

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

1 by the municipality under Chapter 351 to clean and maintain public  
2 beaches in the municipality; and

3 (2) either:

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

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

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

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

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