

## **BILL ANALYSIS**

Senate Research Center

H.B. 1315  
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Economic Development  
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Engrossed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Certain counties and municipalities are currently authorized to issue a municipal hotel occupancy tax for, among other uses, promoting tourism.

H.B. 1315 amends current law relating to the use of municipal hotel occupancy tax revenue in certain municipalities.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter B, Chapter 351, Tax Code, by adding Section 351.1066, as follows:

Sec. 351.1066. ALLOCATION OF REVENUE: CERTAIN MUNICIPALITIES. (a)  
Provides that this section applies only to:

(1) a municipality with a population of at least 3,500 but less than 5,500 that is the county seat of a county with a population of less than 50,000 that borders a county with a population of more than 1.6 million; and

(2) a municipality with a population of at least 2,900 but less than 3,500 that is the county seat of a county with a population of less than 22,000 that is bordered by the Trinity River and includes a state park and a portion of a wildlife management area.

(b) Authorizes a municipality to which this section applies, notwithstanding any other provision of this chapter, to use all or any portion of the revenue derived from the municipal hotel occupancy tax for:

(1) a business recruitment project to substantially enhance hotel activity and encourage tourism; and

(2) if requested and approved by a majority of the hotel owners or managers in the municipality, the construction, enlarging, equipping, improvement, maintenance, repairing and operation of a recreational facility to substantially enhance hotel activity and encourage tourism.

SECTION 2. Effective date: upon passage or September 1, 2011.