

By: Creighton  
(Keough)

S.B. No. 2166

A BILL TO BE ENTITLED

AN ACT

relating to the use of municipal hotel occupancy tax revenues in certain municipalities.

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

SECTION 1. Section 351.101, Tax Code, is amended by adding Subsections (m) and (m-1) to read as follows:

(m) In addition to the uses authorized by Subsections (a) and (e), and notwithstanding any provision of this chapter to the contrary, a municipality with a population of 6,500 or less that has at least 800 hotel rooms within the corporate boundaries of the municipality and that is located in a county adjacent to a county with a population of 3.3 million or more may use revenue derived from the tax authorized by this chapter to directly enhance and promote tourism and the convention and hotel industry by acquiring sites for and constructing, improving, enlarging, equipping, repairing, operating, and maintaining a municipally owned:

(1) convention center facility;

(2) sports-related facility with seating for at least 4,500 people that is used or is planned for use for one or more professional or amateur sports events or other events, including rodeos, livestock shows, and performing arts events;

(3) multiuse facility that includes facilities described by Subdivisions (1) and (2); and

(4) related infrastructure for a facility described by

1 Subdivision (1), (2), or (3), as that term is defined by Section  
2 334.001(3), Local Government Code, for a venue.

3 (m-1) A municipality described by Subsection (m) that  
4 issues obligations secured wholly or partly by revenue derived from  
5 the tax authorized by this chapter for a use described by that  
6 subsection may use that revenue for those uses as long as the  
7 obligations are outstanding even if the municipality is no longer a  
8 municipality described by that subsection.

9 SECTION 2. This Act takes effect immediately if it receives  
10 a vote of two-thirds of all the members elected to each house, as  
11 provided by Section 39, Article III, Texas Constitution. If this  
12 Act does not receive the vote necessary for immediate effect, this  
13 Act takes effect September 1, 2017.