

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 168 Session of 2003

INTRODUCED BY GODSHALL, LESCOVITZ, COSTA, BAKER, BARD, S. MILLER, NAILOR, SAINATO, BUNT, CLYMER, CRAHALLA, CREIGHTON, FICHTER, FLICK, FRANKEL, HALUSKA, HARHAI, HERSHEY, HORSEY, MANN, McCALL, McILHATTAN, PICKETT, PRESTON, SOLOBAY, STABACK, STERN, TANGRETTI, E. Z. TAYLOR, WASHINGTON, WILT, YOUNGBLOOD AND GILLESPIE, FEBRUARY 10, 2003

AS REPORTED FROM COMMITTEE ON TOURISM AND RECREATIONAL DEVELOPMENT, HOUSE OF REPRESENTATIVES, AS AMENDED, JUNE 11, 2003

AN ACT

1 Amending the act of August 9, 1955 (P.L.323, No.130), entitled,
2 as amended, "An act relating to counties of the first, third,
3 fourth, fifth, sixth, seventh and eighth classes; amending,
4 revising, consolidating and changing the laws relating
5 thereto; relating to imposition of excise taxes by counties,
6 including authorizing imposition of an excise tax on the
7 rental of motor vehicles by counties of the first class; and
8 providing for regional renaissance initiatives," further
9 providing FOR THE AUTHORIZATION OF EXCISE TAX, for the
10 authorization of the hotel tax and for definitions of
11 "permanent resident" and "recognized tourist promotion
12 agency." HOTEL ROOM RENTAL TAX. <—

13 The General Assembly of the Commonwealth of Pennsylvania
14 hereby enacts as follows:

15 Section 1. Section 1770.6(c) and the definitions of
16 "permanent resident" and "recognized tourist promotion agency"
17 in subsection (f) of the act of August 9, 1955 (P.L.323,
18 No.130), known as The County Code, added December 22, 2000
19 (P.L.1019, No.142), are amended to read:

20 SECTION 1. SUBSECTION (C) AND THE DEFINITION OF "RECOGNIZED <—

1 TOURIST PROMOTION AGENCY" IN SUBSECTION (F) OF SECTION 1770.2 OF  
2 THE ACT OF AUGUST 9, 1955 (P.L.323, NO.130), KNOWN AS THE COUNTY  
3 CODE, AMENDED DECEMBER 22, 2000 (P.L.1019, NO.142), ARE AMENDED  
4 TO READ:

5 SECTION 1770.2. AUTHORIZATION OF EXCISE TAX.--\* \* \*

6 (C) THE TREASURER OF EACH COUNTY ELECTING TO IMPOSE THE TAX  
7 AUTHORIZED UNDER THIS SECTION SHALL COLLECT THE TAX AND DEPOSIT  
8 THE REVENUES RECEIVED FROM THE TAX IN A SPECIAL FUND ESTABLISHED  
9 FOR THAT PURPOSE. AFTER DEDUCTING FROM THE FUND ANY DIRECT OR  
10 INDIRECT COSTS ATTRIBUTABLE TO COLLECTION OF THE TAX, THE COUNTY  
11 SHALL DISTRIBUTE TO THE RECOGNIZED TOURIST PROMOTION AGENCY  
12 DESIGNATED TO ACT WITHIN THE COUNTY ALL REVENUES RECEIVED FROM  
13 THE TAX NOT LATER THAN SIXTY DAYS AFTER RECEIPT OF THE TAX  
14 REVENUES. [TWO-THIRDS OF THE REVENUES FROM THE SPECIAL FUND  
15 SHALL BE USED BY THE RECOGNIZED TOURIST PROMOTION AGENCY TO  
16 DIRECTLY FUND COUNTYWIDE TOURIST PROMOTION. ONE-THIRD OF THE  
17 REVENUES FROM THE SPECIAL FUND SHALL BE USED BY THE RECOGNIZED  
18 TOURIST PROMOTION AGENCY FOR THE PURPOSES OF TOURISM, CONVENTION  
19 PROMOTION AND TOURISM DEVELOPMENT.] THE REVENUES FROM THE  
20 SPECIAL FUND SHALL BE USED BY THE RECOGNIZED TOURIST PROMOTION  
21 AGENCY FOR ANY OR ALL OF THE FOLLOWING PURPOSES:

22 (1) CONVENTION PROMOTION.

