

1-1 By: Rodríguez S.B. No. 440
1-2 (In the Senate - Filed January 6, 2017; February 6, 2017,
1-3 read first time and referred to Committee on Natural Resources &
1-4 Economic Development; March 29, 2017, reported adversely, with
1-5 favorable Committee Substitute by the following vote: Yeas 8,
1-6 Nays 0, 1 present not voting; March 29, 2017, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	Estes	X		
1-10	Zaffirini	X		
1-11	Burton		X	
1-12	Garcia	X		
1-13	Hancock		X	
1-14	Hinojosa	X		
1-15	Huffines	X		
1-16	Miles	X		
1-17	Rodríguez	X		
1-18	Seliger	X		
1-19	Taylor of Collin			X

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 440 By: Hinojosa

1-21 A BILL TO BE ENTITLED
1-22 AN ACT

1-23 relating to the use by certain municipalities of hotel occupancy
1-24 tax revenue to improve or expand certain airports.

1-25 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-26 SECTION 1. Subchapter B, Chapter 351, Tax Code, is amended
1-27 by adding Section 351.1036 to read as follows:

1-28 Sec. 351.1036. ALLOCATION OF REVENUE FOR AIRPORTS BY
1-29 CERTAIN MUNICIPALITIES IN BORDER COUNTIES. (a) This section
1-30 applies only to a municipality that is the county seat of a county
1-31 that borders:

1-32 (1) the United Mexican States;

1-33 (2) a county described by Section 352.002(a)(7); and

1-34 (3) a county described by Section 352.002(a)(14).

1-35 (b) Notwithstanding any other provision of this chapter, a
1-36 municipality to which this section applies may use municipal hotel
1-37 occupancy tax revenue to improve or expand an airport:

1-38 (1) owned by the county in which the municipality is
1-39 located;

1-40 (2) located more than 150 miles from the nearest
1-41 airport in this state with regularly scheduled commercial airline
1-42 flights; and

1-43 (3) substantially used for private air service that
1-44 transports individuals staying at hotels in or near the
1-45 municipality.

1-46 (c) A municipality to which this section applies may not use
1-47 municipal hotel occupancy tax revenue to improve or expand an
1-48 airport described by Subsection (b):

1-49 (1) in an amount each fiscal year that exceeds 15
1-50 percent of the hotel occupancy tax revenue collected by the
1-51 municipality during that year; or

1-52 (2) in a total amount under this section that would
1-53 exceed the amount of hotel revenue in the municipality that is
1-54 likely to be reasonably attributable to guests traveling through
1-55 the airport during the 15-year period beginning on the date the
1-56 municipality first uses municipal hotel occupancy tax revenue to
1-57 improve or expand the airport.

1-58 (d) A municipality to which this section applies may not use
1-59 municipal hotel occupancy tax revenue to improve or expand an
1-60 airport described by Subsection (b) after the 10th anniversary of

the date the municipality first uses that revenue for that purpose.

(e) The governing body of a municipality shall retain sufficient control over revenue described by this section to ensure the revenue is used to benefit the municipality by improving or expanding an airport described by Subsection (b).

(f) This section expires December 31, 2032.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

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