

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION

April 17, 2017

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **SB1804** by Lucio (Relating to the use of municipal hotel occupancy tax revenue to construct, enhance, upgrade, and maintain coastal sports facilities in certain municipalities.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Section 351.101(a) of the Tax Code, as amended by Chapter 979 (HB 3615), Acts of the 84th Legislature, Regular Session, 2015, regarding the use of municipal hotel occupancy tax revenue.

The bill would add new Subsection 351.101(a)(7)(B)(xi) to allow an eligible barrier island coastal municipality that imposes the municipal hotel occupancy tax at a rate equal to or greater than 7.5 percent to use revenue from that tax to enhance or upgrade existing sports facilities or sports fields owned by the municipality. The bill would amend Section 351.101(a)(7)(C) to require that before the municipality subject to this bill's provisions uses revenue from this tax for the purposes authorized in the bill, the sports facilities, fields, or fishing piers must have been used a combined total of more than five times for district, state, regional or national sports tournaments in the preceding calendar year.

The bill would have no state revenue implications.

This 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 modify statutory provisions governing the use of municipal hotel occupancy tax revenue in the City of South Padre Island .

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SZ, SD, KK