

AN ACT

relating to the use of municipal hotel occupancy tax revenue to enhance and upgrade sports facilities in certain municipalities.

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

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

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

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

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

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

(4) the encouragement, promotion, improvement, and application of the arts, including instrumental and vocal music, dance, drama, folk art, creative writing, architecture, design and allied fields, painting, sculpture, photography, graphic and craft arts, motion pictures, radio, television, tape and sound recording,

1 and other arts related to the presentation, performance, execution,  
2 and exhibition of these major art forms;

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

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

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

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

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

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

24 (B) the municipality:

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

27 (ii) has a population of at least 75,000 but

1 not more than 95,000 and is located in a county that has a  
2 population of less than 200,000 but more than 160,000;

3 (iii) has a population of at least 36,000  
4 but not more than 39,000 and is located in a county that has a  
5 population of 100,000 or less that is not adjacent to a county with  
6 a population of more than two million;

7 (iv) has a population of at least 13,000 but  
8 less than 39,000 and is located in a county that has a population of  
9 at least 200,000;

10 (v) has a population of at least 70,000 but  
11 less than 90,000 and no part of which is located in a county with a  
12 population greater than 150,000;

13 (vi) is located in a county that:

14 (a) is adjacent to the Texas-Mexico  
15 border;

16 (b) has a population of at least  
17 500,000; and

18 (c) does not have a municipality with  
19 a population greater than 500,000; ~~or~~

20 (vii) has a population of at least 25,000  
21 but not more than ~~that~~ 26,000 and is located in a county that has a  
22 population of 90,000 or less; or

23 (viii) has a population of at least 7,500  
24 and is located in a county that borders the Pecos River and that has  
25 a population of not more than 15,000; and

26 (C) the sports facilities and fields have been  
27 used, in the preceding calendar year, a combined total of more than

1 10 times for district, state, regional, or national sports  
2 tournaments;

3 (8) for a municipality with a population of at least  
4 70,000 but less than 90,000, no part of which is located in a county  
5 with a population greater than 150,000, the construction,  
6 improvement, enlarging, equipping, repairing, operation, and  
7 maintenance of a coliseum or multiuse facility;

8 (9) signage directing the public to sights and  
9 attractions that are visited frequently by hotel guests in the  
10 municipality;

11 (10) 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 (11) the construction, improvement, enlarging,

1 equipping, repairing, operation, and maintenance of a coliseum or  
2 multiuse facility, if the municipality:

3 (A) has a population of at least 90,000 but less  
4 than 120,000; and

5 (B) is located in two counties, at least one of  
6 which contains the headwaters of the San Gabriel River; and

7 (12) for a municipality with a population of more than  
8 175,000 but less than 225,000 that is located in two counties, each  
9 of which has a population of less than 200,000, the construction,  
10 improvement, enlarging, equipping, repairing, operation, and  
11 maintenance of a coliseum or multiuse facility and related  
12 infrastructure or a venue, as defined by Section 334.001(4), Local  
13 Government Code, that is related to the promotion of tourism.

14 SECTION 2. This Act takes effect immediately if it receives  
15 a vote of two-thirds of all the members elected to each house, as  
16 provided by Section 39, Article III, Texas Constitution. If this  
17 Act does not receive the vote necessary for immediate effect, this  
18 Act takes effect September 1, 2013.

S.B. No. 551

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 551 passed the Senate on March 27, 2013, by the following vote: Yeas 30, Nays 0.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 551 passed the House on May 20, 2013, by the following vote: Yeas 138, Nays 9, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor