

**SUBJECT:** Allowing certain municipalities to use HOT revenue for sports facilities

**COMMITTEE:** Ways and Means — favorable, without amendment

**VOTE:** 10 ayes — Meyer, Thierry, Button, Cole, Guerra, Murphy, Noble, Rodriguez, Sanford, Shine

0 nays

1 absent — Martinez Fischer

**SENATE VOTE:** On final passage, April 29 — 29-2 (Hall, Kolkhorst), on Local and Uncontested Calendar

**WITNESSES:** No public hearing.

**BACKGROUND:** Some have suggested allowing Queen City and Conroe to use hotel occupancy taxes to enhance their sports facilities so that they could host additional events and increase economic activity.

**DIGEST:** SB 828 would allow a municipality with a population of at least 50,000 that was the county seat of a county that contained a portion of the Sam Houston National Forest (Conroe) to use revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field, provided that the municipality owned the facilities or fields and met other statutory requirements.

The bill also would revise requirements for a municipality that had a population of up to 1,500 and was located in a county that bordered Arkansas and Louisiana (Queen City) that used the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field. The municipality no longer would have to meet the requirement that the facilities and fields had been used, in the preceding calendar year, a combined total or more than 10 times for district, state, regional, or national sports tournaments.

The bill would take effect September 1, 2021.

NOTES: The House companion bill, HB 3343 by Paddie, was considered by the House Ways and Means Committee in a public hearing on April 12, reported favorably on April 14, and sent to the Calendars Committee.