



General Assembly

**Amendment**

January Session, 2001

LCO No. 7049

Offered by:

SEN. LEBEAU, 3<sup>rd</sup> Dist.  
SEN. SOMMA, 16<sup>th</sup> Dist.  
SEN. MCKINNEY, 28<sup>th</sup> Dist.  
SEN. JEPSSEN, 27<sup>th</sup> Dist.  
SEN. CIOTTO, 9<sup>th</sup> Dist.  
SEN. COLAPIETRO, 31<sup>st</sup> Dist.  
SEN. PETERS, 20<sup>th</sup> Dist.  
SEN. COOK, 18<sup>th</sup> Dist.  
SEN. FONFARA, 1<sup>st</sup> Dist.  
SEN. PRAGUE, 19<sup>th</sup> Dist.  
SEN. BOZEK, 6<sup>th</sup> Dist.  
SEN. FINCH, 22<sup>nd</sup> Dist.

SEN. HARTLEY, 15<sup>th</sup> Dist.  
SEN. CRISCO, 17<sup>th</sup> Dist.  
SEN. LOONEY, 11<sup>th</sup> Dist.  
SEN. DAILY, 33<sup>rd</sup> Dist.  
SEN. COLEMAN, 2<sup>nd</sup> Dist.  
SEN. HANDLEY, 4<sup>th</sup> Dist.  
SEN. WILLIAMS, 29<sup>th</sup> Dist.  
SEN. GUGLIELMO, 35<sup>th</sup> Dist.  
SEN. SMITH, 14<sup>th</sup> Dist.  
SEN. FREEDMAN, 26<sup>th</sup> Dist.  
SEN. RORABACK, 30<sup>th</sup> Dist.  
SEN. MCDERMOTT, 34<sup>th</sup> Dist.

To: Subst. Senate Bill No. 1148

File No. 688

Cal. No. 435

**"AN ACT CONCERNING USE OF THE HOTEL TAX TO FUND  
VARIOUS TOURISM-RELATED ACTIVITIES."**

1 Strike out everything after the enacting clause and insert the  
2 following in lieu thereof:

3 "Section 1. Section 32-305 of the general statutes is repealed and the  
4 following is substituted in lieu thereof:

5 (a) The Commissioner of Revenue Services shall segregate (1) one  
6 and one-half per cent of the gross receipts from sales within the

7 meaning of subdivision (h) of subsection (2) of section 12-407 by any  
8 hotel or lodging house located in any municipality having a  
9 population of less than sixty-five thousand, (2) three and one-half per  
10 cent of the gross receipts from such sales in any municipality having a  
11 population of sixty-five thousand or more but less than seventy-five  
12 thousand, and (3) four and one-half per cent of the gross receipts from  
13 such sales in any municipality having a population of seventy-five  
14 thousand or more, provided the commissioner shall segregate three  
15 and one-half per cent of the gross receipts from such sales in the  
16 municipality having the most popular tourist attraction in the state, as  
17 determined by the Office of Tourism, if such municipality has a  
18 population of less than sixty-five thousand. Such segregated funds  
19 shall be allocated to tourism districts established under section 32-302  
20 as follows: The portion of the funds attributable to such tax receipts in  
21 a municipality shall be allocated to the tourism district in which the  
22 municipality is located, provided (A) ninety per cent of the amount  
23 attributable to such gross receipts from sales in Hartford shall be  
24 allocated to the Capital City Economic Development Authority and ten  
25 per cent of the amount attributable to such gross receipts from sales in  
26 Hartford shall be allocated to the Greater Hartford Arts Council, (B)  
27 seventy-five per cent of the amount attributable to such gross receipts  
28 from sales in New Haven shall be allocated to the New Haven  
29 Coliseum Authority, (C) seventy-five per cent of the amount  
30 attributable to such gross receipts from sales in Stamford shall be  
31 allocated to the Stamford Center for the Arts, (D) seventy-five per cent  
32 of the amount attributable to such gross receipts from sales in Norwalk  
33 shall be allocated to the Maritime Center Authority, and (E) seventy-  
34 five per cent of the amount attributable to such gross receipts from  
35 sales in Bridgeport shall be allocated to the Greater Fairfield district  
36 established in section 32-302, for the sole purpose of marketing tourist  
37 attractions located in Bridgeport. If for any state fiscal year the amount  
38 of the allocation under subparagraph (E) of this subdivision is less than  
39 the amount of funds allocated during the fiscal year ending June 30,  
40 1991, to the then existing Bridgeport Convention and Visitors Bureau,  
41 pursuant to sections 7-136b and 7-136c of the general statutes, revised

42 to January 1, 1991, the Connecticut Tourism Council shall provide a  
43 grant under section 32-300, from the tourism account, in the amount of  
44 such difference, to said Greater Fairfield district for the purpose set  
45 forth in subparagraph (E) of this subdivision. Notwithstanding the  
46 provisions of this section, during the fiscal year ending June 30, 1998,  
47 the Commissioner of Revenue Services shall segregate one hundred  
48 fifty thousand dollars from any increase in receipts of such amount  
49 segregated under this section during the fiscal year ending June 30,  
50 1997, and shall allocate such segregated amount to the Connecticut  
51 Film, Video and Media Office established under section 32-86a,  
52 provided the amount segregated and allocated to any entity under this  
53 section is not less than the amount segregated and allocated during the  
54 fiscal year ending June 30, 1997. Not later than January 1, 1999, and  
55 annually thereafter, each tourism district and each authority receiving  
56 funds under this section shall submit to the Connecticut Tourism  
57 Council a full audit of the books and accounts of the district or  
58 authority for the preceding fiscal year at the same time that an audit is  
59 submitted to the Office of Policy and Management under subsection (f)  
60 of section 32-302. Each such audit shall be conducted by an  
61 independent certified public accountant. The Commissioner of  
62 Revenue Services shall also segregate an additional one million dollars  
63 of the sales tax receipts from such sales in the state during each state  
64 fiscal year and allocate such funds to the cultural heritage  
65 development account established under section 10-373bb. The  
66 Commissioner of Revenue Services may adopt regulations, in  
67 accordance with the provisions of chapter 54, concerning accounting  
68 procedures necessary to carry out the purposes of this section.

69 (b) In addition to the funds segregated pursuant to subsection (a) of  
70 this section, for the fiscal year ending June 30, 2002, and annually  
71 thereafter, the Commissioner of Revenue Services shall segregate from  
72 gross receipts from sales within the meaning of subparagraph (h) of  
73 subdivision (2) of section 12-407, the following percentages: (1) .49 per  
74 cent to the State Library; (2) .44 per cent to the Connecticut Historical  
75 Commission; (3) .03 per cent to the Department of Higher Education;

76 and (4) .21 per cent to the Department of Economic and Community  
77 Development.

78 (c) For the fiscal year ending June 30, 2002, and each fiscal year  
79 thereafter, the Commissioner of Revenue Services shall allocate funds  
80 segregated pursuant to subsection (b) of this section as follows:

81 (1) To the Connecticut Historical Commission for (A) matching  
82 grants to preserve state historic structures, landmarks and  
83 archaeological sites, not less than one million four hundred thousand  
84 dollars; (B) the historic resource inventory, not less than fifty thousand  
85 dollars; (C) operating support for heritage and preservation  
86 organizations, administered with the Connecticut Humanities Council,  
87 not less than four hundred thousand dollars; (D) grants for technical  
88 and planning assistance for the preservation of historic structures and  
89 archaeological sites, administered with the Connecticut Trust for  
90 Historic Preservation, not less than four hundred seventy-five  
91 thousand dollars; (E) matching grants to local heritage and  
92 preservation organizations for short-term capital projects,  
93 administered with the Connecticut Humanities Council, not less than  
94 three hundred seventy-five thousand dollars; (F) a grant to Amistad  
95 America, not less than two hundred fifty thousand dollars; and (G)  
96 activities on the Connecticut Freedom Trail, not less than one hundred  
97 thousand dollars.

