

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

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

**April 29, 2021**

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

**FROM:** Jerry McGinty, Director, Legislative Budget Board

**IN RE: HB3223** by Zwiener (Relating to the use by certain municipalities of municipal hotel occupancy tax revenue for the enhancement and maintenance of public parks.), **As Introduced**

**No fiscal implication to the State is anticipated.**

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes, to add Section 351.111 to authorize a municipality with a population of less than 200,000, and a municipality with a population of less than 300,000 that contains a component institution of the Texas Tech University System, to use a portion of the revenue derived from the tax imposed under the chapter to promote tourism and the convention and hotel industry by enhancing and maintaining public parks owned by the municipality. The bill would also place limitations on the amounts of revenue used.

The bill's provisions would affect the manner in which 1) any city with a population of less than 200,000 and 2) the City of Lubbock, could allocate its municipal hotel tax revenue to enhance and maintain public parks owned by the municipality. There would be no state revenue implications.

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**

The bill's provisions would affect the manner in which 1) any city with a population of less than 200,000 and 2) the City of Lubbock, could allocate its municipal hotel tax revenue to enhance and maintain public parks owned by the municipality.

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

**LBB Staff:** JMc, KK, SD, BRI