**BILL ANALYSIS**

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| Senate Research Center | S.B. 720 |
| 88R3822 CJD-D | By: Paxton |
|  | Natural Resources & Economic Development |
|  | 4/6/2023 |
|  | As Filed |

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

S.B. 720 would add the City of Allen to the list of cities that may use the hotel occupancy tax for a qualified hotel project under Chapter 351 of the Texas Tax Code. The City of Allen, located near the geographic center of Collin County, is proposing a convention center hotel project that would benefit from the qualified hotel project public finance tool that dozens of other cities currently utilize. The City of Allen has passed a resolution in support of this legislation and the qualified hotel project.

As proposed, S.B. 720 amends current law relating to the authority of certain municipalities to receive certain tax revenue derived from 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 Section 351.152, Tax Code, as follows:

Sec. 351.152. APPLICABILITY. Provides that Subchapter C (Municipal Hotel and Convention Center Projects) applies only to certain municipalities, including a municipality that has a population of 100,000 or more and is wholly located in, but is not the county seat of, a county with a population of one million or more in which all or part of a municipality with a population of one million or more is located and that is adjacent to a county with a population of 2.5 million or more. Makes nonsubstantive changes.

SECTION 2. Effective date: September 1, 2023.