

1-1 By: Parker S.B. No. 1703
1-2 (In the Senate - Filed February 27, 2025; March 13, 2025,
1-3 read first time and referred to Committee on Economic Development;
1-4 May 5, 2025, reported adversely, with favorable Committee
1-5 Substitute by the following vote: Yeas 4, Nays 0; May 5, 2025, sent
1-6 to printer.)

1-7	COMMITTEE VOTE			
1-8		Yea	Nay	Absent
1-9	King	X		PNV
1-10	Sparks	X		
1-11	Alvarado	X		
1-12	Johnson			X
1-13	Schwertner	X		

1-14 COMMITTEE SUBSTITUTE FOR S.B. No. 1703 By: Sparks

1-15 A BILL TO BE ENTITLED
1-16 AN ACT

1-17 relating to the authority of certain municipalities to use certain
1-18 tax revenue derived from a hotel and convention center project.

1-19 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-20 SECTION 1. Section 351.152, Tax Code, is amended to read as

1-21 follows:
1-22 Sec. 351.152. APPLICABILITY. This subchapter applies only
1-23 to:

- 1-24 (1) a municipality described by Section
1-25 351.001(7)(B);
- 1-26 (2) a municipality described by Section
1-27 351.001(7)(D);
- 1-28 (3) a municipality described by Section
1-29 351.001(7)(E);
- 1-30 (4) a municipality described by Section
1-31 351.102(e)(3);

1-32 (5) a municipality that contains more than 70 percent
1-33 of the population of a county with a population of 1.5 million or
1-34 more;

1-35 (6) a municipality with a population of 175,000 or
1-36 more but less than 200,000 that is partially located in at least one
1-37 county with a population of 125,000 or more;

1-38 (7) a municipality with a population of 250,000 or
1-39 more but less than one million that is located in one county with a
1-40 population of 2.5 million or more;

1-41 (8) a municipality with a population of 180,000 or
1-42 more that:

1-43 (A) is located in two counties, each with a
1-44 population of 100,000 or more; and

1-45 (B) contains an American Quarter Horse Hall of
1-46 Fame and Museum;

1-47 (9) a municipality with a population of 96,000 or more
1-48 that is located in a county that borders Lake Palestine;

1-49 (10) a municipality with a population of 96,000 or
1-50 more that is located in a county that contains the headwaters of the
1-51 San Gabriel River;

1-52 (11) a municipality with a population of at least
1-53 95,000 that is located in a county that is bisected by United States
1-54 Highway 385 and has a population of not more than 170,000;

1-55 (12) a municipality with a population of 110,000 or
1-56 more but less than 135,000 at least part of which is located in a
1-57 county with a population of less than 135,000;

1-58 (13) a municipality with a population of 28,000 or
1-59 more but less than 31,000 that is located in two counties, each of
1-60 which has a population of 900,000 or more and a southern border with

2-1 a county with a population of 2.5 million or more;
2-2 (14) a municipality with a population of 200,000 or
2-3 more but less than 300,000 that contains a component institution of
2-4 the Texas Tech University System;
2-5 (15) a municipality with a population of 95,000 or
2-6 more that:
2-7 (A) is located in more than one county; and
2-8 (B) borders Lake Lewisville;
2-9 (16) a municipality with a population of 45,000 or
2-10 more that:
2-11 (A) contains a portion of Cedar Hill State Park;
2-12 (B) is located in two counties, one of which has a
2-13 population of 2.5 million or more and one of which has a population
2-14 of 190,000 or more; and
2-15 (C) has adopted a capital improvement plan for
2-16 the construction or expansion of a convention center facility;
2-17 (17) a municipality with a population of less than
2-18 10,000 that:
2-19 (A) is almost wholly located in a county with a
2-20 population of 900,000 or more that is adjacent to a county with a
2-21 population of 2.5 million or more;
2-22 (B) is partially located in a county with a
2-23 population of 2.1 million or more that is adjacent to a county with
2-24 a population of 2.5 million or more;
2-25 (C) has a visitor center and museum located in a
2-26 19th-century rock building in the municipality's downtown; and
2-27 (D) has a waterpark open to the public;
2-28 (18) a municipality with a population of 60,000 or
2-29 more that:
2-30 (A) borders Lake Ray Hubbard; and
2-31 (B) is located in two counties, one of which has a
2-32 population of less than 110,000;
2-33 (19) a municipality with a population of 110,000 or
2-34 more that:
2-35 (A) borders Clear Lake; and
2-36 (B) is primarily located in a county with a
2-37 population of less than 355,000;
2-38 (20) a municipality with a population of less than
2-39 2,000 that:
2-40 (A) is located adjacent to a bay connected to the
2-41 Gulf of Mexico;
2-42 (B) is located in a county with a population of
2-43 290,000 or more that is adjacent to a county with a population of
2-44 four million or more; and
2-45 (C) has a boardwalk on the bay;
2-46 (21) a municipality with a population of 75,000 or
2-47 more that:
2-48 (A) is located wholly in one county with a
2-49 population of 800,000 or more that is adjacent to a county with a
2-50 population of four million or more; and
2-51 (B) has adopted a capital improvement plan for
2-52 the construction or expansion of a convention center facility;
2-53 (22) a municipality with a population of less than
2-54 70,000 that is located in three counties, at least one of which has
2-55 a population of four million or more;
2-56 (23) an eligible coastal municipality with a
2-57 population of 2,900 or more but less than 5,000;
2-58 (24) a municipality with a population of 90,000 or
2-59 more but less than 150,000 that:
2-60 (A) is located in three counties; and
2-61 (B) contains a branch campus of a component
2-62 institution of the University of Houston System;
2-63 (25) a municipality that is:
2-64 (A) primarily located in a county with a
2-65 population of four million or more; and
2-66 (B) connected by a bridge to a municipality
2-67 described by Subdivision (20);
2-68 (26) a municipality with a population of 25,000 or
2-69 more but less than 30,000 that:

