

BILL ANALYSIS

Senate Research Center
86R11762 SRA-F

H.B. 3356
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Natural Resources & Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Current law states that hotel occupancy tax may be used to only promote tourism and the convention and hotel industry. Interested parties suggest that using the hotel occupancy tax to repair, maintain, and operate a current project is an important part of promoting tourism in parts of the state.

H.B. 3356 would allow the city of Cedar Park to use hotel occupancy tax to promote tourism and the convention and hotel industry by constructing, improving, equipping, repairing, maintaining, operating, or expanding a coliseum or multiuse facility if the majority of the events at the coliseum or facility attract tourists who substantially increase economic activity at hotels in the municipality.

H.B. 3356 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 adding Subsection (q), as follows:

(q) Authorizes a municipality with a population of more than 48,000 but less than 95,000 that is located in two counties, one of which has a population of at least 900,000 but less than 1.7 million, to use revenue from the municipal hotel occupancy tax to promote tourism and the convention and hotel industry by constructing, improving, equipping, repairing, maintaining, operating, or expanding a coliseum or multiuse facility, in addition to the purposes provided by Subsection (a) (relating to authorization for municipal hotel occupancy tax revenue to be used for certain activities), if the majority of the events at the coliseum or facility attract tourists who substantially increase economic activity at hotels in the municipality.

SECTION 2. Effective date: upon passage or September 1, 2019.