

By: Kolkhorst

S.B. No. 1505

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the use of hotel occupancy tax revenue by certain
3 municipalities and the authority of certain municipalities to
4 pledge that revenue, and to receive and pledge certain other
5 revenue, for the payment of obligations related to a hotel and
6 convention center project.

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

8 SECTION 1. Section 351.10712(a), Tax Code, is amended to
9 read as follows:

10 (a) This section applies only to:

11 (1) a municipality with a population of at least
12 95,000 that is located in a county that is bisected by United States
13 Highway 385 and has a population of not more than 140,000; and

14 (2) a municipality located in a county that has a
15 population of not more than 300,000 and in which a component
16 university of the University of Houston System is located.

17 SECTION 2. Section 351.152, Tax Code, is amended to read as
18 follows:

19 Sec. 351.152. APPLICABILITY. This subchapter applies only
20 to:

21 (1) a municipality described by Section
22 351.001(7)(B);

23 (2) a municipality described by Section
24 351.001(7)(D);

1 (3) a municipality described by Section
2 351.001(7)(E);

3 (4) a municipality described by Section
4 351.102(e)(3);

5 (5) a municipality that contains more than 75 percent
6 of the population of a county with a population of 1.5 million or
7 more;

8 (6) a municipality with a population of 150,000 or
9 more but less than 200,000 that is partially located in at least one
10 county with a population of 125,000 or more;

11 (7) a municipality with a population of 150,000 or
12 more but less than one million that is located in one county with a
13 population of 2.3 million or more;

14 (8) a municipality with a population of 180,000 or
15 more that:

16 (A) is located in two counties, each with a
17 population of 100,000 or more; and

18 (B) contains an American Quarter Horse Hall of
19 Fame and Museum;

20 (9) a municipality with a population of 96,000 or more
21 that is located in a county that borders Lake Palestine;

22 (10) a municipality with a population of 96,000 or
23 more that is located in a county that contains the headwaters of the
24 San Gabriel River;

25 (11) a municipality with a population of 99,900 or
26 more but less than 111,000 that is located in a county with a
27 population of 135,000 or more;

1 (12) a municipality with a population of 110,000 or
2 more but less than 135,000 at least part of which is located in a
3 county with a population of less than 135,000;

4 (13) a municipality with a population of 9,000 or more
5 but less than 10,000 that is located in two counties, each of which
6 has a population of 662,000 or more and a southern border with a
7 county with a population of 2.3 million or more;

8 (14) a municipality with a population of 200,000 or
9 more but less than 300,000 that contains a component institution of
10 the Texas Tech University System;

11 (15) a municipality with a population of 95,000 or
12 more that:

13 (A) is located in more than one county; and

14 (B) borders Lake Lewisville;

15 (16) a municipality with a population of 45,000 or
16 more that:

17 (A) contains a portion of Cedar Hill State Park;

18 (B) is located in two counties, one of which has a
19 population of two million or more and one of which has a population
20 of 149,000 or more; and

21 (C) has adopted a capital improvement plan for
22 the construction or expansion of a convention center facility;

23 (17) a municipality with a population of less than
24 6,000 that:

25 (A) is almost wholly located in a county with a
26 population of 600,000 or more that is adjacent to a county with a
27 population of two million or more;

1 (B) is partially located in a county with a
2 population of 1.8 million or more that is adjacent to a county with
3 a population of two million or more;

4 (C) has a visitor center and museum located in a
5 19th-century rock building in the municipality's downtown; and

6 (D) has a waterpark open to the public;

7 (18) a municipality with a population of 56,000 or
8 more that:

9 (A) borders Lake Ray Hubbard; and

10 (B) is located in two counties, one of which has a
11 population of less than 80,000;

12 (19) a municipality with a population of 83,000 or
13 more that:

14 (A) borders Clear Lake; and

15 (B) is primarily located in a county with a
16 population of less than 300,000;

17 (20) a municipality with a population of less than
18 2,000 that:

19 (A) is located adjacent to a bay connected to the
20 Gulf of Mexico;

21 (B) is located in a county with a population of
22 290,000 or more that is adjacent to a county with a population of
23 four million or more; and

24 (C) has a boardwalk on the bay;

25 (21) a municipality with a population of 75,000 or
26 more that:

27 (A) is located wholly in one county with a

1 population of 575,000 or more that is adjacent to a county with a
2 population of four million or more; and

3 (B) has adopted a capital improvement plan for
4 the construction or expansion of a convention center facility;

5 (22) a municipality with a population of less than
6 75,000 that is located in three counties, at least one of which has
7 a population of four million or more;

8 (23) an eligible coastal municipality with a
9 population of 3,000 or more but less than 5,000;

10 (24) a municipality with a population of 90,000 or
11 more but less than 150,000 that:

12 (A) is located in three counties; and

13 (B) contains a branch campus of a component
14 institution of the University of Houston System;

15 (25) a municipality that is:

16 (A) primarily located in a county with a
17 population of four million or more; and

18 (B) connected by a bridge to a municipality
19 described by Subdivision (20);

20 (26) a municipality with a population of 20,000 or
21 more but less than 25,000 that:

22 (A) contains a portion of Mustang Bayou; and

23 (B) is wholly located in a county with a
24 population of less than 500,000;

25 (27) a municipality with a population of 70,000 or
26 more but less than 90,000 that is located in two counties, one of
27 which has a population of four million or more and the other of

1 which has a population of less than 50,000;

2 (28) a municipality with a population of 10,000 or
3 more that:

4 (A) is wholly located in a county with a
5 population of four million or more; and

6 (B) has a city hall located less than three miles
7 from a space center operated by an agency of the federal government;

