

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: \_\_\_\_\_

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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

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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 the county; and

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

35           (b) "Town" means a municipality that is classified as a town in accordance with

36 Section [10-2-301](#).

37           (c) "Transient room tax" means a tax at a rate not to exceed 4.25% authorized by

38 Section [59-12-301](#).

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

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

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

43           (i) convention meeting rooms;

44           (ii) exhibit halls;

45           (iii) visitor information centers;

46           (iv) museums;

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

48           (vi) related facilities;

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

51           (d) as required to mitigate the impacts of recreation, tourism, or conventions in

52 counties of the fourth, fifth, and sixth class, paying for:

53           (i) solid waste disposal operations;

54           (ii) emergency medical services;

55           (iii) search and rescue activities;

56           (iv) law enforcement activities; and

57           (v) road repair and upgrade of:

58           (A) class B roads, as defined in Section [72-3-103](#);

59 (B) class C roads, as defined in Section [72-3-104](#); or

60 (C) class D roads, as defined in Section [72-3-105](#).

61 (3) (a) The county legislative body of a county that imposes a transient room tax at a  
 62 rate of 3% or less may expend the revenue generated as provided in Subsection (4), after  
 63 making any reduction required by Subsection (6).

64 (b) The county legislative body of a county that imposes a transient room tax at a rate  
 65 that exceeds 3% or increases the rate of transient room tax above 3% may expend:

66 (i) the revenue generated from the transient room tax at a rate of 3% as provided in  
 67 Subsection (4), after making any reduction required by Subsection (6); and

68 (ii) the revenue generated from the portion of the rate that exceeds 3%:

69 (A) for any combination of the purposes described in Subsections (2) and (5); and

70 (B) regardless of the limitation on expenditures for the purposes described in  
 71 Subsection (4).

72 ~~[(2)]~~ (4) [Except as provided in Subsection (4)] Subject to Subsection (6), a county  
 73 may not expend more than 1/3 of the [revenues] revenue generated by [the] a rate of transient  
 74 room tax [provided in Section [59-12-301](#)] that does not exceed 3%, for any combination of the  
 75 following purposes:

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

77 (A) convention meeting rooms;

78 (B) exhibit halls;

79 (C) visitor information centers;

80 (D) museums;

81 (E) sports and recreation facilities including practice fields, stadiums, and arenas; and

82 (F) related facilities; and

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

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

87 (i) solid waste disposal operations;

88 (ii) emergency medical services;

89 (iii) search and rescue activities;

90 (iv) law enforcement activities; and  
91 (v) road repair and upgrade of:  
92 (A) class B roads, as defined in Section 72-3-103;  
93 (B) class C roads, as defined in Section 72-3-104; or  
94 (C) class D roads, as defined in Section 72-3-105; and  
95 (c) making the annual payment of principal, interest, premiums, and necessary reserves  
96 for any or the aggregate of bonds authorized under Subsection ~~[(3)]~~ (5).

97 ~~[(3)]~~ (5) (a) The county legislative body may issue bonds or cause bonds to be issued,  
98 as permitted by law, to pay all or part of any costs incurred for the purposes set forth in  
99 Subsection ~~[(2)]~~ (4)(a) or (b) that are permitted to be paid from bond proceeds.

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

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

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

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

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

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

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

121 **17-31-5.5. Report to county legislative body -- Content.**

122 (1) The legislative body of each county that imposes a transient room tax under Section  
 123 59-12-301 or a tourism, recreation, cultural, convention, and airport facilities tax under Section  
 124 59-12-603 shall [~~annually~~] prepare annually a report in accordance with Subsection (2).

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

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

128 (i) establishing and promoting:

129 (A) recreation;

130 (B) tourism;

131 (C) film production; and

132 (D) conventions;

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

134 (A) convention meeting rooms;

135 (B) exhibit halls;

136 (C) visitor information centers;

137 (D) museums; and

138 (E) related facilities;

139 (iii) acquiring or leasing land required for or related to the purposes listed in  
 140 Subsection (2)(a)(ii);

141 (iv) mitigation costs as identified in Subsection 17-31-2[~~(1)~~](2)(d); and

142 (v) making the annual payment of principal, interest, premiums, and necessary reserves  
 143 for any or the aggregate of bonds issued to pay for costs referred to in Subsections  
 144 17-31-2[~~(2)~~](4)(c) and [~~(3)~~] (5)(a); and

145 (b) for the tourism, recreation, cultural, convention, and airport facilities tax,  
 146 identification of expenditures for:

147 (i) financing tourism promotion, which means an activity to develop, encourage,  
 148 solicit, or market tourism that attracts transient guests to the county, including planning,  
 149 product development, and advertising;

150 (ii) the development, operation, and maintenance of the following facilities as defined  
 151 in Section 59-12-602:

- 152 (A) an airport facility;
- 153 (B) a convention facility;
- 154 (C) a cultural facility;
- 155 (D) a recreation facility; and
- 156 (E) a tourist facility; and
- 157 (iii) a pledge as security for evidences of indebtedness under Subsection [59-12-603\(3\)](#).
- 158 (3) A county legislative body shall provide a copy of the report described in Subsection
- 159 (1) to:
- 160 (a) the Governor's Office of Economic Development;
- 161 (b) its tourism tax advisory board; and
- 162 (c) the Office of the Legislative Fiscal Analyst.