

REQUIRES TWO-THIRDS MAJORITY VOTE

(§§ 2, 3)

(Reprinted with amendments adopted on May 24, 2019)

THIRD REPRINT

S.B. 461

SENATE BILL NO. 461—COMMITTEE ON GOVERNMENT AFFAIRS

MARCH 25, 2019

Referred to Committee on Government Affairs

SUMMARY—Revises provisions relating to local government finance. (BDR 30-733)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: No.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to local government finance; requiring the payment of prevailing wages on certain projects of municipalities financed by the sale of certain bonds or on certain projects otherwise undertaken by the Tahoe-Douglas Visitor's Authority; imposing a surcharge on lodging within the Tahoe Township in Douglas County; authorizing the Tahoe-Douglas Visitor's Authority to take certain actions respecting the establishment and operation of a multiuse event and convention center; authorizing the Authority to issue certain municipal securities; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law requires municipalities to sell certain bonds by competitive bid or  
2 negotiated sale. (NRS 350.105-350.195) **Section 1** of this bill requires the payment  
3 of prevailing wages on any project of a municipality that is financed by the sale of  
4 such bonds that: (1) involves the employment of certain workers and laborers; and  
5 (2) does not otherwise qualify as a public work. **Section 3** of this bill makes those  
6 requirements applicable to the Tahoe-Douglas Visitor's Authority and also requires  
7 the payment of prevailing wages on any other project of the Authority involving the  
8 employment of certain workers and laborers that does not otherwise qualify as a  
9 public work.  
10 Existing law requires the Tahoe-Douglas Visitor's Authority to use a portion of  
11 the proceeds of the occupancy tax on the rental of lodgings in the Tahoe Township  
12 of Douglas County exclusively for: (1) the advertising, publicizing and promotion  
13 of tourism and recreation; and (2) the planning, construction and operation of a  
14 convention center in the Township. (Section 26 of chapter 496, Statutes of Nevada  
15 1997, at p. 2378)



\* S B 4 6 1 R 3 \*

16 **Section 2** of this bill establishes a \$5 tourism surcharge on the per night charge  
17 for the rental of lodgings in the Township. **Sections 1.7 and 4-12** of this bill make  
18 conforming changes.

19 **Section 3** of this bill enacts provisions to govern the issuance of municipal  
20 securities by the Authority, which are based on the provisions of existing law  
21 governing the issuance of bonds by county fair and recreation boards. **Section 3**  
22 authorizes the Authority to take certain actions in connection with the acquisition,  
23 improvement and operation of a multiuse event and convention center in the  
24 Township. **Sections 3 and 13** of this bill authorize the Authority to issue municipal  
25 securities for the acquisition of such a multiuse event and convention center, to be  
26 payable from the net revenues of such a multiuse event and convention center, the  
27 occupancy tax, the tourism surcharge and any other revenue which may be legally  
28 made available for the payment of such bonds. **Section 13** also authorizes a portion  
29 of the proceeds of the occupancy tax and the tourism surcharge to be allocated to  
30 pay the costs to administer and collect the tourism surcharge, with the remaining  
31 proceeds to be used exclusively to pay the principal and interest on the municipal  
32 securities issued by the Authority.

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THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN  
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** Chapter 350 of NRS is hereby amended by adding  
2 thereto a new section to read as follows:

3 *If a project that is financed through the sale of bonds by a*  
4 *municipality in the manner prescribed by NRS 350.105 to 350.195,*  
5 *inclusive:*

6 *1. Requires the employment of skilled mechanics, skilled*  
7 *workers, semiskilled mechanics, semiskilled workers or unskilled*  
8 *labor to perform the project; and*

9 *2. Does not qualify as a public work, as defined in*  
10 *NRS 338.010,*

11 *↳ the contract or agreement for the project must include a*  
12 *provision requiring the payment of prevailing wages in*  
13 *compliance with the provisions of NRS 338.013 to 338.090,*  
14 *inclusive, in the same manner as if the municipality had*  
15 *undertaken the project or had awarded the contract.*

16 **Sec. 1.5.** NRS 350.105 is hereby amended to read as follows:

17 350.105 As used in NRS 350.105 to 350.195, inclusive, *and*  
18 *section 1 of this act*, unless the context otherwise requires, the  
19 words and terms defined in NRS 350.115 to 350.145, inclusive,  
20 have the meanings ascribed to them in those sections.

