

Veto 391

WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1986

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ENROLLED

SENATE BILL NO. 391

(By Senator Tucker, et al.....)

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PASSED March 4, 1986

In Effect July 1, 1986 

ENROLLED

Senate Bill No. 391

(BY SENATORS TUCKER, COOK AND WHITACRE)

[Passed March 4, 1986; to take effect July 1, 1986.]

AN ACT to amend and reenact section fourteen, article eighteen, chapter seven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, relating to hotel occupancy tax; proceeds of tax; application of proceeds; providing a guaranteed percentage of net revenues to go to regional travel councils; and making historic sites an eligible purpose for expenditures.

Be it enacted by the Legislature of West Virginia:

That section fourteen, article eighteen, chapter seven of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended and reenacted to read as follows:

ARTICLE 18. HOTEL OCCUPANCY TAX.

§7-18-14. Proceeds of tax; application of proceeds.

- 1 (a) *Application of proceeds.* — The net proceeds of the
- 2 tax collected and remitted to the taxing authority pursuant
- 3 to this article shall be deposited into the general revenue
- 4 fund of such municipality or county commission, and after
- 5 appropriation thereof shall be expended only as provided in
- 6 subsections (b) and (c) of this section.
- 7 (b) *Required expenditures.* — At least ten percent of the
- 8 net revenue receivable during the fiscal year by any county,

9 or municipality, located within a travel council region, shall
10 be allocated to such regional travel council, pursuant to this
11 article, to be expended for uses directly related to the
12 promotion of tourism and travel, including advertising,
13 salaries, travel, office expenses, publications and similar
14 expenses. At least fifty percent of the remaining net revenue
15 receivable during the fiscal year by a county, or a
16 municipality, pursuant to this article shall be expended in
17 the following manner for the promotion of conventions and
18 tourism:

19 (1) *Municipalities.* — If a convention and visitor's
20 bureau is located within the municipality, the governing
21 body of such municipality shall appropriate the percentage
22 required by this subsection (b) to that bureau. If a
23 convention and visitor's bureau is not located within the
24 municipality, but such a bureau is located within the county
25 in which the municipality is located, then the percentage
26 appropriation required by this subsection (b) shall be
27 appropriated to such convention and visitor's bureau
28 located within such county. If a convention and visitor's
29 bureau is not located within such county, then the
30 percentage appropriation required by this subsection (b)
31 shall be appropriated as follows:

32 (i) Any hotel located within such municipality may
33 apply to such municipality for an appropriation to such
34 hotel of a portion of the tax authorized by this article and
35 collected by such hotel and remitted to such municipality,
36 for uses directly related to the promotion of tourism and
37 travel, including advertising, salaries, travel, office
38 expenses, publications and similar expenses. The portion of
39 such tax allocable to such hotel shall not exceed seventy-
40 five percent of that portion of such tax collected and
41 remitted by such hotel which is required to be expended
42 pursuant to subsection (b) of this section: *Provided*, That
43 prior to appropriating any moneys to such hotel, such
44 municipality shall require the submission of, and give
45 approval to, a budget setting forth the proposed uses of such
46 moneys.

47 (ii) The balance of net revenue required to be expended
48 by subsection (b) of this section shall be appropriated to the
49 regional travel council serving the area in which the
50 municipality is located.

51 (2) *Counties.* — If a convention and visitor's bureau is
52 located within a county, the county commission shall
53 appropriate the percentage required by this subsection (b)
54 to that convention and visitor's bureau. If a convention and
55 visitor's bureau is not located within such county, then the
56 percentage appropriation required by this subsection (b)
57 shall be appropriated as follows:

58 (i) Any hotel located within such county may apply to
59 such county for an appropriation to such hotel of a portion
60 of the tax authorized by this article and collected by such
61 hotel and remitted to such county, for uses directly related
62 to the promotion of tourism and travel, including
63 advertising, salaries, travel, office expenses, publications
64 and similar expenses. The portion of such tax allocable to
65 such hotel shall not exceed seventy-five percent of that
66 portion of such tax collected and remitted by such hotel
67 which is required to be expended pursuant to subsection (b)
68 of this section: *Provided*, That prior to appropriating any
69 moneys to such hotel such county shall require the
70 submission of, and give approval to, a budget setting forth
71 the proposed uses of such moneys.

72 (ii) The balance of net revenue required to be expended
73 by subsection (b) of this section shall be appropriated to the
74 regional travel council serving the area in which the county
75 is located.

76 (3) *Legislative finding.* — The Legislature hereby finds
77 that the support of convention and visitor's bureaus, hotels
78 and regional travel councils is a public purpose for which
79 funds may be expended. Local convention and visitor's
80 bureaus, hotels and regional travel councils receiving funds
81 under this subsection (b) may expend such funds for the
82 payment of administrative expenses, and for the direct or
83 indirect promotion of conventions and tourism, and for any
84 other uses and purposes authorized by subdivisions one and
85 two of this subsection (b).

86 (c) *Permissible expenditures.* — After making the
87 appropriation required by subsection (b) of this section, the
88 remaining portion of the net revenues receivable during the
89 fiscal year by such county or municipality, pursuant to this
90 article, may be expended for one or more of the purposes set
91 forth in this subsection, but for no other purpose. The
92 purposes for which expenditures may be made pursuant to
93 this subsection are as follows:

94 (1) The planning, construction, reconstruction,
95 establishment, acquisition, improvement, renovation,
96 extension, enlargement, equipment, maintenance, repair
97 and operation of publicly owned convention facilities
98 including, but not limited to, arenas, auditoriums, civic
99 centers and convention centers;

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

102 (3) The promotion of conventions;

103 (4) The construction or maintenance of public parks,
104 tourist information centers and convention facilities
105 (including land acquisition);

106 (5) The promotion of the arts; or

107 (6) Historic sites.

108 (d) *Definitions.* — For purposes of this section, the
109 following terms are defined:

110 (1) *Convention and visitor's bureau and visitor's and*
111 *convention bureau.* — "Convention and visitor's bureau"
112 and "visitor's and convention bureau" are inter-
113 changeable, and either shall mean a nonstock, nonprofit
114 corporation with a full-time staff working exclusively to
115 promote tourism and to attract conventions, conferences
116 and visitors to the municipality or county in which such
117 convention and visitor's bureau or visitor's and convention
118 bureau is located.

119 (2) *Convention center.* — "Convention center" means a
120 convention facility owned by the state, a county, a
121 municipality or other public entity or instrumentality and
122 shall include all facilities, including armories, commercial,
123 office, community service and parking facilities, and
124 publicly owned facilities constructed or used for the
125 accommodation and entertainment of tourists and visitors,
126 constructed in conjunction with the convention center and
127 forming reasonable appurtenances thereto.

128 (3) *Fiscal year.* — "Fiscal year" means the year
129 beginning July first and ending June thirtieth of the next
130 calendar year.

131 (4) *Net proceeds.* — "Net proceeds" means the gross
132 amount of tax collections less the amount of tax lawfully
133 refunded.

134 (5) *Promotion of the arts.* — "Promotion of the arts"
135 means activity to promote public appreciation and interest

136 in one or more of the arts. It includes the promotion of music
137 for all types, the dramatic arts, dancing, painting and the
138 creative arts through shows, exhibits, festivals, concerts,
139 musicals and plays.

140 (6) *Recreational facilities*. — “Recreational facilities”
141 means and includes any public park, parkway, playground,
142 public recreation center, athletic field, sports arena,
143 stadium, skating rink or arena, golf course, tennis courts
144 and other park and recreation facilities, whether of a like or
145 different nature, that are owned by a county or
146 municipality.

147 (7) *Regional travel council*. — “Regional travel council”
148 means a nonstock, nonprofit corporation, with a full-time
149 staff working exclusively to promote tourism and to attract
150 conventions, conferences and visitors to the region of this
151 state served by the regional travel council: *Provided*, That
152 regional travel councils shall be subject to audit by the state
153 tax department.

154 (8) *Historic site*. — “Historic site” means any site listed
155 on the U.S. National Register of Historic Places, or listed by
156 a local historical landmarks commission, established under
157 state law, when such sites are owned by a city, a county or a
158 nonprofit historical association, and are open from time to
159 time to accommodate visitors.

The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Bruce O. Williams
.....
Chairman Senate Committee

Floyd Fuller
.....
Chairman House Committee

Originated in the Senate.

To take effect July 1, 1986.

Todd C. Miller
.....
Clerk of the Senate

Donald J. Kopp
.....
Clerk of the House of Delegates

Dan Tonkonil
.....
President of the Senate

Joseph P. Allright
.....
Speaker House of Delegates

The within *disappeared* this the *26th*
March
day of, 1986.

Arthur H. Hanes Jr.
.....
Governor



PRESENTED TO THE

GOVERNOR

Date 3/13/86

Time 12:35 p.m.

RECORDED

1906 MAR 22 PM 4 23

SECRETARY OF STATE

FILED IN THE OFFICE OF
SECRETARY OF STATE OF
WEST VIRGINIA

THIS DATE 3/26/86