

BILL ANALYSIS

Senate Research Center
88R20947 CJD-F

H.B. 4494
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Natural Resources & Economic Development
5/15/2023
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Tax Code permits certain eligible coastal municipalities defined as home-rule municipalities bordering the Gulf of Mexico with a population of less than 80,000 to allocate municipal hotel occupancy tax revenue differently than other municipalities, including for certain purposes related to public beaches. The Village of Surfside Beach has requested this same allocation authority but is not currently classified as an eligible coastal municipality because it is not a home-rule municipality.

H.B. 4494 broadens the definition of eligible coastal municipality to include a municipality that borders on the Gulf of Mexico and has a population of less than 1,500, such as Surfside Beach.

H.B. 4494 amends current law relating to eligible coastal municipalities for purposes of the municipal hotel occupancy tax.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 351.001(3), Tax Code, to provide that "eligible coastal municipality" includes a municipality that borders on the Gulf of Mexico and has a population of less than 1,500.

SECTION 2. Effective date: upon passage or September 1, 2023.