

BILL ANALYSIS

S.B. 2056
By: Perry
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties report that certain municipalities, such as the City of Brownfield, have expressed a desire to maintain, enhance, or upgrade sports facilities and fields to attract more sporting events and contend that these municipalities need a new funding mechanism to do so. S.B. 2056 seeks to authorize certain municipalities to use revenue derived from the municipal hotel occupancy tax for such purposes.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 2056 amends the Tax Code to authorize a municipality that is the county seat of a county that has a population of more than 10,000 and contains a portion of Mound Lake to use revenue derived from the municipal hotel occupancy tax to promote tourism by maintaining, enhancing, or upgrading sports facilities or fields, provided that the municipality, if it uses the revenue to enhance or upgrade a sports facility or field, complies with certain requirements relating to the allocation of municipal hotel occupancy tax revenue for that purpose, the municipality owns the sports facilities or field, and the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments. The bill prohibits such a municipality from reducing the percentage of revenue derived from the municipal hotel occupancy tax and allocated for the promotion of tourism and the convention and hotel industry by advertising and conducting solicitations and promotional programs to attract tourists and convention delegates or registrants to the municipality or its vicinity to a percentage that is less than the average percentage of that revenue allocated by the municipality for that purpose during the 36-month period preceding the date the municipality begins using the revenue to maintain, enhance, or upgrade a sports facility or field.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.