

SUBJECT:	Authorizing the use of hotel occupancy taxes for certain venue projects
COMMITTEE:	Ways & Means — committee substitute recommended
VOTE:	11 ayes — Meyer, Thierry, Button, Craddick, Gervin-Hawkins, Hefner, Muñoz, Noble, Raymond, Shine, Turner 0 nays
WITNESSES:	For — Gilbert Turrieta (<i>Registered, but did not testify</i> : Julie Wheeler, Travis County Commissioners Court) Against — Sean Creegan, City of Austin (<i>Registered, but did not testify</i> : Scott Joslove, Texas Hotel and Lodging Assn)
BACKGROUND:	Some have suggested that providing Travis County with additional authority to use revenue derived from the hotel occupancy tax would help to finance certain venue projects at the Travis County Exposition Center.
DIGEST:	<p>CSHB 4090 would allow a county to use hotel occupancy tax revenue to acquire, construct, improve, and equip a venue project and related infrastructure to be constructed on real property. A county also could pledge the revenue to the payment of bonds or other obligations the county issued to finance the venue project infrastructure.</p> <p>A venue project covered under the bill would be limited to an exposition center located in a municipality with a population of 750,000 or more primarily located in a county with a population of 1.5 million or less.</p> <p>The bill also would limit the imposition of a hotel occupancy tax for a venue project in a municipality with a population of 750,000 or more primarily located in a county with a population of 1.5 million or less to the earlier of the date on which:</p> <ul style="list-style-type: none">• all bonds and other obligations affiliated with the venue project had been paid in full;

- the municipality had collected the amount of money attributable to the tax imposed for a venue project that was sufficient to pay in full the bonds and other obligations; or
- the total amount of money, minus guaranteed interest, necessary to pay in full the bonds and other obligations had been set aside by the municipality in a trust account dedicated to the payment of the bonds and other obligations.

The bill would take effect September 1, 2023.