

BILL ANALYSIS

S.B. 765
By: Eltife
Local Government Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Many smaller communities in the state host baseball, softball, soccer, and flag football tournaments on the state, regional, and national level. These events bring in parents and supporters who stay in area hotels and motels, which in turn generates hotel and motel tax revenue for the city. These taxes have historically been restricted to purposes related to the promotion of tourism and convention center facilities. However, the 79th Legislature enacted legislation that authorized certain-sized cities to use these funds for upgrading or enhancing existing city parks or sports facilities, provided they meet certain criteria.

As proposed, S.B. 765 authorizes cities with a population of not less than 34,000 and not more than 36,000, located in a county of 90,000 or less, to use hotel and motel tax revenue for upgrading or enhancing city-owned sports facilities, subject to the existing regulations. This bill applies to the cities of Texarkana and Huntsville, which meet the bill's population requirements.

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), Tax Code, to include a municipality that has a population between 34,000 and 36,000 and is located in a county with a population of 90,000 or less as an area that is authorized to use revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of certain existing sports facilities or fields, subject to Section 351.1076 (Allocation of Revenue: Certain Municipalities), Tax Code.

SECTION 2. Effective date: upon passage or September 1, 2007.

EFFECTIVE DATE

Upon passage or September 1, 2007