BILL ANALYSIS

H.B. 3055 By: King, Tracy O. Ways & Means Committee Report (Unamended)

BACKGROUND AND PURPOSE

River tourism has grown exponentially in Uvalde County over the past decade. However, current law enforcement resources are insufficient to ensure public safety when river tourism influxes occur, especially during the summer months. Allowing for hotel occupancy tax revenue to be used for security services for river tourism-related events and activities would provide funding to improve the county's law enforcement presence and public safety, but current law does not allow for hotel occupancy tax revenue to be allocated to security personnel. H.B. 3055 seeks to address this issue by allowing county hotel occupancy tax revenue to be used for funding security personnel for that purpose.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 3055 amends the Tax Code to revise provisions relating to the purposes for which a county that is authorized to impose a county hotel occupancy tax and that has a population of 28,000 or less, has no more than four municipalities, and is located wholly in the Edwards Aquifer Authority may use county hotel occupancy tax revenue, as follows:

- removes the 75 percent cap on the promotion of tourism and lodging;
- authorizes the use of the tax revenue for a convention center facility;
- clarifies that the 25 percent cap on the use of the tax revenue for trash removal and the maintenance of litter containers is based on the annual revenue from the tax;
- authorizes up to 18 percent of the annual revenue derived from the tax to be used for the payment of costs associated with a contract with a person for the provision of security personnel for events and activities directly related to tourism activity occurring along and adjacent to state-owned rivers and riverbeds that are primarily used by lodging guests and located within the county's boundaries while prohibiting the county from using the tax revenue for costs associated with law enforcement other than those security personnel.

H.B. 3055 requires the county, if it uses the tax revenue for costs associated with security personnel as provided by the bill, to take the following actions:

• determine the amount of annual revenue the county receives from any applicable permit, license, or similar fee collected by the county for the use of county resources that are

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- directly related to the events and activities for which the security personnel was contracted; and
- apply that annual revenue amount to the cost of providing security staffing for those events and activities.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2023.

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