

## **BILL ANALYSIS**

Senate Research Center  
77R10396 DAK-D

H.B. 2756  
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Intergovernmental Relations  
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Engrossed

### **DIGEST AND PURPOSE**

Current law requires a county or entity that spends revenue derived from the county hotel occupancy tax to spend the revenue to promote tourism and the convention and hotel industry. Although the county or entity is required to maintain records of all of its expenditures, the county or entity is not required to indicate which of its programs or activities directly promote tourism and the hotel and convention industry. H.B. 2756 requires a county or other entity that spends revenue derived from the county hotel occupancy tax to specify in a list each scheduled activity or event that is directly funded by the tax or is offered by an entity that has its administrative costs funded wholly or partly by the tax and that directly promotes tourism and convention and hotel activity.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 352B, Tax Code, by adding Section 352.109, as follows:

Sec. 352.109. RECORDS. (a) Requires a county to maintain a record that accurately identifies the receipt and expenditure of all revenue derived from the tax imposed under this chapter.

(b) Requires a county or entity that spends revenue derived from the tax imposed under this chapter, before making an expenditure, to specify in a list certain scheduled activities or events.

(c) Requires, if the commissioners court of a county delegates to another entity the management or supervision of an activity or event funded by the tax imposed under this chapter, each entity that is ultimately funded by the tax, before making an expenditure, to specify in a list certain scheduled activities or events.

(d) Provides that Subsections (b) and (c) do not prevent the county or funded entity from subsequently adding an activity or event to the list required by those subsections if the activity or event directly promotes tourism and hotel and convention activity.

(e) Provides that this section does not prevent a county or funded entity from setting aside tax revenue in a designated reserve fund for use in supporting planned activities, future events, and facility improvements that directly promote tourism and hotel and convention activity.

(f) Provides that, for the purposes of this section, all expenditures for a sports and community venue project and related infrastructure, as those terms are defined by Section 334.001, Local Government Code, are a single scheduled activity or event.

SECTION 2. (a) Effective date: September 1, 2001.

(b) Provides that Section 352.109, Tax Code, as added by this Act, applies only to an expenditure made on or after the effective date of this Act, without regard to whether the expenditure is from revenue collected under Chapter 352, Tax Code, before, on, or after that date.

(c) Provides that an expenditure made before the effective date of this Act is governed by the law applicable to the action immediately before the effective date of this Act, and that law is continued in effect for that purpose.