

By: Isaac

H.B. No. 4660

A BILL TO BE ENTITLED

AN ACT

relating to the use of municipal hotel occupancy tax revenue in certain municipalities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.10693, Tax Code, to read as follows:

Sec. 351.10693. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES. (a) This section applies only to a municipality with a population of less than 3,000 through which the Blanco River flows and is located in a county that:

(1) is adjacent to the county in which the State Capitol is located; and

(2) has a population of at least 250,000.

(b) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use revenue from the municipal hotel occupancy tax for the promotion and preservation of dark skies through construction and maintenance of infrastructure and the purchase and installation of hardware that reduces light pollution and sky glow.

(c) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use revenue from the municipal hotel occupancy tax for promotional and event expenses for an ecological tourism event, including an event for which the primary attraction is traveling to an area of natural or ecological

1 interest for the purpose of observing and learning about wildlife  
2 and the area's natural environment, if:

3 (1) a majority of the event's participants are  
4 tourists; and

5 (2) the event substantially increases economic  
6 activity at hotels and motels within or in the vicinity of the  
7 municipality.

8 (d) A municipality that uses revenue from the municipal hotel  
9 occupancy tax for a purpose described by Subsection (b) or (c):

10 (1) shall determine the amount of area hotel revenue  
11 attributable to events and activities related to those purposes for  
12 five years after the date the municipality first uses hotel  
13 occupancy tax revenue for a purpose described by Subsection (b) or  
14 (c); and

15 (2) may not spend municipal hotel occupancy tax  
16 revenue for the purposes described by Subsection (b) and (c) in a  
17 total amount that exceeds the amount determined under Subdivision  
18 (1).

19 (e) A municipality may not spend more than 25 percent of the  
20 municipality's annual hotel occupancy tax revenue for the purposes  
21 described by Subsection (b) and (c).

22 (d) A municipality to which this section applies may not  
23 reduce the amount of revenue that it uses for a purpose described by  
24 Section 351.101(a)(3) to an amount that is less than the average  
25 amount of revenue used by the municipality for that purpose during  
26 the 36-month period that precedes the municipality's use of revenue  
27 under Subsection (b) or (c).

1           SECTION \_\_\_\_\_. This Act takes effect immediately if it  
2 receives a vote of two-thirds of all the members elected to each  
3 house, as provided by Section 39, Article III, Texas Constitution.  
4 If this Act does not receive the vote necessary for immediate  
5 effect, this Act takes effect September 1, 2023.