

By: Zwiener

H.B. No. 3223

Substitute the following for H.B. No. 3223:

By: Thierry

C.S.H.B. No. 3223

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the use by certain municipalities of municipal hotel  
3 occupancy tax revenue for the enhancement and maintenance of public  
4 parks.

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

6 SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended  
7 by adding Section 351.111 to read as follows:

8 Sec. 351.111. ALLOCATION OF REVENUE FOR PUBLIC PARKS BY  
9 CERTAIN MUNICIPALITIES. (a) This section applies only to:

- 10 (1) a municipality described by Section 351.101(o);  
11 (2) a municipality described by Section 351.152(29);  
12 (3) a municipality that is bisected by U.S. Highway  
13 290 and is located in a county that:

14 (A) is adjacent to the county in which the State  
15 Capitol is located; and

16 (B) has a population of more than 150,000; and  
17 (4) a municipality with a population of less than  
18 3,000 that borders the Pecan Bayou and has a visitors and events  
19 center.

20 (b) Notwithstanding any other provision of this chapter and  
21 subject to the requirements of this section, a municipality to  
22 which this section applies may use a portion of the revenue derived  
23 from the tax imposed under this chapter to promote tourism and the  
24 convention and hotel industry by enhancing and maintaining public

1 parks owned by the municipality.

2 (c) The amount of municipal hotel occupancy tax revenue a  
3 municipality may use in a fiscal year to enhance and maintain all  
4 public parks may not exceed 10 percent of the amount of revenue the  
5 municipality collected from that tax during the preceding fiscal  
6 year.

7 (d) The amount of municipal hotel occupancy tax revenue a  
8 municipality may use in a fiscal year to enhance and maintain an  
9 individual public park may not exceed the amount of area hotel  
10 revenue in the preceding fiscal year that was directly attributable  
11 to tourists who attended events held at that park or otherwise  
12 visited that park. Before the municipality uses municipal hotel  
13 occupancy tax revenue to enhance or maintain a park, the  
14 municipality must make a good faith estimate of the annual amount of  
15 area hotel revenue directly attributable to tourists who visited  
16 that park.

17 (e) A municipality that uses municipal hotel occupancy tax  
18 revenue under this section:

19 (1) may, notwithstanding the limitation under  
20 Subsection (c), reserve not more than 10 percent of the revenue from  
21 that tax collected in a fiscal year for use under this section  
22 during the succeeding three fiscal years; and

23 (2) may not reduce the percentage of revenue from that  
24 tax allocated for a purpose described by Section 351.101(a)(3) to a  
25 percentage that is less than the average percentage of the revenue  
26 from that tax allocated by the municipality for the purpose  
27 described by Section 351.101(a)(3) during the 36-month period

1 preceding the date the municipality begins using revenue for a  
2 purpose described by this section.

3 SECTION 2. This Act takes effect immediately if it receives  
4 a vote of two-thirds of all the members elected to each house, as  
5 provided by Section 39, Article III, Texas Constitution. If this  
6 Act does not receive the vote necessary for immediate effect, this  
7 Act takes effect September 1, 2021.