

**Representative Sheryl L. Allen** proposes the following substitute bill:

**TOURISM AMENDMENTS**

2002 GENERAL SESSION

STATE OF UTAH

**Sponsor: Sheryl L. Allen**

**This act modifies provisions relating to tourism. The act provides for an annual appropriation to the Tourism Marketing Performance Fund and requires the Division of Travel Development to conduct an annual survey on tourism promotion throughout the state. The act makes certain technical changes and provides an effective date.**

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

**9-2-1703**, as last amended by Chapter 159, Laws of Utah 2001

**9-3-204**, as last amended by Chapter 159, Laws of Utah 2001

**59-12-301**, as last amended by Chapter 11, Laws of Utah 2001, First Special Session

REPEALS:

**9-2-1703.5**, as enacted by Chapter 159, Laws of Utah 2001

*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **9-2-1703** is amended to read:

**9-2-1703. Creation and administration of fund.**

(1) (a) There is created within the General Fund a restricted account known as the "Tourism Marketing Performance Fund."

(b) The fund shall be administered by the department in accordance with Section 9-2-1704.

(2) The ~~[fund shall be funded by appropriations made to the fund by the]~~ Legislature ~~[in accordance with Section 9-2-1703.5]~~ shall appropriate \$200,000 to the fund each fiscal year with the fiscal year beginning July 1, 2002.

(3) Any undistributed monies in the fund at the end of the fiscal year are nonlapsing except



26 that any balance greater than \$200,000 at the end of the fiscal year shall lapse to the General Fund.

27 Section 2. Section **9-3-204** is amended to read:

28 **9-3-204. Division of Travel Development -- Powers and duties -- Travel development**  
29 **plan -- Annual report and survey.**

30 (1) There is created within the department the Division of Travel Development under the  
31 administration and general supervision of the director.

32 (2) The division shall be under the policy direction of the director.

33 (3) The division shall:

34 (a) be the travel development authority of the state;

35 (b) develop a travel promotion program for the state;

36 (c) develop a plan to increase the economic contribution by tourists visiting the state;

37 (d) plan and conduct a program of information, advertising, and publicity relating to the  
38 recreational, scenic, historic, highway, and tourist advantages and attractions of the state at large;

39 [~~and~~]

40 (e) encourage and assist in the coordination of the activities of persons, firms, associations,  
41 corporations, travel regions, counties, and governmental agencies engaged in publicizing,  
42 developing, and promoting the scenic attractions and tourist advantages of the state[-]; and

43 (4) Any plan provided for under Subsection (3) shall address, but not be limited to,  
44 enhancing the state's image, promoting Utah as a year-round destination, encouraging expenditures  
45 by visitors to the state, and expanding the markets where the state is promoted.

46 (5) (a) (i) In order to mutually benefit the state as a whole and its counties and  
47 municipalities, individually and collectively, the division, in collaboration with the counties and  
48 municipalities, shall develop a survey instrument to collect data on state, county, and municipality  
49 tourism promotion activities and their economic benefit to the state, its counties, and  
50 municipalities.

51 (ii) For purposes of this section, "municipality" means an entity that has imposed a  
52 transient room tax under Title 59, Chapter 12, Part 3A, Municipality Transient Room Tax.

53 (b) The instrument shall include a section on tourist promotion activities coordinated  
54 between:

55 (i) the division and one or more counties or municipalities;

56 (ii) two or more counties;

57 (iii) two or more municipalities; or

58 (iv) a county and a municipality.

59 (c) The division shall conduct the survey on an annual basis.

60 (d) (i) The first survey shall be conducted on a time line that would allow the data to be  
61 jointly reviewed by the division, counties, and municipalities, summarized, and reported to the  
62 Legislature through the Workforce Services and Community and Economic Development Interim  
63 Committee no later than July 1, 2003.

64 (ii) Subsequent reports shall be made by July 1 of each year.

