

BILL ANALYSIS

C.S.H.B. 3453
By: Jetton
Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Multi-event sports and entertainment venues promote general tourism in counties by increasing visitor days, lodging nights, and many other forms of tourist spending. These increased visitor days benefit existing hotels and municipalities within counties that already collect a hotel occupancy tax; however, some counties are not currently authorized to levy a hotel occupancy tax. C.S.H.B. 3453 seeks to allow the commissioners court of Fort Bend County to impose a hotel occupancy tax and to use the tax revenue for the construction, maintenance, and operation of a multi-event sports and entertainment venue that substantially increases regional sporting events and related economic activity at hotels in the county, in addition to other statutorily authorized purposes.

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

C.S.H.B. 3453 amends the Tax Code to authorize the commissioners court of a county that has a population of 800,000 or more and is adjacent to a county with a population of four million or more to impose a county hotel occupancy tax. The bill caps the tax rate in such a county at seven percent of the price paid for a room in a hotel, except if the hotel is located in a municipality or the extraterritorial jurisdiction of an applicable municipality that imposes a municipal hotel occupancy tax applicable to the hotel, in which case the county hotel occupancy tax rate is capped at two percent of the price paid for a room in the hotel. The bill authorizes the revenue from a county hotel occupancy tax imposed under the bill's provisions to be used, in addition to other authorized uses of county hotel occupancy taxes, to construct, maintain, and operate a multi-event sports and entertainment venue that substantially increases regional sporting events and related economic activity at hotels in the county.

EFFECTIVE DATE

September 1, 2023.

COMPARISON OF INTRODUCED AND SUBSTITUTE

While C.S.H.B. 3453 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute revises the provision in the introduced regarding the authorized use of county hotel occupancy tax revenue by specifying that a multi-event sports and entertainment venue for which the revenue may be used is one that substantially increases regional sporting events and related economic activity at hotels in the county.