

By: Zaffirini

S.B. No. 1703

A BILL TO BE ENTITLED

AN ACT

relating to the use of hotel occupancy tax revenue in certain municipalities and counties.

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

SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1067 to read as follows:

Sec. 351.1067. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES IN COUNTIES THROUGH WHICH ARANSAS RIVER FLOWS.

(a) This section applies only to a municipality located in a county with a population of less than 50,000 through which the Aransas River flows and that has a municipality with a population of more than 10,000.

(b) Notwithstanding any other provision of this chapter and except as provided by Subsection (c), a municipality to which this section applies may use not more than 50 percent of the revenue derived from the municipal hotel occupancy tax to:

(1) pay for critical water utility infrastructure repairs and improvements needed to address a severe drought that affects hotel activity in the municipality; and

(2) pledge for the payment of and pay debt incurred for a purpose described by Subdivision (1).

(c) A municipality to which this section applies may not, as a result of spending under Subsection (b), reduce the amount of municipal hotel occupancy tax revenue that the municipality spends

1 annually on advertising and promotion of the municipality to an  
2 amount that is less than the average amount the municipality spent  
3 for that purpose each year from 2010 to 2012.

4 (d) This section expires September 1, 2025.

5 SECTION 2. Subchapter B, Chapter 352, Tax Code, is amended  
6 by adding Section 352.1041 to read as follows:

7 Sec. 352.1041. USE OF REVENUE: CERTAIN COUNTIES THROUGH  
8 WHICH ARANSAS RIVER FLOWS. Notwithstanding any other provision of  
9 this chapter, a county with a population of less than 50,000 through  
10 which the Aransas River flows and that has a municipality with a  
11 population of more than 10,000 and is authorized to impose a tax  
12 under this chapter may use not more than 20 percent of the revenue  
13 from a tax imposed under this chapter for projects to repair  
14 transportation infrastructure damage that is directly attributable  
15 to hotel activity in the county.

16 SECTION 3. This Act takes effect immediately if it receives  
17 a vote of two-thirds of all the members elected to each house, as  
18 provided by Section 39, Article III, Texas Constitution. If this  
19 Act does not receive the vote necessary for immediate effect, this  
20 Act takes effect September 1, 2013.