65 Section 3. Section **59-12-301** is amended to read:

66 **59-12-301. Transient room tax -- Rate -- Imposition or repeal of tax -- Tax rate**  
67 **change -- Effective date -- Notice requirements.**

68 (1) (a) Any county legislative body may impose a transient room tax not to exceed 3% of  
69 the rent for every occupancy of a suite or room:

70 (i) on the following entities doing business as motor courts, motels, hotels, inns, or  
71 providing similar public accommodations:

72 (A) a person;

73 (B) a company;

74 (C) a corporation; or

75 (D) a person, group, or organization similar to Subsections (1)(a)(i)(A) through (C); and

76 (ii) if the suite or room is regularly rented for less than 30 consecutive days.

77 (b) The revenues raised from the tax imposed under Subsection (1)(a) shall be used for the  
78 purposes listed in Section 17-31-2.

79 (c) The tax imposed under Subsection (1)(a) shall be in addition to the tourism, recreation,  
80 cultural, and convention tax imposed under Part 6, Tourism, Recreation, Cultural, and Convention  
81 Facilities Tax.

82 [~~(b)~~] (d) A county legislative body imposing a tax under this part shall impose the tax on  
83 the rents described in Subsection (1)(a) relating to the Olympic Winter Games of 2002 made to  
84 or by an organization exempt from federal income taxation under Section 501(c)(3), Internal  
85 Revenue Code, except for rents described in Subsection (1)(a):

86 (i) paid for in full by the Salt Lake Organizing Committee for the Olympic Winter Games  
87 of 2002;

88 (ii) exclusively used by:

89 (A) an officer, a trustee, or an employee of the Salt Lake Organizing Committee for the  
90 Olympic Winter Games of 2002; or

91 (B) a volunteer supervised by the Salt Lake Organizing Committee for the Olympic Winter  
92 Games of 2002; and

93 (iii) for which the Salt Lake Organizing Committee for the Olympic Winter Games of  
94 2002 does not receive reimbursement.

95 (2) Subject to Subsection (3), a county legislative body:

96 (a) may increase or decrease the transient room tax; and

97 (b) shall regulate the transient room tax by ordinance.

98 (3) (a) For purposes of this Subsection (3):

99 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation  
100 to County.

101 (ii) "Annexing area" means an area that is annexed into a county.

102 (b) (i) If, on or after May 1, 2000, a county enacts or repeals a tax or changes the rate of  
103 a tax under this part, the enactment, repeal, or change shall take effect:

104 (A) on the first day of a calendar quarter; and

105 (B) after a 75-day period beginning on the date the commission receives notice meeting  
106 the requirements of Subsection (3)(b)(ii) from the county.

107 (ii) The notice described in Subsection (3)(b)(i)(B) shall state:

108 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

109 (B) the statutory authority for the tax described in Subsection (3)(b)(ii)(A);

110 (C) the effective date of the tax described in Subsection (3)(b)(ii)(A); and

111 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
112 (3)(b)(ii)(A), the new rate of the tax.

113 (c) (i) If, for an annexation that occurs on or after May 1, 2000, the annexation will result  
114 in a change in the rate of a tax under this part for an annexing area, the change shall take effect:

115 (A) on the first day of a calendar quarter; and

116 (B) after a 75-day period beginning on the date the commission receives notice meeting  
117 the requirements of Subsection (3)(c)(ii) from the county that annexes the annexing area.

118 (ii) The notice described in Subsection (3)(c)(i)(B) shall state:

119 (A) that the annexation described in Subsection (3)(c)(i) will result in a change in the rate  
120 of a tax under this part for the annexing area;

121 (B) the statutory authority for the tax described in Subsection (3)(c)(ii)(A);

122 (C) the effective date of the tax described in Subsection (3)(c)(ii)(A); and

123 (D) the new rate of the tax described in Subsection (3)(c)(ii)(A).

124 Section 4. **Repealer.**

125 This act repeals:

126 Section **9-2-1703.5, Appropriations to the fund.**

127 Section 5. **Effective date.**

128 This act takes effect on July 1, 2002.