

BILL ANALYSIS

Senate Research Center
87R22071 RDS-F

C.S.S.B. 828
By: Hughes
Natural Resources & Economic Development
4/22/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

There are concerns that certain municipalities, such as Queen City and the City of Conroe, are not permitted to use hotel occupancy tax funds to enhance or upgrade existing sports facilities. Interested parties contend that municipalities such as Queen City and the City of Conroe want to have upgraded sports facilities and events in place to attract overnight visitors to local hotels. Due to the lack of a permanent concession stand and bathrooms, the Queen City and City of Conroe sports facilities lack tournament use to near their full potential. C.S.S.B. 828 seeks to address this issue.

C.S.S.B. 828 amends current law relating to the use of municipal hotel occupancy tax revenue in certain municipalities.

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 351.101, Tax Code, by amending Subsection (n) and adding Subsection (v), as follows:

(n) Deletes existing text applying the requirements of Subsection (a)(7)(C) (relating to sports facilities and fields having been used a combined total of 10 times for district, state, regional, or national sports tournaments in the preceding calendar year) to the use of revenue from the municipal hotel occupancy tax for the promotion of tourism by the enhancement and upgrading of an existing sports facility or field as specified by Subsection (a)(7) (relating to the enhancement and upgrading of certain sports facilities and fields to promote tourism) by a municipality that has a population of not more than 1,500 and is located in a county that borders Arkansas and Louisiana.

(v) Authorizes a municipality described by Section 351.152(33) (relating to a municipality with a population of 50,000 or more that is the county seat of a county that contains a portion of the Sam Houston National Forest), in addition to other authorized uses, 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 as specified by Subsection (a)(7), provided that the requirements of Subsection (a)(7)(A) (relating to authorizing that the municipal hotel occupancy tax be used for the promotion of tourism by the enhancement and upgrading of existing sports facilities or fields if the municipality owns the facilities or fields) and Section 351.1076 (Allocation of Revenue: Certain Municipalities) are met.

SECTION 2. Effective date: September 1, 2021.