

SENATE AMENDMENTS

2nd Printing

By: Guillen

H.B. No. 4037

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the rate of the hotel occupancy tax in certain counties
3 and the use of revenue from the hotel occupancy tax by certain
4 counties; authorizing an increase in the rate of a tax.

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

6 SECTION 1. Section 352.003, Tax Code, is amended by adding
7 Subsection (t) to read as follows:

8 (t) The tax rate in a county that is authorized to impose the
9 tax under Section 352.002(a)(6), that has a population of less than
10 25,000, and that is adjacent to a county with a population of more
11 than 750,000 may not exceed nine percent of the price paid for a
12 room in a hotel.

13 SECTION 2. Sections 352.1033(a) and (c), Tax Code, are
14 amended to read as follows:

15 (a) Subject to Subsection (c), the revenue from a tax
16 imposed under this chapter by a county that borders the Gulf of
17 Mexico authorized to impose the tax by Section 352.002(a)(6) may be
18 used only to:

19 (1) clean public beaches;

20 (2) acquire, furnish, or maintain facilities,
21 including parks, that enhance public access to beaches;

22 (3) provide and maintain public restrooms on or
23 adjacent to beaches or beach access facilities;

24 (4) provide and maintain litter containers on or

1 adjacent to beaches or beach access facilities;

2 (5) create, renovate, promote, and maintain parks
3 adjacent to bays, rivers, and other navigable waterways if the
4 county does not operate a public beach on the Gulf of Mexico; ~~and~~

5 (6) advertise and conduct solicitations and
6 promotional programs to attract tourists and convention delegates
7 or registrants to the county or its vicinity, any of which may be
8 conducted by the county or through contracts with persons or
9 organizations selected by the county;

10 (7) acquire a site for and construct, improve,
11 enlarge, equip, repair, operate, and maintain a visitor information
12 center; and

13 (8) encourage, promote, and improve historical
14 preservation and restoration efforts.

15 (c) In addition to the uses allowed by Subsection (a), a
16 county authorized to impose a tax under this chapter by Section
17 352.002(a)(6) that has a population of 50,000 or less and in which
18 there is located at least one ~~[state park and one]~~ national wildlife
19 refuge may use the revenue from the tax to:

20 (1) acquire, construct, furnish, or maintain
21 facilities, such as aquariums, birding centers and viewing sites,
22 history and art centers, and nature centers and trails;

23 (2) advertise and conduct solicitations and
24 promotional programs to attract conventions and visitors; and

25 (3) provide and maintain public restrooms and litter
26 containers on public land in an area that is a tourism venue.

27 SECTION 3. This Act takes effect immediately if it receives

H.B. No. 4037

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

ADOPTED

MAY 26 2015

Atty Gen
Secretary of the Senate

By: Lucio

M.B. No. 4037

Substitute the following for M.B. No. 4037:

By: Lucio

C.S. M.B. No. 4037

A BILL TO BE ENTITLED

1

AN ACT

2 relating to the authority of certain counties to impose a hotel
3 occupancy tax and the use of revenue from the hotel occupancy tax by
4 certain counties; authorizing an increase in the rate of a tax;
5 authorizing the imposition of a tax.

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

7 SECTION 1. Section 352.002, Tax Code, is amended by adding
8 Subsection (n) to read as follows:

9 (n) The commissioners court of a county with a population of
10 more than 300,000 and in which there is located all or part of the
11 most populous military installation in this state may impose a tax
12 as provided by Subsection (a).

13 SECTION 2. Section 352.003, Tax Code, is amended by adding
14 Subsections (p) and (t) to read as follows:

15 (p) In a county authorized to impose the tax under Section
16 352.002(n), the county tax rate in relation to a hotel located in a
17 municipality that imposes a tax under Chapter 351 may not exceed a
18 rate that, when added to the rate of the tax imposed by the
19 municipality under Chapter 351, exceeds the sum of the rate
20 prescribed by Section 351.003(a) plus two percent.

21 (t) The tax rate in a county that is authorized to impose the
22 tax under Section 352.002(a)(6), that has a population of less than
23 25,000, and that is adjacent to a county with a population of more
24 than 750,000 may not exceed nine percent of the price paid for a

1 room in a hotel.

