

AN ACT

relating to use and allocation of municipal hotel occupancy tax revenues for 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 (i) to read as follows:

(i) In addition to the purposes provided by Subsection (a), a municipality that has a population of at least 75,000 but not more than 95,000 and that is located in a county that has a population of more than 160,000 but less than 200,000 may use revenue from the municipal hotel tax to promote tourism and the convention and hotel industry by constructing, operating, or expanding a sporting related facility or sports field owned by the municipality, if the majority of the events at the facility or field are directly related to a sporting event in which the majority of participants are tourists who substantially increase economic activity at hotels in the municipality.

SECTION 2. Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1078 to read as follows:

Sec. 351.1078. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES. (a) A municipality that spends municipal hotel occupancy tax revenue as authorized by Section 351.101(i):

(1) may not use municipal hotel occupancy tax revenue for the acquisition of land for the sporting related facility or

1 sports field described by that subsection;

2 (2) shall annually determine and prepare and publish  
3 on the municipality's Internet website a report on the events held  
4 at the facility or field, the number of hotel room nights  
5 attributable to events held at the facility or field, and the amount  
6 of hotel revenue and municipal tax revenue attributable to the  
7 sports events and tournaments held at the facility or field for five  
8 years after the date the construction expenditures are completed;  
9 and

10 (3) may only spend hotel occupancy tax revenue for  
11 operational expenses of the facility or field if the costs are  
12 directly related to a sporting event in which the majority of  
13 participants are tourists who substantially increase economic  
14 activity at hotels in or near the municipality.

15 (b) The municipality shall reimburse to the municipality's  
16 hotel occupancy tax revenue fund from the municipality's general  
17 fund any expenditure in excess of the amount of area hotel revenue  
18 attributable to sporting events held at the sporting related  
19 facility or sports field described by Section 351.101(i) for five  
20 years after the date the construction or expansion of the facility  
21 or field described by that subsection is completed.

22 SECTION 3. This Act takes effect immediately if it receives  
23 a vote of two-thirds of all the members elected to each house, as  
24 provided by Section 39, Article III, Texas Constitution. If this  
25 Act does not receive the vote necessary for immediate effect, this  
26 Act takes effect September 1, 2015.

H.B. No. 3629

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President of the Senate

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Speaker of the House

I certify that H.B. No. 3629 was passed by the House on April 30, 2015, by the following vote: Yeas 135, Nays 4, 1 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 3629 was passed by the Senate on May 26, 2015, by the following vote: Yeas 29, Nays 2.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor