

1-1 By: Morrison (Senate Sponsor - Huffman) H.B. No. 2497  
 1-2 (In the Senate - Received from the House May 1, 2023;  
 1-3 May 1, 2023, read first time and referred to Committee on Natural  
 1-4 Resources & Economic Development; May 12, 2023, reported favorably  
 1-5 by the following vote: Yeas 7, Nays 0; May 12, 2023, sent to  
 1-6 printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14			X	
1-15	X			
1-16			X	
1-17	X			

1-18 A BILL TO BE ENTITLED  
 1-19 AN ACT

1-20 relating to the use of municipal hotel occupancy tax revenue by  
 1-21 certain municipalities.

1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-23 SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended  
 1-24 by adding Section 351.10713 to read as follows:

1-25 Sec. 351.10713. ALLOCATION OF REVENUE FOR CONSTRUCTION,  
 1-26 EXPANSION, AND OPERATION OF RECREATIONAL OR SPORTS FACILITIES AND  
 1-27 FIELDS BY CERTAIN MUNICIPALITIES. (a) This section applies only  
 1-28 to a municipality that is the county seat of a county:

1-29 (1) that borders the Gulf of Mexico; and

1-30 (2) through which the Colorado River flows.

1-31 (b) Notwithstanding any other provision of this chapter and  
 1-32 subject to Subsections (c), (d), and (e), a municipality to which  
 1-33 this section applies may, for the purpose of promoting tourism and  
 1-34 the convention and hotel industry, use revenue derived from the  
 1-35 municipal hotel occupancy tax to:

1-36 (1) construct and expand recreational or sports  
 1-37 facilities and fields owned by the municipality or another  
 1-38 governmental entity; and

1-39 (2) operate recreational or sports facilities and  
 1-40 fields owned by the municipality or another governmental entity.

1-41 (c) A municipality to which this section applies that uses  
 1-42 municipal hotel occupancy tax revenue for a purpose described by  
 1-43 Subsection (b)(1):

1-44 (1) shall determine the amount of municipal hotel  
 1-45 occupancy tax revenue generated for the municipality by hotel  
 1-46 activity attributable to the events held at the recreational or  
 1-47 sports facilities and fields for five years after the date the  
 1-48 construction or expansion of the facilities and fields is complete;

1-49 (2) may not spend municipal hotel occupancy tax  
 1-50 revenue for a purpose described by Subsection (b)(1) in a total  
 1-51 amount that exceeds the amount of area hotel revenue attributable  
 1-52 to the construction or expansion of the facilities and fields; and

1-53 (3) shall reimburse from the municipality's general  
 1-54 fund any expenditure in excess of the amount of area hotel revenue  
 1-55 attributable to the construction or expansion of the facilities and  
 1-56 fields to the municipality's hotel occupancy tax revenue fund.

1-57 (d) A municipality to which this section applies may not use  
 1-58 municipal hotel occupancy tax revenue for a purpose described by  
 1-59 Subsection (b)(2) in an amount each year that exceeds the amount of  
 1-60 area hotel revenue in that year attributable to events held at the  
 1-61 recreational or sports facilities and fields.

