

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

April 11, 2021

TO: Honorable Morgan Meyer, Chair, House Committee on Ways & Means

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB3097 by Stephenson (Relating to entitlement of certain municipalities to receive tax revenue from certain establishments located near a hotel and convention center project.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Section 351.157, Tax Code, regarding municipalities eligible for additional entitlement to state sales tax and local mixed beverage tax revenue for qualified projects. The bill would amend Section 351.157(e) to extend the date of project commencement required to receive revenue under the section from before September 1, 2023, to before September 1, 2025. The bill would add Section 351.157(f) to clarify that a city commences a qualified project on the date the city by ordinance or resolution authorizes the issuance of bonds or other obligations related to the project or executes or amends a contract or interlocal agreement related to the project.

Absent the extension of time for project commencement proposed by the bill, it would be expected that cities would take action for project commencement sufficient to meet the date for entitlement to revenue provided by current law. Consequently, the bill would have no fiscal implications for the state.

The 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, 2021.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JMc, KK, SD, BRI