

## **BILL ANALYSIS**

Senate Research Center  
85R10292 GRM-D

S.B. 942  
By: Hughes  
Natural Resources & Economic Development  
3/17/2017  
As Filed

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

There are concerns that certain municipalities, such as Queen City, are not permitted to use hotel occupancy tax funds to enhance or upgrade existing sports facilities. Interested parties contend that municipalities such as Queen City want to have upgraded sports facilities and events in place to attract overnight visitors to local hotels. Due to the lack of a permanent concession stand and bathrooms, the Queen City sports facilities lack tournament use to near its full potential. S.B. 942 seeks to address this issue.

As proposed, S.B. 942 amends current law relating to the use of municipal hotel occupancy tax revenue in certain municipalities.

### **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 Section 351.101, Tax Code, by adding Subsection (n), as follows:

(n) Authorizes a municipality that has a population of not more than 1,500 and is located in a county that borders Arkansas and Louisiana, in addition to other authorized uses, to use revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field as specified by Subsection (a)(7) (relating to the authorization to use municipal hotel tax revenue for the promotion of tourism by enhancing and upgrading of existing sports facilities or fields), provided that the requirements of Subsections (a)(7)(A) (relating to the condition that the municipality owns the facilities or fields) and (C) (relating to the requirement that the sports facilities and fields have been used, in the proceeding calendar year for a certain time period) are met.

SECTION 2. Effective date: upon passage or September 1, 2017.