8 (29) a municipality that is the county seat of a
9 county:

10 (A) through which the Pedernales River flows; and

11 (B) in which the birthplace of a president of the
12 United States is located;

13 (30) a municipality that contains a portion of U.S.
14 Highway 79 and State Highway 130;

15 (31) a municipality with a population of 48,000 or
16 more but less than 95,000 that is located in two counties, one of
17 which has a population of 900,000 or more but less than 1.7 million;

18 (32) a municipality with a population of less than
19 25,000 that contains a museum of Western American art;

20 (33) a municipality with a population of 50,000 or
21 more that is the county seat of a county that contains a portion of
22 the Sam Houston National Forest;

23 (34) a municipality with a population of less than
24 25,000 that:

25 (A) contains a cultural heritage museum; and

26 (B) is located in a county that borders the
27 United Mexican States and the Gulf of Mexico;

1 (35) a municipality that is the county seat of a county
2 that:

3 (A) has a population of 115,000 or more;

4 (B) is adjacent to a county with a population of
5 1.8 million or more; and

6 (C) hosts an annual peach festival;

7 (36) a municipality that is the county seat of a county
8 that:

9 (A) has a population of 585,000 or more; and

10 (B) is adjacent to a county with a population of
11 four million or more;

12 (37) a municipality with a population of less than
13 10,000 that:

14 (A) contains a component university of The Texas
15 A&M University System; and

16 (B) is located in a county adjacent to a county
17 that borders Oklahoma;

18 (38) a municipality with a population of less than
19 6,100 that:

20 (A) is located in two counties, each of which has
21 a population of 600,000 or more but less than two million; and

22 (B) hosts an annual Cajun Festival;

23 (39) a municipality with a population of 13,000 or
24 more that:

25 (A) is located on an international border; and

26 (B) is located in a county:

27 (i) with a population of less than 400,000;

1 and

2 (ii) in which at least one World Birding
3 Center site is located;

4 (40) a municipality with a population of 4,000 or more
5 that:

6 (A) is located on an international border; and

7 (B) is located not more than five miles from a
8 state historic site that serves as a visitor center for a state park
9 that contains 300,000 or more acres of land;

10 (41) a municipality with a population of 36,000 or
11 more that is adjacent to at least two municipalities described by
12 Subdivision (15); ~~and~~

13 (42) a municipality with a population of 28,000 or
14 more in which is located a historic railroad depot and heritage
15 center; and

16 (43) a municipality located in a county that has a
17 population of not more than 300,000 and in which a component
18 university of the University of Houston System is located.

19 SECTION 3. Sections 351.157(b), (c), and (e), Tax Code, are
20 amended to read as follows:

21 (b) This section applies only to:

22 (1) a municipality described by Section 351.152(3);

23 (2) a municipality described by Section 351.152(6);

24 (3) a municipality described by Section 351.152(7);

25 (4) a municipality described by Section 351.152(10);

26 (5) a municipality described by Section 351.152(16);

27 (6) a municipality described by Section 351.152(22);

- 1 (7) a municipality described by Section 351.152(25);
- 2 (8) a municipality described by Section 351.152(34);
- 3 (9) a municipality described by Section 351.152(35);
- 4 (10) a municipality described by Section 351.152(36);
- 5 ~~and~~
- 6 (11) a municipality described by Section 351.152(38);
- 7 and
- 8 (12) a municipality described by Section 351.152(43).

9 (c) A municipality is entitled to receive revenue under
10 Subsection (d) derived from the following types of establishments
11 that meet the requirements of Subsections (a)(1), (2), (3), and
12 (4):

- 13 (1) for a municipality described by Subsection (b)(1):
 - 14 (A) restaurants, bars, and retail
 - 15 establishments; and
 - 16 (B) swimming pools and swimming facilities owned
 - 17 or operated by the related qualified hotel;
- 18 (2) for a municipality described by Subsection (b)(2),
- 19 restaurants, bars, and retail establishments;
- 20 (3) for a municipality described by Subsection (b)(3),
- 21 restaurants, bars, and retail establishments;
- 22 (4) for a municipality described by Subsection (b)(4):
 - 23 (A) restaurants, bars, and retail
 - 24 establishments; and
 - 25 (B) swimming pools and swimming facilities owned
 - 26 or operated by the related qualified hotel;
- 27 (5) for a municipality described by Subsection (b)(5),

1 restaurants, bars, and retail establishments;

2 (6) for a municipality described by Subsection (b)(6),
3 restaurants, bars, and retail establishments;

4 (7) for a municipality described by Subsection (b)(7),
5 restaurants, bars, and retail establishments;

6 (8) for a municipality described by Subsection (b)(8),
7 restaurants, bars, and retail establishments;

8 (9) for a municipality described by Subsection (b)(9),
9 restaurants, bars, and retail establishments;

10 (10) for a municipality described by Subsection
11 (b)(10):

12 (A) restaurants, bars, and retail
13 establishments; and

14 (B) swimming pools and swimming facilities owned
15 or operated by the related qualified hotel; ~~and~~

16 (11) for a municipality described by Subsection
17 (b)(11):

18 (A) restaurants, bars, and retail
19 establishments; and

20 (B) swimming pools and swimming facilities owned
21 or operated by the related qualified hotel; and

22 (12) for a municipality described by Subsection
23 (b)(12):

24 (A) restaurants, bars, and retail
25 establishments; and

26 (B) swimming pools and swimming facilities owned
27 or operated by the related qualified hotel.

1 (e) A municipality to which this section applies is not
2 entitled to receive revenue under Subsection (d) unless the
3 municipality commences a qualified project under this subchapter
4 before September 1, 2025 [~~2023~~].

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