

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

**FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION**  
**Revision 2**

**March 15, 2007**

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

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

**IN RE: HB1109** by Harper-Brown (Relating to the allocation of revenue from the municipal hotel occupancy tax for the arts for certain municipalities.), **Committee Report 1st House, Substituted**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would add a new section to Chapter 351 of the Tax Code, relating to the allocation of the municipal hotel occupancy tax revenue for the arts for certain municipalities. Under the bill, certain municipalities with a population of more than 190,000 may use an amount up to 15 percent of its hotel occupancy tax collections for the purposes provided by Section 351.101(a) (4), if the municipality is located in a county in which another municipality with a population of more than one million is predominately located. A municipality may use an annual amount up to \$1.6 million in hotel occupancy tax in addition to the afore-mentioned 15 percent.

Currently only Irving and Garland meet the criteria established in the bill.

The new section established by the bill would expire September 1, 2022.

**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:** JOB, SD, CT, EB, KJG