

By: Buckingham

S.B. No. 1469

A BILL TO BE ENTITLED

AN ACT

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

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

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

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

(1) a municipality with a population of less than 200,000; and

(2) a municipality with a population of less than 300,000 that contains a component institution of the Texas Tech University System.

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

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

1 year.

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

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

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

18 (2) may not reduce the percentage of revenue from that
19 tax allocated for a purpose described by Section 351.101(a)(3) to a
20 percentage that is less than the average percentage of the revenue
21 from that tax allocated by the municipality for the purpose
22 described by Section 351.101(a)(3) during the 36-month period
23 preceding the date the municipality begins using revenue for a
24 purpose described by this section.

25 SECTION 2. This Act Takes effect immediately if it receives
26 a vote of two-thirds of all the members elected to each house, as
27 provided by Section 39, Article III, Texas Constitution. If this

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1 Act does not receive the vote necessary for immediate effect, this

2 Act takes effect September 1, 2021.