

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27

**TOURISM MARKETING PERFORMANCE**

**ACCOUNT AMENDMENTS**

2009 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ron Bigelow**

Senate Sponsor: Lyle W. Hillyard

---

---

**LONG TITLE**

**General Description:**

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

**Highlighted Provisions:**

This bill:

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

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

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

---

---

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

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

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



28 (1) There is created within the General Fund a restricted account known as the Tourism  
29 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 increase  
46 or decrease of monies set aside into the account as compared to the previous fiscal year.

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

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

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

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

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

57 (7) (a) Monies set aside into the account shall be as follows:

58 (i) for the fiscal year beginning July 1, 2005 only, an amount appropriated in Section 7

59 of this bill;

60 (ii) for the fiscal year beginning July 1, 2006:

61 (A) the beginning nonlapsing appropriation balances, if any, in the Tourism Marketing  
62 Performance Account;

63 (B) any legislative appropriation from the sales and use tax revenue increases identified  
64 in Subsection (8); and

65 (C) any appropriation made by the Legislature from the General Fund to the account in  
66 an appropriations bill; and

67 (iii) for the fiscal year beginning July 1, 2007, and for each fiscal year thereafter, a  
68 \$1,000,000 reduction in the prior year's appropriation sources other than the sales and use tax  
69 revenue increases identified in Subsection (8), plus a legislative appropriation from the  
70 cumulative sales and use tax revenue increases identified in Subsection (8).

71 (b) Monies in the account are nonlapsing.

72 (8) (a) In fiscal years 2006 through 2015, a portion of the state sales and use tax  
73 revenues determined under this Subsection (8) shall be certified as a set-aside for the account  
74 by the State Tax Commission and reported to the Office of Legislative Fiscal Analyst.

75 (b) The State Tax Commission shall determine the set-aside under this Subsection (8)  
76 in each fiscal year by applying the following formula: if the increase in the state sales and use  
77 tax revenues derived from the retail sales of tourist-oriented goods and services in the fiscal  
78 year two years prior to the fiscal year in which the set-aside is to be made for the account is at  
79 least 3% over the state sales and use tax revenues derived from the retail sales of  
80 tourist-oriented goods and services generated in the fiscal year three years prior to the fiscal  
81 year in which the set-aside is to be made, an amount equal to 1/2 of the state sales and use tax  
82 revenues generated above the 3% increase shall be calculated by the commission and set aside  
83 by the state treasurer for appropriation to the account.

84 (c) Total monies to be appropriated to the account in any fiscal year under Subsections  
85 (8)(a) and (b) may not exceed the amount in the account under this section in the fiscal year  
86 immediately preceding the current fiscal year by more than \$3,000,000.

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

- 90 the President, Office of Management and Budget:
- 91 (i) NAICS Code 453 Miscellaneous Store Retailers;
  - 92 (ii) NAICS Code 481 Passenger Air Transportation;
  - 93 (iii) NAICS Code 487 Scenic and Sightseeing Transportation;
  - 94 (iv) NAICS Code 711 Performing Arts, Spectator Sports and Related Industries;
  - 95 (v) NAICS Code 712 Museums, Historical Sites and Similar Institutions;
  - 96 (vi) NAICS Code 713 Amusement, Gambling and Recreation Industries;
  - 97 (vii) NAICS Code 721 Accommodations;
  - 98 (viii) NAICS Code 722 Food Services and Drinking Places;
  - 99 (ix) NAICS Code 4483 Jewelry, Luggage, and Leather Goods Stores;
  - 100 (x) NAICS Code 4853 Taxi and Limousine Service;
  - 101 (xi) NAICS Code 4855 Charter Bus;
  - 102 (xii) NAICS Code 5615 Travel Arrangement and Reservation Services;
  - 103 (xiii) NAICS Code 44611 Pharmacies and Drug Stores;
  - 104 (xiv) NAICS Code 45111 Sporting Goods Stores;
  - 105 (xv) NAICS Code 45112 Hobby Toy and Game Stores;
  - 106 (xvi) NAICS Code 45121 Book Stores and News Dealers;
  - 107 (xvii) NAICS Code 445120 Convenience Stores without Gas Pumps;
  - 108 (xviii) NAICS Code 447110 Gasoline Stations with Convenience Stores;
  - 109 (xix) NAICS Code 447190 Other Gasoline Stations;
  - 110 (xx) NAICS Code 532111 Passenger Car Rental; and
  - 111 (xxi) NAICS Code 532292 Recreational Goods Rental.
- 112 (e) For the fiscal year beginning on July 1, 2009, \$6,000,000 of ongoing monies in the  
113 account shall be transferred to the General Fund.

---

**Legislative Review Note**  
**as of 3-9-09 8:09 AM**

**Office of Legislative Research and General Counsel**

---

---

**H.B. 307 - Tourism Marketing Performance Account Amendments**

**Fiscal Note**

2009 General Session  
State of Utah

---

---

**State Impact**

Enactment of this bill would re-capture in the General Fund the first \$6,000,000 in sales tax revenue currently deposited in and spent from the Tourism Marketing Performance Fund. An additional \$6,000,000 in revenue would continue to flow to the Tourism Marketing Performance Fund.

	<u>2009</u> <u>Approp.</u>	<u>2010</u> <u>Approp.</u>	<u>2011</u> <u>Approp.</u>	<u>2009</u> <u>Revenue</u>	<u>2010</u> <u>Revenue</u>	<u>2011</u> <u>Revenue</u>
General Fund	\$0	\$0	\$0	\$0	\$6,000,000	\$6,000,000
Restricted Funds	\$0	\$0	\$0	\$0	(\$6,000,000)	(\$6,000,000)
<b>Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

---

---

**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.