

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 81ST LEGISLATIVE REGULAR SESSION

May 15, 2009

TO: Honorable Tommy Williams, Chair, Senate Committee on Administration

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

IN RE: HB2276 by Hunter (Relating to the use of state hotel occupancy tax revenue to clean and maintain beaches in certain municipalities.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Tax Code, relating to the allocation of state hotel occupancy tax revenue to clean and maintain beaches in certain municipalities.

Currently one percent of the state hotel occupancy tax, remitted from certain hotels, is allocated back to the municipality to be used for the purpose of cleaning and maintaining beaches and for erosion response projects. The bill would amend the definition of an eligible barrier island coastal municipality, eligible to receive allocations from the state hotel occupancy tax, to include a municipality with boundaries that include a nation estuarine research reserve. This would allow Port Aransas to join South Padre Island in receiving this tax allocation.

The Comptroller of Public Accounts indicates there would be a positive but insignificant fiscal impact for the city, and a negative but insignificant fiscal impact for the state to the General Revenue Fund 0001.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, TP, JRO, SD, MN