

**House Bill 4029**  
Senate Amendments  
Section-by-Section Analysis

HOUSE VERSION

SECTION 1. The heading to Section 351.1054, Tax Code, is amended to read as follows:

Sec. 351.1054. ALLOCATION OF REVENUE: ELIGIBLE BARRIER ISLAND COASTAL MUNICIPALITY [FOR ECOLOGICAL TOURISM AND SPACECRAFT AND SPACEPORT ACTIVITIES BY CERTAIN MUNICIPALITIES].

SECTION 2. Section 351.1054(b), Tax Code, is amended to read as follows:

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

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

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

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

~~and~~

(2) expenses directly related to:

(A) the acquisition of sites to observe spacecraft and spaceport activities; and

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

(3) expenses directly related to the construction, improvement, equipping, repairing, operation, and

SENATE VERSION (CS)

SECTION 1. Same as House version.

SECTION 2. Sections 351.1054(b) and (c), Tax Code, are amended to read as follows:

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

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

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

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

~~and~~

(2) expenses directly related to:

(A) the acquisition of sites to observe spacecraft and spaceport activities; and

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

(3) expenses directly related to the construction, improvement, equipping, repairing, operation, and

CONFERENCE

**House Bill 4029**  
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HOUSE VERSION

maintenance of coastal sports facilities owned by the municipality, including boat docks, boat ramps, and fishing piers used by hotel guests, if the coastal sports facilities have been used in the preceding calendar year a combined total of more than five times for district, state, regional, or national sports tournaments or events.

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

SENATE VERSION (CS)

maintenance of coastal sports facilities owned by the municipality, including boat docks, boat ramps, and fishing piers used by hotel guests, if:

(A) the coastal sports facilities have been used in the preceding calendar year a combined total of more than five times for district, state, regional, or national sports tournaments or events; and

(B) the majority of the events at the coastal sports facilities are directly related to a sports tournament or event in which the majority of participants are tourists who substantially increase economic activity at hotels within or in the vicinity of the municipality.

(c) A municipality may use for the purposes provided by Subsections (b)(1), ~~and~~ (2), and (3) not more than the greater of:

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

(2) the amount of tax received by the municipality at the rate of one percent of the cost of a room.

SECTION 3. Same as House version.

CONFERENCE