

RESOLUTION NO. 2025-R-117

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS, IN SUPPORT OF HOUSE BILL 5124 AUTHORED BY REPRESENTATIVES RICHARD RAYMOND AND DON MCLAUGHLIN, AND SENATE BILL 2588 BY DEAN SENATOR JUDITH ZAFFIRINI, RELATING TO THE CONVERSION OF MUNICIPAL SALES AND USE TAX FOR SPORTS AND COMMUNITY VENUES TO A SALES AND USE TAX FOR ECONOMIC DEVELOPMENT PURPOSES.

WHEREAS, the City of Laredo and other municipalities in the State of Texas have previously adopted a municipal sales and use tax under Subchapter D, Chapter 334 of the Texas Local Government Code for the purpose of financing sports and community venue projects; and

WHEREAS, changing economic development strategies and evolving municipal priorities call for greater flexibility in the use of local sales and use tax revenues to support long-term, sustainable economic development initiatives; and

WHEREAS, House Bill 5124, authored by Representatives Richard Raymond and Don McLaughlin, along with the identical Senate Bill 2588 authored by Senator Judith Zaffirini, proposes an amendment to state law that would allow a municipality, upon approval by voters, to convert all or a portion of the sales and use tax initially adopted for sports and community venues to a municipal sales and use tax for economic development purposes under Chapter 504 or 505 of the Local Government Code; and

WHEREAS, the proposed legislation maintains responsible fiscal policy by requiring that all outstanding bond obligations tied to the original tax be fully satisfied, or sufficient funds be placed in a dedicated trust, prior to the conversion taking effect; and

WHEREAS, this legislative proposal respects local control by requiring a majority vote of the local electorate before any conversion can occur, thereby ensuring transparency and public participation in the repurposing of local tax revenues; and

WHEREAS, the City Council of the City of Laredo supports the passage of HB 5124 and SB 2588 as a means of enhancing economic development opportunities for communities across Texas and improving the flexibility of local governments in responding to economic growth needs.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LAREDO, TEXAS THAT:

Section 1: The City of Laredo hereby expresses its full support for House Bill 5124 authored by Representatives Richard Raymond and Don McLaughlin and Senate Bill 2588 authored by Senator Judith Zaffirini.

Section 2: The City encourages the Texas Legislature to pass this legislation during the current session and urges the Governor to sign it into law upon its passage.

Section 3: A copy of this resolution shall be forwarded to the offices of Representative Raymond, Representative McLaughlin, and Senator Zaffirini, as well as to the appropriate committees and legislative leadership.

PASSED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR ON THIS _____ DAY OF _____, 2025.