

## **BILL ANALYSIS**

Senate Research Center  
81R8851 JE-F

S.B. 1959  
By: Wentworth  
Economic Development  
4/4/2009  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The State of Texas collects a hotel/occupancy tax. Chapter 156 of the Tax Code allows municipalities to use two percent of the hotel/occupancy tax for very limited purposes. Coastal cities have been able to obtain a two percent rebate from the state's portion of the hotel/occupancy tax to maintain and clean up public beaches within their jurisdiction.

Cities that have state-owned rivers and river beds within their boundaries, such as the City of New Braunfels, cannot obtain a rebate despite having to spend over \$200,000 annually to maintain and clean up these state-owned treasures.

As proposed, S.B. 1959 would grant municipalities with a population under 75,000 that meet certain requirements a rebate from the hotel/occupancy tax for funds spent removing trash and litter from state-owned rivers and river beds located within the boundaries of the municipality. In order to receive the rebate, the municipality must furnish the comptroller of public accounts with sufficient documentation to establish the requirements in the statute regarding the number of tourists and the amount expended on removing trash and litter.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter F, Chapter 156, Tax Code, by adding Section 156.2513, as follows:

Sec. 156.2513. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES. (a) Provides that this section applies only to a municipality that meets certain requirements.

(b) Requires the comptroller of public accounts (comptroller), not later than the last day of the month following a calendar quarter, to compute an amount equal to two percent of the amount of revenue derived from the collection of taxes imposed under this chapter received from hotels located in a municipality to which this section applies; and issue to the municipality a warrant drawn on the general revenue fund for an amount that is the lesser of specific amounts set forth under this section.

(c) Authorizes a municipality that receives money under this section to use the money only to remove trash and litter in the state-owned rivers and their river beds located within the boundaries of the municipality.

(d) Provides that it is the responsibility of a municipality to furnish the comptroller with documentation sufficient to establish the number of tourist visitations required by Subsection (a)(3) (relating to the year in which the municipality is to receive money); and the amount of money spent as described by Subsection (b)(2)(B) (relating to the amount the municipality spent on removing trash in state-owned rivers).

SECTION 2. Effective date: upon passage or October 1, 2009.