

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 78TH LEGISLATIVE REGULAR SESSION

May 1, 2003

TO: Honorable Frank Madla, Chair, Senate Committee on Intergovernmental Relations

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.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 352 of the Tax Code to include certain hotels in the definition for "convention center complex" or "convention center facilities" in a county with a population of more than 3.3 million. The hotels would be those owned by the county or by a nonprofit local government corporation sponsored by the county created under Chapter 431 of the Government Code and located within 1,000 feet of a convention center or stadium. The bill would make a conforming definitional change in Section 1477.302 of the Government Code.

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 allow revenue from the county hotel occupancy tax to be used by a county having a population of more than 3.3 million for the acquisition of sites for and the construction, improvement, equipping, operation, repairing, and maintenance of hotels owned by that county or owned by a nonprofit local government corporation sponsored by that county, within 1,000 feet of a convention center or stadium.

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

Currently, only Harris County has a population of more than 3.3 million.

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

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