

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 89TH LEGISLATIVE REGULAR SESSION

April 11, 2025

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB1039 by Morales, Eddie (Relating to the use of hotel occupancy tax revenue by certain municipalities.), **As Introduced**

No fiscal implication to the State is anticipated.

Local Government Impact

The bill would repeal the provisions regarding the allocation of municipal hotel occupancy tax collections in a municipality that is the largest municipality in a county that borders the United Mexican States and in which there is located a national park of more than 400,000 acres. Under current law at least 50 percent of collections must be spent on advertising and promotional programs to attract tourists; not more than 15 percent may be used for the encouragement, promotion, improvement, and application of the arts; and not more than 15 percent may be used for historical restoration and preservation.

Source Agencies:

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