

## **BILL ANALYSIS**

C.S.H.B. 2289  
By: Isaac  
Ways & Means  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The bill author has informed the committee that certain municipalities in Texas are able to generate and allocate tax revenue to fund hotel and convention center projects and that New Braunfels located in Comal County, one of the fastest growing counties in the United States, would benefit from such funds to support the municipality's economic development, tourism, and infrastructure growth. C.S.H.B. 2289 seeks to ensure that New Braunfels can benefit from this funding mechanism as a means to drive and support local economic growth by extending the applicability of the authorization for certain municipalities to receive and pledge certain tax revenue to support hotel and convention center projects to a municipality through which the Comal River flows.

### **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. 2289 amends the Tax Code to include a municipality through which the Comal River flows among the municipalities entitled to receive certain tax revenue derived from a hotel and convention center project and authorized to pledge or commit certain tax revenue for the payment of obligations related to the project.

### **EFFECTIVE DATE**

On passage, or, if the bill does not receive the necessary vote, September 1, 2025.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 2289 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute omits the provision from the introduced that entitled a municipality through which the Comal River flows to receive the sales and use tax and, if applicable, mixed beverage tax revenue derived from qualified restaurants, bars, retail establishments, swimming pools, and swimming facilities owned or operated by the related qualified hotel that are located in the municipality.