

TRANSIENT ROOM TAX AMENDMENTS

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael E. Noel

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions relating to the transient room tax.

Highlighted Provisions:

This bill:

- ▶ raises the limit on the percentage of revenue from the transient room tax that counties may spend on:
 - mitigating the impacts of recreation, tourism, or conventions in counties of the fourth, fifth, and sixth class; and
 - costs related to convention meeting rooms, exhibit halls, visitor information centers, museums, sports and recreation facilities, and related facilities; and
- ▶ adds road repair and upgrade to the list of purposes for which counties of the fourth, fifth, or sixth class may spend revenue from the transient room tax.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

17-31-2, as last amended by Laws of Utah 2006, Chapter 328



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

29 Section 1. Section 17-31-2 is amended to read:

30 **17-31-2. Purposes of transient room tax and expenditure of revenues -- Purchase**
31 **or lease of facilities -- Mitigating impacts of recreation, tourism, or conventions --**
32 **Issuance of bonds.**

33 (1) Any county legislative body may impose the transient room tax provided for in
34 Section 59-12-301 for the purposes of:

35 (a) establishing and promoting recreation, tourism, film production, and conventions;

36 (b) acquiring, leasing, constructing, furnishing, maintaining, or operating:

37 (i) convention meeting rooms;

38 (ii) exhibit halls;

39 (iii) visitor information centers;

40 (iv) museums;

41 (v) sports and recreation facilities including practice fields, stadiums, and arenas; and

42 (vi) related facilities;

43 (c) acquiring land, leasing land, or making payments for construction or infrastructure
44 improvements required for or related to the purposes listed in Subsection (1)(b); and

45 (d) as required to mitigate the impacts of recreation, tourism, or conventions in
46 counties of the fourth, fifth, and sixth class, paying for:

47 (i) solid waste disposal operations;

48 (ii) emergency medical services;

49 (iii) search and rescue activities; ~~and~~

50 (iv) law enforcement activities~~[-];~~ and

51 (v) road repair and upgrade.

52 (2) Except as provided in Subsection (4), a county may not expend more than [~~1/3~~]
53 50% of the revenues generated by the transient room tax provided in Section 59-12-301 for any
54 combination of the following purposes:

55 (a) (i) acquiring, leasing, constructing, furnishing, maintaining, or operating:

56 (A) convention meeting rooms;

57 (B) exhibit halls;

58 (C) visitor information centers;

- 59 (D) museums;
- 60 (E) sports and recreation facilities including practice fields, stadiums, and arenas; and
- 61 (F) related facilities; and

62 (ii) acquiring land, leasing land, or making payments for construction or infrastructure
63 improvements required for or related to the purposes described in Subsection (2)(a)(i);

64 (b) as required to mitigate the impacts of recreation, tourism, or conventions in
65 counties of the fourth, fifth, and sixth class, to pay for:

66 (i) solid waste disposal operations;

67 (ii) emergency medical services;

68 (iii) search and rescue activities; [~~and~~]

69 (iv) law enforcement activities; [~~or~~] and

70 (v) road repair and upgrade; or

71 (c) making the annual payment of principal, interest, premiums, and necessary reserves
72 for any or the aggregate of bonds authorized under Subsection (3).

73 (3) (a) The county legislative body may issue bonds or cause bonds to be issued, as
74 permitted by law, to pay all or part of any costs incurred for the purposes set forth in
75 Subsection (2)(a) or (b) that are permitted to be paid from bond proceeds.

76 (b) Except as provided in Subsection (4), if the revenues generated by the transient
77 room tax provided in Section 59-12-301 are not needed for payment of principal, interest,
78 premiums, and reserves on bonds issued as provided in Subsection (2)(c), the county legislative
79 body shall expend those revenues as provided in Subsection (1), subject to the limitation of
80 Subsection (2).

81 (4) If, on or after October 1, 2006, a county legislative body imposes a tax or increases
82 the rate of a tax in accordance with Section 59-12-301 at a rate that exceeds 3%, the county
83 legislative body:

84 (a) may expend revenues generated by the portion of the rate that exceeds 3% for any
85 purpose described in Subsections (1) through (3); and

86 (b) is not subject to any limits on the amount of revenues that may be expended for a
87 purpose described in Subsection (2).

**Legislative Review Note
Office of Legislative Research and General Counsel**