

BILL ANALYSIS

C.S.S.B. 1467
By: Hughes
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

There are concerns that certain municipalities, such as Queen City and San Benito, are not permitted to use hotel occupancy tax funds to enhance or upgrade sports and recreational facilities. It has been suggested that upgraded facilities could facilitate events that would attract overnight visitors to local hotels. C.S.S.B. 1467 seeks to address this issue by providing the necessary statutory authority for this use of the tax.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.S.B. 1467 amends the Tax Code to remove from the conditions under which a municipality that has a population of not more than 1,500 and is located in a county that borders Arkansas and Louisiana may 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 the condition that the applicable sports facilities or fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments.

C.S.S.B. 1467 authorizes a municipality that has a population of not more than 25,000, contains a cultural heritage museum, and is located in a county that borders the United Mexican States and the Gulf of Mexico to use all or any portion of the revenue derived from the municipal hotel occupancy tax for the construction, enlarging, equipping, improvement, maintenance, repairing, and operation of a recreational facility or certain arenas for purposes of substantially enhancing hotel activity and encouraging tourism, subject to certain limitations and requirements.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF SENATE ENGROSSED AND SUBSTITUTE

While C.S.S.B. 1467 may differ from the engrossed in minor or nonsubstantive ways, the following summarizes the substantial differences between the engrossed and committee substitute versions of the bill.

The substitute includes an authorization for a municipality meeting certain criteria to use revenue derived from the municipal hotel occupancy tax for recreational facilities or certain arenas to substantially enhance hotel activity and encourage tourism, subject to certain limitations and requirements.