

## **BILL ANALYSIS**

Senate Research Center

H.B. 1459  
By: Eiland (Janek)  
Intergovernmental Relations  
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Engrossed

### **DIGEST AND PURPOSE**

Coastal home-rule cities of less than 80,000 have been granted a hotel occupancy tax rebate of a portion of the hotel occupancy taxes collected by the state in the eligible coastal municipality to be used for beach cleaning and maintenance. H.B. 1459 authorizes the same rebate to a general law municipality of less than 5,000 that is adjacent to a municipality, with a population of 250,000 or more that borders on the Gulf of Mexico.

### **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 Section 351.001(3), Tax Code, to redefine “eligible coastal municipality.”

SECTION 2. Amends Section 351.1055, Tax Code, as follows:

Sec. 351.1055. New heading: ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES.

(a) Defines “beach security.”

(b) Makes a nonsubstantive change.

(c) Authorizes an eligible coastal municipality that has a population of less than 5,000, notwithstanding any other provision of this chapter, to use all or any portion of the revenue heretofore or hereafter derived from the municipal hotel tax to perform certain functions and tasks.

SECTION 3. Amends Section 351.003(c), Tax Code, to prohibit the rate in municipality that borders the on the Gulf of Mexico and has a population of more than 250,000 or in an eligible coastal municipality with a population of less than 5,000 from exceeding nine percent of the price paid for a room.

SECTION 4. Effective date: September 1, 2003.