21 **Sec. 1.7.** The Tahoe-Douglas Visitor's Authority Act, being  
22 chapter 496, Statutes of Nevada 1997, at page 2375, is hereby  
23 amended by adding thereto a new section to be designated as section  
24 15.5, immediately following section 15, to read as follows:

25 *Sec. 15.5. "Tourism surcharge" means the surcharge*  
26 *on lodging imposed by section 19.5 of this act.*



1       **Sec. 2.** The Tahoe-Douglas Visitor's Authority Act, being  
2 chapter 496, Statutes of Nevada 1997, at page 2375, is hereby  
3 amended by adding thereto a new section to be designated as section  
4 19.5, immediately following section 19, to read as follows:

5               *Sec. 19.5. 1. There is hereby imposed a tourism*  
6 *surchage of \$5 on the per night charge for the rental of*  
7 *lodgings in the Township. The tourism surcharge must not*  
8 *be applied for any time during which the lodgings are*  
9 *provided to a guest free of charge. The governing body shall*  
10 *administer the tourism surcharge.*

11               *2. Every vendor who furnishes any lodgings within the*  
12 *Township is exercising a taxable privilege.*

13               *3. A vendor is not exempt from the tourism surcharge*  
14 *because the taxable premises are at any time located in a*  
15 *political subdivision other than the municipality.*

16       **Sec. 3.** The Tahoe-Douglas Visitor's Authority Act, being  
17 chapter 496, Statutes of Nevada 1997, at page 2375, is hereby  
18 amended by adding thereto new sections to be designated as  
19 sections 27, 28, 29, 30, 31, 32 and 33 immediately following section  
20 26, to read as follows:

21               *Sec. 27. In addition to powers elsewhere conferred, the*  
22 *Authority is authorized and empowered:*

23               *1. To establish, construct, purchase, lease, enter into a*  
24 *lease purchase agreement respecting, rent, acquire by gift,*  
25 *grant, bequest, devise, or otherwise acquire, reconstruct,*  
26 *improve, extend, better, alter, repair, equip, furnish,*  
27 *regulate, maintain, operate and manage a multiuse event*  
28 *and convention center in the Township, including personal*  
29 *property, real property, lands, improvements and fixtures*  
30 *thereon, property of any nature appurtenant thereto or used*  
31 *in connection therewith, and every estate, interest and right,*  
32 *legal or equitable, therein, including terms for years.*

33               *2. To insure or provide for the insurance of a multiuse*  
34 *event and convention center against such risks and hazards*  
35 *as the Authority may deem advisable.*

36               *3. To arrange or contract for the furnishing by any*  
37 *person, agency, association or corporation, public or*  
38 *private, of services, privileges, works or facilities for, or in*  
39 *connection with, a multiuse event and convention center*  
40 *and to hire and retain officers, agents and employees,*  
41 *including a fiscal adviser, engineers, attorneys or other*  
42 *professional or specialized personnel.*

43               *4. To sell, lease, exchange, transfer, assign or*  
44 *otherwise dispose of any real or personal property, or any*  
45 *interest therein acquired for the purpose of this act,*



1 including the lease of a multiuse event and convention  
2 center acquired by the Authority pursuant to this act, which  
3 is to be operated and maintained as a public project and  
4 multiuse event and convention center.

5 5. To fix, and from time to time increase or decrease,  
6 rates, tolls or charges for services or facilities furnished in  
7 connection with a multiuse event and convention center,  
8 and to take such action as necessary or desirable to effect  
9 their collection, and, with the consent of the governing  
10 body, to provide for the levy by the governing body of ad  
11 valorem taxes, the proceeds thereof to be used in connection  
12 with the multiuse event and convention center.

13 6. To receive, control, invest and order the expenditure  
14 of any and all moneys and funds pertaining to the multiuse  
15 event and convention center or related properties, including,  
16 but not limited to, annual grants to the State, the county and  
17 incorporated cities in the county for capital improvements  
18 for the multiuse event and convention center.

19 7. To enter into contracts, leases or other arrangements  
20 for commercial advertising purposes with any person,  
21 partnership or corporation.

22 8. To exercise all or any part or combination of the  
23 powers herein granted to the Authority, except as herein  
24 otherwise provided.

25 9. To sue and be sued.

26 10. To do and perform any and all other acts and  
27 things necessary, convenient, desirable or appropriate to  
28 carry out the provisions of this act.

