

AN ACT

relating to the use of ad valorem taxes by a municipality or county for a sports and community venue project.

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

SECTION 1. Subchapter B, Chapter 334, Local Government Code, is amended by adding Section 334.0241 to read as follows:

Sec. 334.0241. ELECTION ON USE OF AD VALOREM TAXES.

(a) The governing body of a municipality or county imposing a hotel occupancy tax under Subchapter H may order an election on the question of approving the use of revenue derived from ad valorem taxes to finance a venue project.

(b) The ballot at the election held under this section must be printed to permit voting for or against the proposition:

"Authorizing \_\_\_\_\_ (insert name of municipality or county) to use an amount not to exceed \_\_\_\_\_ (insert percentage of property tax revenue or dollar amount of revenue to be used) of the revenue derived from the \_\_\_\_\_ (insert "county" or "municipal") property tax, in addition to the hotel occupancy tax and any other applicable taxes, for the purpose of financing the \_\_\_\_\_ (describe the venue project)."

(c) If a majority of the votes cast at the election under this section favor the use of revenue derived from ad valorem taxes to finance a venue project, the municipality or county shall annually deposit an amount not to exceed the authorized amount of ad

1 valorem tax revenue in the venue project fund of the municipality or  
2 county and may use that amount to finance the venue project.

3 SECTION 2. Subsection (f), Section 334.041, Local  
4 Government Code, is amended to read as follows:

5 (f) A municipality or county may not use revenue derived  
6 from ad valorem taxes to construct, operate, maintain, or renovate  
7 a venue that is part of an approved venue project. This provision  
8 does not apply to:

9 (1) a venue authorized under Section 334.001(4)(D) or  
10 (F); or

11 (2) a county or municipality for which the use of  
12 revenue derived from ad valorem taxes to finance a venue project is  
13 approved at an election held under Section 334.0241.

14 SECTION 3. This Act takes effect immediately if it receives  
15 a vote of two-thirds of all the members elected to each house, as  
16 provided by Section 39, Article III, Texas Constitution. If this  
17 Act does not receive the vote necessary for immediate effect, this  
18 Act takes effect September 1, 2005.

David Newburt  
President of the Senate

Jim Coakley  
Speaker of the House

I hereby certify that S.B. No. 1730 passed the Senate on May 16, 2005, by the following vote: Yeas 30, Nays 0.

Satya Saw  
Secretary of the Senate

I hereby certify that S.B. No. 1730 passed the House on May 25, 2005, by the following vote: Yeas 144, Nays 0, two present not voting.

Robert Honey  
Chief Clerk of the House

Approved:

17 JUNE '05  
Date

Rick Perry  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
9:20 AM O'CLOCK

Roger Williams  
Secretary of State