

By: Oliveira

H.B. No. 1717

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to the use of municipal hotel occupancy taxes by certain  
3 municipalities for ecological and space exploration-related  
4 tourism.

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

6 SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended  
7 by adding Section 351.1054 to read as follows:

8 Sec. 351.1054. ALLOCATION OF REVENUE FOR ECOLOGICAL TOURISM  
9 AND SPACECRAFT AND SPACEPORT ACTIVITIES BY CERTAIN MUNICIPALITIES.

10 (a) In this section, "spacecraft" and "spaceport" have the  
11 meanings assigned by Section 507.001, Local Government Code.

12 (b) Notwithstanding any other provision of this chapter, an  
13 eligible barrier island coastal municipality may use revenue from  
14 the municipal hotel occupancy tax for:

15 (1) promotional and event expenses for an ecological  
16 tourism event, including an event for which the primary attraction  
17 is traveling to an area of natural or ecological interest for the  
18 purpose of observing and learning about wildlife and the area's  
19 natural environment, if:

20 (A) a majority of the event's participants are  
21 tourists; and

22 (B) the event substantially increases economic  
23 activity at hotels and motels within or in the vicinity of the  
24 municipality; and

1           (2) expenses directly related to:

2                   (A) the acquisition of sites for spacecraft and  
3 spaceport activities; and

4                   (B) the construction, improvement, enlarging,  
5 equipping, repairing, operation, and maintenance of facilities  
6 utilized by hotel guests to observe and learn about spacecraft and  
7 spaceport operations.

8           (c) A municipality may use for the purpose provided by  
9 Subsection (b)(1) not more than the greater of:

10                   (1) 15 percent of the hotel occupancy tax revenue  
11 collected by the municipality; or

12                   (2) the amount of tax received by the municipality at  
13 the rate of one percent of the cost of a room, whichever is greater.

14           SECTION 2. Section 351.1055(d), Tax Code, is amended to  
15 read as follows:

16           (d) Notwithstanding any other provision of this chapter and  
17 except as provided by Subsection (e), an eligible barrier island  
18 coastal municipality shall use at least the amount of revenue  
19 derived from the application of the tax at a rate of seven percent  
20 of the cost of a room for the purposes authorized under Sections  
21 351.101(a)(1) and (3) and Sections 351.1054(b)(1) and (2). If an  
22 eligible barrier island coastal municipality uses hotel occupancy  
23 tax revenue for a purpose described by Section 351.1054(b)(2), the  
24 municipality may not reduce the amount of revenue that is used for  
25 purposes described by Section 351.101(a)(3) to an amount that is  
26 less than the average amount of revenue used by the municipality for  
27 purposes described by Section 351.101(a)(3) during the 36-month

1 period that precedes the municipality's first use of revenue for a  
2 purpose described by Section 351.1054(b)(2).

3 SECTION 3. This Act takes effect immediately if it receives  
4 a vote of two-thirds of all the members elected to each house, as  
5 provided by Section 39, Article III, Texas Constitution. If this  
6 Act does not receive the vote necessary for immediate effect, this  
7 Act takes effect September 1, 2015.