98 (2) To the State Library for (A) matching grants to preserve the  
99 records of state and local government, not less than four hundred  
100 thousand dollars; (B) the Connecticut Humanities Council as follows:  
101 (i) Matching grants of The Cultural Heritage Development Fund for  
102 local heritage organizations, not less than eight hundred thousand  
103 dollars, (ii) matching grants to local heritage organizations for short-  
104 term capital projects, administered with the Connecticut Historical  
105 Commission, not less than three hundred seventy-five thousand  
106 dollars, (iii) matching grants to local heritage organizations for  
107 operating support, not less than four hundred thousand dollars, (iv)  
108 for enhancing heritage collaborative projects, not less than three

109 hundred sixty-five thousand dollars, (v) matching grants to local  
110 heritage organizations to preserve their records, artifacts or collections,  
111 not less than two hundred sixty thousand dollars, (vi) matching grants  
112 to local heritage organizations for virtual tours, online exhibits and  
113 other museum-based education online, not less than two hundred fifty  
114 thousand dollars, (vii) matching grants to local heritage organizations  
115 to strengthen museum-school collaboration, not less than two hundred  
116 fifty thousand dollars, and (viii) professional development support for  
117 historians and museum curators in the state, not less than one hundred  
118 thousand dollars; (C) a grant to the Connecticut Historical Society to  
119 strengthen heritage programs in schools, not less than one hundred  
120 thousand dollars; and (D) to the State Commission on the Arts to  
121 promote and publicize the Impressionists Arts Trail, not less than fifty  
122 thousand dollars.

123 (3) To the Department of Economic and Community Development  
124 for: (A) Challenge grants under section 32-300, not less than two  
125 hundred fifty thousand dollars; (B) grants to tourism districts so that  
126 each such district receives a minimum of at least two hundred  
127 thousand dollars, not less than two hundred fifty thousand dollars; (C)  
128 to the Connecticut Film, Video and Media Office, established under  
129 section 32-86a, four hundred thousand dollars; (D) Freedom Trail  
130 publicity, not less than fifty thousand dollars; and (E) to the central  
131 tourism account, not more than five hundred thousand dollars.

132 (4) To the Department of Higher Education for: (A) The office of the  
133 State Historian at The University of Connecticut, not less than one  
134 hundred thousand dollars; and (B) the office of the State Archaeologist  
135 at The University of Connecticut, not less than one hundred thousand  
136 dollars.

137 (d) On or before October 1, 2001, and annually thereafter, each  
138 entity allocated funds under subsections (a) and (b) of this section  
139 shall submit a plan for proposed expenditures of such funds to the  
140 joint standing committee of the General Assembly having cognizance  
141 of matters relating to appropriations and the budgets of state agencies

142 and to the joint standing committee or committees of the General  
143 Assembly having cognizance of matters relating to commerce. On and  
144 after October 1, 2002, the plan shall include a report on expenditures  
145 for the previous year. Each entity receiving funds under subsection (a)  
146 of this section for the fiscal year ending June 30, 2001, shall submit a  
147 report on expenditures for such fiscal year on or before October 1,  
148 2001. Within ninety days of their receipt of any such plan, the joint  
149 standing committee of the General Assembly having cognizance of  
150 matters relating to appropriations and the budgets of state agencies, in  
151 concurrence with the joint standing committee of the General  
152 Assembly having cognizance of matters relating to commerce, shall  
153 review the plan. Disbursement of such funds shall be in accordance  
154 with subsections (b) and (c) of this section as reviewed by the  
155 committee for the sole purpose of enhancing cultural heritage and  
156 tourism programs in the state.

157 [(b)] (e) Except as provided by law, a tourism district, convention  
158 center authority, coliseum authority or the Capital City Economic  
159 Development Authority, as the case may be, may borrow money to  
160 pay its obligations that cannot be paid at maturity out of current  
161 revenue from such allocations, but shall not borrow a sum greater than  
162 can be repaid out of the allocations anticipated during the year in  
163 which the money is borrowed. The tourism district, convention center  
164 authority or coliseum authority, as the case may be, may pledge its  
165 securities to secure the repayment of any sum so borrowed.

166 [(c)] (f) Notwithstanding the provisions of subsection (a) of this  
167 section, if ninety days have elapsed since a plan for corrective action  
168 has been filed for a tourism district under subsection (g) of section 4-  
169 233 and the Secretary of the Office of Policy and Management, in  
170 consultation with the Connecticut Tourism Council, finds that the plan  
171 has not been implemented, the secretary shall notify the Commissioner  
172 of Revenue Services who shall then segregate ten per cent of the  
173 district's monthly disbursement of funds under subsection (a) of this  
174 section and deposit such amount into a separate account each month  
175 until the secretary finds that such plan is being implemented at which

176 time [he] the secretary shall inform said commissioner who shall then  
177 disburse any funds accrued in the account to the district.

