

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

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 15, 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:** **HB4158** by Zwiener (Relating to the use of municipal hotel occupancy tax revenue in certain municipalities.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes, to add Section 351.10692. The new section would authorize a municipality with a population of less than 2,000 located in a county that is (1) adjacent to the county in which the State Capitol is located; and (2) has a population of not more than 25,000, or at least 100,000 but not more than 200,000, to use revenue from municipal hotel tax for the promotion and preservation of dark skies through construction and maintenance of infrastructure and the purchase and installation of hardware that reduces light pollution and sky glow.

A municipality may not spend municipal hotel occupancy tax revenue in an amount that exceeds 25 percent of the municipality's annual hotel occupancy tax revenue for the promotion of dark skies.

This bill would take effect immediately upon enactment, assuming 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 Cities of Dripping Springs, Woodcreek, Blanco, and Johnson City.

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

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