By:  Middleton S.B. No. 2564

A BILL TO BE ENTITLED

AN ACT

relating to the use of hotel occupancy tax revenue by certain municipalities.

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

SECTION 1.  Section 351.101, Tax Code, is amended by adding Subsection (q) to read as follows:

(q)  In addition to the purposes provided by Subsections (a) and (e), a municipality described by Section 351.102(e)(13) may use revenue from the hotel occupancy tax for the promotion of tourism.

SECTION 2.  Sections 351.102(e) and (g), Tax Code, are amended to read as follows:

(e)  In addition to the municipalities described by Subsection (b), that subsection also applies to:

(1)  a municipality with a population of at least 15,000 but not more than 21,000 that:

(A)  is wholly located in a county with a population of more than 300,000 but not more than 425,000;

(B)  is located in a county adjacent to a county with a population of over 4,000,000; and

(C)  has its city hall located not more than twenty miles from a cruise port in Texas.

(g)  A municipality to which this section applies may not receive or pledge revenue or funds under Subsection (b) or (c) for a hotel project unless the municipality enters into an agreement with a person for the development of the hotel project before September 1, 2023 [~~2021~~].

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, 2023.