

1-1 By: Birdwell S.B. No. 1756  
1-2 (In the Senate - Filed February 28, 2025; March 13, 2025,  
1-3 read first time and referred to Committee on Economic Development;  
1-4 April 16, 2025, reported favorably by the following vote: Yeas 4,  
1-5 Nays 1; April 16, 2025, sent to printer.)

1-6 COMMITTEE VOTE

1-7	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10		X		
1-11	X			
1-12	X			

1-13 A BILL TO BE ENTITLED  
1-14 AN ACT

1-15 relating to the authority of certain municipalities to use certain  
1-16 tax revenue for hotel and convention center projects and other  
1-17 qualified projects.

1-18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
1-19 SECTION 1. Section 351.1015, Tax Code, is amended by adding  
1-20 Subsection (m) to read as follows:

1-21 (m) Notwithstanding any other provision of this section, a  
1-22 municipality may pledge or commit revenue under this section for  
1-23 only one qualified project. After a municipality pledges or commits  
1-24 revenue under this section for a qualified project, the  
1-25 municipality may not ever again pledge or commit revenue for a  
1-26 subsequent qualified project under this section. For purposes of  
1-27 this subsection, the term "municipality" includes a local  
1-28 government corporation created to aid and act on behalf of the  
1-29 municipality.

1-30 SECTION 2. Section 351.102, Tax Code, is amended by adding  
1-31 Subsections (a-1), (b-1), and (b-2) to read as follows:

1-32 (a-1) Notwithstanding Subsection (a), a municipality may  
1-33 not pledge or commit revenue under that subsection for the payment  
1-34 of principal of or interest on bonds or other obligations issued to  
1-35 pay the cost of the acquisition and construction of a convention  
1-36 center hotel or the cost of acquisition, remodeling, or  
1-37 rehabilitation of a historic hotel structure if the acquisition,  
1-38 construction, remodeling, or rehabilitation is commenced after  
1-39 December 1, 2016.

1-40 (b-1) Notwithstanding Subsection (b) or (c) and except as  
1-41 provided by Subsection (b-2), a municipality may pledge or commit  
1-42 revenue under Subsection (b) for only one hotel project. After a  
1-43 municipality pledges or commits revenue under Subsection (b) for a  
1-44 hotel project, the municipality may not ever again pledge or commit  
1-45 revenue for a subsequent hotel project under that subsection.

1-46 (b-2) A municipality that before January 1, 2025, pledged or  
1-47 committed revenue under this section for more than one hotel  
1-48 project:

1-49 (1) is not subject to Subsection (b-1); and  
1-50 (2) may not on or after January 1, 2025, pledge or  
1-51 commit revenue under Subsection (b) for another hotel project.

1-52 SECTION 3. Section 351.1021, Tax Code, is amended by adding  
1-53 Subsection (f) to read as follows:

1-54 (f) An eligible municipality may pledge or commit revenue  
1-55 under this section for only one multipurpose convention center  
1-56 facility project. After an eligible municipality pledges or  
1-57 commits revenue under this section for a multipurpose convention  
1-58 center facility project, the municipality may never again pledge or  
1-59 commit revenue under this section for a subsequent multipurpose  
1-60 convention center facility project. For purposes of this  
1-61 subsection, the term "eligible municipality" includes a local

government corporation created to aid and act on behalf of the municipality.

SECTION 4. Section 351.1022, Tax Code, is amended by adding Subsection (f) to read as follows:

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

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

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

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

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

SECTION 8. 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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