

1-1 By: Truitt (Senate Sponsor - Nelson) H.B. No. 2438
1-2 (In the Senate - Received from the House April 16, 2007;
1-3 April 17, 2007, read first time and referred to Committee on
1-4 Intergovernmental Relations; May 11, 2007, reported adversely,
1-5 with favorable Committee Substitute by the following vote: Yeas 5,
1-6 Nays 0; May 11, 2007, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 2438 By: Gallegos

1-8 A BILL TO BE ENTITLED
1-9 AN ACT

1-10 relating to the allocation of revenue from the municipal hotel
1-11 occupancy tax for certain transportation systems.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended
1-14 by adding Section 351.110 to read as follows:

1-15 Sec. 351.110. ALLOCATION OF REVENUE FOR CERTAIN
1-16 TRANSPORTATION SYSTEMS. (a) Notwithstanding any other provision
1-17 of this chapter, a municipality may use the revenue derived from the
1-18 tax imposed under this chapter for a transportation system to
1-19 transport tourists from hotels in and near the municipality to:

1-20 (1) the commercial center of the municipality;

1-21 (2) a convention center in the municipality;

1-22 (3) other hotels in or near the municipality; and

1-23 (4) tourist attractions in or near the municipality.

1-24 (b) The transportation system that transports tourists as
1-25 described by Subsection (a) may be:

1-26 (1) owned and operated by the municipality; or

1-27 (2) privately owned and operated but partially
1-28 financed by the municipality.

1-29 (c) This section does not authorize the use of revenue
1-30 derived from the tax imposed under this chapter for a
1-31 transportation system that serves the general public other than for
1-32 a system that transports tourists as described by Subsection (a).

1-33 SECTION 2. This Act takes effect immediately if it receives
1-34 a vote of two-thirds of all the members elected to each house, as
1-35 provided by Section 39, Article III, Texas Constitution. If this
1-36 Act does not receive the vote necessary for immediate effect, this
1-37 Act takes effect September 1, 2007.

1-38 * * * * *