

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 6, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2497 by Morrison (Relating to the use of municipal hotel occupancy tax revenue by certain municipalities.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, regarding municipal hotel occupancy taxes.

The bill would authorize a municipality that is the county seat of a county that borders the Gulf of Mexico and through which the Colorado flows, to use revenue from the municipal hotel occupancy tax to construct and expand, as well as operate recreational or sports facilities owned by a government entity. The municipality would be prohibited from spending more municipal hotel tax revenue on the recreational or sports facilities than the amount of municipal hotel tax that is attributed to those facilities. The municipality would not be able to reduce the percentage of municipal hotel tax revenue that is allocated towards advertising and promoting tourism to the municipality or its vicinity.

The bill would have no state revenue implications.

Local Government Impact

This bill would affect Bay City.

Source Agencies:

LBB Staff: JMc, MOc, CMA, KK, SD, BRI