

BILL ANALYSIS

C.S.H.B. 3173
By: Paxton
Local Government Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The use of hotel-motel occupancy tax revenue is restricted by statute to activities that promote tourism. Among the authorized uses are certain sporting events. However, the use of the revenue for this purpose is limited to municipalities within counties of a population of 290,000 or less. Within Collin County, the city of McKinney has partnered with private organizations in the development of first class sports facilities for youth sports. These facilities are increasingly attracting national level youth tournaments. The city wishes to spend a portion of their hotel-motel tax revenue to market their sports complex in order to attract a larger number of national youth sporting tournaments. The purpose of this bill is to raise the county population limit to allow this use in Collin County.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

SECTION 1. Amends Section 351.101(a)(6), Tax Code to raise the population limit from 290,000 or less to 1,000,000 or less.

SECTION 2. Asks that the Act take effect immediately if it receives a two-thirds vote.

EFFECTIVE DATE

September 1, 2005

COMPARISON OF ORIGINAL TO SUBSTITUTE

The Committee Substitute converts a typed draft to a Council draft. It includes all the un-amended text from 351.101(a) rather than just the Subsection (c). The Committee Substitute also converted the population change from a numeric to an alphabetic form.