29 Sec. 28. The Authority, in addition to the other powers  
30 conferred upon the Authority pursuant to this act, may:

31 1. Set aside a fund in an amount that it considers  
32 necessary and which may be expended in the discretion of  
33 the Authority to promote or attract conventions, meetings  
34 and like gatherings that will utilize the multiuse event and  
35 convention center authorized by section 27 of this act. The  
36 expenditure is hereby declared to be an expenditure made  
37 for a public purpose.

38 2. Solicit and promote tourism and gaming generally,  
39 both individually and through annual grants in cash or in  
40 kind, including lease of its facilities to nonprofit groups or  
41 associations, and further promote generally the use of its  
42 facilities, pursuant to lease agreements, by organized groups  
43 or by the general public for the holding of conventions,  
44 expositions, trade shows, entertainment, sporting events,  
45 cultural activities or similar uses reasonably calculated to



1 produce revenue for the Authority and to enhance the  
2 general economy. The promotion of tourism, gaming or the  
3 use of facilities may include advertising the facilities under  
4 control of the Authority and the resources of the community  
5 or area, including tourist accommodations, transportation,  
6 entertainment, gaming and climate. The advertising may be  
7 done jointly with a private enterprise.

8 3. Enter into contracts for advertising pursuant to this  
9 act and pay the cost of the advertising, including a  
10 reasonable commission.

11 4. Borrow money or accept contributions, grants or  
12 other financial assistance from the Federal Government  
13 or any agency or instrumentality thereof, corporate or  
14 otherwise, for or in aid of a multiuse event and convention  
15 center within the Township, and to comply with such  
16 conditions, trust indentures, leases or agreements as may be  
17 necessary, convenient or desirable. The purpose and intent  
18 of this section is to authorize the Authority to do any and all  
19 things necessary, convenient or desirable to secure the  
20 financial aid or cooperation of the Federal Government in  
21 the undertaking, acquisition, construction, maintenance or  
22 operation of a multiuse event and convention center within  
23 the Township.

24 Sec. 29. 1. For the acquisition of a multiuse event  
25 and convention center authorized in section 27 of this act,  
26 the Authority, at any time or from time to time may in the  
27 name of and on behalf of the Authority, issue municipal  
28 securities:

29 (a) Payable from the net revenues to be derived from the  
30 operation of such a multiuse event and convention center;

31 (b) Secured by a pledge of revenues from the occupancy  
32 tax;

33 (c) Secured by a pledge of revenues from the tourism  
34 surcharge;

35 (d) Secured by revenue to be received by the Authority  
36 from any political subdivision of the State pursuant to a  
37 loan, note, agreement or any other obligation;

38 (e) Secured by any other revenue that may be legally  
39 made available for their payment; or

40 (f) Payable or secured by any combination of paragraph  
41 (a), (b), (c), (d) or (e), and any or all of such revenues shall  
42 be deemed pledged revenues as that term is defined in  
43 NRS 350.550.



1           2. *Municipal securities issued pursuant to this act must*  
2 *be authorized by resolution of the Authority, and no further*  
3 *approval by any person, board or commission is required.*

4           3. *All determinations of the Authority under this act*  
5 *shall be deemed to be conclusive, absent fraud or a gross*  
6 *abuse of discretion.*

7           *Sec. 30. The provisions of the Local Government*  
8 *Securities Law shall apply to the issuance by the Authority*  
9 *of any municipal securities pursuant to this act. Any such*  
10 *municipal securities must be executed in the manner*  
11 *provided in the Local Government Securities Law, but the*  
12 *securities must also bear the manual or facsimile signature*  
13 *of an officer of the Authority, or some other person*  
14 *specifically authorized by the Authority to sign the*  
15 *securities.*

16           *Sec. 31. The Authority is authorized to sell such*  
17 *municipal securities from time to time in the manner*  
18 *prescribed in NRS 350.105 to 350.195, inclusive, and may*  
19 *employ legal, fiscal, engineering or other expert services in*  
20 *connection with the acquisition, improvement, extension or*  
21 *betterment of the multiuse event and convention center and*  
22 *with the authorization, issuance and sale of the municipal*  
23 *securities.*

24           *Sec. 32. In order to insure the payment of the*  
25 *municipal securities of the Authority, the payment of which*  
26 *is secured or is additionally secured, as the case may be, by*  
27 *a pledge of the revenues of the multiuse event and*  
28 *convention center, of any such other income-producing*  
29 *project and of any such excise taxes, as provided in section*  
30 *29 of this act, or other such special obligation securities so*  
31 *secured, the Authority may establish and maintain, and*  
32 *from time to time revise, a schedule or schedules of fees,*  
33 *rates and charges for services, facilities and commodities*  
34 *rendered by or through the multiuse event and convention*  
35 *center, and any such other income-producing project and a*  
36 *schedule or schedules of any such excise taxes, as the case*  
37 *may be, in an amount sufficient for that purpose and also*  
38 *sufficient to discharge any covenant in the proceedings of*  
39 *the Authority or governing body authorizing the issuances*  
40 *of any of the municipal securities, including any covenant*  
41 *for the establishment of reasonable reserve funds.*

42           *Sec. 33. If a project that is financed by the Authority*  
43 *or is otherwise undertaken by the Authority, including,*  
44 *without limitation, pursuant to a lease, lease-purchase*  
45 *agreement or installment-purchase agreement:*



1 *1. Requires the employment of skilled mechanics,*  
2 *skilled workers, semiskilled mechanics, semiskilled workers*  
3 *or unskilled labor to perform the project; and*

4 *2. Does not qualify as a public work, as defined in*  
5 *NRS 338.010,*

6 *↳ the contract or agreement for the project must include a*  
7 *provision requiring the payment of prevailing wages in*  
8 *compliance with the provisions of NRS 338.013 to 338.090,*  
9 *inclusive, in the same manner as if the Authority had*  
10 *undertaken the project or had awarded the contract.*

11 **Sec. 4.** Section 3 of the Tahoe-Douglas Visitor's Authority  
12 Act, being chapter 496, Statutes of Nevada 1997, at page 2375, is  
13 hereby amended to read as follows:

14 Sec. 3. Except as otherwise provided in this act or  
15 unless the context otherwise requires, terms used or referred  
16 to in this act have the meanings ascribed to them in the Local  
17 Government Securities Law, but the definitions in sections 4  
18 to 18, inclusive, *and section 15.5* of this act, unless the  
19 context otherwise requires, govern the construction of this act  
20 and of the Local Government Securities Law as applied to the  
21 Township.

22 **Sec. 5.** Section 7 of the Tahoe-Douglas Visitor's Authority  
23 Act, being chapter 496, Statutes of Nevada 1997, at page 2376, is  
24 hereby amended to read as follows:

25 Sec. 7. "Gross taxable rent" means the total amount of  
26 rent paid for lodging, including any associated charges that  
27 are normally included in the rent ~~[-]~~, *including, without*  
28 *limitation, resort fees or similar mandatory fees or charges*  
29 *directly related to the occupancy of transient lodgings, but*  
30 *not including the tourism surcharge.*

31 **Sec. 6.** Section 11 of the Tahoe-Douglas Visitor's Authority  
32 Act, being chapter 496, Statutes of Nevada 1997, at page 2376, is  
33 hereby amended to read as follows:

34 Sec. 11. "Occupancy tax" means the tax on lodging  
35 imposed by *section 19 of* this act.

36 **Sec. 7.** Section 14 of the Tahoe-Douglas Visitor's Authority  
37 Act, being chapter 496, Statutes of Nevada 1997, at page 2376, is  
38 hereby amended to read as follows:

39 Sec. 14. "Rent" means the consideration received by a  
40 vendor in money, credits, property or other consideration  
41 valued in money for lodgings subject to ~~[-]~~ *the* occupancy  
42 tax *and tourism surcharge* authorized in this act.





1       **Sec. 7.5.** Section 20 of the Tahoe-Douglas Visitor's Authority  
2 Act, being chapter 496, Statutes of Nevada 1997, at page 2377, is  
3 hereby amended to read as follows:

4       Sec. 20. 1. The Tahoe-Douglas Visitor's Authority,  
5 consisting of five members, is hereby created.

6       2. The Authority consists of:

7       (a) One member appointed by the Board of County  
8 Commissioners from among their number; and

9       (b) Four members who are representatives of the  
10 Association of Gaming Establishments whose members  
11 collectively paid the largest amount of license fees to the  
12 State pursuant to NRS 463.370 in the County in the preceding  
13 year, chosen by the board from a list of nominees submitted  
14 by the Association. If there is no such association, the four  
15 members so appointed must be representatives of gaming  
16 licensees.

17       ↳ Each member of the Authority must be a resident of the  
18 County.

19       3. The terms of members appointed pursuant to  
20 paragraph (b) of subsection 2 are 4 years. Each member  
21 appointed pursuant to paragraph (b) of subsection 2 may  
22 succeed himself or herself only twice.

23       4. If a member ceases to be engaged in the business or  
24 occupation which the member was appointed to represent, he  
25 or she ceases to be a member, and another person engaged in  
26 that business or occupation must be appointed for the  
27 unexpired term.

28       5. *Members of the Authority may enter into contracts,*  
29 *leases, franchises and other transactions extending beyond*  
30 *their terms of office as members of the Authority.*

31       **Sec. 8.** Section 21 of the Tahoe-Douglas Visitor's Authority  
32 Act, being chapter 496, Statutes of Nevada 1997, at page 2377, is  
33 hereby amended to read as follows:

34       Sec. 21. 1. The municipality may provide that the  
35 occupancy tax *or tourism surcharge* does not apply:

36       (a) If a vendee:

37       (1) Has been a permanent resident of the taxable  
38 premises for a period of at least 28 consecutive days; or

39       (2) Enters into or has entered into a written agreement  
40 for lodgings at the taxable premises for a period of at least 28  
41 consecutive days;

42       (b) If the rent paid by a vendee is less than \$2 a day;

43       (c) To lodgings at religious, charitable, educational or  
44 philanthropic institutions, including accommodations at  
45 summer camps operated by such institutions;





- (d) To clinics, hospitals or other medical facilities;
- (e) To privately owned and operated convalescent homes or homes for the aged, infirm, indigent or chronically ill; *or*
- (f) ~~[[If the taxable premises does not have at least three rooms or three other units of accommodations for lodging; or~~
- ~~—(g)]~~ To all or any combination of events or conditions provided in paragraphs (a) to ~~[(f);]~~ (e), inclusive.

2. The occupancy tax ~~[[does]]~~ *and tourism surcharge do* not apply to:

(a) Lodgings at institutions of the Federal Government, the State, the municipality or any other public body.

(b) The rental of any lodgings by an employee of the Federal Government, the State or a political subdivision of the State, if the transaction is conducted directly with the governmental entity pursuant to a governmental credit card or a contract, purchase order or similar document executed or authorized by an appropriate official of the governmental entity.

*3. Any ordinance adopted pursuant to this act by the municipality before July 1, 2019, relating to the occupancy tax shall, by operation of law, apply to the tourism surcharge in the same manner as it applies to the occupancy tax.*

**Sec. 9.** Section 22 of the Tahoe-Douglas Visitor's Authority Act, being chapter 496, Statutes of Nevada 1997, at page 2378, is hereby amended to read as follows:

Sec. 22. 1. Every vendor providing lodging in the Township shall collect the *occupancy tax and tourism surcharge* and shall act as a trustee therefor.

2. Every vendor providing lodging in the Township shall remit the proceeds of the occupancy tax *and tourism surcharge* to the governing body.

3. The *occupancy tax and tourism surcharge* must be charged separately from the rent fixed by the vendor for the lodgings.

**Sec. 10.** Section 23 of the Tahoe-Douglas Visitor's Authority Act, being chapter 496, Statutes of Nevada 1997, at page 2378, is hereby amended to read as follows:

Sec. 23. 1. The governing body may provide by ordinance that:

(a) The payment of the occupancy tax *or tourism surcharge* pertaining to any lodgings is secured by a lien on the real property at the taxable premises where the lodgings are located;




1 (b) Any such lien securing the payment of a delinquent  
2 occupancy tax *or tourism surcharge* may be enforced in the  
3 same manner as liens for general taxes ad valorem on real  
4 property; and

5 (c) A vendor is liable for the payment of the proceeds of  
6 any occupancy tax *and tourism surcharge* which pertains to  
7 the vendor's taxable premises and which the vendor failed to  
8 remit to the municipality, because of the vendor's failure  
9 to collect the *occupancy* tax *and tourism surcharge* or  
10 otherwise.

11 2. The governing body may provide for a civil penalty  
12 for any such failure in an amount of not more than 10 percent  
13 of the amount which was not remitted to the municipality but  
14 not less than \$10.

