

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 * * *

"TOURIST PROMOTION AGENCY (TPA)." AN ORGANIZATION, AGENCY OR CORPORATION DESIGNATED AS OF JANUARY 1, 2003, TO BE SUCH BY THE BOARD OF COMMISSIONERS 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 3. THE DEFINITION OF "TOURIST PROMOTION AGENCY (TPA)" IN SECTION 1770.5(F) OF THE ACT, AMENDED DECEMBER 22, 2000 (P.L.1019, NO.142), IS AMENDED AND THE SECTION IS AMENDED BY ADDING A SUBSECTION TO READ:

SECTION 1770.5. 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 AS OF JANUARY 1, 2003, TO BE SUCH BY THE BOARD OF COMMISSIONERS 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

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.