**BILL ANALYSIS**

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| Senate Research Center | S.B. 1649 |
| 87R10981 CJC-F | By: Perry |
|  | Natural Resources & Economic Development |
|  | 4/19/2021 |
|  | As Filed |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

This bill allows a municipality with a population of 200,000 or more but less than 300,000 that contains a component of the Texas Tech University System to receive revenue from restaurants, bars, and retail establishments and swimming pools and swimming facilities owned or operated by the qualified hotel. The bill also allows cities that are entitled to this revenue to commence the qualified project before September 1, 2027.

As proposed, S.B. 1649 amends current law relating to the authority of certain municipalities to receive certain tax revenue derived from certain establishments related to a hotel and convention center project and to pledge certain tax revenue for the payment of obligations related to the project.

**RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 351.157(b), (c), and (e), Tax Code, as follows:

(b) Provides that Section 351.157 (Additional Entitlement for Certain Municipalities) applies only to certain municipalities, including a municipality described by Section 351.152(14) (relating to a municipality with a certain population that contains a component institution of the Texas Tech University System).

(c) Provides that a municipality described by Section 351.152(14) is entitled to receive revenue derived from restaurants, bars, and retail establishments, and swimming pools and swimming facilities owned by certain qualified hotels.

(e) Provides that a municipality to which this section applies is not entitled to receive revenue under Subsection (d) (relating to the revenue derived from certain taxes which a municipality is entitled to receive) unless the municipality commences a qualified project under Subchapter C (Municipal Hotel and Convention Center Projects) before September 1, 2027, rather than 2023.

SECTION 2. Effective date: upon passage or September 1, 2021.