



Recommendation to Council

Hispanic/Latino Quality of Life Resource Advisory Commission

(20260324-019): Explore alternative funding resources for Cultural Arts, specifically state legislation that would increase the 15% HOT Tax fund cap for funding programs.

WHEREAS, the City of Austin relies in part on Hotel Occupancy Tax (HOT) funds to support cultural arts programs, which are essential to the city's economic vitality, cultural diversity, and tourism sector; and

WHEREAS, current legislation limits HOT fund allocation to cultural arts programs to a 15% cap, restricting the ability of the City to fully support local artists, organizations, and cultural initiatives; and

WHEREAS, increased funding flexibility could enhance equitable access to resources for underrepresented artists and culturally specific programs, including Latinx, Indigenous, and other historically marginalized communities; and

WHEREAS, alternative funding strategies, including advocating for state legislation to raise the HOT tax allocation cap, could provide sustainable and expanded support for Austin's arts ecosystem; and

WHEREAS, the Hispanic/Latino Quality of Life Commission has identified increased investment in cultural arts as a key priority to ensure long-term vitality and resilience of local arts organizations;

NOW, THEREFORE, BE IT RESOLVED that the Hispanic/Latino Quality of Life Resource Advisory Commission recommends that the City Council direct the City Manager and appropriate staff to explore alternative funding strategies for cultural arts, including pursuing state legislative opportunities to increase the HOT tax allocation cap beyond the current 15%;

BE IT FURTHER RESOLVED that these efforts should prioritize equitable access and support for underrepresented artists and organizations, strengthening Austin's cultural ecosystem and community engagement;

BE IT FINALLY RESOLVED that the Commission requests reporting on the outcomes of these exploratory efforts, including potential legislative strategies, financial projections, and anticipated impacts on local arts programs.

Date of Approval: March 24, 2026

Motion: Vice Chair Ramos

Second: Commissioner Galvan

Record of Vote: 6-0

For: Vice Chair Ramos, Commissioners Castañeda, Flores, Galvan, Morales, Ruiz

Abstain: Commissioner Perales

Off Dais: Chair Afifi

Absent: Commissioners Peña and Moya Fábregas

Attest: *Nekaybau Watson*, Staff Liaison