

AN ACT

1
2 relating to the use by certain municipalities of hotel occupancy
3 tax revenue for the construction of a recreational venue near
4 hotels.

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

6 SECTION 1. Section 351.101(a), Tax Code, is amended to read
7 as follows:

8 (a) Revenue from the municipal hotel occupancy tax may be
9 used only to promote tourism and the convention and hotel industry,
10 and that use is limited to the following:

11 (1) the acquisition of sites for and the construction,
12 improvement, enlarging, equipping, repairing, operation, and
13 maintenance of convention center facilities or visitor information
14 centers, or both;

15 (2) the furnishing of facilities, personnel, and
16 materials for the registration of convention delegates or
17 registrants;

18 (3) advertising and conducting solicitations and
19 promotional programs to attract tourists and convention delegates
20 or registrants to the municipality or its vicinity;

21 (4) the encouragement, promotion, improvement, and
22 application of the arts, including instrumental and vocal music,
23 dance, drama, folk art, creative writing, architecture, design and
24 allied fields, painting, sculpture, photography, graphic and craft

1 arts, motion pictures, radio, television, tape and sound recording,
2 and other arts related to the presentation, performance, execution,
3 and exhibition of these major art forms;

4 (5) historical restoration and preservation projects
5 or activities or advertising and conducting solicitations and
6 promotional programs to encourage tourists and convention
7 delegates to visit preserved historic sites or museums:

8 (A) at or in the immediate vicinity of convention
9 center facilities or visitor information centers; or

10 (B) located elsewhere in the municipality or its
11 vicinity that would be frequented by tourists and convention
12 delegates;

13 (6) for a municipality located in a county with a
14 population of one million or less, expenses, including promotion
15 expenses, directly related to a sporting event in which the
16 majority of participants are tourists who substantially increase
17 economic activity at hotels and motels within the municipality or
18 its vicinity; ~~and~~

19 (7) subject to Section 351.1076, the promotion of
20 tourism by the enhancement and upgrading of existing sports
21 facilities or fields, including facilities or fields for baseball,
22 softball, soccer, and flag football, if:

23 (A) the municipality owns the facilities or
24 fields;

25 (B) the municipality:

26 (i) has a population of 80,000 or more and
27 is located in a county that has a population of 350,000 or less;

1 (ii) has a population of at least 65,000 but
2 not more than 70,000 and is located in a county that has a
3 population of 155,000 or less; or

4 (iii) has a population of at least 34,000
5 but not more than 36,000 and is located in a county that has a
6 population of 90,000 or less; and

7 (C) the sports facilities and fields have been
8 used, in the preceding calendar year, a combined total of more than
9 10 times for district, state, regional, or national sports
10 tournaments; and

11 (8) the construction of a recreational venue in the
12 immediate vicinity of area hotels, if:

13 (A) the municipality:

14 (i) is a general-law municipality;

15 (ii) has a population of not more than 900;

16 and

17 (iii) does not impose an ad valorem tax;

18 (B) not more than \$100,000 of municipal hotel
19 occupancy tax revenue is used for the construction of the
20 recreational venue;

21 (C) a majority of the hotels in the municipality
22 request the municipality to construct the recreational venue;

23 (D) the recreational venue will be used primarily
24 by hotel guests; and

25 (E) the municipality will pay for maintenance of
26 the recreational venue from the municipality's general fund.

27 SECTION 2. This Act takes effect immediately if it receives

H.B. No. 3098

1 a vote of two-thirds of all the members elected to each house, as
2 provided by Section 39, Article III, Texas Constitution. If this
3 Act does not receive the vote necessary for immediate effect, this
4 Act takes effect September 1, 2009.

President of the Senate

Speaker of the House

I certify that H.B. No. 3098 was passed by the House on May 5, 2009, by the following vote: Yeas 144, Nays 0, 1 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3098 was passed by the Senate on May 26, 2009, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor