WEST VIRGINIA LEGISLATURE
REGULAR SESSION, 1989

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ENROLLED

HOUSE BILL No. 2432

(By Del. Leach, Ashcraft)

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Passed April 8, 1989

In Effect Ninety Days from Passage
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; 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.

(a) Application of proceeds.—The net proceeds of the tax collected and remitted to the taxing authority pursuant to this article shall be deposited into the general revenue fund of such municipality or county commission, and after appropriation thereof shall be expended only as provided in subsections (b) and (c) of this section.

(b) Required expenditures.—At least fifty percent of the net revenue receivable during the fiscal year by a county, or a municipality, pursuant to this article shall be expended in the following manner for the promotion of conventions and tourism:
(1) **Municipalities.**—If a convention and visitor's bureau is located within the municipality, the governing body of such municipality shall appropriate the percentage required by this subsection (b) to that bureau. If a convention and visitor's bureau is not located within the municipality, but such a bureau is located within the county in which the municipality is located, then the percentage appropriation required by this subsection (b) shall be appropriated to such convention and visitor's bureau located within such county. If a convention and visitor's bureau is not located within such county, then the percentage appropriation required by this subsection (b) shall be appropriated as follows:

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

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

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

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

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

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

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

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

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

(3) The promotion of conventions;

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

(5) The promotion of the arts; or

(6) Historic sites.

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

(1) Convention and visitor’s bureau and visitor’s and convention bureau.—“Convention and visitor’s bureau” and “visitor’s and convention bureau” are interchangeable, and either shall mean a nonstock, nonprofit corporation with a full-time staff working exclusively to promote tourism and to attract conventions, conferences and visitors to the municipality or county in which such convention and visitor’s bureau or visitor’s and convention bureau is located.

(2) Convention center.—“Convention center” means a convention facility owned by the state, a county, a municipality or other public entity or instrumentality and shall include all facilities, including armories, commercial, office, community service and parking facilities, and publicly owned facilities constructed or used for the accommodation and entertainment of tourist and visitors, constructed in conjunction with the convention center and forming reasonable appurtenances thereto.

(3) Fiscal year.—“Fiscal year” means the year beginning July first and ending June thirtieth of the next calendar year.

(4) Net proceeds.—“Net proceeds” means the gross
amount of tax collections less the amount of tax lawfully refunded.

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

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

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

(8) **Historic site.**—"Historic site" means any site listed on the United States national register of historic places, or listed by a local historical landmarks commission, established under state law, when such sites are owned by a city, a county or a nonprofit historical association, and are open from time to time to accommodate visitors.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

[Signature]
Chairman Senate Committee

[Signature]
Chairman House Committee

Originating in the House.

Takes effect ninety days from passage.

[Signature]
Clerk of the Senate

[Signature]
Clerk of the House of Delegates

[Signature]
President of the Senate

[Signature]
Speaker of the House of Delegates

The within bill approved this the __th day of April, 1989.

[Signature]
Governor
PRESENTED TO THE
GOVERNOR
Date 4/21/59
Time 2:45 PM