
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 3126 Session of
1994

INTRODUCED BY SERAFINI, GEIST, SEMMEL, NAILOR, E. Z. TAYLOR,
HARLEY, CLARK, CESSAR AND TOMLINSON, OCTOBER 5, 1994

REFERRED TO COMMITTEE ON TOURISM AND RECREATIONAL DEVELOPMENT,
OCTOBER 5, 1994

AN ACT

1 Providing for the establishment and operation of an independent
2 commission to be known as the Pennsylvania Travel and Tourism
3 Commission and for the powers and duties of the commission;
4 transferring certain powers and duties from the Department of
5 Commerce and the Office of Travel Marketing to the
6 commission; providing for a dedicated revenue source from
7 certain sales tax revenues; and making an appropriation.

8 Pennsylvania and many of its sister states are currently in
9 the process of transforming themselves from "smokestack"
10 dependent economies to those which are more service oriented.

11 Tourism is one of the nation's largest and fastest growing
12 service industries, a reality which has lessened the adverse
13 economic impact caused by the downsizing of the American
14 industrial base.

15 Tourism has become the Commonwealth's second largest
16 industry, generating \$17.4 billion in annual direct and indirect
17 traveler spending, \$1.4 billion in annual Federal, State and
18 local taxes and employing over 300,000 Pennsylvanians.

19 Pennsylvania's tourism industry is predominantly comprised of
20 private sector enterprises which have invested billions of

1 dollars in infrastructure.

2 The Commonwealth has historically provided those tourism-
3 dependent enterprises with a comprehensive umbrella multimedia
4 marketing campaign designed to promote this Commonwealth as a
5 tourist destination to in-State and out-of-State visitors. This
6 marketing effort has motivated millions of people to visit this
7 Commonwealth's tourist attractions; visitors who have spent
8 billions of dollars which in turn have created hundreds of
9 thousands of jobs. This marketing effort fosters significant
10 commercial travel and is therefore a substantial force for job
11 creation and economic development.

12 Budgetary fluctuations have hampered the ability of the
13 Commonwealth to develop long-term marketing strategies and, at
14 times, limited its capacity to adequately market itself to those
15 domestic and international travelers likely to visit
16 Pennsylvania, ultimately providing other states with a
17 competitive advantage.

18 This Commonwealth's tourism promotion agencies, which also
19 receive State assistance through matching grants, are also
20 unable to develop long-term marketing strategies due to the
21 State's fluctuating budget priorities.

22 The General Assembly desires to establish an independent
23 commission charged with creating and administering the
24 Commonwealth's travel marketing and tourism promotion matching
25 grant programs and with coordinating other travel and tourism
26 efforts of the Commonwealth through close cooperation with other
27 State departments and agencies. The General Assembly intends to
28 have the commission funded by a dedicated revenue source derived
29 from certain sales tax revenues.

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18 The General Assembly of the Commonwealth of Pennsylvania
19 hereby enacts as follows:

20 CHAPTER 1

21 PRELIMINARY PROVISIONS

22 Section 101. Short title.

23 This act shall be known and may be cited as the Pennsylvania
24 Travel and Tourism Commission Act.

25 Section 102. Definitions.

26 The following words and phrases when used in this act shall
27 have the meanings given to them in this section unless the
28 context clearly indicates otherwise:

29 "Commission." The Pennsylvania Travel and Tourism Commission
30 established in section 301.

1 "Department." The Department of Commerce of the
2 Commonwealth.

3 "Executive director." The executive director of the
4 Pennsylvania Travel and Tourism Commission.

5 "Fund." The Travel and Tourism Promotional Fund established
6 in section 701.

7 CHAPTER 3

8 PENNSYLVANIA TRAVEL AND TOURISM COMMISSION

9 Section 301. Establishment and organization.

10 (a) Establishment.--There is hereby established an
11 independent administrative commission to be known as the
12 Pennsylvania Travel and Tourism Commission.

13 (b) Composition.--The commission shall consist of nine
14 citizens of this Commonwealth. One shall be appointed by the
15 President pro tempore of the Senate; one shall be appointed by
16 the Minority Leader of the Senate; one shall be appointed by the
17 Speaker of the House of Representatives; one shall be appointed
18 by the Minority Leader of the House of Representatives; and one
19 shall be the Secretary of Commerce. Four additional members of
20 the commission shall be appointed by the Governor subject to the
21 approval of the Senate.

22 (c) Qualifications.--When making appointments to the
23 commission, the Governor and the respective legislative leader
24 shall appoint persons who are residents of this Commonwealth and
25 recognized tourism leaders, including, but not limited to,
26 representatives of tourism promotion agencies and executives or
27 persons associated with major tourist industries or attractions.
28 No appointee shall be a public employee.

29 (d) Term of office and compensation.--

30 (1) The appointed members of the commission shall hold

office for a term of two years.

(2) A member of the commission appointed to fill a vacancy for a period of one year or less may be eligible for appointment to a full two-year term.

(3) A member of the commission who serves a full two-year term or fills the remainder of an unexpired term shall be eligible for a second two-year term to the commission.

(4) No member of the commission shall serve more than four consecutive years. Commissioners shall receive no compensation for their services, but may be reimbursed for travel expenses.

(e) Vacancies.--Vacancies shall be filled for the unexpired term in the same manner as original appointments.

Section 302. Commission meetings.

