

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

April 14, 2015

TO: Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB3629** by Raney (relating to use and allocation of municipal hotel occupancy tax revenues for certain municipalities.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Section 351.101 of the Tax Code to allow a municipality, with a population of at least 75,000 but not more than 95,000 that is located in a county that has a population of more than 160,000 but less than 200,000, to use revenue from the municipal hotel tax to promote tourism and the convention and hotel industry. Taxes could be used for constructing, operating, or expanding a sporting related facility or sports field owned by the municipality if the majority of events at the facility or fields are directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels in the municipality.

The bill would add new Section 351.1078 which limits the uses by certain municipalities of hotel tax revenue for a sporting related facility or a sports field.

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, 2015.

Local Government Impact

The bill would affect the city of Bryan. The bill would have no fiscal impact on the state, but would affect the city's use of their tax revenue collections.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD