

Stricken language would be deleted from and underlined language would be added to the law as it existed prior to this session of the General Assembly.

Act 2241 of the Regular Session

1 State of Arkansas
2 85th General Assembly
3 Regular Session, 2005
4

As Engrossed: H4/1/05

A Bill

HOUSE BILL 2820

5 By: Representative Mahony
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8 **For An Act To Be Entitled**

9 AN ACT TO ALLOW CITIES TO USE ADVERTISING AND
10 PROMOTION FUND REVENUES TO PROMOTE THE COUNTY
11 WHERE THE CITY IS LOCATED; AND FOR OTHER
12 PURPOSES.
13

14 **Subtitle**

15 TO ALLOW CITIES TO USE ADVERTISING AND
16 PROMOTION FUND REVENUES TO PROMOTE THE
17 COUNTY WHERE THE CITY IS LOCATED.
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20 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF ARKANSAS:
21

22 SECTION 1. Arkansas Code § 26-75-606 is amended to read as follows:
23 26-75-606. Use of funds collected.

24 (a)(1)(A) All funds credited to the city advertising and promotion
25 fund pursuant to this subchapter shall be used for advertising and promoting
26 the city and its environs or for the construction, reconstruction, extension,
27 equipment, improvement, maintenance, repair, and operation of a convention
28 center or for the operation of tourist promotion facilities in the city or
29 the county where the city is located if the city owns an interest in the
30 center or facility, and facilities necessary for, supporting, or otherwise
31 pertaining to, a convention center, or for the payment of the principal of,
32 interest on, and fees and expenses in connection with, bonds as provided in
33 this subchapter in the manner as shall be determined by the city advertising
34 and promotion commission.

35 (B) The city advertising and promotion commission may



1 engage such personnel and agencies and incur such administrative costs that
2 it deems necessary to conduct its business.

3 (2) The commission is the body that determines the use of the
4 city advertising and promotion fund. Pursuant to this section, if the
5 commission determines that funding of the arts is necessary for or supporting
6 of its city's advertising and promotion endeavors, it can use its funds
7 derived from the hotel and restaurant tax.

8 (3) [Repealed].

9 (b)(1) Any city of the first class which is authorized to levy and
10 does levy a tax pursuant to this subchapter is authorized to use or pledge
11 all, or any part of, the revenues derived from the tax for the purposes
12 prescribed in this subchapter or for the operation of tourist-oriented
13 facilities, including, but not limited to, theme parks and other family
14 entertainment facilities, or for the retirement of bonds issued for the
15 establishment and operation of other tourist-oriented facilities, including,
16 but not limited to, theme parks and other family entertainment facilities.
17 These revenues shall be used or pledged for the purposes authorized in this
18 subsection only upon approval of the city advertising and promotion
19 commission created pursuant to this subchapter.

20 (2) Funds credited to the city advertising and promotion fund
21 pursuant to this subchapter may be used, spent, or pledged by the commission,
22 in addition to all other purposes prescribed in this subchapter, on and for
23 the construction, reconstruction, repair, maintenance, improvement,
24 equipping, and operation of public recreation facilities in said city or the
25 county where the city is located if the city owns an interest in the center
26 or facility, including, but not limited to, facilities constituting city
27 parks, and also for the payment of the principal of, interest on, and fees
28 and expenses in connection with, bonds, as provided in this subchapter, in
29 the manner as shall be determined by the city advertising and promotion
30 commission for the purpose of such payment.

31 (c)(1) All local taxes levied as authorized in § 26-75-602(a) shall be
32 credited to the city advertising and promotion fund and shall be used for the
33 purposes described in subsections (a) and (b) of this section.

34 (2) Such taxes shall not be used:

35 (A) For general capital improvements within the city or
36 county;

1 (B) For the costs associated with the general operation of
2 the city or county; or

3 (C) For general subsidy of any civic groups or the chamber
4 of commerce.

5 (3) However, the advertising and promotion commission may
6 contract with such groups to provide to the commission actual services that
7 are connected with tourism events or conventions.

8 (4) The authorization and limitations contained in this
9 subsection shall be reasonably construed so as to provide funds for promoting
10 and encouraging tourism and conventions while not allowing such special
11 revenues to be utilized for expenditures that are normally paid from general
12 revenues of the city.

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14 /s/ Mahony

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17 *APPROVED: 4/13/2005*
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