2 SECTION 3. Sections 352.1033(a) and (c), Tax Code, are
3 amended to read as follows:

4 (a) Subject to Subsection (c), the revenue from a tax
5 imposed under this chapter by a county that borders the Gulf of
6 Mexico authorized to impose the tax by Section 352.002(a)(6) may be
7 used only to:

8 (1) clean public beaches;

9 (2) acquire, furnish, or maintain facilities,
10 including parks, that enhance public access to beaches;

11 (3) provide and maintain public restrooms on or
12 adjacent to beaches or beach access facilities;

13 (4) provide and maintain litter containers on or
14 adjacent to beaches or beach access facilities;

15 (5) create, renovate, promote, and maintain parks
16 adjacent to bays, rivers, and other navigable waterways if the
17 county does not operate a public beach on the Gulf of Mexico; ~~and~~

18 (6) advertise and conduct solicitations and
19 promotional programs to attract tourists and convention delegates
20 or registrants to the county or its vicinity, any of which may be
21 conducted by the county or through contracts with persons or
22 organizations selected by the county;

23 (7) acquire a site for and construct, improve,
24 enlarge, equip, repair, operate, and maintain a visitor information
25 center; and

26 (8) encourage, promote, and improve historical
27 preservation and restoration efforts.

1 (c) In addition to the uses allowed by Subsection (a), a
2 county authorized to impose a tax under this chapter by Section
3 352.002(a)(6) that has a population of 50,000 or less and in which
4 there is located at least one [~~state park and one~~] national wildlife
5 refuge may use the revenue from the tax to:

6 (1) acquire, construct, furnish, or maintain
7 facilities, such as aquariums, birding centers and viewing sites,
8 history and art centers, and nature centers and trails;

9 (2) advertise and conduct solicitations and
10 promotional programs to attract conventions and visitors; and

11 (3) provide and maintain public restrooms and litter
12 containers on public land in an area that is a tourism venue.

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

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 27, 2015

TO: Honorable Joe Straus, Speaker of the House, House of Representatives

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4037 by Guillen (Relating to the authority of certain counties to impose a hotel occupancy tax and the use of revenue from the hotel occupancy tax by certain counties; authorizing an increase in the rate of a tax; authorizing the imposition of a tax.), **As Passed 2nd House**

No fiscal implication to the State is anticipated.

The bill would add Subsection (n) to Section 352.002 to provide that a county with a population of more than 300,000, and in which there is located all or part of the most populous military installation in the state, may impose a county hotel occupancy tax.

The bill would add Subsection (p) to Section 352.003 to provide that in a county authorized to impose the tax under new Subsection 352.002(n), the county tax rate in relation to a hotel located in a municipality that imposes a municipal hotel occupancy tax may not exceed a rate that, when added to the rate of the tax imposed by the municipality, exceeds the sum of the rate prescribed by Section 351.003(a) plus two percent.

The bill would amend Section 352.003 of the Tax Code to allow a county that borders the Gulf of Mexico, has a population of less than 25,000, and is adjacent to a county with a population of more than 750,000 to impose a hotel occupancy tax not to exceed 9 percent of the price paid for a hotel room. The bill provides that the revenue from the tax imposed under this chapter, in addition to other uses authorized by law, may be used to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(a) of the Tax Code to provide that a county that borders the Gulf of Mexico may also use hotel tax revenue to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(c) by removing a requirement that a county bordering the Gulf of Mexico with a population of 50,000 or less must have at least one state park along with at least one national wildlife refuge.

Local Government Impact

Under the provisions of the bill Bell, Willacy and Kenedy Counties would be able to impose a county hotel occupancy tax. As the tax rate that might be set by the counties and the timing for the imposition of this tax are unknown, there would be an indeterminate revenue gain to Bell, Willacy and Kenedy Counties. The provisions of the bill would allow all counties that border the Gulf of Mexico additional uses for hotel occupancy tax revenue. An additional use for hotel tax revenue would have no effect on revenue, but could create a savings if another revenue source had been used for these purposes.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SZ, KK, SD, AG

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 22, 2015

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB4037** by Guillen (relating to the authority of certain counties to impose a hotel occupancy tax and the use of revenue from the hotel occupancy tax by certain counties; authorizing an increase in the rate of a tax; authorizing the imposition of a tax.), **Committee Report 2nd House, Substituted**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would add Subsection (n) to Section 352.002 to provide that a county with a population of more than 300,000, and in which there is located all or part of the most populous military installation in the state, may impose a county hotel occupancy tax.

The bill would add Subsection (p) to Section 352.003 to provide that in a county authorized to impose the tax under new Subsection 352.002(n), the county tax rate in relation to a hotel located in a municipality that imposes a municipal hotel occupancy tax may not exceed a rate that, when added to the rate of the tax imposed by the municipality, exceeds the sum of the rate prescribed by Section 351.003(a) plus two percent.

