

BILL ANALYSIS

Senate Research Center
87R6449 SRA-F

S.B. 2089
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Natural Resources & Economic Development
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Riverfront Project in Cameron County drives \$300 million in private capital towards construction in the area between the Gateway International Toll Bridge and the B&M International Toll Bridge in order to provide safe international crossings and revitalize an entertainment tourism district.

The current statute does not authorize Cameron County to use the revenue gained from hotel occupancy taxes towards infrastructure improvements related to an international bridge—even if the bridge is owned by the county and promotes tourism, which is the case with the Riverfront Project.

S.B. 2089 seeks to give Cameron County the authorization to use hotel occupancy taxes to construct, improve, repair, and maintain infrastructure associated with an international toll bridge.

As proposed, S.B. 2089 amends current law relating to the use of county hotel occupancy tax revenue by certain counties.

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 352.1033, Tax Code, by amending Subsections (a) and (d) and adding Subsection (c-1), as follows:

(a) Authorizes the revenue from a tax imposed under Chapter 352 (County Hotel Occupancy Taxes) by a county that borders the Gulf of Mexico and that is authorized to impose the tax by Section 352.002(a)(6) (relating to a certain tax authorized to be imposed by the commissioners court of a county that borders the Gulf of Mexico), subject to certain subsections, including Subsection (c-1), to be used only for certain purposes.

(c-1) Authorizes a county authorized to impose the tax by Section 352.002(a)(6) that borders the United Mexican States, in addition to the uses allowed by Subsection (a), to use all or any portion of the revenue from the tax to construct, improve, repair, and maintain infrastructure related to an international toll bridge, including pedestrian walkways, street improvements, structural levees, and parking facilities underneath a hotel adjacent or connected to the bridge.

(d) Provides that the limitation prescribed by Subsection (b) (relating to the use of certain taxes for the promotion of tourism) does not apply to the use of revenue from a tax imposed under Chapter 352 by a county to which Subsection (c) (relating to authorized uses of the revenue from a certain tax) or (c-1) applies, rather than to which Subsection (c), applies.

SECTION 2. Effective date: upon passage or September 1, 2021.