

CHAPTER 1123

S.B. No. 1514

AN ACT

relating to the rate of certain county hotel occupancy taxes and to the uses of hotel tax revenue in certain counties.

*Be it enacted by the Legislature of the State of Texas:*

SECTION 1. Subsection (b), Section 4, Chapter 796, Acts of the 67th Legislature, Regular Session, 1981 (Article 2372d-8, Vernon's Texas Civil Statutes), is amended to read as follows:

(b) As to a hotel located in an incorporated city with a population of 1,200,000 or more, according to the most recent federal census, the applicable percentage is *two* [~~three~~] percent until January 1, 2001 [~~1984~~], and one percent on or after that date. As to any other hotel, the applicable percentage is seven percent, *except that until January 1, 2001, the applicable percentage is eight percent in a county with a population of more than 2,000,000 according to the most recent federal census.*

SECTION 2. Section 6, Chapter 796, Acts of the 67th Legislature, Regular Session, 1981 (Article 2372d-8, Vernon's Texas Civil Statutes), is amended by amending Subsection (a) and adding Subsections (c) and (d) to read as follows:

(a) The revenue derived from any occupancy tax authorized or validated by this article may only be used for:

(1) the acquisition of sites for and the construction, improvement, enlarging, equipping, repairing, operation, and maintenance of public improvements such as civic centers, civic center buildings, auditoriums, exhibition halls, coliseums, and stadiums, including sports and other facilities (either or all) that serve the purpose of attracting visitors and tourists to the county, and parking areas or facilities for the parking or storage of motor vehicles or other conveyances located at or in the immediate vicinity of the convention center facilities;

(2) the furnishing of facilities, personnel, and materials for the registration of convention delegates or registrants; [~~and~~]

(3) those counties bordering the Republic of Mexico, as provided in Section 1 of Article 1 of this Act, advertising for general promotion and tourist advertising of the country and its vicinity and conducting a solicitation and operating program to attract conventions and visitors either by the county or through contracts with persons or organizations selected by the county; *and*

(4) *in a county with a population of more than 2,000,000 according to the most recent federal census, advertising for general promotion and tourist advertising of the*

*county and its vicinity and conducting a solicitation program to attract conventions and visitors, any of which may be conducted by the county or through contracts with persons or organizations selected by the county.*

*(c) In each county fiscal year, a county with a population of more than 2,000,000 according to the most recent federal census that levies a tax under this Act must spend for the purposes provided by Subdivision (4) of Subsection (a) of this section an amount that is not less than 15 percent of the amount of revenue derived in that year from the application of the tax at a rate of one percent.*

*(d) A county with a population of more than 2,000,000 according to the most recent federal census shall endeavor to coordinate its promotional and advertising activities conducted under authority of Subdivision (4) of Subsection (a) of this section with the city having the greatest population in the county.*

SECTION 3. This Act takes effect September 1, 1987.

SECTION 4. The importance of this legislation and the crowded condition of the calendars in both houses create an emergency and an imperative public necessity that the constitutional rule requiring bills to be read on three several days in each house be suspended, and this rule is hereby suspended.

Passed the Senate on May 23, 1987, by the following vote: Yeas 30, Nays 0; and that the Senate concurred in House amendments on June 1, 1987, by a viva-voce vote.

Passed the House, with amendments, on May 30, 1987, by a non-record vote.

Approved June 20, 1987.

Effective Sept. 1, 1987.