

WEST VIRGINIA LEGISLATURE

2024 REGULAR SESSION

Committee Substitute

for

Senate Bill 675

By Senator Woodrum

[Originating in the Committee on Government

Organization; reported February 21, 2024]

1 A BILL to amend and reenact §7-18-13a of the Code of West Virginia, 1931, as amended, relating
2 to accreditation of convention and visitors bureaus; providing time extension for certain
3 bureaus to become accredited and still be eligible for distribution of hotel occupancy tax
4 proceeds; and requiring all bureaus to obtain and maintain accreditation as requirement to
5 receive distribution of net proceeds after certain date.

Be it enacted by the Legislature of West Virginia:

**§7-18-13a. Annual reports by convention and visitors bureaus; eligibility for hotel
occupancy tax proceeds.**

1 (a) On or before 90 days after the end of its fiscal year, every convention and visitors
2 bureau which receives any appropriation of hotel occupancy tax from one or more counties or
3 municipalities shall file with each such county or municipality, the State Auditor, the Joint
4 Committee on Government and Finance, and the West Virginia Association of Convention and
5 Visitors Bureaus a report, including an income statement and balance sheet, showing all amounts
6 of hotel occupancy tax appropriated to the convention and visitors bureau and all expenditures of
7 hotel occupancy tax made by the convention and visitors bureau for the prior fiscal year, as well as
8 any such information required by subsection (b) of this section. A convention and visitors bureau
9 that has not filed a report in accordance with the provisions of this section shall be ineligible to
10 receive additional appropriations of hotel occupancy tax proceeds until such report has been filed.

11 (b) In order to qualify for a distribution of net proceeds pursuant to §7-18-14 of this code, a
12 convention and visitors bureau shall satisfy the following requirements:

13 (1) The convention and visitors bureau shall have a minimum annual budget;

14 (2) The convention and visitors bureau shall establish a marketing plan targeting markets
15 outside of a 50-mile radius of the bureau's municipality or county of operation;

16 (3) The annual operating budget for the convention and visitors bureau allocates
17 approximately 40 percent of annual revenues to advertising and marketing, approximately 40

18 percent to salaries and personnel, and approximately 20 percent to other operating expenses:
19 *Provided*, That a convention and visitors bureau that allocates less than 40 percent of annual
20 revenues to salaries and personnel shall be considered to have satisfied the budget allocation
21 requirement;

22 (4) The convention and visitors bureau has a full-time executive director that maintains the
23 minimum number of continuing education hours recommended annually by industry standards;

24 (5) The convention and visitors bureau has a physical office and/or visitor center that is
25 accessible at least 40 hours per week and has a dedicated phone line;

26 (6) The convention and visitors bureau maintains a website and appropriate marketing
27 materials;

28 (7) The convention and visitors bureau has received, and maintains, accreditation from an
29 accrediting body: *Provided*, That convention and visitors bureaus in existence on the effective
30 date of the amendments to this section enacted during the regular session of the Legislature,
31 2021, shall have until June 30, 2026, to receive and maintain accreditation from an accrediting
32 body, and may, until that date, receive a distribution of net proceeds pursuant to §7-18-14 of this
33 code if all other requirements for receiving a distribution are satisfied; and

34 (8) The convention and visitors bureau submits an annual report to all of its funding
35 entities, which shall include, but not be limited to, the information provided for in this subsection.

36 Nothing in this section may be construed as to interfere with the ability of a county or
37 municipality to enter into any agreements or partnerships with convention and visitors bureaus in
38 neighboring counties or municipalities for the purposes of distributing net tax proceeds pursuant to
39 §7-18-14 of this code, so long as all other requirements of this section are met.

40 (c) At least once every three years, any bureau that receives any appropriation of hotel
41 occupancy tax from one or more counties or municipalities shall cause an audit or financial review,
42 in a form as is appropriate to the particular bureau, to be made by an independent certified public
43 accountant of all its books, accounts, and records relating to all receipts and expenditures of any

44 hotel occupancy tax appropriations for the three prior fiscal years of the bureau. A copy of the audit
45 or financial review shall be filed with each county or municipality from which the bureau received
46 an appropriation of hotel occupancy tax, the State Auditor, the Joint Committee on Government
47 and Finance, and the West Virginia Association of Convention and Visitors Bureaus. After July 1,
48 2024, a bureau that has not caused such an audit or financial review to be made is ineligible to
49 receive an appropriation of hotel occupancy tax proceeds pursuant to §7-18-14 of this code.

50 (d) In order to encourage counties and municipalities to work within the existing framework
51 of convention and visitors bureaus, there shall be a moratorium on the authorization of new
52 convention and visitors bureaus until June 30, 2026. A county or municipality may not appropriate
53 any net proceeds of hotel occupancy taxes, pursuant to §7-18-14 of this code, to any convention
54 or and visitors bureau created on or after the amendments to this section enacted during the
55 regular session of the Legislature, 2021, and prior to the end of the moratorium imposed by this
56 subsection.

57 (e) On or after ~~June 30~~ July 1, 2026, any ~~new~~ convention and visitors bureau ~~which~~ that
58 meets and maintains all of the requirements of subsection (b) of this section shall qualify for a
59 distribution of net proceeds pursuant to §7-18-14 of this code.

60 (e) (f) Nothing in this section may prohibit either the State Auditor or the Legislative Auditor
61 from conducting regular reviews or audits of the operations or finances of a convention and visitors
62 bureau to ensure compliance with this code.