178 [(d)] (g) Notwithstanding the provisions of this section, (1) the funds  
179 segregated by the Commissioner of Revenue Services under subsection  
180 (a) of this section that are attributable to a hotel opened [, or to new  
181 rooms added to an existing hotel,] in the city of Hartford on or after  
182 May 2, 2000, shall be allocated (A) ten per cent to the Greater Hartford  
183 Arts Council, and (B) ninety per cent to the Capital City Economic  
184 Development Authority to be used by the authority, among other  
185 purposes, for start-up and operating expenses of, and a replacement  
186 reserve for, the convention center, as defined in section 32-600, and (2)  
187 commencing July 1, 2003, and continuing until such time as the Capital  
188 City Economic Development Authority shall certify to the  
189 Commissioner of Revenue Services that such an additional source of  
190 revenue is no longer needed by the authority to meet current or  
191 projected operating deficiencies of the convention center, fifty per cent  
192 of the excess of (A) the funds segregated by the Commissioner of  
193 Revenue Services each month under subsection (a) of this section that  
194 are attributable to gross receipts from sales in the Greater Hartford  
195 district established in section 32-302, exclusive of such amounts  
196 otherwise allocated to the capital city economic development district  
197 pursuant to this section, over (B) the average monthly amount  
198 segregated and allocated to the Greater Hartford district under  
199 subsection (a) of this section, exclusive of such amounts allocated to  
200 the Capital City Economic Development Authority, during the fiscal  
201 year ending June 30, 2000, shall be allocated to the Capital City  
202 Economic Development Authority and used by the authority  
203 exclusively to pay, or to fund an operating expense reserve account to  
204 provide for the future payment of, start-up and operating expenses of  
205 the convention center. In the event that at any time the Capital City  
206 Economic Development Authority determines that amounts deposited  
207 and then held in such operating expense reserve account pursuant to  
208 this section are no longer needed to meet current or projected  
209 operating deficiencies of the convention center, the authority shall

210 return such amounts to the Greater Hartford district for use in  
211 accordance with its purposes.

212 Sec. 2. Subsection (i) of section 32-656 of the general statutes is  
213 repealed and the following is substituted in lieu thereof:

214 (i) The secretary and the authority shall jointly select and appoint an  
215 independent construction contract compliance officer or agent, which  
216 may be an officer or agency of a political subdivision of the state, other  
217 than the authority, or a private consultant experienced in similar  
218 public contract compliance matters, to monitor compliance by the  
219 secretary, the authority, the project manager and each prime  
220 construction contractor with the provisions of applicable state law,  
221 including subdivision (1) of section 12-412, subsection (a) of section 12-  
222 498, sections 12-541 and 13a-25, subdivision (1) of section 22a-134,  
223 subsection [(d)] (g) of section 32-305, section 32-600, subsection (c) of  
224 section 32-602, subsection (e) of section 32-605, section 32-610,  
225 subsections (a) and (b) of section 32-614, sections 32-617, 32-617a, 32-  
226 650, 32-651 to 32-658, inclusive, 32-660 and 32-661, subsection (b) of  
227 section 32-662, section 32-663, subsections (j) to (l), inclusive, of section  
228 32-664, sections 32-665 to 32-666a, inclusive, sections 32-668 and 48-21  
229 and sections 29 and 30 of public act 00-140\*, and with applicable  
230 requirements of contracts with the secretary or the authority, relating  
231 to set-asides for small contractors and minority business enterprises  
232 and required efforts to hire available and qualified members of  
233 minorities and available and qualified residents of the city of Hartford  
234 and the town of East Hartford for construction jobs with respect to the  
235 overall project and the on-site related private development. Such  
236 independent contract compliance officer or agent shall file a written  
237 report of his or her findings and recommendations with the secretary  
238 and the authority each quarter during the period of project  
239 development.

240 Sec. 3. This act shall take effect July 1, 2001."