3-1 (A) contains a portion of Mustang Bayou; and
 3-2 (B) is wholly located in a county with a
 3-3 population of less than 500,000;
 3-4 (27) a municipality with a population of 70,000 or
 3-5 more but less than 90,000 that is located in two counties, one of
 3-6 which has a population of four million or more and the other of
 3-7 which has a population of less than 50,000;
 3-8 (28) a municipality with a population of 10,000 or
 3-9 more that:
 3-10 (A) is wholly located in a county with a
 3-11 population of four million or more; and
 3-12 (B) has a city hall located less than three miles
 3-13 from a space center operated by an agency of the federal government;
 3-14 (29) a municipality that is the county seat of a
 3-15 county:
 3-16 (A) through which the Pedernales River flows; and
 3-17 (B) in which the birthplace of a president of the
 3-18 United States is located;
 3-19 (30) a municipality that contains a portion of U.S.
 3-20 Highway 79 and State Highway 130;
 3-21 (31) a municipality with a population of 70,000 or
 3-22 more but less than 115,000 that is located in two counties, one of
 3-23 which has a population of 1.1 million or more but less than 1.9
 3-24 million;
 3-25 (32) a municipality with a population of less than
 3-26 25,000 that contains a museum of Western American art;
 3-27 (33) a municipality with a population of 50,000 or
 3-28 more that is the county seat of a county that contains a portion of
 3-29 the Sam Houston National Forest;
 3-30 (34) a municipality with a population of less than
 3-31 25,000 that:
 3-32 (A) contains a cultural heritage museum; and
 3-33 (B) is located in a county that borders the
 3-34 United Mexican States and the Gulf of Mexico;
 3-35 (35) a municipality that is the county seat of a county
 3-36 that:
 3-37 (A) has a population of 115,000 or more;
 3-38 (B) is adjacent to a county with a population of
 3-39 2.1 million or more; and
 3-40 (C) hosts an annual peach festival;
 3-41 (36) a municipality that is the county seat of a county
 3-42 that:
 3-43 (A) has a population of 800,000 or more; and
 3-44 (B) is adjacent to a county with a population of
 3-45 four million or more;
 3-46 (37) a municipality with a population of less than
 3-47 10,000 that:
 3-48 (A) contains a component university of The Texas
 3-49 A&M University System; and
 3-50 (B) is located in a county adjacent to a county
 3-51 that borders Oklahoma;
 3-52 (38) a municipality with a population of less than
 3-53 17,000 that:
 3-54 (A) is located in two counties, each of which has
 3-55 a population of 900,000 or more but less than two million; and
 3-56 (B) hosts an annual Cajun Festival;
 3-57 (39) a municipality with a population of 13,000 or
 3-58 more that:
 3-59 (A) is located on an international border; and
 3-60 (B) is located in a county:
 3-61 (i) with a population of less than 400,000;
 3-62 and
 3-63 (ii) in which at least one World Birding
 3-64 Center site is located;
 3-65 (40) a municipality with a population of 3,200 or more
 3-66 that:
 3-67 (A) is located on an international border; and
 3-68 (B) is located not more than five miles from a
 3-69 state historic site that serves as a visitor center for a state park

