

1 **TOURISM MARKETING PERFORMANCE**

2 **ACCOUNT AMENDMENTS**

3 2009 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Ron Bigelow**

6 Senate Sponsor: Lyle W. Hillyard

8 **LONG TITLE**

9 **General Description:**

10 This bill transfers \$6,000,000 of ongoing monies in the Tourism Marketing
11 Performance Account to the General Fund.

12 **Highlighted Provisions:**

13 This bill:

- 14 ▶ provides for the transfer of \$6,000,000 from the Tourism Marketing Performance
15 Account of ongoing monies to the General Fund for the fiscal year beginning July
16 1, 2009.

17 **Monies Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **63M-1-1406**, as renumbered and amended by Laws of Utah 2008, Chapter 382

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

26 Section 1. Section **63M-1-1406** is amended to read:

27 **63M-1-1406. Tourism Marketing Performance Account.**

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

30 (2) The account shall be administered by the office for the purposes listed in
31 Subsection (5).

32 (3) (a) The account shall earn interest.

33 (b) All interest earned on account monies shall be deposited into the account.

34 (c) Monies in the account are nonlapsing.

35 (4) The account shall be funded by appropriations made to the account by the
36 Legislature in accordance with this section.

37 (5) The director may use account monies appropriated to the office to pay for the
38 statewide advertising, marketing, and branding campaign for promotion of the state as
39 conducted by the office.

40 (6) (a) For the fiscal year beginning July 1, 2007, the director shall allocate 10% of the
41 account monies appropriated to the office to be distributed to a sports organization for
42 advertising, marketing, branding, and promoting Utah in attracting sporting events into the
43 state as determined by the office.

44 (b) For a fiscal year beginning on or after July 1, 2008, the amount distributed under
45 Subsection (6)(a) shall be indexed from the July 1, 2007 fiscal year to reflect a percent
46 increase or decrease of monies set aside into the account as compared to the previous fiscal
47 year.

48 (c) The monies distributed under Subsections (6)(a) and (b) are nonlapsing.

49 (d) The office shall provide for an annual accounting to the office by a sports
50 organization of the use of monies it receives under Subsection (6)(a) or (b).

51 (e) For purposes of this Subsection (6), "sports organization" means an organization
52 that is:

53 (i) exempt from federal income taxation in accordance with Section 501(c)(3), Internal
54 Revenue Code; and

55 (ii) created to foster national and international amateur sports competitions to be held
56 in the state and sports tourism throughout the state, to include advertising, marketing,
57 branding, and promoting Utah for the purpose of attracting sporting events into the state.

58 (7) (a) Monies set aside into the account shall be as follows:
59 (i) for the fiscal year beginning July 1, 2005 only, an amount appropriated in Section 7
60 of this bill;
61 (ii) for the fiscal year beginning July 1, 2006:
62 (A) the beginning nonlapsing appropriation balances, if any, in the Tourism Marketing
63 Performance Account;
64 (B) any legislative appropriation from the sales and use tax revenue increases
65 identified in Subsection (8); and
66 (C) any appropriation made by the Legislature from the General Fund to the account
67 in an appropriations bill; and
68 (iii) for the fiscal year beginning July 1, 2007, and for each fiscal year thereafter, a
69 \$1,000,000 reduction in the prior year's appropriation sources other than the sales and use tax
70 revenue increases identified in Subsection (8), plus a legislative appropriation from the
71 cumulative sales and use tax revenue increases identified in Subsection (8).
72 (b) Monies in the account are nonlapsing.
73 (8) (a) In fiscal years 2006 through 2015, a portion of the state sales and use tax
74 revenues determined under this Subsection (8) shall be certified as a set-aside for the account
75 by the State Tax Commission and reported to the Office of Legislative Fiscal Analyst.
76 (b) The State Tax Commission shall determine the set-aside under this Subsection (8)
77 in each fiscal year by applying the following formula: if the increase in the state sales and use
78 tax revenues derived from the retail sales of tourist-oriented goods and services in the fiscal
79 year two years prior to the fiscal year in which the set-aside is to be made for the account is at
80 least 3% over the state sales and use tax revenues derived from the retail sales of
81 tourist-oriented goods and services generated in the fiscal year three years prior to the fiscal
82 year in which the set-aside is to be made, an amount equal to 1/2 of the state sales and use tax
83 revenues generated above the 3% increase shall be calculated by the commission and set aside
84 by the state treasurer for appropriation to the account.
85 (c) Total monies to be appropriated to the account in any fiscal year under Subsections

86 (8)(a) and (b) may not exceed the amount in the account under this section in the fiscal year
87 immediately preceding the current fiscal year by more than \$3,000,000.

88 (d) As used in this Subsection (8), "sales of tourism-oriented goods and services" are
89 those sales by businesses registered with the State Tax Commission under the following codes
90 of the 1997 North American Industry Classification System of the federal Executive Office of
91 the President, Office of Management and Budget:

- 92 (i) NAICS Code 453 Miscellaneous Store Retailers;
- 93 (ii) NAICS Code 481 Passenger Air Transportation;
- 94 (iii) NAICS Code 487 Scenic and Sightseeing Transportation;
- 95 (iv) NAICS Code 711 Performing Arts, Spectator Sports and Related Industries;
- 96 (v) NAICS Code 712 Museums, Historical Sites and Similar Institutions;
- 97 (vi) NAICS Code 713 Amusement, Gambling and Recreation Industries;
- 98 (vii) NAICS Code 721 Accommodations;
- 99 (viii) NAICS Code 722 Food Services and Drinking Places;
- 100 (ix) NAICS Code 4483 Jewelry, Luggage, and Leather Goods Stores;
- 101 (x) NAICS Code 4853 Taxi and Limousine Service;
- 102 (xi) NAICS Code 4855 Charter Bus;
- 103 (xii) NAICS Code 5615 Travel Arrangement and Reservation Services;
- 104 (xiii) NAICS Code 44611 Pharmacies and Drug Stores;
- 105 (xiv) NAICS Code 45111 Sporting Goods Stores;
- 106 (xv) NAICS Code 45112 Hobby Toy and Game Stores;
- 107 (xvi) NAICS Code 45121 Book Stores and News Dealers;
- 108 (xvii) NAICS Code 445120 Convenience Stores without Gas Pumps;
- 109 (xviii) NAICS Code 447110 Gasoline Stations with Convenience Stores;
- 110 (xix) NAICS Code 447190 Other Gasoline Stations;
- 111 (xx) NAICS Code 532111 Passenger Car Rental; and
- 112 (xxi) NAICS Code 532292 Recreational Goods Rental.

113 (e) For the fiscal year beginning on July 1, 2009, \$6,000,000 of ongoing monies in the

114 account shall be transferred to the General Fund.