
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 520 Session of
2017

INTRODUCED BY MUSTIO, DERMODY, ENGLISH, LONGIETTI, ORTITAY,
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FEBRUARY 15, 2017

REFERRED TO COMMITTEE ON TOURISM AND RECREATIONAL DEVELOPMENT,
FEBRUARY 15, 2017

AN ACT

1 Authorizing a tourism promotion fee for counties of the second
2 class; providing for Second Class County Tourism Promotion
3 Fund and for distribution of money from the Second Class
4 County Tourism Promotion Fund; and establishing the Sports
5 Commission in a county of the second class.

6 The General Assembly of the Commonwealth of Pennsylvania
7 hereby enacts as follows:

8 Section 1. Short title.

9 This act shall be known and may be cited as the Second Class
10 County Tourism Promotion Fee Act.

11 Section 2. Definitions.

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

15 "Commission." The Sports Commission established under
16 section 6(a).

17 "Consideration." A receipt, fee, charge, rental, lease,

1 cash, credit, property of any kind or nature or other payment
2 received by an operator in exchange for or in consideration of
3 the use or occupancy by a transient of a room in a hotel for any
4 temporary period.

5 "Convention center or exhibition hall." A building that:

6 (1) is not used for the retail sale of merchandise or
7 part of a shopping center, mall or other retail center,
8 including any land appurtenant to a part of the shopping
9 center, mall or other retail center;

10 (2) has a major function of housing meetings,
11 exhibitions, shows, conventions, assemblies, convocations or
12 other similar gatherings; and

13 (3) contains no less than 300,000 gross square feet of
14 exhibition space for shows and conventions.

15 "Fund." The Second Class County Tourism Promotion Fund
16 established under section 4(a).

17 "Hotel."

18 (1) As follows:

19 (i) a hotel, motel, inn, guest house or other
20 building located within the taxing jurisdiction which
21 holds itself out by any means, including advertising,
22 license, registration with any innkeeper's group,
23 convention listing association, travel publication or
24 similar association or with any government agency as
25 being available to provide overnight lodging or use of
26 facility space for consideration to persons seeking
27 temporary accommodation;

28 (ii) a place which advertises to the public at large
29 that it will provide beds, sanitary facilities or other
30 space for a temporary period to members of the public at

1 large; or

2 (iii) a place recognized as a hostelry.

3 (2) The term does not include portions of a facility
4 which are devoted to persons who have established permanent
5 residence at the facility.

6 "Occupancy." The use or possession or the right to the use
7 or possession by a person other than a permanent resident of a
8 room in a hotel for any purpose or the right to the use or
9 possession of the furnishings or to the services accompanying
10 the use and possession of the room.

11 "Operator." An individual, a partnership, nonprofit or
12 profit-making association or corporation or other person or
13 group of persons that maintains, operates, manages, owns, has
14 custody of or otherwise possesses the right to rent or lease
15 overnight accommodations in a hotel to the public for
16 consideration.

17 "Patron." A person who pays the consideration for the
18 occupancy of a room in a hotel.

19 "Permanent resident." A person who has occupied or has the
20 right to occupancy of a room in a hotel as a patron or otherwise
21 for a period of more than 30 consecutive days.

22 "Regional tourism promotion agency." As defined under the
23 act of July 4, 2008 (P.L.621, No.50), known as the Tourism
24 Promotion Act.

25 "Regional tourist promotion activities." Services,
26 activities, facilities and events which result in a significant
27 number of nonresidents visiting a county of the second class for
28 recreational, cultural or educational purposes.

29 "Room." A space in a hotel set aside for use and occupancy
30 by patrons or otherwise for consideration which has at least one

1 bed or other sleeping accommodation.

2 "Temporary." A period of time of no more than 30 consecutive
3 days.

4 "Tournament." An organized amateur sporting event consisting
5 of participants who are engaged without remuneration in
6 regional, State and national sporting activities, which
7 encourage travel for overnight lodging in a county of the second
8 class.

9 "Transaction." An activity involving the obtaining by a
10 transient or patron of the use or occupancy of a hotel room from
11 which consideration emanates to the operator under an express or
12 an implied contract.

13 "Transient." An individual who obtains accommodation in a
14 hotel by means of registering at the facility for the temporary
15 occupancy of a room for the personal use of the individual by
16 paying to the operator of the facility a fee in consideration
17 for the accommodation.