4-1 that contains 300,000 or more acres of land;

4-2 (41) a municipality with a population of 36,000 or

4-3 more that is adjacent to at least two municipalities described by

4-4 Subdivision (15);

4-5 (42) a municipality with a population of 28,000 or

4-6 more that is located in a county with a population of 240,000 or

4-7 more that contains a portion of the Blanco River and in which is

4-8 located a historic railroad depot and heritage center;

4-9 (43) a municipality located in a county that has a

4-10 population of not more than 300,000 and in which a component

4-11 university of the University of Houston System is located;

4-12 (44) a municipality with a population of less than

4-13 500,000 that is:

4-14 (A) located in two counties; and

4-15 (B) adjacent to a municipality described by

4-16 Subdivision (31);

4-17 (45) a municipality that:

4-18 (A) has a population of more than 67,000; and

4-19 (B) is located in two counties with 90 percent of

4-20 the municipality's territory located in a county with a population

4-21 of at least 800,000, and the remaining territory located in a county

4-22 with a population of at least four million;

4-23 (46) a municipality that:

4-24 (A) has a population of 100,000 or more; and

4-25 (B) is wholly located in, but is not the county

4-26 seat of, a county with a population of one million or more:

4-27 (i) in which all or part of a municipality

4-28 with a population of one million or more is located; and

4-29 (ii) that is adjacent to a county with a

4-30 population of 2.5 million or more;

4-31 (47) a municipality that is the county seat of a county

4-32 bordering the Gulf of Mexico and the United Mexican States;

4-33 (48) a municipality that is bisected by the Guadalupe

4-34 River and is the county seat of a county with a population of

4-35 170,000 or more;

4-36 (49) a municipality with a population of 70,000 or

4-37 more but less than 150,000 that borders Joe Pool Lake;

4-38 (50) a municipality with a population of 115,000 or

4-39 more that borders the Neches River;

4-40 (51) a municipality described by Section [351.101\(k\)](#);

4-41 (52) a municipality that is the county seat of a

4-42 county:

4-43 (A) through which the Brazos River flows; and

4-44 (B) in which a national monument is located;

4-45 (53) a municipality with a population of 45,000 or

4-46 more that:

4-47 (A) is not the county seat of a county;

4-48 (B) is located in a single county; and

4-49 (C) contains a portion of Lake Lewisville;

4-50 (54) a municipality that is the county seat of a county

4-51 with a population of more than 900,000 that is adjacent to two

4-52 counties, each of which has a population of more than 1.8 million;

4-53 (55) a municipality that hosts an annual wine festival

4-54 and is located in three counties, each of which has a population of

4-55 more than 900,000;

4-56 (56) a municipality that has a population of at least

4-57 150,000 but less than 1,300,000 and is partially located in a county

4-58 that contains a portion of Cedar Creek Reservoir;

4-59 (57) a municipality that is located in a county that

4-60 contains a portion of Cedar Creek Reservoir and in which a private

4-61 college is located;

4-62 (58) a municipality that is the county seat of a

4-63 county:

4-64 (A) with a population of one million or more;

4-65 (B) in which all or part of a municipality with a

4-66 population of one million or more is located; and

4-67 (C) that is located adjacent to a county with a

4-68 population of 2.5 million or more;

4-69 (59) a municipality that is the county seat of a county

that contains a portion of Cedar Creek Reservoir and borders a county with a population of more than 240,000;

(60) a municipality with a population of more than 80,000 but less than 150,000 that is located in a county with a population of more than 369,000 but less than 864,000 that contains part of an active duty United States Army installation;

(61) a municipality with a population of 750,000 or more that is located in a county with a population of 1.5 million or less;

(62) a municipality with a population of less than 7,000 that contains a country music hall of fame;

(63) a municipality with a population of 35,000 or more that contains a railroad museum and is located in a county that:

(A) has a population of 800,000 or more; and

(B) is adjacent to a county with a population of four million or more; ~~and~~

(64) a municipality:

(A) that is the county seat of a county:

(i) with a population of 60,000 or less; and

(ii) that borders the Rio Grande; and

(B) in which is located a United States military fort listed in the National Register of Historic Places; and

(67) a municipality that:

(A) has a population of more than 130,000 but less than 1.3 million; and

(B) is located in three counties, each of which has a population of more than 900,000.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2025.

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