

## 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, GILLESPIE, LEH, GOODMAN AND WOJNAROSKI,  
FEBRUARY 10, 2003

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,  
MARCH 15, 2004

## 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 hotel room rental tax.

11 The General Assembly of the Commonwealth of Pennsylvania  
12 hereby enacts as follows:

13 ~~Section 1. Subsection (c) and the definition of "recognized~~ <—  
14 ~~tourist promotion agency" in subsection (f) of section 1770.2 of~~  
15 ~~the act of August 9, 1955 (P.L.323, No.130), known as The County~~  
16 ~~Code, amended December 22, 2000 (P.L.1019, No.142), are amended~~  
17 ~~to read:~~

18 SECTION 1. SECTION 1770.2(C) OF THE ACT OF AUGUST 9, 1955 <—  
19 (P.L.323, NO.130), KNOWN AS THE COUNTY CODE, AMENDED DECEMBER

1 22, 2000 (P.L.1019, NO.142), IS AMENDED TO READ:

2 Section 1770.2. Authorization of Excise Tax.--\* \* \*

3 (c) The treasurer of each county electing to impose the tax  
4 authorized under this section shall collect the tax and deposit  
5 the revenues received from the tax in a special fund established  
6 for that purpose. After deducting from the fund any direct or  
7 indirect costs attributable to collection of the tax, the county  
8 shall distribute to the recognized tourist promotion agency  
9 designated to act within the county all revenues received from  
10 the tax not later than sixty days after receipt of the tax  
11 revenues. [Two-thirds of the revenues from the special fund  
12 shall be used by the recognized tourist promotion agency to  
13 directly fund countywide tourist promotion. One-third of the  
14 revenues from the special fund shall be used by the recognized  
15 tourist promotion agency for the purposes of tourism, convention  
16 promotion and tourism development.] The revenues from the  
17 special fund shall be used by the recognized tourist promotion  
18 agency for any or all of the following purposes:

19 (1) Convention promotion.

20 (2) Marketing the area served by the agency as a leisure  
21 travel destination.

22 (3) Marketing the area served by the agency as a business  
23 travel destination.

24 (4) Using all appropriate marketing tools to accomplish  
25 these purposes, including, but not limited to, advertising,  
26 publicity, publications, direct marketing, direct sales and  
27 participation in industry trade shows.

28 ~~(5) Any other tourism marketing, development or promotion~~ <—

29 (5) PROJECTS OR PROGRAMS THAT ARE DIRECTLY AND SUBSTANTIALLY <—  
30 RELATED TO TOURISM WITHIN THE COUNTY, AUGMENT AND DO NOT UNDULY

COMPETE WITH PRIVATE SECTOR TOURISM EFFORTS AND IMPROVE AND  
EXPAND THE COUNTY AS A DESTINATION MARKET.

(6) ANY OTHER TOURISM MARKETING OR PROMOTION program deemed  
necessary by the recognized tourist promotion agency.

\* \* \*

~~(f) As used in this section, the following words and phrases <—  
shall have the meanings given to them in this subsection:~~

~~\* \* \*~~

~~"Recognized tourist promotion agency." The nonprofit  
corporation, organization, association or agency which is  
engaged in planning and promoting programs designed to stimulate  
and increase the volume of tourist, visitor and vacation  
business within counties served by the agency as that term is  
defined in the act of April 28, 1961 (P.L.111, No.50), known as  
the "Tourist Promotion [Law."] Law," and designated as of  
January 1, 2003, to be such by the board of commissioners of the  
county in which the tax is imposed, or the successor of that  
entity if the entity is decertified due to malfeasance or fraud.~~

~~\* \* \*~~

~~Section 2. The definition of "Tourist Promotion Agency  
(TPA)" in section 1770.4(f) of the act, added June 18, 1997  
(P.L.179, No.18), is amended and the section is amended by  
adding a subsection to read:~~

~~SECTION 2. SECTIONS 1770.4 AND 1770.5 OF THE ACT ARE AMENDED <—  
BY ADDING SUBSECTIONS TO READ:~~

~~Section 1770.4. Authorization of Hotel Tax.--\* \* \*~~

(e.1) An audited report on the income and expenditures  
incurred by a tourist promotion agency receiving any revenues  
from the tax authorized under this section shall be submitted  
annually by the tourist promotion agency to the county

1 commissioners.

