

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**March 29, 2017**

**TO:** Honorable Craig Estes, Chair, Senate Committee on Natural Resources & Economic Development

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **SB440** by Rodríguez (relating to the use by certain municipalities of hotel occupancy tax revenue to improve or expand certain airports.), **Committee Report 1st House, Substituted**

<p><b>No fiscal implication to the State is anticipated.</b></p>
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The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes, to add new Section 351.1036 to authorize a municipality that is the county seat of a county that borders (1) the United Mexican States; (2) a county described by Section 352.002(a)(7); and (3) a county described by Section 352.002(a)(14), to use municipal hotel occupancy taxes to improve or expand an airport. The bill would have no state revenue implications.

The bill would take effect immediately if it receives a vote of two-thirds of all the members elected to each house; otherwise it would take effect September 1, 2017.

**Local Government Impact**

The bill would permit the city of Marfa to use municipal hotel occupancy tax revenue to improve or expand an airport described in the bill, and would limit the amount of municipal hotel tax revenue that may be used for that purpose. The new section would expire on December 31, 2032.

**Source Agencies:** 304 Comptroller of Public Accounts

**LBB Staff:** UP, SZ, SD, KK