for the establishment of the district.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1136 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes a provision restricting the purposes for which an applicable public improvement district created after September 1, 2019, may undertake an applicable project to certain authorized advertising, promotion, or business recruitment directly related to hotels.

The substitute includes a provision authorizing the governing body of a municipality to include property in certain public improvement districts under certain conditions.