HOUSE VERSION	SENATE VERSION (CS)	CONFERENCE
SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1066 to read as follows: Sec. 351.1066. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES. (a) This section applies only to: (1) a municipality with a population of at least 3,500 but less than 5,500 that is the county seat of a county with a population of less than 50,000 that borders a county with a population of more than 1.6 million; and (2) a municipality with a population of at least 2,900 but less than 3,500 that is the county seat of a county with a population of less than 22,000 that is bordered by the Trinity River and includes a state park and a portion of a wildlife management area. (b) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use all or any portion of the revenue derived from the municipal hotel occupancy tax for: (1) a business recruitment project to substantially enhance hotel activity and encourage tourism; and (2) ==if requested and approved by a majority of the hotel owners or managers in the municipality==, the construction, enlarging, equipping, improvement, maintenance, repairing and operation of a recreational facility to substantially enhance hotel activity and encourage tourism.	SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1066 to read as follows: Sec. 351.1066. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES. (a) This section applies only to: (1) a municipality with a population of at least 3,500 but less than 5,500 that is the county seat of a county with a population of less than 50,000 that borders a county with a population of more than 1.6 million; and (2) a municipality with a population of at least 2,900 but less than 3,500 that is the county seat of a county with a population of less than 22,000 that is bordered by the Trinity River and includes a state park and a portion of a wildlife management area. (b) Notwithstanding any other provision of this chapter, a municipality to which this section applies may use all or any portion of the revenue derived from the municipal hotel occupancy tax for: (1) a business recruitment project to substantially enhance hotel activity and encourage tourism; and (2) the construction, enlarging, equipping, improvement, maintenance, repairing and operation of a recreational facility to substantially enhance hotel activity and encourage tourism.	
==No equivalent provision.==	SECTION 2. Section 351.003, Tax Code, is amended by adding Subsections (e) and (f) to read as follows: (e) The rate in a municipality that has a population of more than 95,000 and is in a county that borders Lake Palestine and has a population of more than 200,000 may not exceed nine percent of the price paid for a room. The municipality shall	

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	allocate for the construction, expansion, maintenance, or operation of convention center facilities all revenue received by the municipality that is derived from the application of the tax at a rate of more than seven percent of the price paid for a room in a hotel.	
	(f) The rate in a municipality that has a population of at least 80,000 and is partly located in a county that borders the State of Louisiana and has a population of at least 60,000 may not exceed nine percent of the price paid for a room. The municipality shall allocate for the construction, expansion, maintenance, or operation of convention center facilities all revenue received by the municipality that is derived from the application of the tax at a rate of more than seven percent of the price paid for a room in a hotel.	
SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2011.	SECTION 3. Same as House version.	