

BILL ANALYSIS

Senate Research Center

H.B. 2313
By: Tepper (Perry)
Economic Development
5/23/2025
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The City of Lubbock, Frisco, and Corpus Christi have expressed its desire to designate a project financing zone (PFZ), which would entitle the city to receive the incremental hotel associated revenue from all hotels in the zone. H.B. 2313 seeks to allow the City of Lubbock, Frisco, and Corpus Christi to designate a PFZ.

H.B. 2313 amends current law relating to the authority of certain municipalities to use certain tax revenue for certain qualified projects.

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 351.1015, Tax Code, by adding Subsection (a-1) and amending Subsection (g), as follows:

(a-1) Provides that, notwithstanding Subsections (a)(5) (relating to defining "qualified project") and (6) (relating to defining "venue" and "related infrastructure"), with respect to a qualified project located in a municipality described by Subsection (b)(7) (relating to a municipality described by Section 351.152(15) that has a population of 200,000 or more), the term "venue" does not include a facility used primarily for the performing arts, including a theater, opera house, music hall, or rehearsal hall.

(g) Requires the Comptroller of Public Accounts of the State of Texas, if the qualified project is not commenced by the fifth anniversary of the first deposit to the account or, for a suspense account held in trust for a municipality described by Subsection (b)(7), by the third anniversary of the first deposit in the account, to transfer the money in the account to the general revenue fund and cease making deposits to the account.

SECTION 2. Amends Section 351.1015(a)(4), Tax Code, to redefine "project financing zone."

SECTION 3. Reenacts Section 351.1015(b), Tax Code, as amended by Chapters 644 (H.B. 4559), 779 (H.B. 5012), 927 (S.B. 2220), and 1110 (S.B. 1057), Acts of the 88th Legislature, Regular Session, 2023, as follows:

(b) Provides that Section 351.1015 (Certain Qualified Projects) applies only to a qualified project located in municipalities meeting certain criteria, including a municipality described by Section 351.152(14) (relating to a municipality of certain population sizes that contains a component of the Texas Tech University System) with a population of more than 250,000 or a municipality described by Section 351.152(15) (relating to a municipality with a population of 95,000 or more that is located in more than one county and borders Lake Lewisville) that has a population of 200,000 or more. Makes nonsubstantive changes.

SECTION 4. Provides that, to the extent of any conflict, this Act prevails over another Act of the 89th Legislature, Regular Session, 2025, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 5. Effective date: September 1, 2025.