

1 this section.

2 (b) *Required expenditures.* -- At least fifty percent of the
3 net revenue receivable during the fiscal year by a county or a
4 municipality pursuant to this article shall be expended in the
5 following manner for the promotion of conventions and tourism:

6 (1) *Municipalities.* -- If a convention and visitor's bureau is
7 located within the municipality, county or region, the governing
8 body of such municipality shall appropriate the percentage required
9 by this subsection to that bureau. If a convention and visitor's
10 bureau is not located within such municipality, county or region,
11 then the percentage appropriation required by this subsection shall
12 be appropriated as follows:

13 (A) Any hotel located within such municipality, county or
14 region may apply to such municipality for an appropriation to such
15 hotel of a portion of the tax authorized by this article and
16 collected by such hotel and remitted to such municipality, for uses
17 directly related to the promotion of tourism and travel, including
18 advertising, salaries, travel, office expenses, publications and
19 similar expenses. The portion of such tax allocable to such hotel
20 shall not exceed seventy-five percent of that portion of such tax
21 collected and remitted by such hotel which is required to be
22 expended pursuant to this subsection: *Provided,* That prior to
23 appropriating any moneys to such hotel, such municipality shall
24 require the submission of, and give approval to, a budget setting

1 forth the proposed uses of such moneys.

2 (B) If there is more than one convention and visitor's bureau
3 located within a municipality, county or region, the city council
4 may allocate the tax authorized by this article to one or more of
5 such bureaus in such portion as the city council in its sole
6 discretion determines.

7 (C) The balance of net revenue required to be expended by this
8 subsection shall be appropriated to the regional travel council
9 serving the area in which the municipality is located.

10 (2) *Counties.* -- If a convention and visitor's bureau is
11 located within a county or region, the county commission shall
12 appropriate the percentage required by this subsection to that
13 convention and visitor's bureau. If a convention and visitor's
14 bureau is not located within such county or region, then the
15 percentage appropriation required by this subsection shall be
16 appropriated as follows:

17 (A) Any hotel located within such county or region may apply
18 to such county for an appropriation to such hotel of a portion of
19 the tax authorized by this article and collected by such hotel and
20 remitted to such county, for uses directly related to the promotion
21 of tourism and travel, including advertising, salaries, travel,
22 office expenses, publications and similar expenses. The portion of
23 such tax allocable to such hotel shall not exceed seventy-five
24 percent of that portion of such tax collected and remitted by such

1 hotel which is required to be expended pursuant to this subsection:
2 *Provided*, That prior to appropriating any moneys to such hotel such
3 county shall require the submission of, and give approval to, a
4 budget setting forth the proposed uses of such moneys.

5 (B) If there is more than one convention and visitor's bureau
6 located within a county or region, the county commission may
7 allocate the tax authorized by this article to one or more of such
8 bureaus in such portion as the county commission in its sole
9 discretion determines.

10 (C) The balance of net revenue required to be expended by this
11 subsection shall be appropriated to the regional travel council
12 serving the area in which the county is located.

13 (3) *Legislative finding*. -- The Legislature hereby finds and
14 declares that in order to attract new business and industry to this
15 state and to retain existing business and industry all to provide
16 the citizens of the state with economic security, and to advance
17 the business prosperity and economic welfare of this state, it is
18 necessary to enhance recreational and tourism opportunities.
19 Therefore, in order to promote recreation and tourism, the
20 Legislature finds that public financial support should be provided
21 for constructing, equipping, improving and maintaining projects,
22 agencies and facilities which promote recreation and tourism. The
23 Legislature also finds that the support of convention and visitor's
24 bureaus, hotels and regional travel councils is a public purpose

1 for which funds may be expended. Local convention and visitor's
2 bureaus, hotels and regional travel councils receiving funds under
3 this subsection may expend such funds for the payment of
4 administrative expenses, and for the direct or indirect promotion
5 of conventions and tourism, and for any other uses and purposes
6 authorized by subdivisions (1) and (2) of this subsection.

