

## HB0266S01 compared with HB0266

~~{deleted text}~~ shows text that was in HB0266 but was deleted in HB0266S01.

Inserted text shows text that was not in HB0266 but was inserted into HB0266S01.

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Representative Bradley G. Last proposes the following substitute bill:

### RESORT COMMUNITIES TRANSIENT ROOM TAX

#### AMENDMENTS

2019 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Bradley G. Last**

Senate Sponsor: \_\_\_\_\_

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#### LONG TITLE

##### General Description:

This bill amends provisions related to the transient room tax.

##### Highlighted Provisions:

This bill:

- ▶ allows a county legislative body to use a portion of the county's transient room tax revenue to pay for emergency medical services in a town that is a resort community; and
- ▶ makes technical and conforming changes.

##### Money Appropriated in this Bill:

None

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### Other Special Clauses:

None

### Utah Code Sections Affected:

AMENDS:

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

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

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

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

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

(1) As used in this section:

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

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

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

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

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

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

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

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

(i) convention meeting rooms;

(ii) exhibit halls;

(iii) visitor information centers;

(iv) museums;

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

(vi) related facilities;

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

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

- (i) solid waste disposal operations;
- (ii) emergency medical services;
- (iii) search and rescue activities;
- (iv) law enforcement activities; and
- (v) road repair and upgrade of:
  - (A) class B roads, as defined in Section 72-3-103;
  - (B) class C roads, as defined in Section 72-3-104; or
  - (C) class D roads, as defined in Section 72-3-105.

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

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

- (i) the revenue generated from the transient room tax at a rate of 3% as provided in Subsection (4), after making any reduction required by Subsection (6); and
- (ii) the revenue generated from the portion of the rate that exceeds 3%:
  - (A) for any combination of the purposes described in Subsections (2) and (5); and
  - (B) regardless of the limitation on expenditures for the purposes described in Subsection (4).

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

- (a) (i) acquiring, leasing, constructing, furnishing, maintaining, or operating:
  - (A) convention meeting rooms;
  - (B) exhibit halls;
  - (C) visitor information centers;

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- (D) museums;
- (E) sports and recreation facilities including practice fields, stadiums, and arenas; and
- (F) related facilities; and
- (ii) acquiring land, leasing land, or making payments for construction or infrastructure improvements required for or related to the purposes described in Subsection (2)(a)(i);
- (b) as required to mitigate the impacts of recreation, tourism, or conventions in counties of the fourth, fifth, and sixth class, to pay for:
  - (i) solid waste disposal operations;
  - (ii) emergency medical services;
  - (iii) search and rescue activities;
  - (iv) law enforcement activities; and
  - (v) road repair and upgrade of:
    - (A) class B roads, as defined in Section 72-3-103;
    - (B) class C roads, as defined in Section 72-3-104; or
    - (C) class D roads, as defined in Section 72-3-105; ~~and~~ or
  - (c) making the annual payment of principal, interest, premiums, and necessary reserves for any or the aggregate of bonds authorized under Subsection ~~(3)~~ (5).

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) establishing and promoting:

(A) recreation;

(B) tourism;

(C) film production; and

(D) conventions;

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

(A) convention meeting rooms;

(B) exhibit halls;

(C) visitor information centers;

(D) museums; and

(E) related facilities;

(iii) acquiring or leasing land required for or related to the purposes listed in

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Subsection (2)(a)(ii);

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

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

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

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

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

(A) an airport facility;

(B) a convention facility;

(C) a cultural facility;

(D) a recreation facility; and

(E) a tourist facility; and

(iii) a pledge as security for evidences of indebtedness under Subsection 59-12-603(3).

(3) A county legislative body shall provide a copy of the report described in Subsection (1) to:

(a) the Governor's Office of Economic Development;

(b) its tourism tax advisory board; and

(c) the Office of the Legislative Fiscal Analyst.