18 Section 3. Second class county tourism promotion fee.

19 A county of the second class may impose a tourism promotion
20 fee of no more than 2% on the consideration received by an
21 operator of a hotel within the county from a transaction of
22 renting a room to accommodate a transient. The operator shall
23 collect the fee authorized under this section from the patron of
24 the room and transmit the fee to the county.

25 Section 4. Second Class County Tourism Promotion Fund.

26 (a) Tourism promotion fund.--A county of the second class
27 opting to impose the fee under section 3 shall establish a
28 Second Class County Tourism Promotion Fund as a special fund in
29 the county treasury.

30 (b) Deposits.--The treasurer of a county of the second class

1 opting to impose the fee under section 3 shall collect the fee
2 and deposit the money in the fund.

3 (c) Reports.--Recipients of funds generated by the tourism
4 promotion fee shall make annual audited reports of the receipts
5 and expenditures of such funds to the county executive,
6 president of county council, county controller, county
7 treasurer, President pro tempore of the Senate, Speaker of the
8 House of Representatives, Minority Leader of the Senate and
9 Minority Leader of the House of Representatives.

10 (d) Audits.--The county controller of a county of the second
11 class may conduct audits of the use of funds generated by the
12 tourist promotion fee.

13 Section 5. Distribution of money.

14 (a) Reserve fund deposit.--

15 (1) Before money in the fund established under section
16 4(a) is distributed under subsection (b), 10% of the money in
17 the fund shall be deposited in a sports commission reserve
18 fund established by a sports commission in a county of the
19 second class.

20 (2) The amount deposited under paragraph (1) shall not
21 exceed the following:

22 (i) Three million dollars.

23 (ii) The amount specified under subparagraph (i) as
24 adjusted for inflation annually according to the Consumer
25 Price Index for All Urban Consumers.

26 (b) Distribution.--The money in the fund shall be
27 distributed by the treasurer of a county of the second class as
28 follows:

29 (1) Two percent to a home rule charter municipality
30 where a recognized tourist promotion agency is established by

1 the home rule charter municipality in a county of the second
2 class, at the request of that municipality, shall be returned
3 to that municipality for deposit in that municipality's
4 special fund, which is separate from all other municipal
5 revenue and established solely for purposes of paying for
6 promotional programs implemented by a nonprofit organization
7 which are designed to stimulate and increase the volume of
8 conventions, meetings and visitors within the municipality.
9 Money under this paragraph shall be used for, but not limited
10 to, the following purposes:

11 (i) Capital improvements and advertising the area
12 served by the recognized tourist promotion agency as a
13 convention and business travel destination.

14 (ii) Marketing and advertising the area served by
15 the recognized tourist promotion agency as a convention
16 and business travel destination.

17 (iii) Marketing and advertising the area served by
18 the recognized tourist promotion agency to the public as
19 a whole for use of its tourist and convention facilities.

20 (iv) Marketing and advertising the area served by
21 the recognized tourist promotion agency as a leisure
22 travel destination.

23 (v) Using all appropriate marketing and advertising
24 tools to accomplish the purposes designated under
25 subparagraphs (i), (ii), (iii) and (iv), including, but
26 not limited to, advertising, publicity, publications,
27 direct marketing, direct sales and participating in
28 travel trade shows.

29 (2) Ten percent to the film office that is recognized by
30 the Association of Film Commissioners International which is

1 located in a county of the second class to grow the regional
2 film industry for the purpose of attracting movie, television
3 and commercial productions through marketing initiatives.

4 (3) Eighteen percent to the Sports and Exhibition
5 Authority established under Article XXV-A of the act of July
6 28, 1953 (P.L.723, No.230), known as the Second Class County
7 Code, for capital improvements to a convention center or
8 exhibition hall located in a city of the second class,
9 including all of the following:

10 (i) Capital cosmetic improvements to enhance the
11 convention and sports experience for clients.

12 (ii) The purchase and maintenance of physical
13 improvements, including, but not limited to, permanent
14 marquees, integrated electronic informational boards and
15 signage, event signage, stadium-style seating, multiuse
16 sports courts and related assets to include NCAA-quality,
17 tournament-ready equipment for various sports, including,
18 but not limited to, basketball, volleyball, soccer,
19 lacrosse and other sports assets and equipment that would
20 attract additional events.

