

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 18, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB2526 by Canales (Relating to the use of municipal hotel occupancy tax revenue for sporting-related facilities in certain municipalities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes, to add new Section 351.1068 to authorize a municipality that is the county seat of a county that (1) is adjacent to the Texas-Mexico border; (2) has a population of 500,000 or more; and (3) is adjacent to two more counties each of which has a population of 50,000 or more to use municipal hotel tax revenue to construct, maintain, or expand a sporting-related facility or property owned by the municipality. The bill would have a reporting requirement on certain anniversaries of project completion, and places certain limitations on the use of revenue.

There would be no state or local revenue implications. The bill would take effect September 1, 2017.

Local Government Impact

The bill's provisions would allow the City of Edinburg in Hidalgo County to use municipal hotel tax revenue to construct, maintain, or expand a sporting-related facility or property owned by the city.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SZ, SD