

SENATE AMENDMENTS

2nd Printing

By: Truitt

H.B. No. 2438

A BILL TO BE ENTITLED

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;

(4) tourist attractions in or near the municipality;

and

(5) an airport serving that area.

(b) The transportation system 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.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as

H.B. No. 2438

1 provided by Section 39, Article III, Texas Constitution. If this
2 Act does not receive the vote necessary for immediate effect, this
3 Act takes effect September 1, 2007.

ADOPTED

MAY 22 2007

Atalay Spaw
Secretary of the Senate

By: *Smith/*
Nelson

H.B. No. *2438*

Substitute the following for H.B. No. *2438*:

By: *M. Gallegos*

C.S. H.B. No. *2438*

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(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).

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 9, 2007

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2438 by Truitt (Relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems.), **Committee Report 2nd House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems. Under the provisions of the bill, municipalities that impose a hotel occupancy tax would be allowed to use that revenue for a transportation system to transport tourists from hotels in and near the municipality to the following locations in or near the municipality: the commercial center, a convention center, other hotels, and tourist attractions. Furthermore, the bill would allow the system to be owned and operated by either the municipality or privately owned and operated but partially financed by the municipality.

The bill would take effect immediately upon enactment if it receives two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

Local municipalities would gain flexibility in the use of hotel occupancy taxes that they are currently authorized to collect.

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, DB, CT, EB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 8, 2007

TO: Honorable Royce West, Chair, Senate Committee on Intergovernmental Relations

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2438 by Truitt (Relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems. Under the provisions of the bill, municipalities that impose a hotel occupancy tax would be allowed to use that revenue for a transportation system to transport tourists from hotels in and near the municipality to the following locations in or near the municipality: the commercial center, a convention center, other hotels, tourist attractions, and an airport serving that area. Furthermore, the bill would allow the system to be owned and operated by either the municipality or privately owned and operated but partially financed by the municipality.

The bill would take effect immediately upon enactment if it receives two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Local municipalities would gain flexibility in the use of hotel occupancy taxes that they are currently authorized to collect.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, DB, CT, EB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 21, 2007

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2438 by Truitt (Relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems.), **Committee Report 1st House, Substituted**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems. Under the provisions of the bill, municipalities that impose a hotel occupancy tax would be allowed to use that revenue for a transportation system to transport tourists from hotels in and near the municipality to the commercial center of the municipality. Furthermore, the bill would allow the system to be owned and operated by either the municipality or privately owned and operated but partially financed by the municipality.

The bill would take effect immediately upon enactment if it receives two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Local municipalities would gain flexibility in the use of hotel occupancy taxes that they are currently authorized to collect.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, EB

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

March 16, 2007

TO: Honorable Fred Hill, Chair, House Committee on Local Government Ways & Means

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: HB2438 by Truitt (Relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems.), **As Introduced**

No fiscal implication to the State is anticipated.

The bill would amend Chapter 351 of the Tax Code, relating to the allocation of revenue from the municipal hotel occupancy tax for certain transportation systems. Under the provisions of the bill, municipalities that impose a hotel occupancy tax would be allowed to use that revenue for a transportation system to transport tourists from hotels in and near the municipality to the commercial center of the municipality. Furthermore, the bill would allow the system to be owned and operated by either the municipality or privately owned and operated but partially financed by the municipality.

The bill would take effect immediately upon enactment if it receives two-thirds vote in each house; otherwise, it would take effect September 1, 2007.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Local municipalities would gain flexibility in the use of hotel occupancy taxes that they are currently authorized to collect.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: JOB, CT, EB