

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**

**May 4, 2007**

**TO:** Honorable Craig Estes, Chair, Senate Committee on S/C on Ag., Rural Affairs & Coastal Resources

**FROM:** John S. O'Brien, Director, Legislative Budget Board

**IN RE: HB1009** by Escobar (Relating to the use of state hotel occupancy tax revenue to clean and maintain beaches in certain municipalities. ), **Committee Report 2nd House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Section 156.2512 of the Tax Code, relating to the use of state hotel occupancy tax revenue to clean and maintain beaches in certain municipalities.

In addition to the current authorization to use the revenue collected under this section to clean and maintain public beaches, the bill would authorize the use of the revenue for an erosion response project.

Under current law, only South Padre Island qualifies for the allocation and based on the amended definitions set forth by the bill, South Padre Island would remain the only municipality qualifying for the allocation.

The bill would take effect immediately upon enactment, if it receives two-thirds majority votes in each house; otherwise, it would take effect September 1, 2007.

**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, 305 General Land Office and Veterans' Land Board

**LBB Staff:** JOB, WK, CT, EB, KJG