

BILL ANALYSIS

Senate Research Center
85R18421 GRM-F

H.B. 4029
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Natural Resources & Economic Development
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The City of South Padre Island (city) seeks to increase sport fishing tourism; however, lack of adequate facilities limits consideration of the city for major events. H.B. 4029 provides eligibility to the city to use a portion of their local hotel occupancy tax (HOT) for sporting infrastructure.

Specifically, H.B. 4029 authorizes the city to construct facilities for the promotion and sponsorship of major fishing tournaments. Statute is amended to include fishing piers for district, state, regional, or national sport fishing tournaments. H.B. 4029 requires no less than five tournaments per year to qualify for use of HOT revenue. As a benefit the local HOT may be leveraged to provide matching funds needed for the construction of additional boat ramps at locations acquired for this purpose.

Fishing tournaments have been reluctant to select South Padre Island because of the lack of boat launching and parking facilities in the city. The city is optimistic that, provided this authorization, new and adequate facilities will attract new, major sport fishing tournaments.

H.B. 4029 amends current law relating to the use of municipal hotel occupancy tax revenue by 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 the heading to Section 351.1054, Tax Code, to read as follows:

Sec. 351.1054. ALLOCATION OF REVENUE: ELIGIBLE BARRIER ISLAND
COSTAL MUNICIPALITY.

SECTION 2. Amends Section 351.1054(b), Tax Code, as follows:

(b) Authorizes an eligible barrier island coastal municipality, notwithstanding any other provision of this chapter (Municipal Hotel Occupancy Taxes), to use revenue from the municipal hotel occupancy tax for expenses directly related to the construction, improvement, equipping, repairing, operation, and maintenance of coastal sports facilities owned by the municipality, including boat docks, boat ramps, and fishing piers used by hotel guests, if the coastal sports facilities have been used in the preceding calendar year a combined total of more than five times for district, state, regional, or national sports tournaments or events.

SECTION 3. Effective date: upon passage or September 1, 2017.