By:  Birdwell S.B. No. 2779

A BILL TO BE ENTITLED

AN ACT

relating to the allocation and use of certain hotel occupancy tax revenues.

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

SECTION 1.  Section 156.2511, Tax Code, is amended by amending Subsections (a) and (b) and adding Subsection (b-1) to read as follows:

(a)  Not later than the last day of the month following a calendar quarter, the comptroller shall:

(1)  compute the amount of revenue derived from the collection of taxes imposed under this chapter at a rate of two percent and received from hotels located in an eligible coastal municipality that has created a park board of trustees to administer public beaches under Chapter 306, Local Government Code; and

(2)  issue to the park board of trustees created by the eligible coastal municipality a warrant drawn on the general revenue fund in the amount computed under Subdivision (1).

(b)  Money [~~An eligible coastal municipality may use money~~] received under this section may be used only to clean and maintain public beaches in the eligible coastal [~~that~~] municipality.

(b-1)  The comptroller may issue a warrant under this section only if the eligible coastal municipality has:

(1)  allocated at least one percent of the tax imposed by the municipality under Chapter 351 to clean and maintain public beaches in the municipality; and

(2)  either:

(A)  applied for state funds under Subchapter C, Chapter 61, Natural Resources Code; or

(B)  made available to the comptroller the same information required to be contained in an application under Section 61.069, Natural Resources Code.

SECTION 2.  Section 351.101, Tax Code, is amended by adding Subsection (b-1) to read as follows:

(b-1)  Notwithstanding Subsection (a), revenue derived from the tax authorized by this chapter may not be expended in a manner or by a program or activity that discriminates on the basis of race, color, disability, sex, religion, age, or national origin.

SECTION 3.  This Act takes effect September 1, 2025.