By: Paxton, Laubenberg, McCall, Madden H.B. No. 3173
Substitute the following for H.B. No. 3173:

By: Puente C.S.H.B. No. 3173

## A BILL TO BE ENTITLED

1 AN ACT

2 relating to the use of revenue from the municipal hotel occupancy

3 tax.

- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 5 SECTION 1. Section 351.101(a), Tax Code, is amended to read 6 as follows:
- 7 (a) Revenue from the municipal hotel occupancy tax may be
- 8 used only to promote tourism and the convention and hotel industry,
- 9 and that use is limited to the following:
- 10 (1) the acquisition of sites for and the construction,
- 11 improvement, enlarging, equipping, repairing, operation, and
- 12 maintenance of convention center facilities or visitor information
- 13 centers, or both;
- 14 (2) the furnishing of facilities, personnel, and
- 15 materials for the registration of convention delegates or
- 16 registrants;
- 17 (3) advertising and conducting solicitations and
- 18 promotional programs to attract tourists and convention delegates
- or registrants to the municipality or its vicinity;
- 20 (4) the encouragement, promotion, improvement, and
- 21 application of the arts, including instrumental and vocal music,
- dance, drama, folk art, creative writing, architecture, design and
- 23 allied fields, painting, sculpture, photography, graphic and craft
- 24 arts, motion pictures, radio, television, tape and sound recording,

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- and other arts related to the presentation, performance, execution,
- 2 and exhibition of these major art forms;
- 3 (5) historical restoration and preservation projects
- 4 or activities or advertising and conducting solicitations and
- 5 promotional programs to encourage tourists and convention
- 6 delegates to visit preserved historic sites or museums:
- 7 (A) at or in the immediate vicinity of convention
- 8 center facilities or visitor information centers; or
- 9 (B) located elsewhere in the municipality or its
- 10 vicinity that would be frequented by tourists and convention
- 11 delegates; and
- 12 (6) for a municipality located in a county with a
- 13 population of one million [290,000] or less, expenses, including
- 14 promotion expenses, directly related to a sporting event in which
- 15 the majority of participants are tourists who substantially
- 16 increase economic activity at hotels and motels within the
- 17 municipality or its vicinity.
- 18 SECTION 2. This Act takes effect immediately if it receives
- 19 a vote of two-thirds of all the members elected to each house, as
- 20 provided by Section 39, Article III, Texas Constitution. If this
- 21 Act does not receive the vote necessary for immediate effect, this
- 22 Act takes effect September 1, 2005.