

AN ACT

relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems.

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

SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.110 to read as follows:

Sec. 351.110. ALLOCATION OF REVENUE FOR CERTAIN TRANSPORTATION SYSTEMS. (a) Notwithstanding any other provision of this chapter, a municipality may use the revenue derived from the tax imposed under this chapter for a transportation system to transport tourists from hotels in and near the municipality to:

(1) the commercial center of the municipality;

(2) a convention center in the municipality;

(3) other hotels in or near the municipality; and

(4) tourist attractions in or near the municipality.

(b) The transportation system that transports tourists as described by Subsection (a) may be:

(1) owned and operated by the municipality; or

(2) privately owned and operated but partially financed by the municipality.

(c) This section does not authorize the use of revenue derived from the tax imposed under this chapter for a transportation system that serves the general public other than for a system that transports tourists as described by Subsection (a).

1 SECTION 2. This Act takes effect immediately if it receives
2 a vote of two-thirds of all the members elected to each house, as
3 provided by Section 39, Article III, Texas Constitution. If this
4 Act does not receive the vote necessary for immediate effect, this
5 Act takes effect September 1, 2007.

President of the Senate

Speaker of the House

I certify that H.B. No. 2438 was passed by the House on April 12, 2007, by the following vote: Yeas 140, Nays 2, 1 present, not voting; and that the House concurred in Senate amendments to H.B. No. 2438 on May 24, 2007, by the following vote: Yeas 142, Nays 2, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 2438 was passed by the Senate, with amendments, on May 22, 2007, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor