

## **BILL ANALYSIS**

Senate Research Center  
87R19066 CJC-D

H.B. 3217  
By: Harris (Nichols)  
Natural Resources & Economic Development  
5/18/2021  
Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

H.B. 3217 would allow Anderson County to levy a hotel occupancy tax in the county of no more than two percent of the price paid for a room in a hotel. The revenue would go toward renovations and improvements of the civic center in the City of Palestine. The county owns the civic center. The county's goal is to convert the civic center into a more usable space that both local officials and visitors can use. Anderson County has five prison units, so the city often hosts law enforcement conferences. The county issued a resolution of support for this bill.

H.B. 3217 amends current law relating to the authority of certain counties to impose a hotel occupancy tax and the use of revenue from that tax.

### **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 352.002, Tax Code, by adding Subsection (cc), to authorize the commissioners court of a county with a population of more than 57,000 and less than 65,000 and that is bordered by the Neches and Trinity Rivers to impose a tax as provided by Subsection (a) (relating to authorizing the commissioners courts of certain counties by the adoption of an order or resolution to impose a tax on a person who pays for the use or possession of a certain hotel room).

SECTION 2. Amends Section 352.003, Tax Code, by adding Subsection (aa), to prohibit the tax rate in a county authorized to impose the tax under Section 352.002(cc) from exceeding two percent of the price paid for a room in a hotel.

SECTION 3. Amends Section 352.1037, Tax Code, as follows:

Sec. 352.1037. USE OF REVENUE: CERTAIN COUNTIES BORDERING NECHES AND TRINITY RIVERS. (a) Creates this subsection from existing text and makes no further changes.

(b) Authorizes the revenue from a tax imposed under Chapter 352 (County Hotel Occupancy Taxes) by a county authorized to impose the tax under Section 352.002(cc) to be used to repair and renovate a civic center owned by the county in addition to the other purposes authorized by Chapter 352.

SECTION 4. Effective date: September 1, 2021.