

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

**FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION**

**May 22, 2021**

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

**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.), **Committee Report 2nd House, Substituted**

<p><b>No fiscal implication to the State is anticipated.</b></p>
--

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, 2027. 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, AJL, BRI, KK, SD