

1-1 By: Hughes (Senate Sponsor - Wentworth) H.B. No. 3425  
1-2 (In the Senate - Received from the House May 13, 2009;  
1-3 May 14, 2009, read first time and referred to Committee on  
1-4 Intergovernmental Relations; May 23, 2009, reported favorably by  
1-5 the following vote: Yeas 5, Nays 0; May 23, 2009, sent to  
1-6 printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the use of municipal hotel occupancy taxes.  
1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:  
1-11 SECTION 1. Section 351.101(a), Tax Code, is amended to read  
1-12 as follows:  
1-13 (a) Revenue from the municipal hotel occupancy tax may be  
1-14 used only to promote tourism and the convention and hotel industry,  
1-15 and that use is limited to the following:  
1-16 (1) the acquisition of sites for and the construction,  
1-17 improvement, enlarging, equipping, repairing, operation, and  
1-18 maintenance of convention center facilities or visitor information  
1-19 centers, or both;  
1-20 (2) the furnishing of facilities, personnel, and  
1-21 materials for the registration of convention delegates or  
1-22 registrants;  
1-23 (3) advertising and conducting solicitations and  
1-24 promotional programs to attract tourists and convention delegates  
1-25 or registrants to the municipality or its vicinity;  
1-26 (4) the encouragement, promotion, improvement, and  
1-27 application of the arts, including instrumental and vocal music,  
1-28 dance, drama, folk art, creative writing, architecture, design and  
1-29 allied fields, painting, sculpture, photography, graphic and craft  
1-30 arts, motion pictures, radio, television, tape and sound recording,  
1-31 and other arts related to the presentation, performance, execution,  
1-32 and exhibition of these major art forms;  
1-33 (5) historical restoration and preservation projects  
1-34 or activities or advertising and conducting solicitations and  
1-35 promotional programs to encourage tourists and convention  
1-36 delegates to visit preserved historic sites or museums:  
1-37 (A) at or in the immediate vicinity of convention  
1-38 center facilities or visitor information centers; or  
1-39 (B) located elsewhere in the municipality or its  
1-40 vicinity that would be frequented by tourists and convention  
1-41 delegates;  
1-42 (6) for a municipality located in a county with a  
1-43 population of one million or less, expenses, including promotion  
1-44 expenses, directly related to a sporting event in which the  
1-45 majority of participants are tourists who substantially increase  
1-46 economic activity at hotels and motels within the municipality or  
1-47 its vicinity; ~~and~~  
1-48 (7) subject to Section 351.1076, the promotion of  
1-49 tourism by the enhancement and upgrading of existing sports  
1-50 facilities or fields, including facilities or fields for baseball,  
1-51 softball, soccer, and flag football, if:  
1-52 (A) the municipality owns the facilities or  
1-53 fields;  
1-54 (B) the municipality:  
1-55 (i) has a population of 80,000 or more and  
1-56 is located in a county that has a population of 350,000 or less;  
1-57 (ii) has a population of at least 65,000 but  
1-58 not more than 70,000 and is located in a county that has a  
1-59 population of 155,000 or less; or  
1-60 (iii) has a population of at least 34,000  
1-61 but not more than 36,000 and is located in a county that has a  
1-62 population of 90,000 or less; and  
1-63 (C) the sports facilities and fields have been  
1-64 used, in the preceding calendar year, a combined total of more than

2-1 10 times for district, state, regional, or national sports  
2-2 tournaments; and  
2-3 (8) signage directing the public to sights and  
2-4 attractions that are visited frequently by hotel guests in the  
2-5 municipality.

2-6 SECTION 2. This Act takes effect immediately if it receives  
2-7 a vote of two-thirds of all the members elected to each house, as  
2-8 provided by Section 39, Article III, Texas Constitution. If this  
2-9 Act does not receive the vote necessary for immediate effect, this  
2-10 Act takes effect September 1, 2009.

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