

AN ACT

relating to the imposition and use of a hotel occupancy tax by certain municipalities and counties.

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

SECTION 1. Sections 351.1068(b) and (c), Tax Code, are amended to read as follows:

(b) A municipality to which this section applies may use revenue derived from the municipal hotel occupancy tax to construct, maintain, or expand a sporting-related facility, a [ex] sporting-related field, or related infrastructure as defined by Section 334.001, Local Government Code, that is located within 2,500 feet of the facility or field and is directly related to the facility or field, provided that:

(1) the facility, field, or infrastructure is located on property owned by the municipality; and

(2) [ , provided ] the municipality's 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, games, or events.

(c) A municipality to which this section applies that uses revenue derived from the municipal hotel occupancy tax for a purpose described by Subsection (b):

(1) shall determine the amount of municipal hotel occupancy tax revenue generated for the municipality by hotel

1 activity attributable to the [~~sports tournaments, games, and events~~  
2 ~~held on the~~] newly constructed, enhanced, or upgraded facilities,  
3 [~~or~~] fields, or related infrastructure for 10 years after the date  
4 the original construction, enhancements, or upgrades of the first  
5 of the facilities or fields are completed; and

6 (2) may not spend municipal hotel occupancy tax  
7 revenue for the construction, enhancement, or upgrading of the  
8 facilities, [~~or~~] fields, or related infrastructure in a total  
9 amount that exceeds the amount of area hotel revenue attributable  
10 to the construction, enhancements, or upgrades as determined under  
11 Subdivision (1).

12 SECTION 2. Section 352.002, Tax Code, is amended by adding  
13 Subsection (s) to read as follows:

14 (s) The commissioners court of a county with a population of  
15 less than 17,000 that borders the Red River and in which at least  
16 two United States highways cross into Oklahoma may impose a tax as  
17 provided by Subsection (a).

18 SECTION 3. Section 352.003, Tax Code, is amended by adding  
19 Subsection (x) to read as follows:

20 (x) The tax rate in a county authorized to impose the tax  
21 under Section 352.002(s) may not exceed two percent of the price  
22 paid for a room in a hotel.

23 SECTION 4. This Act takes effect September 1, 2019.

\_\_\_\_\_  
President of the Senate

\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 2137 passed the Senate on April 10, 2019, by the following vote: Yeas 29, Nays 1; and that the Senate concurred in House amendment on May 21, 2019, by the following vote: Yeas 29, Nays 2.

\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 2137 passed the House, with amendment, on May 16, 2019, by the following vote: Yeas 103, Nays 31, two present not voting.

\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor