

1-1 By: Aliseda (Senate Sponsor - Zaffirini) H.B. No. 1315
1-2 (In the Senate - Received from the House May 6, 2011;
1-3 May 9, 2011, read first time and referred to Committee on Economic
1-4 Development; May 20, 2011, reported adversely, with favorable
1-5 Committee Substitute by the following vote: Yeas 5, Nays 0;
1-6 May 20, 2011, sent to printer.)

1-7 COMMITTEE SUBSTITUTE FOR H.B. No. 1315 By: Eltife

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

1-10 relating to the use of municipal hotel occupancy tax revenue in
1-11 certain municipalities.

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 351.1066 to read as follows:

1-15 Sec. 351.1066. ALLOCATION OF REVENUE: CERTAIN
1-16 MUNICIPALITIES. (a) This section applies only to:

1-17 (1) a municipality with a population of at least 3,500
1-18 but less than 5,500 that is the county seat of a county with a
1-19 population of less than 50,000 that borders a county with a
1-20 population of more than 1.6 million; and

1-21 (2) a municipality with a population of at least 2,900
1-22 but less than 3,500 that is the county seat of a county with a
1-23 population of less than 22,000 that is bordered by the Trinity River
1-24 and includes a state park and a portion of a wildlife management
1-25 area.

1-26 (b) Notwithstanding any other provision of this chapter, a
1-27 municipality to which this section applies may use all or any
1-28 portion of the revenue derived from the municipal hotel occupancy
1-29 tax for:

1-30 (1) a business recruitment project to substantially
1-31 enhance hotel activity and encourage tourism; and

1-32 (2) the construction, enlarging, equipping,
1-33 improvement, maintenance, repairing and operation of a
1-34 recreational facility to substantially enhance hotel activity and
1-35 encourage tourism.

1-36 SECTION 2. Section 351.003, Tax Code, is amended by adding
1-37 Subsections (e) and (f) to read as follows:

1-38 (e) The rate in a municipality that has a population of more
1-39 than 95,000 and is in a county that borders Lake Palestine and has a
1-40 population of more than 200,000 may not exceed nine percent of the
1-41 price paid for a room. The municipality shall allocate for the
1-42 construction, expansion, maintenance, or operation of convention
1-43 center facilities all revenue received by the municipality that is
1-44 derived from the application of the tax at a rate of more than seven
1-45 percent of the price paid for a room in a hotel.

1-46 (f) The rate in a municipality that has a population of at
1-47 least 80,000 and is partly located in a county that borders the
1-48 State of Louisiana and has a population of at least 60,000 may not
1-49 exceed nine percent of the price paid for a room. The municipality
1-50 shall allocate for the construction, expansion, maintenance, or
1-51 operation of convention center facilities all revenue received by
1-52 the municipality that is derived from the application of the tax at
1-53 a rate of more than seven percent of the price paid for a room in a
1-54 hotel.

1-55 SECTION 3. This Act takes effect immediately if it receives
1-56 a vote of two-thirds of all the members elected to each house, as
1-57 provided by Section 39, Article III, Texas Constitution. If this
1-58 Act does not receive the vote necessary for immediate effect, this
1-59 Act takes effect September 1, 2011.

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