

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 19, 2003

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways and Means

FROM: John Keel, Director, Legislative Budget Board

IN RE: SB1466 by Lindsay (Relating to hotel occupancy taxes and the financing of convention center facilities in certain counties.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would allow revenue from the county hotel occupancy tax in certain counties and certain municipalities to be used for the acquisition of sites for and the construction, improvement, equipping, operation, repairing, and maintenance of hotels owned by that county, municipality, or a nonprofit local government corporation sponsored by the county or municipality.

Additionally, under the provisions of the bill, in a county with a population of 3.3 million or more, a county, municipality, or political subdivision would be prohibited from adopting or levying an additional hotel occupancy tax if doing so would result in a combined rate that would exceed 17 percent at any location within the county.

The bill would take effect immediately if it receives a two-thirds vote in each house; otherwise, it would take effect September 1, 2003.

Based on population and other descriptions in the bill, it appears the bill would only apply to Harris County, the City of Lubbock, and the City of Waco.

Local Government Impact

Because the bill would not have statewide impact on units of local government of the same type or class, no comment from this office is required by the rules of the House/Senate as to its probable fiscal implication on units of local government.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JK, SD, DLBa