7 (c) *Permissible expenditures.* -- After making the
8 appropriation required by subsection (b) of this section, the
9 remaining portion of the net revenues receivable during the fiscal
10 year by such county or municipality, pursuant to this article, may
11 be expended for one or more of the purposes set forth in this
12 subsection, but for no other purpose. The purposes for which
13 expenditures may be made pursuant to this subsection are as
14 follows:

15 (1) The planning, construction, reconstruction, establishment,
16 acquisition, improvement, renovation, extension, enlargement,
17 equipment, maintenance, repair and operation of publicly owned
18 convention facilities, including, but not limited to, arenas,
19 auditoriums, civic centers and convention centers;

20 (2) The payment of principal or interest or both on revenue
21 bonds issued to finance such convention facilities;

22 (3) The promotion of conventions;

23 (4) The construction, operation or maintenance of public
24 parks, tourist information centers and recreation facilities,

1 including land acquisition;

2 (5) The promotion of the arts;

3 (6) Historic sites;

4 (7) Beautification projects;

5 (8) Passenger air service incentives and subsidies directly
6 related to increasing passenger air service availability to tourism
7 destinations in this state;

8 (9) Medical care and emergency services, in an amount not
9 exceeding \$200,000, in any county where:

10 (A) There is an urgent necessity to preserve the delivery of
11 acute medical care and emergency services;

12 (B) There is an increase in need for acute medical care and
13 emergency services directly related to tourism;

14 (C) Recurrent flooding in the county significantly disrupts,
15 on a periodic basis, the delivery of acute medical care and
16 emergency services;

17 (D) There is an inadequate economic base within the county
18 from any source other than tourism to preserve the delivery of
19 acute medical care and emergency services;

20 (E) There is an inadequate economic base directly related to
21 low population in the county, specifically, a population of less
22 than ten thousand persons according to the census of the year 1990;

23 (F) There is ~~one and only~~ no more than one hospital within the
24 county; and

1 (G) The county commission makes specific findings, by
2 resolution, that all of the foregoing conditions within the county
3 exist; or

4 (10) Support and operation of the Hatfield-McCoy Recreation
5 Area by the participating county commissions in the Hatfield-McCoy
6 Regional Recreational Authority.

7 (d) *Definitions.* -- For purposes of this section, the
8 following terms are defined:

9 (1) *Convention and visitor's bureau and visitor's and*
10 *convention bureau.* -- "Convention and visitor's bureau" and
11 "visitor's and convention bureau" are interchangeable and either
12 shall mean a nonstock, nonprofit corporation with a full-time staff
13 working exclusively to promote tourism and to attract conventions,
14 conferences and visitors to the municipality, county or region in
15 which such convention and visitor's bureau or visitor's and
16 convention bureau is located or engaged in business within.

17 (2) *Convention center.* -- "Convention center" means a
18 convention facility owned by the state, a county, a municipality or
19 other public entity or instrumentality and shall include all
20 facilities, including armories, commercial, office, community
21 service and parking facilities and publicly owned facilities
22 constructed or used for the accommodation and entertainment of
23 tourists and visitors, constructed in conjunction with the
24 convention center and forming reasonable appurtenances thereto.

1 (3) *Fiscal year*. -- "Fiscal year" means the year beginning
2 July 1 and ending June 30 of the next calendar year.

3 (4) *Net proceeds*. -- "Net proceeds" means the gross amount of
4 tax collections less the amount of tax lawfully refunded.

5 (5) *Promotion of the arts*. -- "Promotion of the arts" means
6 activity to promote public appreciation and interest in one or more
7 of the arts. It includes the promotion of music for all types, the
8 dramatic arts, dancing, painting and the creative arts through
9 shows, exhibits, festivals, concerts, musicals and plays.

10 (6) *Recreational facilities*. -- "Recreational facilities"
11 means and includes any public park, parkway, playground, public
12 recreation center, athletic field, sports arena, stadium, skating
13 rink or arena, golf course, tennis courts and other park and
14 recreation facilities, whether of a like or different nature, that
15 are owned by a county or municipality.

16 (7) *Region*. -- "Region" means an area consisting of one or
17 more counties that have agreed by contract to fund a convention and
18 visitor's bureau to promote those counties.

19 (8) *Regional travel council*. -- "Regional travel council"
20 means a nonstock, nonprofit corporation, with a full-time staff
21 working exclusively to promote tourism and to attract conventions,
22 conferences and visitors to the region of this state served by the
23 regional travel council.

24 (9) *Historic site*. -- "Historic site" means any site listed on

1 the United States National Register of Historic Places, or listed
2 by a local historical landmarks commission, established under state
3 law, when such sites are owned by a city, a county or a nonprofit
4 historical association and are open, from time to time, to
5 accommodate visitors.

6 (e) Any member of a governing body who willingly and knowingly
7 votes to or causes to be expended moneys generated by the
8 provisions of this section for purposes other than specifically set
9 forth in this section is guilty of a misdemeanor and, upon
10 conviction thereof, shall be fined not more than \$100.

(NOTE: The purpose of this bill is to provide for the permissible expenditure of the proceeds from the hotel occupancy tax in counties with no more than one hospital. Current law refers to "one and only one hospital within the county".

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.)