23 (2) MARKETING THE AREA SERVED BY THE AGENCY AS A LEISURE  
24 TRAVEL DESTINATION.

25 (3) MARKETING THE AREA SERVED BY THE AGENCY AS A BUSINESS  
26 TRAVEL DESTINATION.

27 (4) USING ALL APPROPRIATE MARKETING TOOLS TO ACCOMPLISH  
28 THESE PURPOSES, INCLUDING, BUT NOT LIMITED TO, ADVERTISING,  
29 PUBLICITY, PUBLICATIONS, DIRECT MARKETING, DIRECT SALES AND  
30 PARTICIPATION IN INDUSTRY TRADE SHOWS.

1       (5) ANY OTHER TOURISM MARKETING OR PROMOTION PROGRAM DEEMED  
2 NECESSARY BY THE RECOGNIZED TOURIST PROMOTION AGENCY.

3       \* \* \*

4       (F) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES  
5 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:

6       \* \* \*

7       "RECOGNIZED TOURIST PROMOTION AGENCY." THE NONPROFIT  
8 CORPORATION, ORGANIZATION, ASSOCIATION OR AGENCY WHICH IS  
9 ENGAGED IN PLANNING AND PROMOTING PROGRAMS DESIGNED TO STIMULATE  
10 AND INCREASE THE VOLUME OF TOURIST, VISITOR AND VACATION  
11 BUSINESS WITHIN COUNTIES SERVED BY THE AGENCY AS THAT TERM IS  
12 DEFINED IN THE ACT OF APRIL 28, 1961 (P.L.111, NO.50), KNOWN AS  
13 THE "TOURIST PROMOTION [LAW."] LAW," AND DESIGNATED AS OF  
14 JANUARY 1, 2003, TO BE SUCH BY THE BOARD OF COMMISSIONERS OF THE  
15 COUNTY IN WHICH THE TAX IS IMPOSED, OR THE SUCCESSOR OF THAT  
16 ENTITY IF THE ENTITY IS DECERTIFIED DUE TO MALFEASANCE OR FRAUD.

17       \* \* \*

18       SECTION 2. THE DEFINITION OF "TOURIST PROMOTION AGENCY  
19 (TPA)" IN SECTION 1770.4(F) OF THE ACT, ADDED JUNE 18, 1997  
20 (P.L.179, NO.18), IS AMENDED AND THE SECTION IS AMENDED BY  
21 ADDING A SUBSECTION TO READ:

22       SECTION 1770.4. AUTHORIZATION OF HOTEL TAX.--\* \* \*

23       (E.1) AN AUDITED REPORT ON THE INCOME AND EXPENDITURES  
24 INCURRED BY A TOURIST PROMOTION AGENCY RECEIVING ANY REVENUES  
25 FROM THE TAX AUTHORIZED UNDER THIS SECTION SHALL BE SUBMITTED  
26 ANNUALLY BY THE TOURIST PROMOTION AGENCY TO THE COUNTY  
27 COMMISSIONERS.

28       (F) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES  
29 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:

30       \* \* \*

1 "TOURIST PROMOTION AGENCY (TPA)." AN ORGANIZATION, AGENCY OR  
2 CORPORATION DESIGNATED AS OF JANUARY 1, 2003, TO BE SUCH BY THE  
3 BOARD OF COMMISSIONERS OF THE COUNTY IN WHICH THE TAX IS  
4 IMPOSED. THE TPA SHALL BE DULY ESTABLISHED, DESIGNATED AND  
5 RECOGNIZED AS THE COUNTY'S TPA IN ACCORDANCE WITH AND PURSUANT  
6 TO THE ACT OF APRIL 28, 1961 (P.L.111, NO.50), KNOWN AS THE  
7 "TOURIST PROMOTION [LAW."] LAW," OR SHALL BE THE SUCCESSOR OF  
8 THAT ENTITY IF THE ENTITY HAS BEEN DECERTIFIED DUE TO  
9 MALFEASANCE OR FRAUD.

