

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS
FISCAL IMPACT STATEMENT**

LS 6364
BILL NUMBER: SB 142

NOTE PREPARED: Nov 26, 2025
BILL AMENDED:

SUBJECT: Local Hospitality Boards.

FIRST AUTHOR: Sen. Alexander
FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: This bill allows a county executive to adopt an ordinance to consolidate the functions of a board, bureau, commission, authority, or any other similar entity (former entity) authorized to administer funds received from a county: (1) innkeeper's tax; or (2) food and beverage tax; into a single, consolidated entity as designated in the consolidating ordinance.

It specifies that if a consolidating ordinance is adopted, each former entity is abolished on the date the ordinance is adopted, the term of a member serving on each former entity ends on the date the ordinance is adopted, and a subsequent ordinance may not be adopted to restore a former entity and transfer the powers, duties, and responsibilities of innkeeper's tax and food and beverage tax administration back to the former entity.

The bill sets forth transitional provisions that must be included in the ordinance.

Effective Date: July 1, 2026.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: Counties that adopt an ordinance to consolidate former entities into a new entity can do so within existing resources. The county executive would determine the number of members to serve on the consolidated entity. These members would not receive a salary, but the county would reimburse them for expenses they incur in the performance of their duties.

[The bill does not expand the eligible uses of innkeeper's taxes or food and beverage taxes. The consolidation would not affect obligations entered into by the former entities.]

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: Counties; boards, bureaus, commissions, authorities, or other entities that administer innkeeper's taxes and food and beverage taxes.

Information Sources:

Fiscal Analyst: Lauren Tanselle, 317-232-9586.