

The Senate Economic Development Committee offered the following substitute to HB 374:

A BILL TO BE ENTITLED  
AN ACT

1 To amend Code Section 48-13-51 of the Official Code of Georgia Annotated, relating to  
2 county and municipal levies on public accommodations charges for promotion of tourism,  
3 conventions, and trade shows, so as to extend the time for the levy and collection of a tax for  
4 the purpose of construction and expansion of a system of bicycle or pedestrian greenways,  
5 trails, walkways, or any other combination thereof connecting a downtown historic or  
6 business district and surrounding areas under certain circumstances; to provide that certain  
7 counties may levy and collect such a tax at the rate of 5 percent; to provide that funds shall  
8 be expended in a certain way; to provide an effective date; to repeal conflicting laws; and for  
9 other purposes.

10 BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

**SECTION 1.**

11 Code Section 48-13-51 of the Official Code of Georgia Annotated, relating to county and  
12 municipal levies on public accommodations charges for promotion of tourism, conventions,  
13 and trade shows, is amended by striking in its entirety subparagraph (D) of paragraph (1) of  
14 subsection (a) and inserting in lieu thereof the following:  
15

16 "(D) Except as provided in paragraphs (2.1), (3), (3.1), (3.2), (3.3), (3.4), (3.5), (3.7),  
17 (4), (4.1), (4.2), (4.3), (4.4), (4.5), (4.6), (4.7), (5), (5.1), ~~and (5.2)~~, and (5.3) of this  
18 subsection, no tax levied pursuant to this Code section shall be levied or collected at a  
19 rate exceeding 3 percent of the charge to the public for the furnishings."  
20

**SECTION 2.**

21 Said Code section is further amended by striking in its entirety paragraph (2) of subsection  
22 (a) and inserting in lieu thereof the following:  
23

24 "(2) A county or municipality levying a tax as provided in paragraph (1) of this  
25 subsection shall in each fiscal year beginning on or after July 1, 1987, expend for the  
26 purpose of promoting tourism, conventions, and trade shows a percentage of the total

1 taxes collected under this Code section which is not less than the percentage of such tax  
 2 collections expended for such purposes during the immediately preceding fiscal year. In  
 3 addition, if during such immediately preceding fiscal year any portion of such tax receipts  
 4 was expended for such purposes through a grant to or a contract or contracts with the  
 5 state, a department of state government, a state authority, or a private sector nonprofit  
 6 organization, then in each fiscal year beginning on or after July 1, 1987, at least the same  
 7 percentage shall be expended through a contract or contracts with one or more such  
 8 entities for the purpose of promoting tourism, conventions, and trade shows. The  
 9 expenditure requirements of this paragraph shall cease to apply to a county or  
 10 municipality which levies a tax at a rate in excess of 3 percent, as authorized under  
 11 paragraphs (2.1), (3), (3.1), (3.2), (3.3), (3.4), (3.5), (3.7), (4), (4.1), (4.2), (4.3), (4.4),  
 12 (4.5), (4.6), (4.7), (5), (5.1), ~~and (5.2)~~, and (5.3) of this subsection; and in such case the  
 13 expenditure requirements of such paragraph of this subsection pursuant to which such tax  
 14 is levied shall apply instead."

### 15 SECTION 3.

16 Said Code section is further amended by striking paragraph (4) of subsection (a) and  
 17 inserting in lieu thereof a new paragraph (4) to read as follows:

18 "(4) Notwithstanding any other provision of this subsection, a county (within the  
 19 territorial limits of the special district located within the county) or municipality may levy  
 20 a tax under this Code section at a rate of 6 percent. A county or municipality levying a  
 21 tax pursuant to this paragraph shall expend (in each fiscal year during which the tax is  
 22 collected under this paragraph (4)) an amount equal to at least 43 1/3 percent of the total  
 23 taxes collected at the rate of 6 percent for the purpose of: (A) promoting tourism,  
 24 conventions, and trade shows; (B) supporting a facility owned or operated by a state  
 25 authority for convention and trade show purposes or any other similar or related  
 26 purposes; (C) supporting a facility owned or operated by a local authority or local  
 27 government for convention and trade show purposes or any other similar or related  
 28 purposes, if a written agreement to provide such support was in effect on January 1, 1987,  
 29 and if such facility is substantially completed and in operation prior to July 1, 1987; (D)  
 30 supporting a facility owned or operated by a local government or local authority for  
 31 convention and trade show purposes or any other similar or related purposes if  
 32 construction of such facility is funded or was funded prior to July 1, 1990, in whole or  
 33 in part by a grant of state funds or is funded on or after July 1, 1990, in whole or  
 34 substantially by an appropriation of state funds; (E) supporting a facility owned by a local  
 35 government or local authority for convention and trade show purposes and any other  
 36 similar or related purposes if construction of such facility is substantially funded or was