10 \* \* \*

11 SECTION 3. THE DEFINITION OF "TOURIST PROMOTION AGENCY  
12 (TPA)" IN SECTION 1770.5(F) OF THE ACT, AMENDED DECEMBER 22,  
13 2000 (P.L.1019, NO.142), IS AMENDED AND THE SECTION IS AMENDED  
14 BY ADDING A SUBSECTION TO READ:

15 SECTION 1770.5. AUTHORIZATION OF THREE PER CENTUM HOTEL  
16 TAX.-- \* \* \*

17 (E.1) AN AUDITED REPORT ON THE INCOME AND EXPENDITURES  
18 INCURRED BY A TOURIST PROMOTION AGENCY RECEIVING ANY REVENUES  
19 FROM THE TAX AUTHORIZED UNDER THIS SECTION SHALL BE SUBMITTED  
20 ANNUALLY BY THE TOURIST PROMOTION AGENCY TO THE COUNTY  
21 COMMISSIONERS.

22 (F) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES  
23 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:

24 \* \* \*

25 "TOURIST PROMOTION AGENCY (TPA)." AN ORGANIZATION, AGENCY OR  
26 CORPORATION DESIGNATED AS OF JANUARY 1, 2003, TO BE SUCH BY THE  
27 BOARD OF COMMISSIONERS OF THE COUNTY IN WHICH THE TAX IS  
28 IMPOSED. THE TPA SHALL BE DULY ESTABLISHED, DESIGNATED AND  
29 RECOGNIZED AS THE COUNTY'S TPA IN ACCORDANCE WITH AND PURSUANT  
30 TO THE ACT OF APRIL 28, 1961 (P.L.111, NO.50), KNOWN AS THE

1 "TOURIST PROMOTION [LAW." ] LAW," OR SHALL BE THE SUCCESSOR OF  
2 THAT ENTITY IF THE ENTITY HAS BEEN DECERTIFIED DUE TO  
3 MALFEASANCE OR FRAUD.

4 \* \* \*

5 SECTION 4. SUBSECTION (C) AND THE DEFINITIONS OF "PERMANENT  
6 RESIDENT" AND "RECOGNIZED TOURIST PROMOTION AGENCY" IN  
7 SUBSECTION (F) OF SECTION 1770.6 OF THE ACT, ADDED DECEMBER 22,  
8 2000 (P.L.1019, NO.142), ARE AMENDED AND THE SECTION IS AMENDED  
9 BY ADDING A SUBSECTION TO READ:

10 Section 1770.6. Authorization of Hotel Tax.--\* \* \*

11 (c) The treasurer of each county electing to impose the tax  
12 authorized under this section shall collect the tax and deposit  
13 the revenues received from the tax in a special fund established  
14 for that purpose. Subsequent to the deduction for administrative  
15 costs established in subsection (e), the county shall distribute  
16 to the recognized tourist promotion agency all revenues received  
17 from the tax not later than sixty days after receipt of the tax  
18 revenues. The revenues from the special fund shall be used by  
19 the recognized tourist promotion agency for [the purposes of  
20 tourism, convention promotion and tourism development.] any or  
21 all of the following purposes:

22 (1) Convention promotion.

23 ~~(2) Tourism development.~~ <—

24 ~~(3) (2) Marketing the area served by the agency as a leisure~~ <—  
25 travel destination.

26 ~~(4) (3) Marketing the area served by the agency as a~~ <—  
27 business travel destination.

28 ~~(5) (4) Using all appropriate marketing tools to accomplish~~ <—  
29 these purposes, including, but not limited to, advertising,  
30 publicity, publications, direct marketing, direct sales and

1 participation in ~~travel~~ INDUSTRY trade shows. <—

2 (5) ANY OTHER TOURISM MARKETING OR PROMOTION PROGRAM DEEMED <—  
3 NECESSARY BY THE RECOGNIZED TOURIST PROMOTION AGENCY.

