

## **BILL ANALYSIS**

Senate Research Center  
86R11336 CJC-D

S.B. 1719  
By: Lucio  
Natural Resources & Economic Development  
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As Filed

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

Texas law does not provide a dedicated mechanism to assure continued funding of certain measures to combat coastal erosion. S.B. 1719 seeks to address this issue by providing for the dedication of two percent of the revenue derived from the hotel occupancy tax levied in certain coastal counties to the coastal erosion response account to benefit those coastal counties.

As proposed, S.B. 1719 amends current law relating to the allocation of certain state hotel occupancy tax revenue.

### **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 33.604(b), Natural Resources Code, as follows:

(b) Provides that the coastal erosion response account consists of:

- (1)-(2) makes no changes to these subdivisions;
- (3)-(4) makes nonsubstantive changes to these subdivisions; and
- (5) money transferred to the account under Section 156.252, Tax Code.

SECTION 2. Amends Subchapter F, Chapter 156, Tax Code, by adding Section 156.252, as follows:

Sec. 156.252. ALLOCATION OF CERTAIN REVENUE TO BENEFIT COASTAL COUNTIES. (a) Defines "coastal county," for purposes of this section, as any county adjacent to the Gulf of Mexico or Corpus Christi Bay.

(b) Requires the comptroller of public accounts of the State of Texas (comptroller), beginning with the state fiscal year beginning September 1, 2021, and except as provided by Subsection (d) to, not later than September 30 of each state fiscal year:

(1) compute the amount of revenue derived from the collection of taxes imposed under this chapter (Hotel Occupancy Tax) at a rate of two percent and received from hotels located in coastal counties during the preceding state fiscal year; and

(2) transfer that amount to the coastal erosion response account created under Section 33.604 (Coastal Erosion Response Account), Natural Resources Code.

(c) Authorizes revenue transferred under this section to be appropriated only to the Texas General Land Office for a purpose consistent with Subchapter H

(Coastal Erosion), Chapter 33 (Management of Coastal Public Land), Natural Resources Code, that benefits a coastal county.

(d) Provides that revenue derived from the collection of taxes under this chapter that is placed in a suspense account under Section 151.429(h) (relating to a rebate of certain taxes provided to the owner of a qualified hotel project) or under Section 2303.5055(f) (relating to requiring the comptroller to deposit certain funds in a separate account pending rebate, refund, or payment), Government Code, is excluded from the computation required by Subsection (b)(1).

SECTION 3. Effective date: September 1, 2019.