1 substantially funded on or after February 28, 1985, by a special county 1 percent sales  
2 and use tax authorized by Article 3 of Chapter 8 of this title, as amended, and such  
3 facility was substantially completed and in operation prior to December 31, 1993; or (F)  
4 for some combination of such purposes. Amounts so expended shall be expended only  
5 through a contract or contracts with the state, a department of state government, a state  
6 authority, a convention and visitors bureau authority created by local Act of the General  
7 Assembly for a municipality, or a private sector nonprofit organization, or through a  
8 contract or contracts with some combination of such entities, except that amounts  
9 expended for purposes (C) and (D) may be so expended in any otherwise lawful manner.  
10 In addition to the amounts required to be expended above, a county or municipality  
11 levying a tax pursuant to this paragraph (4) shall further expend (in each fiscal year  
12 during which the tax is collected under this paragraph (4)) an amount equal to at least 1  
13 percent of the total taxes collected at the rate of 6 percent for the purpose of supporting  
14 a museum of aviation and aviation hall of fame or an amount equal to at least 16 2/3  
15 percent of the total taxes collected at the rate of 6 percent for the purpose of construction  
16 or expansion of either: (A) a facility owned or operated by a state authority for  
17 convention and trade show purposes or any other similar or related purposes; (B) a  
18 facility owned or operated by a local authority or local government for convention and  
19 trade show purposes or any other similar or related purposes, if such support is provided  
20 to a governmental entity with which the county or municipality levying the tax had in  
21 effect on January 1, 1987, a contractual agreement concerning governmental support of  
22 a convention and trade show facility; (C) a facility owned or operated for convention and  
23 trade show purposes, visitor welcome center purposes, or any other similar or related  
24 purposes by a convention and visitors bureau authority created by local Act of the  
25 General Assembly for a municipality; (D) a facility owned or operated for convention and  
26 trade show purposes or any other similar or related purposes by a coliseum and exhibit  
27 hall authority created by local Act of the General Assembly for a county and one or more  
28 municipalities therein; (E) a facility owned by a local government or local authority for  
29 convention and trade show purposes and any other similar or related purposes if  
30 construction of such facility is substantially funded or was substantially funded on or  
31 after February 28, 1985, by a special county 1 percent sales and use tax authorized by  
32 Article 3 of Chapter 8 of this title, as amended, and such facility was substantially  
33 completed and in operation prior to December 31, 1993; (F) a system of bicycle or  
34 pedestrian trails or walkways or both connecting a historic district within the levying  
35 county or municipality and surrounding areas (and with respect to this purpose (F)  
36 construction and expansion shall include acquisition and development), if not later than  
37 December 1, 1993, the county or municipality has adopted ordinances, resolutions, or

1 contracts which: (i) designate such historic district; (ii) obligate the county or  
 2 municipality to provide funds to promote tourism to a historic district owners and  
 3 business association which qualifies as a private sector nonprofit organization under  
 4 subparagraph (a)(8)(A) of this Code section and Section 501(c)(6) of the Internal  
 5 Revenue Code; (iii) provide a 'comprehensive plan' as provided for in Chapters 70 and  
 6 71 of Title 36; (iv) provide a transportation plan as a component of such comprehensive  
 7 plan; and (v) provide a recreation plan which is designed to identify recreation needs  
 8 through the year 2000 and which includes provisions for such system of trails or  
 9 walkways or both; provided that the authority to expend funds for such system of trails  
 10 or walkways or both shall expire when all capital costs of the initial acquisition,  
 11 construction, and development of such system as identified in the relevant plan have been  
 12 paid and in no event later than July 1, 2002. Amounts so expended to meet such 16 2/3  
 13 percent expenditure requirement shall not be subject to the foregoing provisions of this  
 14 paragraph requiring expenditure through a contract or contracts with certain entities; or  
 15 (G) a system of bicycle or pedestrian greenways, trails, walkways, or any combination  
 16 thereof connecting a downtown historic or business district within the levying county or  
 17 municipality and surrounding areas (and with respect to this purpose (G) construction and  
 18 expansion shall include acquisition and development), if not later than December 1, 2000,  
 19 the county or municipality has adopted ordinances, resolutions, or contracts which: (i)  
 20 designate such historic or downtown business district; (ii) obligate the county or  
 21 municipality to provide funds to promote tourism to a downtown business district owners  
 22 and business association or chamber of commerce which qualify as private sector  
 23 nonprofit organizations under subparagraph (a)(8)(A) of this Code section and Section  
 24 501(c)(6) of the Internal Revenue Code; (iii) provide a 'comprehensive plan' as provided  
 25 for in Chapters 70 and 71 of Title 36; (iv) provide a transportation plan as a component  
 26 of such comprehensive plan; and (v) provide a recreation plan as a component of such  
 27 comprehensive plan which includes provisions for such system of trails or walkways or  
 28 both; provided that the authority to expend funds for such system of trails or walkways  
 29 or both shall expire when all capital costs of the initial acquisition, construction, and  
 30 development of such system as identified in the relevant plan have been paid and in no  
 31 event later than July 1, ~~2005~~ 2025. Amounts so expended to meet such 16 2/3 percent  
 32 expenditure requirement shall not be subject to the foregoing provisions of this paragraph  
 33 requiring expenditure through a contract or contracts with certain entities."

#### 34 SECTION 4.

35 Said Code section is further amended by inserting following paragraph (5.2) of subsection  
 36 (b) a new paragraph to read as follows:

