

1 **RESORT COMMUNITIES TRANSIENT ROOM TAX**

2 **AMENDMENTS**

3 2019 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Bradley G. Last**

6 Senate Sponsor: Evan J. Vickers

8 **LONG TITLE**

9 **General Description:**

10 This bill amends provisions related to the transient room tax.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ allows a county legislative body to use a portion of the county's transient room tax
14 revenue to pay for emergency medical services in a town that is a resort community;
15 and

16 ▶ makes technical and conforming changes.

17 **Money Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 **AMENDS:**

23 **17-31-2**, as last amended by Laws of Utah 2018, Chapter 240

24 **17-31-5.5**, as last amended by Laws of Utah 2016, Chapter 353

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

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

28 **17-31-2. Purposes of transient room tax and expenditure of revenue -- Purchase**

29 **or lease of facilities -- Mitigating impacts of recreation, tourism, or conventions --**

30 **Issuance of bonds.**

31 (1) As used in this section:

32 (a) "Eligible town" means a town that:

33 (i) is located within a county that has a national park within or partially within the
34 county's boundaries; and

35 (ii) imposes a resort communities tax authorized by Section [59-12-401](#).

36 (b) "Town" means a municipality that is classified as a town in accordance with
37 Section [10-2-301](#).

38 (c) "Transient room tax" means a tax at a rate not to exceed 4.25% authorized by
39 Section [59-12-301](#).

40 ~~[(1)]~~ (2) Any county legislative body may impose the transient room tax ~~[provided for~~
41 ~~in Section [59-12-301](#)]~~ for the purposes of:

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

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

44 (i) convention meeting rooms;

45 (ii) exhibit halls;

46 (iii) visitor information centers;

47 (iv) museums;

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

49 (vi) related facilities;

50 (c) acquiring land, leasing land, or making payments for construction or infrastructure
51 improvements required for or related to the purposes listed in Subsection ~~[(1)]~~ (2)(b); and

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

54 (i) solid waste disposal operations;

55 (ii) emergency medical services;

- 56 (iii) search and rescue activities;
- 57 (iv) law enforcement activities; and
- 58 (v) road repair and upgrade of:
 - 59 (A) class B roads, as defined in Section 72-3-103;
 - 60 (B) class C roads, as defined in Section 72-3-104; or
 - 61 (C) class D roads, as defined in Section 72-3-105.
- 62 (3) (a) The county legislative body of a county that imposes a transient room tax at a
63 rate of 3% or less may expend the revenue generated as provided in Subsection (4), after
64 making any reduction required by Subsection (6).
- 65 (b) The county legislative body of a county that imposes a transient room tax at a rate
66 that exceeds 3% or increases the rate of transient room tax above 3% may expend:
 - 67 (i) the revenue generated from the transient room tax at a rate of 3% as provided in
68 Subsection (4), after making any reduction required by Subsection (6); and
 - 69 (ii) the revenue generated from the portion of the rate that exceeds 3%:
 - 70 (A) for any combination of the purposes described in Subsections (2) and (5); and
 - 71 (B) regardless of the limitation on expenditures for the purposes described in
72 Subsection (4).
- 73 ~~[(2)]~~ (4) [Except as provided in Subsection (4)] Subject to Subsection (6), a county
74 may not expend more than 1/3 of the [revenues] revenue generated by [the] a rate of transient
75 room tax [provided in Section 59-12-301] that does not exceed 3%, for any combination of the
76 following purposes:
 - 77 (a) (i) acquiring, leasing, constructing, furnishing, maintaining, or operating:
 - 78 (A) convention meeting rooms;
 - 79 (B) exhibit halls;
 - 80 (C) visitor information centers;
 - 81 (D) museums;
 - 82 (E) sports and recreation facilities including practice fields, stadiums, and arenas; and

83 (F) related facilities; and
 84 (ii) acquiring land, leasing land, or making payments for construction or infrastructure
 85 improvements required for or related to the purposes described in Subsection (2)(a)(i);

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

88 (i) solid waste disposal operations;

89 (ii) emergency medical services;

90 (iii) search and rescue activities;

91 (iv) law enforcement activities; and

92 (v) road repair and upgrade of:

93 (A) class B roads, as defined in Section 72-3-103;

94 (B) class C roads, as defined in Section 72-3-104; or

95 (C) class D roads, as defined in Section 72-3-105; or

96 (c) making the annual payment of principal, interest, premiums, and necessary reserves
 97 for any or the aggregate of bonds authorized under Subsection ~~[(3)]~~ (5).

