

BILL ANALYSIS

H.B. 2276
By: Hunter
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, Galveston and South Padre Island are the only coastal municipalities that are allocated a portion of the state's hotel occupancy tax revenue for the cleaning and maintenance of their public beaches. There is a concern that tourism along the Texas Coast may diminish if the beaches there and elsewhere are not properly maintained.

The City of Port Aransas will spend nearly \$1.4 million in city funds on beach maintenance, lifeguards, and other beach services this year and \$245,000 on beach access road rehabilitation. The city receives \$90,000 from the General Land Office in the form of beach a maintenance grant as its only state assistance. Of nearly \$1.4 million spent on beach services in Port Aransas, a large majority is spent on seaweed and trash pickup and disposal.

H.B. 2276 allows the City of Port Aransas to use a portion of the state's hotel occupancy tax revenue, just as do Galveston and South Padre Island, to clean and maintain its beaches.

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

H.B. 2276 amends a provision of the Tax Code to revise the eligibility criteria for a county to receive a share of revenue from state hotel occupancy taxes for purposes of erosion response projects and the cleaning and maintenance of public beaches. The bill expands the definition of "eligible barrier island coastal municipality" to include, among the municipalities already included in the definition, a municipality bordering the Gulf of Mexico and located wholly or partly on a barrier island, the boundaries of which include a national estuarine research reserve.

EFFECTIVE DATE

The first day of the first month beginning on or after the earliest date on which this act may take effect if it receives the necessary vote, or September 1, 2009.