4 \* \* \*

5 (D.1) AN AUDITED REPORT ON THE INCOME AND EXPENDITURES  
6 INCURRED BY A RECOGNIZED TOURIST PROMOTION AGENCY RECEIVING ANY  
7 REVENUES FROM THE TAX AUTHORIZED UNDER THIS SECTION SHALL BE  
8 SUBMITTED ANNUALLY BY THE RECOGNIZED TOURIST PROMOTION AGENCY TO  
9 THE COUNTY COMMISSIONERS.

10 \* \* \*

11 (f) Definitions.--As used in this section, the following  
12 words and phrases shall have the meanings given to them in this  
13 subsection:

14 \* \* \*

15 "Permanent resident." A person who has occupied or has the  
16 right to occupancy of a room or rooms in a hotel as a patron or  
17 otherwise for a period exceeding [sixty] thirty consecutive  
18 days.

19 "Recognized tourist promotion agency." The nonprofit  
20 corporation, organization, association or agency designated to  
21 be such by the board of commissioners as of January 1, 2003, or  
22 which succeeds such nonprofit corporation, organization,  
23 association or agency which was decertified by reason of  
24 malfeasance or fraud, which is engaged in planning and promoting  
25 programs designed to stimulate and increase the volume of  
26 tourist, visitor and vacation business within counties served by  
27 the agency as that term is defined in the act of April 28, 1961  
28 (P.L.111, No.50), known as the "Tourist Promotion Law."

29 \* \* \*

30 SECTION 5. THE DEFINITION OF "TOURIST PROMOTION AGENCY" <—

1 (TPA)" IN SECTION 1770.7(F) OF THE ACT, ADDED DECEMBER 22, 2000  
2 (P.L.1019, NO.142), IS AMENDED AND THE SECTION IS AMENDED BY  
3 ADDING A SUBSECTION TO READ:

4 SECTION 1770.7. AUTHORIZATION OF THREE PER CENTUM HOTEL  
5 TAX.--\* \* \*

6 (E.1) AN AUDITED REPORT ON THE INCOME AND EXPENDITURES  
7 INCURRED BY A TOURIST PROMOTION AGENCY RECEIVING ANY REVENUES  
8 FROM THE TAX AUTHORIZED UNDER THIS SECTION SHALL BE SUBMITTED  
9 ANNUALLY BY THE TOURIST PROMOTION AGENCY TO THE COUNTY  
10 COMMISSIONERS.

11 (F) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES  
12 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:

13 \* \* \*

14 "TOURIST PROMOTION AGENCY (TPA)." AN ORGANIZATION, AGENCY OR  
15 CORPORATION DESIGNATED TO BE SUCH BY THE BOARD OF COMMISSIONERS  
16 AS OF JANUARY 1, [2000] 2003, OF THE COUNTY IN WHICH THE TAX IS  
17 IMPOSED. THE TPA SHALL BE DULY ESTABLISHED, DESIGNATED AND  
18 RECOGNIZED AS THE COUNTY'S TPA IN ACCORDANCE WITH AND PURSUANT  
19 TO THE ACT OF APRIL 28, 1961 (P.L.111, NO.50), KNOWN AS THE  
20 "TOURIST PROMOTION [LAW."] LAW," OR SHALL BE THE SUCCESSOR OF  
21 THAT ENTITY IF THE ENTITY HAS BEEN DECERTIFIED DUE TO  
22 MALFEASANCE OR FRAUD.

