

No. 1986-139

AN ACT

HB 2330

Amending the act of April 28, 1961 (P.L.111, No.50), entitled "An act providing for assistance to agencies promoting tourist travel and vacation business in Pennsylvania; authorizing the Department of Commerce to make grants and provide assistance to properly designated tourist promotion agencies; conferring powers and imposing duties on the governing bodies of certain political subdivisions," adding definitions; and further providing for grants to tourist promotion agencies.

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

Section 1. Section 3 of the act of April 28, 1961 (P.L.111, No.50), known as the Tourist Promotion Law, is amended to read:

Section 3. Definitions.—[The term "governing bodies" shall mean as to any county, city, borough, town or township, the body empowered to enact ordinances or to adopt resolutions for the governance of such county, city, borough, town or township.

The term "tourist promotion agency" shall mean any nonprofit corporation, organization, association or agency which shall be designated by ordinance in cities of the first class and by proper resolution of the governing body of any county concurred in by resolution of the governing bodies of cities, boroughs, towns or townships within said county having in the aggregate over fifty per centum of the population of said county, as determined by the last preceding decennial United States Census, as the agency authorized to make application to and receive grants from the Department of Commerce of the Commonwealth for the purposes specified in this act. Any two or more counties may, by the procedures herein provided, designate a single tourist promotion agency to represent such counties for the purposes of this act.] *The following words and phrases when used in this act shall have the meanings given to them in this section unless the context clearly indicates otherwise:*

(1) "County tourist promotion agency." *A nonprofit corporation, organization, association or agency which is designated by ordinance in cities of the first class and by proper resolution of the governing body of a county, concurred in by resolution of the governing bodies of cities, boroughs, towns or townships within the county which have an aggregate of more than fifty per centum of the total population of the county, as determined by the most recently completed decennial United States Census, as the agency authorized to make application to and receive grants from the Department of Commerce of the Commonwealth for the purpose of representing a single governmental entity in accordance with this act, except as otherwise provided in paragraph (6).*

(2) **“Department.”** *The Department of Commerce of the Commonwealth.*

(3) **“Eligible costs.”** *Expenses incurred by a tourist promotion agency in connection with advertising and promotional activities, including, but not limited to, consultants and contractual services, travel, postage, printing and reproduction, advertising, promotion and public relations. The term does not include overhead expenses, including, but not limited to, salaries, benefits, wages, rent, utilities, office supplies, insurance and vehicle expenses.*

(4) **“Governing bodies.”** *The elected unit empowered to enact ordinances or adopt resolutions in order to govern a particular county, city, borough, town or township.*

(5) **“Governmental entity.”** *A city of the first class or a county.*

(6) **“Regional tourist promotion agency.”** *A nonprofit corporation, organization, association or agency which is designated in accordance with the provisions of paragraph (1) as the agency to make application to and receive grants from the department for the purpose of representing any of the following in accordance with this act:*

(i) *Two or more governmental entities.*

(ii) *A county of the second class.*

(iii) *A city of the first class.*

(7) **“Tourist promotion agency.”** *Either a county or regional tourist promotion agency, as defined in this section.*

Section 2. Section 5 of the act, amended July 20, 1974 (P.L.581, No.200), is amended to read:

Section 5. Applications for and Approval of Grants to Tourist Promotion Agencies.—[The Department of Commerce is hereby authorized to make grants to recognized tourist promotion agencies, to assist such agencies in the financing of their operational costs for the purposes of making studies, surveys and investigations and in planning and carrying out of their promotional programs and projects: Provided, That before any such grant may be made:

(1) The tourist promotion agency shall have made application to the Department of Commerce for such grant, and shall have therein set forth the studies, surveys and investigations proposed to be made, and the promotional program and projects proposed to be undertaken for the purpose of encouraging and stimulating tourist, visitor and vacation business in the county or counties. The application shall further state, under oath or affirmation, with evidence thereof satisfactory to the department, the amount of funds held by or committed or subscribed to the tourist promotion agency for application to the purposes herein described and the amount of the grant for which application is made; and