2 ~~(f) As used in this section, the following words and phrases <—~~  
3 ~~shall have the meanings given to them in this subsection:~~

4 ~~\* \* \*~~

5 ~~"Tourist Promotion Agency (TPA)." An organization, agency or~~  
6 ~~corporation designated as of January 1, 2003, to be such by the~~  
7 ~~board of commissioners of the county in which the tax is~~  
8 ~~imposed. The TPA shall be duly established, designated and~~  
9 ~~recognized as the county's TPA in accordance with and pursuant~~  
10 ~~to the act of April 28, 1961 (P.L.111, No.50), known as the~~  
11 ~~"Tourist Promotion [Law."] Law," or shall be the successor of~~  
12 ~~that entity if the entity has been decertified due to~~  
13 ~~malfeasance or fraud.~~

14 ~~\* \* \*~~

15 ~~Section 3. The definition of "Tourist Promotion Agency <—~~  
16 ~~(TPA)" in section 1770.5(f) of the act, amended December 22,~~  
17 ~~2000 (P.L.1019, No.142), is amended and the section is amended~~  
18 ~~by adding a subsection to read:~~

19 ~~Section 1770.5. Authorization of Three Per Centum Hotel~~  
20 ~~Tax.--\* \* \*~~

21 ~~(e.1) An audited report on the income and expenditures~~  
22 ~~incurred by a tourist promotion agency receiving any revenues~~  
23 ~~from the tax authorized under this section shall be submitted~~  
24 ~~annually by the tourist promotion agency to the county~~  
25 ~~commissioners.~~

26 ~~(f) As used in this section, the following words and phrases <—~~  
27 ~~shall have the meanings given to them in this subsection:~~

28 ~~\* \* \*~~

29 ~~"Tourist Promotion Agency (TPA)." An organization, agency or~~  
30 ~~corporation designated as of January 1, 2003, to be such by the~~

1 ~~board of commissioners of the county in which the tax is~~  
2 ~~imposed. The TPA shall be duly established, designated and~~  
3 ~~recognized as the county's TPA in accordance with and pursuant~~  
4 ~~to the act of April 28, 1961 (P.L.111, No.50), known as the~~  
5 ~~"Tourist Promotion [Law."] Law," or shall be the successor of~~  
6 ~~that entity if the entity has been decertified due to~~  
7 ~~malfeasance or fraud.~~

8 \* \* \*

9 ~~Section 4. Subsection (c) and the definitions of "permanent~~ <—  
10 ~~resident" and "recognized tourist promotion agency" in~~  
11 ~~subsection (f) of section 1770.6 of the act, added December 22,~~  
12 ~~2000 (P.L.1019, No.142), are amended and the section is amended~~  
13 ~~by adding a subsection to read:~~

14 SECTION 3. SUBSECTION (C) AND THE DEFINITION OF "PERMANENT <—  
15 RESIDENT" IN SUBSECTION (F) OF SECTION 1770.6 OF THE ACT, ADDED  
16 DECEMBER 22, 2000 (P.L.1019, NO.142), ARE AMENDED AND THE  
17 SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

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

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

30 (1) Convention promotion.

1     (2) Marketing the area served by the agency as a leisure  
2 travel destination.

3     (3) Marketing the area served by the agency as a business  
4 travel destination.

5     (4) Using all appropriate marketing tools to accomplish  
6 these purposes, including, but not limited to, advertising,  
7 publicity, publications, direct marketing, direct sales and  
8 participation in industry trade shows.

9     ~~(5) Any other tourism marketing, development or promotion~~     <—

10    (5) PROJECTS OR PROGRAMS THAT ARE DIRECTLY AND SUBSTANTIALLY     <—  
11 RELATED TO TOURISM WITHIN THE COUNTY, AUGMENT AND DO NOT UNDULY  
12 COMPETE WITH PRIVATE SECTOR TOURISM EFFORTS AND IMPROVE AND  
13 EXPAND THE COUNTY AS A DESTINATION MARKET.

14    (6) ANY OTHER TOURISM MARKETING OR PROMOTION program deemed  
15 necessary by the recognized tourist promotion agency.

16       \* \* \*

17    (d.1) An audited report on the income and expenditures  
18 incurred by a recognized tourist promotion agency receiving any  
19 revenues from the tax authorized under this section shall be  
20 submitted annually by the recognized tourist promotion agency to  
21 the county commissioners.

