

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

May 8, 2013

TO: Honorable Harvey Hilderbran, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB551 by Uresti (Relating to the use of municipal hotel occupancy tax revenue to enhance and upgrade sports facilities in certain municipalities.), **As Engrossed**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend Chapter 351 of the Tax Code regarding municipal hotel occupancy taxes.

The bill's provisions would apply to a municipality with a population of at least 7,500 that is located in a county that borders the Pecos River and that has a population of not more than 15,000. The bill would allow such a municipality to use revenue from its municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields, including facilities or fields for baseball, softball, soccer, and flag football.

The bill contains no state revenue or appropriation measures, and would affect only the uses of hotel tax revenues collected by the municipalities.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

Local Government Impact

According to the Comptroller of Public Accounts, the City of Pecos in Reeves County would qualify, based on U.S. Bureau of the Census county and city population counts in the 2010 census and the presence of the Pecos River on the Reeves County border. For an applicable municipality, an additional usage of hotel occupancy tax revenue would have no direct fiscal impact, although indirectly, it could create a savings if another revenue source had been used for the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, RB, SD, AG