

BILL ANALYSIS

S.B. 320
By: Flores
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

It has been noted that certain municipalities in Texas currently have the authority to use municipal hotel occupancy tax revenue for constructing, enlarging, equipping, improving, maintaining, repairing, and operating a recreational facility or an arena used for rodeos, livestock shows, and agricultural expositions, allowing these municipalities the opportunity to improve facilities year-round and not just when in use for tourism purposes. There have been calls for additional municipalities, such as the City of Pearsall, to have this authority. S.B. 320 seeks to extend this authority to additional municipalities.

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

S.B. 320 amends the Tax Code to increase from 5,000 to 15,000 the maximum population of a municipality that is located in a county through which the Frio River flows and an interstate highway crosses and that has a population of at least 15,000 that triggers the applicability of statutory provisions governing the use of revenue derived from the municipal hotel occupancy tax in certain municipalities for constructing, enlarging, equipping, improving, maintaining, repairing, and operating a recreational facility or an arena used for rodeos, livestock shows, and agricultural expositions to substantially enhance hotel activity and encourage tourism.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2019.