

WEST VIRGINIA LEGISLATURE

2022 REGULAR SESSION

Introduced

House Bill 4684

BY DELEGATES HOWELL, ROWAN, HOTT, SUMMERS,
LINVILLE, MAYNARD, HAMRICK, STATLER, GRAVES,
SYPOLT, AND WAMSLEY

[Introduced February 15, 2022; Referred to the
Committee on Select Committee on Tourism and
Economic Diversification then Finance]

1 A BILL to amend and reenact §7-18-13a of the Code of West Virginia, 1931, as amended, relating
2 to a convention and visitor's bureau's eligibility for hotel occupancy tax proceeds; and
3 exempting from eligibility requirements a county with a single convention and visitor's
4 bureau and hotel occupancy tax proceeds of less than \$150,000 annually.

Be it enacted by the Legislature of West Virginia:

ARTICLE 2. HOTEL OCCUPANCY TAX.

§7-18-13a. Annual reports by convention and visitor's bureaus; eligibility for hotel occupancy tax proceeds.

1 (a) On or before 90 days after the end of its fiscal year, every convention and visitor's
2 bureau which receives any appropriation of hotel occupancy tax from one or more counties or
3 municipalities shall file with each such county or municipality, the State Auditor, the Joint
4 Committee on Government and Finance, and the West Virginia Association of Convention and
5 Visitors Bureaus a report, including an income statement and balance sheet, showing all amounts
6 of hotel occupancy tax appropriated to the convention and visitor's bureau and all expenditures
7 of hotel occupancy tax made by the convention and visitor's bureau for the prior fiscal year, as
8 well as any such information required by subsection (b) of this section. A convention and visitor's
9 bureau that has not filed a report in accordance with the provisions of this section shall be
10 ineligible to receive additional appropriations of hotel occupancy tax proceeds until such report
11 has been filed.

12 (b) Except for a county with a single convention and visitor's bureau and hotel occupancy
13 tax proceeds of less than \$150,000 annually, which is exempt, ~~in~~ in order to qualify for a
14 distribution of net proceeds pursuant to §7-18-14 of this code, a convention and visitor's bureau
15 shall satisfy the following requirements:

16 (1) The convention and visitor's bureau shall have a minimum annual budget;

17 (2) The convention and visitor's bureau shall establish a marketing plan targeting markets
18 outside of a 50-mile radius of the bureau's municipality or county of operation;

19 (3) The annual operating budget for the convention and visitor's bureau allocates
20 approximately 40 percent of annual revenues to advertising and marketing, approximately 40
21 percent to salaries and personnel, and approximately 20 percent to other operating expenses:
22 Provided, That a convention and visitor's bureau that allocates less than 40 percent of annual
23 revenues to salaries and personnel shall be considered to have satisfied the budget allocation
24 requirement;

25 (4) The convention and visitor's bureau has a full-time executive director that maintains
26 the minimum number of continuing education hours recommended annually by industry
27 standards;

28 (5) The convention and visitor's bureau has a physical office and/or visitor center that is
29 accessible at least 40 hours per week and has a dedicated phone line;

30 (6) The convention and visitor's bureau maintains a website and appropriate marketing
31 materials;

32 (7) The convention and visitor's bureau has received accreditation from an accrediting
33 body; and

34 (8) The convention and visitor's bureau submits an annual report to all of its funding
35 entities, which shall include, but not be limited to, the information provided for in this subsection.

36 Nothing in this section may be construed as to interfere with the ability of a county or
37 municipality to enter into any agreements or partnerships with convention and visitor's bureaus in
38 neighboring counties or municipalities for the purposes of distributing net tax proceeds pursuant
39 to §7-18-14 of this code, so long as all other requirements of this section are met.

40 (c) At least once every three years, any bureau that receives any appropriation of hotel
41 occupancy tax from one or more counties or municipalities shall cause an audit or financial review,
42 in a form as is appropriate to the particular bureau, to be made by an independent certified public
43 accountant of all its books, accounts, and records relating to all receipts and expenditures of any
44 hotel occupancy tax appropriations for the three prior fiscal years of the bureau. A copy of the

45 audit or financial review shall be filed with each county or municipality from which the bureau
46 received an appropriation of hotel occupancy tax, the State Auditor, the Joint Committee on
47 Government and Finance, and the West Virginia Association of Convention and Visitors Bureaus.
48 After July 1, 2024, a bureau that has not caused such an audit or financial review to be made is
49 ineligible to receive an appropriation of hotel occupancy tax proceeds pursuant to §7-18-14 of this
50 code.

51 (d) In order to encourage counties and municipalities to work within the existing framework
52 of convention and visitor's bureaus, there shall be a moratorium on the authorization of new
53 convention and visitors bureaus until June 30, 2024. A county or municipality may not appropriate
54 any net proceeds of hotel occupancy taxes, pursuant to §7-18-14 of this code, to any convention
55 or visitor's bureau created on or after the amendments to this section enacted during the regular
56 session of the Legislature, 2021, and prior to the end of the moratorium imposed by this
57 subsection. On or after July 1, 2024, a county or municipality may authorize the creation of a new
58 convention and visitor's bureau so long as the bureau meets all of the requirements of subsection
59 (b) of this section.

60 (e) Nothing in this section may prohibit either the State Auditor or the Legislative Auditor
61 from conducting regular reviews or audits of the operations or finances of a convention and
62 visitor's bureau to ensure compliance with this code.

NOTE: The purpose of this bill relates to a convention and visitor's bureau's eligibility for hotel occupancy tax proceeds, and exempts from eligibility requirements a county with a single convention and visitor's bureau and hotel occupancy tax proceeds of less than \$150,000 annually.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.