The bill would amend Section 352.003 of the Tax Code to allow a county that borders the Gulf of Mexico, has a population of less than 25,000, and is adjacent to a county with a population of more than 750,000 to impose a hotel occupancy tax not to exceed 9 percent of the price paid for a hotel room. The bill provides that the revenue from the tax imposed under this chapter, in addition to other uses authorized by law, may be used to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(a) of the Tax Code to provide that a county that borders the Gulf of Mexico may also use hotel tax revenue to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(c) by removing a requirement that a county bordering the Gulf of Mexico with a population of 50,000 or less must have at least one state park along with at least one national wildlife refuge.

Local Government Impact

Under the provisions of the bill Bell, Willacy and Kenedy Counties would be able to impose a county hotel occupancy tax. As the tax rate that might be set by the counties and the timing for the imposition of this tax are unknown, there would be an indeterminate revenue gain to Bell, Willacy and Kenedy Counties. The provisions of the bill would allow all counties that border the Gulf of Mexico additional uses for hotel occupancy tax revenue. An additional use for hotel tax revenue would have no effect on revenue, but could create a savings if another revenue source had been used for these purposes.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SZ, KK, SD, AG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 18, 2015

TO: Honorable Troy Fraser, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: **HB4037** by Guillen (Relating to the rate of the hotel occupancy tax in certain counties and the use of revenue from the hotel occupancy tax by certain counties; authorizing an increase in the rate of a tax.), **As Engrossed**

No fiscal implication to the State is anticipated.

The bill would amend Section 352.003 of the Tax Code to allow a county that borders the Gulf of Mexico, has a population of less than 25,000, and is adjacent to a county with a population of more than 750,000 to impose a hotel occupancy tax not to exceed 9 percent of the price paid for a hotel room. The bill provides that the revenue from the tax imposed under this chapter, in addition to other uses authorized by law, may be used to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(a) of the Tax Code to provide that a county that borders the Gulf of Mexico may also use hotel tax revenue to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(c) by removing a requirement that a county bordering the Gulf of Mexico with a population of 50,000 or less must have at least one state park along with at least one national wildlife refuge.

Local Government Impact

Under the provisions of the bill Willacy and Kenedy Counties would be able to impose a county hotel occupancy tax not to exceed 9 percent of the price paid for a hotel room. As the tax rate that might be set by the counties and the timing for the imposition of this tax are unknown, there would be an indeterminate revenue gain to Willacy and Kenedy Counties. The provisions of the bill would allow all counties that border the Gulf of Mexico additional uses for hotel occupancy tax revenue. An additional use for hotel tax revenue would have no effect on revenue, but could create a savings if another revenue source had been used for these purposes.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, SZ, KK, SD, AG

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION

May 4, 2015

TO: Honorable Dennis Bonnen, Chair, House Committee on Ways & Means

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: HB4037 by Guillen (Relating to the rate of the hotel occupancy taxes in certain counties and the use of revenue from the hotel occupancy tax by certain counties; authorizing an increase in the rate of a tax.), **As Introduced**

<p>No fiscal implication to the State is anticipated.</p>
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The bill would amend Section 352.003 of the Tax Code to allow a county that borders the Gulf of Mexico, has a population of less than 25,000, and is adjacent to a county with a population of more than 750,000 to impose a hotel occupancy tax not to exceed 9 percent of the price paid for a hotel room. The bill provides that the revenue from the tax imposed under this chapter, in addition to other uses authorized by law, may be used to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(a) of the Tax Code to provide that a county that borders the Gulf of Mexico may also use hotel tax revenue to acquire a site for and construct, improve, enlarge, equip, repair, operate, and maintain a visitor information center; and encourage, promote, and improve historical preservation and restoration efforts.

The bill would also amend Section 352.1033(c) by removing a requirement that a county bordering the Gulf of Mexico with a population of 50,000 or less must have at least one state park along with at least one national wildlife refuge.

Local Government Impact

Under the provisions of the bill Willacy and Kenedy Counties would be able to impose a county hotel occupancy tax not to exceed 9 percent of the price paid for a hotel room. As the tax rate that might be set by the counties and the timing for the imposition of this tax are unknown, there would be an indeterminate revenue gain to Willacy and Kenedy Counties. The provisions of the bill would allow all counties that border the Gulf of Mexico additional uses for hotel occupancy tax revenue. An additional use for hotel tax revenue would have no effect on revenue, but could create a savings if another revenue source had been used for these purposes.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, KK, SD, AG