21 (iii) Upgrades to programmable space that enhance
22 the customer experience through improved functionality,
23 aesthetics and upgraded technology.

24 (4) Twenty-two percent to a regional tourism promotion
25 agency in a city of the second class for the purpose of
26 establishing a sports commission in a county of the second
27 class.

28 (5) Twenty-five percent to a regional tourism promotion
29 agency in a city of the second class for the purpose of
30 establishing a convention promotion and marketing fund. The

1 regional tourism promotion agency shall use the money in the
2 convention promotion and marketing fund for, but not limited
3 to, any of the following purposes:

4 (i) Securing future meetings and conventions for a
5 convention center or exhibition hall in a city of the
6 second class that provides for the use of multiple
7 hotels.

8 (ii) Transportation associated with the production
9 of meetings and conventions held within a county of the
10 second class.

11 (iii) Operating costs associated with the production
12 of meetings and conventions held within a county of the
13 second class.

14 (6) Five percent to the treasurer of a county of the
15 second class for costs of collecting the tourism promotion
16 fee under section 4(b).

17 (7) Eighteen percent to the Sports Commission
18 established under section 6(a) for regional tourist promotion
19 activities. The revenue shall be used by the commission for
20 any of the following purposes in a county of the second
21 class:

22 (i) Construction, upgrades and maintenance of
23 amateur sports-related tournament locations in parks
24 throughout a county of the second class to a standard
25 which would attract hosting of regional, State and
26 national sporting tournaments.

27 (ii) Swimming pool upgrades for competitive
28 tournament-level events in parks owned by a county of the
29 second class.

30 (iii) Enhancing the marketability of sports-related

1 events in parks owned by a county of the second class to
2 a standard which would attract hosting of regional, State
3 and national sporting tournaments.

4 (c) Reserve account.--

5 (1) An entity that received money under subsection (b)
6 may deposit any unused money received by the entity under
7 subsection (b) in a fiscal year into a reserve account in the
8 county treasury of a county of the second class.

9 (2) Money in the reserve account under paragraph (1) may
10 be withdrawn by the entity that deposited the money for the
11 purposes specified under subsection (b) for subsequent fiscal
12 years.

13 Section 6. Sports Commission.

14 (a) Establishment.--The Sports Commission is established in
15 a county of the second class.

16 (b) Members.--The commission shall consist of, but not be
17 limited to, the following members:

18 (1) The county executive or the county executive's
19 designee, who resides in a county of the second class.

20 (2) The mayor of a city of the second class, or the
21 mayor's designee, who resides in a county of the second
22 class.

23 (3) One member appointed by the President pro tempore of
24 the Senate, who resides in a county of the second class.

25 (4) One member appointed by the Speaker of the House of
26 Representatives, who resides in a county of the second class.

27 (5) One member appointed by the Minority Leader of the
28 Senate, who resides in a county of the second class.

29 (6) One member appointed by the Minority Leader of the
30 House of Representatives, who resides in a county of the

1 second class.

2 (7) Five members appointed by the recognized regional
3 tourism promotion agency of a county of the second class.

4 (8) Four members representing hotels and lodging
5 appointed by the recognized hotel association located in a
6 county of the second class.

7 (9) Three members representing professional sports
8 franchise teams located in the county of the second class,
9 which shall include the following:

10 (i) One member from the National Football League.

11 (ii) One member from the National Hockey League.

12 (iii) One member from Major League Baseball.

13 (10) Three members representing Division I sports
14 programs, as identified by the National Collegiate Athletic
15 Association (NCAA), from colleges or universities located in
16 a county of the second class, to be appointed by those NCAA
17 Division I sports programs.

18 (c) Bylaws.--The commission shall adopt bylaws necessary to
19 conduct business.

20 (d) Executive committee.--The commission shall establish an
21 executive committee not to exceed 11 members.

22 (e) Meetings.--The commission shall meet at least annually
23 and from time to time as it determines necessary.

24 (f) Powers and duties.--The commission shall appropriate the
25 revenue distributed under section 5(b)(7).

26 Section 7. Effective date.

27 This act shall take effect in 90 days.