

1                   **TOURISM MARKETING PERFORMANCE ACCOUNT**

2                                   **AMENDMENTS**

3   2014 GENERAL SESSION

4   STATE OF UTAH

5                                   **Chief Sponsor: Brad R. Wilson**

6                                   Senate Sponsor: \_\_\_\_\_

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8   **LONG TITLE**

9   **Committee Note:**

10           The Economic Development and Workforce Services Interim Committee recommended  
11 this bill.

12   **General Description:**

13           This bill modifies Title 63M, Chapter 1, Governor's Office of Economic Development,  
14 by amending provisions related to the Tourism Marketing Performance Account.

15   **Highlighted Provisions:**

16           This bill:

17           ▶ extends from fiscal year 2015 to fiscal year 2019 the number of years that growth in  
18 tourism-oriented sales tax revenue is calculated as part of a formula to potentially  
19 increase annual funding for the Tourism Marketing Performance Account; and

20           ▶ makes technical changes.

21   **Money Appropriated in this Bill:**

22           None

23   **Other Special Clauses:**

24           None

25   **Utah Code Sections Affected:**

26   AMENDS:

27           **63M-1-1406**, as last amended by Laws of Utah 2011, Chapters 303 and 342



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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **63M-1-1406** is amended to read:

**63M-1-1406. Tourism Marketing Performance Account.**

(1) There is created within the General Fund a restricted account known as the Tourism Marketing Performance Account.

(2) The account shall be administered by the office for the purposes listed in Subsection (5).

(3) (a) The account shall earn interest.

(b) All interest earned on account money shall be deposited into the account.

(4) The account shall be funded by appropriations made to the account by the Legislature in accordance with this section.

(5) The director [~~may~~] shall use account money appropriated to the office to pay for the statewide advertising, marketing, and branding campaign for promotion of the state as conducted by the office.

(6) (a) For the fiscal year beginning July 1, 2007, the director shall allocate 10% of the account money appropriated to the office to be distributed to a sports organization for advertising, marketing, branding, and promoting Utah in attracting sporting events into the state as determined by the office.

(b) For a fiscal year beginning on or after July 1, 2008, the amount distributed under Subsection (6)(a) shall be indexed from the July 1, 2007 fiscal year to reflect a percent increase or decrease of money set aside into the account as compared to the previous fiscal year.

(c) The office shall provide for an annual accounting to the office by a sports organization of the use of money it receives under Subsection (6)(a) or (b).

(d) For purposes of this Subsection (6), "sports organization" means an organization that is:

(i) exempt from federal income taxation in accordance with Section 501(c)(3), Internal Revenue Code; and

(ii) created to foster national and international amateur sports competitions to be held in the state and sports tourism throughout the state, to include advertising, marketing, branding, and promoting Utah for the purpose of attracting sporting events into the state.

59 (7) Money deposited into the account shall consist of a legislative appropriation from  
60 the cumulative sales and use tax revenue increases identified in Subsection (8), plus any  
61 appropriation made by the Legislature.

62 (8) (a) In fiscal years 2006 through [~~2015~~] 2019, a portion of the state sales and use tax  
63 revenues determined under this Subsection (8) shall be certified as a set-aside for the account  
64 by the State Tax Commission and reported to the Office of Legislative Fiscal Analyst.

65 (b) The State Tax Commission shall determine the set-aside under this Subsection (8)  
66 in each fiscal year by applying the following formula: if the increase in the state sales and use  
67 tax revenues derived from the retail sales of tourist-oriented goods and services, in the fiscal  
68 year two years prior to the fiscal year in which the set-aside is to be made for the account, is at  
69 least 3% over the state sales and use tax revenues derived from the retail sales of  
70 tourist-oriented goods and services generated in the fiscal year three years prior to the fiscal  
71 year in which the set-aside is to be made, an amount equal to 1/2 of the state sales and use tax  
72 revenues generated above the 3% increase shall be calculated by the commission and set aside  
73 by the state treasurer for appropriation to the account.

74 (c) [~~Total~~] The total money [~~to be~~] appropriated to the account in any fiscal year under  
75 Subsections (8)(a) and (b) may not exceed the amount in the account under this section in the  
76 fiscal year immediately preceding the current fiscal year by more than \$3,000,000.

77 (d) As used in this Subsection (8), "sales of tourism-oriented goods and services" are  
78 those sales by businesses registered with the State Tax Commission under the following codes  
79 of the 1997 North American Industry Classification System of the federal Executive Office of  
80 the President, Office of Management and Budget:

- 81 (i) NAICS Code 453 Miscellaneous Store Retailers;
- 82 (ii) NAICS Code 481 Passenger Air Transportation;
- 83 (iii) NAICS Code 487 Scenic and Sightseeing Transportation;
- 84 (iv) NAICS Code 711 Performing Arts, Spectator Sports and Related Industries;
- 85 (v) NAICS Code 712 Museums, Historical Sites and Similar Institutions;
- 86 (vi) NAICS Code 713 Amusement, Gambling and Recreation Industries;
- 87 (vii) NAICS Code 721 Accommodations;
- 88 (viii) NAICS Code 722 Food Services and Drinking Places;
- 89 (ix) NAICS Code 4483 Jewelry, Luggage, and Leather Goods Stores;

- 90 (x) NAICS Code 4853 Taxi and Limousine Service;
  - 91 (xi) NAICS Code 4855 Charter Bus;
  - 92 (xii) NAICS Code 5615 Travel Arrangement and Reservation Services;
  - 93 (xiii) NAICS Code 44611 Pharmacies and Drug Stores;
  - 94 (xiv) NAICS Code 45111 Sporting Goods Stores;
  - 95 (xv) NAICS Code 45112 Hobby Toy and Game Stores;
  - 96 (xvi) NAICS Code 45121 Book Stores and News Dealers;
  - 97 (xvii) NAICS Code 445120 Convenience Stores without Gas Pumps;
  - 98 (xviii) NAICS Code 447110 Gasoline Stations with Convenience Stores;
  - 99 (xix) NAICS Code 447190 Other Gasoline Stations;
  - 100 (xx) NAICS Code 532111 Passenger Car Rental; and
  - 101 (xxi) NAICS Code 532292 Recreational Goods Rental.
- 102 (e) The Division of Finance shall for each fiscal year transfer the first \$6,000,000 of
- 103 ongoing money in the account to the General Fund.

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**Legislative Review Note**  
**as of 11-20-13 5:51 PM**

**Office of Legislative Research and General Counsel**