(2) The Department of Commerce, after review of the application, if satisfied that the program of the tourist promotion agency appears to be in accord with the purposes of this act, shall authorize the making of a matching grant to such tourist promotion agency equal to funds of the agency allocated by it to the program described in its application: Provided, however, That such State grant shall not exceed an amount equal to one-tenth of one

dollar for each inhabitant of the city, county or counties represented by such agency as determined by the last preceding decennial United States Census or an amount equal to the local funds expended by such agency for tourist promotion in the previous fiscal year, whichever is greater: Provided, That no tourist promotion agency shall be eligible for more than twenty per centum of the appropriation to the Department of Commerce for the purposes set forth in this act. Any funds appropriated and eligible for allocation which a tourist promotion agency has not certified will be used by March 1 of any fiscal year shall be redistributed to the tourist promotion agencies which show adequate documentation that such funds can be utilized for projects initiated in the present fiscal year and that such funds so redistributed shall be considered encumbered for the purposes set forth in this act.]

(a) The department is hereby authorized to make grants to recognized tourist promotion agencies to assist the agencies in the financing of their eligible costs for the purposes of making studies, surveys and investigations and in planning and carrying out of their promotional programs and projects.

(b) Before any such grant may be made:

(1) The tourist promotion agency shall apply to the department for the grant. In the application, the tourist promotion agency shall set forth the studies, surveys and investigations proposed to be made and the promotional program and projects proposed to be undertaken for the purpose of encouraging and stimulating tourist, visitor and vacation business in the county or counties. The application shall further state, under oath or affirmation, with evidence satisfactory to the department, the amount of funds held by or committed or subscribed to the tourist promotion agency for application to the purposes herein described and the amount of the grant for which application is made.

(2) The department, after reviewing the application, if satisfied that the program of the tourist promotion agency appears to be in accord with the purposes of this act, shall authorize the making of a matching grant to the tourist promotion agency equal to:

(i) In the case of a regional tourist promotion agency, two and one-quarter times the funds which the agency allocates to eligible costs incurred in connection with the program described in its application.

(ii) In the case of a county tourist promotion agency, two times the funds which the agency allocates to eligible costs incurred in connection with the program described in its application.

(c) An awarded grant shall not exceed the greater of the following:

(1) An amount equal to one-tenth of one dollar for each inhabitant of the city, county or counties represented by the agency as determined by the last preceding decennial United States Census.

(2) An amount equal to either of the following:

(i) In the case of a regional tourist promotion agency, two and one-quarter times the local funds expended by the agency for eligible costs in the previous fiscal year.

(ii) In the case of a county tourist promotion agency, two times the local funds expended by the agency for eligible costs in the previous fiscal year.

(d) No tourist promotion agency shall be eligible for more than thirty per centum of the appropriation to the department for the purposes set forth in this act.

(e) Funds appropriated and eligible for allocation which a tourist promotion agency has not certified will be used by March 1 of the fiscal year shall be redistributed to the tourist promotion agencies which show adequate documentation that the funds can be utilized for projects initiated in the present fiscal year and that the funds so redistributed shall be considered encumbered for the purposes set forth in this act.

Section 3. The act is amended by adding a section to read:

Section 5.1. Funding.—In order to fund eligible costs of cooperative marketing projects undertaken by two or more recognized tourist promotion agencies, the department shall set aside five per centum of the annual appropriation to the department appropriated to carry out the provisions of this act. Grants for these projects shall be made in accordance with section 5 and shall be in addition to other grants made to carry out the provisions of that section, except that funds set aside under this section which have not been allocated to a cooperative marketing project by January 1 of a fiscal year shall be distributed to eligible tourist promotion agencies to fund eligible costs.

Section 4. Tourist promotion agencies that can demonstrate to the Department of Commerce that they cannot carry out their obligated assignments without overhead expenses, salaries, benefits, wages, rent, utilities, office supplies, insurance and vehicle expenses, and without receiving matching funds for these purposes, shall continue to be eligible for grants under the provisions of the act in effect prior to this amendatory act for up to a period of one year after the effective date of this amendatory act.

Section 5. This act shall take effect July 1, 1987.

APPROVED—The 9th day of October, A. D. 1986.

DICK THORNBURGH