

By: Lucio

S.B. No. 1804

A BILL TO BE ENTITLED

AN ACT

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

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

SECTION 1. Section 351.101(a), Tax Code, as amended by Chapter 979 (H.B. 3615), Acts of the 84th Legislature, Regular Session, 2015, 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

1 allied fields, painting, sculpture, photography, graphic and craft  
2 arts, motion pictures, radio, television, tape and sound recording,  
3 and other arts related to the presentation, performance, execution,  
4 and exhibition of these major art forms;

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

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

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

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

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

24 (A) the municipality owns the facilities or  
25 fields;

26 (B) the municipality:

27 (i) has a population of 80,000 or more and

1 is located in a county that has a population of 350,000 or less;

2 (ii) has a population of at least 75,000 but  
3 not more than 95,000 and is located in a county that has a  
4 population of less than 200,000 but more than 160,000;

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

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

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

15 (vi) is located in a county that:

16 (a) is adjacent to the Texas-Mexico  
17 border;

18 (b) has a population of at least  
19 500,000; and

20 (c) does not have a municipality with  
21 a population greater than 500,000;

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

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

(ix) is located in a county that has a population of not more than 300,000 and in which a component university of the University of Houston System is located; ~~[or]~~

(x) has a population of at least 40,000 and the San Marcos River flows through the municipality; or

(xi) is an eligible barrier island coastal municipality that imposes the tax at a rate equal to or greater than 7.5 percent of the price paid for a room; and

(C) the sports facilities and fields have been used, in the preceding calendar year, a combined total of more than 10 times for district, state, regional, or national sports tournaments, except that for an eligible barrier island coastal municipality that imposes the tax at a rate equal to or greater than 7.5 percent of the price paid for a room, the involved sports facilities, fields, or fishing piers have been used, in the preceding calendar year, a combined total of more than 5 times for district, state, regional, or national sports tournaments;

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

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

(10) the construction of a recreational venue in the immediate vicinity of area hotels, if:

(A) the municipality:

(i) is a general-law municipality;

(ii) has a population of not more than 900;

and

(iii) does not impose an ad valorem tax;

(B) not more than \$100,000 of municipal hotel occupancy tax revenue is used for the construction of the recreational venue;

(C) a majority of the hotels in the municipality request the municipality to construct the recreational venue;

(D) the recreational venue will be used primarily by hotel guests; and

(E) the municipality will pay for maintenance of the recreational venue from the municipality's general fund;

(11) the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of a coliseum or multiuse facility, if the municipality:

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

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

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

1 Government Code, that is related to the promotion of tourism.

2       SECTION 2. To the extent of any conflict, this Act prevails  
3 over another Act of the 85th Legislature, Regular Session, 2017,  
4 relating to nonsubstantive additions to and corrections in enacted  
5 codes.

6       SECTION 3. This Act takes effect immediately if it receives  
7 a vote of two-thirds of all the members elected to each house, as  
8 provided by Section 39, Article III, Texas Constitution. If this  
9 Act does not receive the vote necessary for immediate effect, this  
10 Act takes effect September 1, 2017.