

By: Birdwell

S.B. No. 1756

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the authority of certain municipalities to use certain
3 tax revenue for hotel and convention center projects and other
4 qualified projects.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Section 351.1015, Tax Code, is amended by adding
7 Subsection (m) to read as follows:

8 (m) Notwithstanding any other provision of this section, a
9 municipality may pledge or commit revenue under this section for
10 only one qualified project. After a municipality pledges or commits
11 revenue under this section for a qualified project, the
12 municipality may not ever again pledge or commit revenue for a
13 subsequent qualified project under this section. For purposes of
14 this subsection, the term "municipality" includes a local
15 government corporation created to aid and act on behalf of the
16 municipality.

17 SECTION 2. Section 351.102, Tax Code, is amended by adding
18 Subsections (a-1), (b-1), and (b-2) to read as follows:

19 (a-1) Notwithstanding Subsection (a), a municipality may
20 not pledge or commit revenue under that subsection for the payment
21 of principal of or interest on bonds or other obligations issued to
22 pay the cost of the acquisition and construction of a convention
23 center hotel or the cost of acquisition, remodeling, or
24 rehabilitation of a historic hotel structure if the acquisition,

1 construction, remodeling, or rehabilitation is commenced after
2 December 1, 2016.

3 (b-1) Notwithstanding Subsection (b) or (c) and except as
4 provided by Subsection (b-2), a municipality may pledge or commit
5 revenue under Subsection (b) for only one hotel project. After a
6 municipality pledges or commits revenue under Subsection (b) for a
7 hotel project, the municipality may not ever again pledge or commit
8 revenue for a subsequent hotel project under that subsection.

9 (b-2) A municipality that before January 1, 2025, pledged or
10 committed revenue under this section for more than one hotel
11 project:

12 (1) is not subject to Subsection (b-1); and

13 (2) may not on or after January 1, 2025, pledge or
14 commit revenue under Subsection (b) for another hotel project.

15 SECTION 3. Section [351.1021](#), Tax Code, is amended by adding
16 Subsection (f) to read as follows:

17 (f) An eligible municipality may pledge or commit revenue
18 under this section for only one multipurpose convention center
19 facility project. After an eligible municipality pledges or
20 commits revenue under this section for a multipurpose convention
21 center facility project, the municipality may never again pledge or
22 commit revenue under this section for a subsequent multipurpose
23 convention center facility project. For purposes of this
24 subsection, the term "eligible municipality" includes a local
25 government corporation created to aid and act on behalf of the
26 municipality.

27 SECTION 4. Section [351.1022](#), Tax Code, is amended by adding

1 Subsection (f) to read as follows:

2 (f) A municipality may pledge or commit revenue under this
3 section for only one hotel project. After a municipality pledges or
4 commits revenue under this section for a hotel project, the
5 municipality may never again pledge or commit revenue under this
6 section for a subsequent hotel project.

7 SECTION 5. Section 351.106, Tax Code, is amended by adding
8 Subsection (d) to read as follows:

9 (d) In this subsection, "qualified project" has the meaning
10 assigned by Section 351.1015. Notwithstanding any other provision
11 of this section, a municipality may pledge or commit revenue under
12 this section for only one qualified project. After a municipality
13 pledges or commits revenue under this section for a qualified
14 project, the municipality may not ever again pledge or commit
15 revenue for a qualified project.

16 SECTION 6. Section 351.155(d), Tax Code, is repealed.

17 SECTION 7. The changes in law made by this Act do not affect
18 the validity of a bond, contractual obligation, or other obligation
19 for which revenue was pledged or committed under Subchapter B or C,
20 Chapter 351, Tax Code, before the effective date of this Act.
21 Bonds, contractual obligations, or other obligations for which
22 revenue was pledged or committed before that date are governed by
23 the law in effect when the revenue was pledged or committed, and
24 that law is continued in effect for the purposes of the validity of
25 those bonds, contractual obligations, and other obligations.

26 SECTION 8. This Act takes effect immediately if it receives
27 a vote of two-thirds of all the members elected to each house, as

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1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2025.