98 ~~[(3)]~~ (5) (a) The county legislative body may issue bonds or cause bonds to be issued,
 99 as permitted by law, to pay all or part of any costs incurred for the purposes set forth in
 100 Subsection ~~[(2)]~~ (4)(a) or (b) that are permitted to be paid from bond proceeds.

101 (b) ~~[Except as provided in Subsection (4), if the revenues]~~ If a county legislative body
 102 does not need the revenue generated by the transient room tax ~~[provided in Section 59-12-301~~
 103 ~~are not needed]~~ for payment of principal, interest, premiums, and reserves on bonds issued as
 104 provided in Subsection ~~[(2)]~~ (4)(c), the county legislative body shall expend ~~[those revenues as~~
 105 ~~provided]~~ that revenue for the purposes described in Subsection ~~[(1)]~~ (2), subject to the
 106 limitation of Subsection ~~[(2)]~~ (4).

107 ~~[(4) If, on or after October 1, 2006, a county legislative body imposes a tax or increases~~
 108 ~~the rate of a tax in accordance with Section 59-12-301 at a rate that exceeds 3%, the county~~
 109 ~~legislative body:]~~

110 ~~[(a) may expend revenues generated by the portion of the rate that exceeds 3% for any~~
111 ~~purpose described in Subsections (1) through (3); and]~~

112 ~~[(b) is not subject to any limits on the amount of revenues that may be expended for a~~
113 ~~purpose described in Subsection (2).]~~

114 (6) (a) In addition to the purposes described in Subsection (2), a county legislative
115 body may expend up to 4% of the total revenue generated by a transient room tax to pay a
116 provider for emergency medical services in one or more eligible towns.

117 (b) An emergency medical services provider means an eligible town, a local district, or
118 a special service district.

119 (c) A county legislative body shall reduce the amount that the county is authorized to
120 expend for the purposes described in Subsection (4) by subtracting the amount of transient
121 room tax revenue expended in accordance with Subsection (6)(a) from the amount of revenue
122 described in Subsection (4).

123 Section 2. Section **17-31-5.5** is amended to read:

124 **17-31-5.5. Report to county legislative body -- Content.**

125 (1) The legislative body of each county that imposes a transient room tax under Section
126 **59-12-301** or a tourism, recreation, cultural, convention, and airport facilities tax under Section
127 **59-12-603** shall ~~annually~~ prepare annually a report in accordance with Subsection (2).

128 (2) The report described in Subsection (1) shall include a breakdown of expenditures
129 into the following categories:

130 (a) for the transient room tax, identification of expenditures for:

131 (i) establishing and promoting:

132 (A) recreation;

133 (B) tourism;

134 (C) film production; and

135 (D) conventions;

136 (ii) acquiring, leasing, constructing, furnishing, or operating:

- 137 (A) convention meeting rooms;
- 138 (B) exhibit halls;
- 139 (C) visitor information centers;
- 140 (D) museums; and
- 141 (E) related facilities;
- 142 (iii) acquiring or leasing land required for or related to the purposes listed in
- 143 Subsection (2)(a)(ii);
- 144 (iv) mitigation costs as identified in Subsection 17-31-2~~(1)~~(2)(d); and
- 145 (v) making the annual payment of principal, interest, premiums, and necessary reserves
- 146 for any or the aggregate of bonds issued to pay for costs referred to in Subsections
- 147 17-31-2~~(2)~~(4)(c) and ~~(3)~~ (5)(a); and
- 148 (b) for the tourism, recreation, cultural, convention, and airport facilities tax,
- 149 identification of expenditures for:
 - 150 (i) financing tourism promotion, which means an activity to develop, encourage,
 - 151 solicit, or market tourism that attracts transient guests to the county, including planning,
 - 152 product development, and advertising;
 - 153 (ii) the development, operation, and maintenance of the following facilities as defined
 - 154 in Section 59-12-602:
 - 155 (A) an airport facility;
 - 156 (B) a convention facility;
 - 157 (C) a cultural facility;
 - 158 (D) a recreation facility; and
 - 159 (E) a tourist facility; and
 - 160 (iii) a pledge as security for evidences of indebtedness under Subsection 59-12-603(3).
- 161 (3) A county legislative body shall provide a copy of the report described in Subsection
- 162 (1) to:
 - 163 (a) the Governor's Office of Economic Development;

- 164 (b) its tourism tax advisory board; and
- 165 (c) the Office of the Legislative Fiscal Analyst.