23 \* \* \*

24 SECTION 6. THE DEFINITION OF "TOURIST PROMOTION AGENCY" IN  
25 SECTION 2399.23(J) OF THE ACT, ADDED NOVEMBER 3, 1999 (P.L.461,  
26 NO.42), IS AMENDED AND THE SECTION IS AMENDED BY ADDING A  
27 SUBSECTION TO READ:

28 SECTION 2399.23. HOTEL ROOM RENTAL TAX.--\* \* \*

29 (H.1) AN AUDITED REPORT ON THE INCOME AND EXPENDITURES  
30 INCURRED BY A TOURIST PROMOTION AGENCY RECEIVING ANY REVENUES

1 FROM THE TAX AUTHORIZED UNDER THIS SECTION SHALL BE SUBMITTED  
2 ANNUALLY BY THE TOURIST PROMOTION AGENCY TO THE COUNTY  
3 COMMISSIONERS.

4 \* \* \*

5 (J) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES  
6 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:

7 \* \* \*

8 "TOURIST PROMOTION AGENCY" SHALL MEAN THE AGENCY DESIGNATED  
9 AS OF JANUARY 1, 2003, BY THE GOVERNING BODY OF A COUNTY OR  
10 COUNTY SEAT IN WHICH THE CONVENTION CENTER IS LOCATED TO BE  
11 ELIGIBLE FOR GRANTS FROM THE DEPARTMENT OF COMMUNITY AND  
12 ECONOMIC DEVELOPMENT PURSUANT TO THE ACT OF APRIL 28, 1961  
13 (P.L.111, NO.50), KNOWN AS THE "TOURIST PROMOTION [LAW.] LAW,"  
14 OR THE SUCCESSOR OF THAT ENTITY IF THE ENTITY HAS BEEN  
15 DECERTIFIED DUE TO MALFEASANCE OR FRAUD.

16 \* \* \*

17 SECTION 7. THE DEFINITION OF "TOURIST PROMOTION AGENCY" IN  
18 SECTION 2399.72(K) OF THE ACT, ADDED OCTOBER 18, 2000 (P.L.541,  
19 NO.73), IS AMENDED AND THE SECTION IS AMENDED BY ADDING A  
20 SUBSECTION TO READ:

21 SECTION 2399.72. HOTEL ROOM RENTAL TAX.--\* \* \*

22 (H.1) AN AUDITED REPORT ON THE INCOME AND EXPENDITURES  
23 INCURRED BY A TOURIST PROMOTION AGENCY RECEIVING ANY REVENUES  
24 FROM THE TAX AUTHORIZED UNDER THIS SECTION SHALL BE SUBMITTED  
25 ANNUALLY BY THE TOURIST PROMOTION AGENCY TO THE COUNTY  
26 COMMISSIONERS.

27 \* \* \*

28 (K) AS USED IN THIS SECTION, THE FOLLOWING WORDS AND PHRASES  
29 SHALL HAVE THE MEANINGS GIVEN TO THEM IN THIS SUBSECTION:

30 \* \* \*

1 "TOURIST PROMOTION AGENCY" SHALL MEAN THE AGENCY DESIGNATED  
2 AS OF JANUARY 1, 2003, BY THE GOVERNING BODY OF A COUNTY OR  
3 COUNTY SEAT IN WHICH THE CONVENTION CENTER FACILITIES ARE  
4 LOCATED TO BE ELIGIBLE FOR GRANTS FROM THE DEPARTMENT OF  
5 COMMUNITY AND ECONOMIC DEVELOPMENT PURSUANT TO THE ACT OF APRIL  
6 28, 1961 (P.L.111, NO.50), KNOWN AS THE "TOURIST PROMOTION  
7 [LAW." ] LAW," OR THE SUCCESSOR OF THAT ENTITY IF THE ENTITY HAS  
8 BEEN DECERTIFIED DUE TO MALFEASANCE OR FRAUD.

9 \* \* \*

10 Section ~~2~~ 8. This act shall take effect as follows: <—

11 (1) The amendment of the definitions of "permanent  
12 resident" and "recognized tourist promotion agency" in  
13 section 1770.6(f) of the act shall take effect immediately.

14 (2) This section shall take effect immediately.

15 (3) The ~~amendment of section 1770.6(c) of the~~ REMAINDER <—  
16 OF THIS act shall take effect in six months.