

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 13, 2019

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: **HB3356** by Bucy (Relating to the use of municipal hotel occupancy tax revenue in certain municipalities.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes.

Section 351.101 would be amended by adding Subsection (q) to authorize a municipality with a population of more than 48,000 but less than 95,000 that is located in two counties, one of which has a population of at least 900,000 but less than 1.7 million, to use municipal hotel occupancy hotel revenue to promote tourism and the convention and hotel industry by constructing, improving, equipping, repairing, maintaining, operating, or expanding a coliseum or multiuse facility if the majority of the events at the coliseum or facility attract tourists who substantially increase economic activity at hotels in the municipality.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise it would take effect September 1, 2019.

The bill would have no state revenue implications.

Local Government Impact

The bill would modify the allowable use of municipal hotel occupancy tax revenue in the City of Cedar Park.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: WP, SZ, KK, SD