

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

Revision 1

April 28, 2003

TO: Honorable Chris Harris, Chair, Senate Committee on Administration

FROM: John Keel, Director, Legislative Budget Board

IN RE: HB808 by Seaman (Relating to the use of municipal hotel tax revenue collected by certain coastal municipalities.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code to specify that a home rule municipality that borders the Gulf of Mexico and has a population of more than 250,000 would be allowed to use all or any portion of the revenue derived from the municipal hotel occupancy tax from hotels in an area previously subject to a county hotel occupancy tax and located on an island bordering the Gulf of Mexico to clean and maintain public beaches in the municipality.

At the current time, the municipality of Corpus Christi would be the only city subject to the provisions of the bill and would not experience a change in municipal hotel occupancy tax revenue as a result of the bill's passage.

The bill would take effect July 1, 2003, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2003.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, DLBa, WP, SD