(a) General rule.--The commission shall have an office in or near Harrisburg and shall annually hold meetings at such office in January and June or July and at such places within this Commonwealth as the commission shall designate for the transaction of business. All meetings of the commission shall comply with the act of July 3, 1986 (P.L.388, No.84), known as the Sunshine Act.

(b) Annual election of officers.--At the meeting held in January of each year, the commission shall elect one of its members as president, one as vice president and one as secretary. These officers shall hold office for a period of one year.

(c) Quorum.--Six members appointed to the commission and in attendance at each meeting shall constitute a quorum.

CHAPTER 5

POWERS AND DUTIES

1 Section 501. Powers and duties of commission.

2 (a) General rule.--It shall be the duty of the commission to
3 develop and implement a strategic travel marketing plan for
4 Pennsylvania, appropriate matching grants to qualifying tourism
5 promotion agencies provided that their grant applications comply
6 with the act of April 28, 1961 (P.L.111, No.50), known as the
7 Tourist Promotion Law, and to oversee the operation of the
8 commission and its staff.

9 (b) Transfer of department power.--The powers and duties of
10 the department imposed under the Tourist Promotion Law are
11 hereby transferred to and shall be exercised by the commission.

12 (c) Executive director.--

13 (1) The commission shall select a director. No member of
14 the commission nor anyone who has served as a member of the
15 commission within one year after service shall be eligible
16 for selection as director. The director shall serve as such
17 at the pleasure of the commission.

18 (2) Notwithstanding any provision of law to the
19 contrary, the commission shall fix the compensation of the
20 director.

21 Section 502. Powers and duties of executive director.

22 (a) General rule.--The director shall be the chief
23 administrative officer of the commission and attend to its
24 administrative work and have charge of all activities under the
25 jurisdiction of the commission and this act. The director shall
26 submit the following to the commission for its approval no later
27 than March 1 of the year preceding the fiscal year of
28 implementation:

29 (1) An annual comprehensive travel marketing plan for
30 the Commonwealth.

No.50), known as the Tourist Promotion Law.

(3) All administrative costs of the commission.

(4) Any contingent, incidental or other expense reasonably necessary to carry out the work of the commission.

(c) Administration.--The fund shall be administered by the State Treasurer. Moneys remaining in the fund at the close of each fiscal year shall not lapse but shall remain in the fund.

(d) Payments.--Subject to the provisions of subsection (e), payments from the fund shall be made upon warrant of the State Treasurer after receipt of a requisition from the executive director.

(e) Approval by Governor.--The commission shall submit to the Governor, for approval or disapproval, estimates of the amount of moneys to be expended from the fund. The State Treasurer shall not honor any requisition for expenditure of any moneys in excess of the amount approved by the Governor.

Section 702. Fund revenues.

(a) Annual transfer.--Beginning July 1, 1995, and annually thereafter, the State Treasurer shall transfer to the fund from State sales tax revenues an amount of money equal to the annual budget base.

(b) Additional transfers.--In addition to the annual transfers under subsection (a), for the fiscal years beginning July 1, 1996, through the fiscal year beginning July 1, 2001, the State Treasurer shall make an additional transfer of certain State sales tax revenues to the fund. The amount of the additional transfer shall be determined as follows:

(1) The Secretary of Revenue shall calculate the amount of State sales tax revenues derived from Standard Industry Code 701 - Hotels and Motels for the fiscal year which

1 occurred four years prior to the fiscal year of transfer.

2 (2) The Secretary of Revenue shall further calculate the
3 State sales tax revenues derived from Standard Industry Code
4 701 - Hotels and Motels for the fiscal year which occurred
5 three years prior to the fiscal year of transfer.

6 (3) The Secretary of Revenue shall compare the
7 calculations under paragraphs (1) and (2) to determine the
8 increase in revenues. If the increase in revenues is equal to
9 or exceeds 3%, the lesser of one-half of the additional
10 revenues over 3% or \$2,000,000 shall be designated for
11 transfer to the fund.

12 Upon receipt of the calculations from the Secretary of Revenue,
13 the State Treasurer shall make the additional transfer to the
14 fund.

15 (c) Definition.--As used in this section, the term "budget
16 base" means the sum of the annual transfer under subsection (a)
17 and any additional transfer under subsection (b). For the fiscal
18 year July 1, 1995, to June 30, 1996, the budget base shall be
19 \$14,000,000.

20 Section 703. Audit and report.

21 (a) Audit.--An audit of the budget for the concluding fiscal
22 year shall be conducted by the Legislative Budget and Finance
23 Committee and shall be submitted to the Community and Economic
24 Development Committee of the Senate and the Tourism and
25 Recreational Development Committee of the House of
26 Representatives no later than November 30 of each year.

27 (b) Report.--The commission shall submit an annual written
28 and oral report to the Community and Economic Development
29 Committee of the Senate and to the Tourism and Recreational
30 Development Committee of the House of Representatives no later

1 than November 30 of each year. The written report shall include
2 complete budgets for the current fiscal year and for the fiscal
3 year about to commence.

4 Section 704. Appropriation.

5 Subject to section 701(e), all moneys in the fund are hereby
6 appropriated to the commission for expenditure as authorized in
7 this act.

8 CHAPTER 15

9 MISCELLANEOUS PROVISIONS

10 Section 1501. Expiration.

11 This act shall expire June 30, 2002.

12 Section 1502. Effective date.

13 This act shall take effect July 1, 1995.