22       \* \* \*

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

26       \* \* \*

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

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

~~\* \* \*~~

~~Section 5. The definition of "Tourist Promotion Agency (TPA)" in section 1770.7(f) of the act, added December 22, 2000 (P.L.1019, No.142), is amended and the section is amended by adding a subsection to read:~~

~~SECTION 4. SECTIONS 1770.7, 2399.23 AND 2399.72 OF THE ACT ARE AMENDED BY ADDING SUBSECTIONS TO READ:~~

~~Section 1770.7. Authorization of Three Per Centum Hotel Tax.--\* \* \*~~

~~(e.1) An audited report on the income and expenditures incurred by a tourist promotion agency receiving any revenues from the tax authorized under this section shall be submitted annually by the tourist promotion agency to the county commissioners.~~

~~(f) As used in this section, the following words and phrases shall have the meanings given to them in this subsection:~~

~~\* \* \*~~

~~"Tourist Promotion Agency (TPA)." An organization, agency or corporation designated to be such by the board of commissioners as of January 1, [2000] 2003, of the county in which the tax is~~

~~imposed. The TPA shall be duly established, designated and  
recognized as the county's TPA in accordance with and pursuant  
to the act of April 28, 1961 (P.L.111, No.50), known as the  
"Tourist Promotion [Law.] Law," or shall be the successor of  
that entity if the entity has been decertified due to  
malfeasance or fraud.~~

~~\* \* \*~~

~~Section 6. The definition of "tourist promotion agency" in  
section 2399.23(j) of the act, added November 3, 1999 (P.L.461,  
No.42), is amended and the section is amended by adding a  
subsection to read:~~

~~Section 2399.23. Hotel Room Rental Tax.--\* \* \*~~

~~(h.1) An audited report on the income and expenditures  
incurred by a tourist promotion agency receiving any revenues  
from the tax authorized under this section shall be submitted  
annually by the tourist promotion agency to the county  
commissioners.~~

~~\* \* \*~~

~~(j) As used in this section, the following words and phrases  
shall have the meanings given to them in this subsection:~~

~~\* \* \*~~

~~"Tourist promotion agency" shall mean the agency designated  
as of January 1, 2003, by the governing body of a county or  
county seat in which the convention center is located to be  
eligible for grants from the Department of Community and  
Economic Development pursuant to the act of April 28, 1961  
(P.L.111, No.50), known as the "Tourist Promotion [Law.] Law,"  
or the successor of that entity if the entity has been  
decertified due to malfeasance or fraud.~~

~~\* \* \*~~



1     ~~Section 7. The definition of "tourist promotion agency" in~~  
2     ~~section 2399.72(k) of the act, added October 18, 2000 (P.L.541,~~  
3     ~~No.73), is amended and the section is amended by adding a~~  
4     ~~subsection to read:~~

5     Section 2399.72. Hotel Room Rental Tax.--\* \* \*

6     (h.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    \* \* \*

12    ~~(k) As used in this section, the following words and phrases~~ <—  
13    ~~shall have the meanings given to them in this subsection:~~

14    \* \* \*

15    ~~"Tourist promotion agency" shall mean the agency designated~~  
16    ~~as of January 1, 2003, by the governing body of a county or~~  
17    ~~county seat in which the convention center facilities are~~  
18    ~~located to be eligible for grants from the Department of~~  
19    ~~Community and Economic Development pursuant to the act of April~~  
20    ~~28, 1961 (P.L.111, No.50), known as the "Tourist Promotion~~  
21    ~~[Law."] Law," or the successor of that entity if the entity has~~  
22    ~~been decertified due to malfeasance or fraud.~~

23    \* \* \*

24    Section 8 5. This act shall take effect as follows: <—

25       (1) The amendment of the definition of "permanent  
26       resident" in section 1770.6(f) of the act shall take effect  
27       immediately.

28       ~~(2) The amendment of the definitions of "recognized~~ <—  
29       ~~tourist promotion agency" in sections 1770.2 and 1770.6 of~~  
30       ~~the act and "tourist promotion agency" in sections 1770.4,~~

1     ~~1770.5, 1770.7, 2399.23 and 2399.72 of the act shall take~~  
2     ~~effect immediately.~~

3             ~~(3)~~ (2) This section shall take effect immediately.

4             ~~(4) The remainder of this act shall take effect in six~~ <—  
5     ~~months.~~

6             (3) THE REMAINDER OF THIS ACT SHALL TAKE EFFECT IN 60 <—  
7     DAYS.