15 3. The municipality may bring an action in the district  
16 court for the collection of any amounts due, including,  
17 without limitation, penalties thereon, interest on the unpaid  
18 principal at a rate not exceeding 1 percent per month, the  
19 costs of collection and reasonable attorney's fees incurred in  
20 connection therewith, except for any tax *or surcharge* being  
21 collected by the enforcement of a lien pursuant to  
22 subsection 1.

23 **Sec. 11.** Section 24 of the Tahoe-Douglas Visitor's Authority  
24 Act, being chapter 496, Statutes of Nevada 1997, at page 2378, is  
25 hereby amended to read as follows:

26 Sec. 24. The governing body may provide by ordinance  
27 for penalties not to exceed 90 days' imprisonment or a \$300  
28 fine for a failure by any person to pay the *occupancy* tax   
29 *and tourism surcharge*, to remit the proceeds thereof to the  
30 municipality or to account properly for any lodging and the  
31 *occupancy* tax *and tourism surcharge* proceeds pertaining  
32 thereto.

33 **Sec. 12.** Section 25 of the Tahoe-Douglas Visitor's Authority  
34 Act, being chapter 496, Statutes of Nevada 1997, at page 2378, is  
35 hereby amended to read as follows:

36 Sec. 25. The governing body may provide by ordinance,  
37 except as limited by or otherwise provided in this act:

38 1. A procedure for licensing each vendor and for  
39 refusing to license a vendor after an opportunity has been  
40 given to the vendor for a public hearing by the governing  
41 body concerning the issuance of the license;

42 2. The times, place and method for the payment of the  
43 *occupancy* tax *and tourism surcharge* to the municipality,  
44 the account and other records to be maintained in connection  
45 therewith, a procedure for making refunds and resolving



1 disputes relating to the *occupancy tax* ~~§~~ *and tourism*  
2 *surcharge*, including exemptions pertaining thereto, the  
3 preservation and destruction of records and their inspection  
4 and investigation, and, subject to the provisions of subsection  
5 1 of section 23 of this act, a procedure of liens and sales to  
6 satisfy such liens; and

7 3. Other rights, privileges, powers and immunities and  
8 other details relating to any licenses, the collection of the  
9 occupancy tax *and tourism surcharge* and the remittance of  
10 the proceeds thereof to the municipality.

11 **Sec. 13.** Section 26 of the Tahoe-Douglas Visitors' Authority  
12 Act, being chapter 496, Statutes of Nevada 1997, as amended by  
13 chapter 496, Statutes of Nevada 1997, at page 2379, is hereby  
14 amended to read as follows:

15 Sec. 26. 1. From the proceeds of the occupancy tax  
16 *and the tourism surcharge* paid by vendors located in the  
17 township, the governing body shall:

18 (a) Pay the principal of, interest on and any prior  
19 redemption premiums due in connection with any securities  
20 issued by the county pursuant to the Douglas County Lodgers  
21 Tax Law which were secured with the proceeds of the  
22 occupancy tax collected pursuant to the Douglas County  
23 Lodgers Tax Law.

24 (b) After allocation of those proceeds pursuant to  
25 paragraph (a), pay any obligations incurred before July 1,  
26 1997, pursuant to any contractual agreements between the  
27 governing body and the Lake Tahoe Visitor's Authority.

28 2. A portion of the proceeds of the occupancy tax *and*  
29 *the tourism surcharge* paid by vendors located in the  
30 Township, not to exceed 1 percent of the amount collected,  
31 may be used to collect and administer the *occupancy tax* ~~§~~  
32 *and the tourism surcharge*.

33 3. One-eighth of the proceeds of the occupancy tax paid  
34 by vendors located in the Township must be remitted to the  
35 Authority.

36 4. After allocation pursuant to subsections 1, 2 and 3 of  
37 the proceeds of the occupancy tax paid by vendors located in  
38 the Township, the remaining proceeds must be allocated as  
39 follows:

40 (a) Except as otherwise provided in paragraph (b), for  
41 each Fiscal Year beginning on or after July 1, 1999, 50  
42 percent of those proceeds must be retained by the governing  
43 body for expenditure in any manner authorized for the  
44 expenditure of the proceeds of a tax imposed pursuant to the



1 Douglas County Lodgers Tax Law and 50 percent of those  
2 proceeds must be remitted to the Authority.

3 (b) Except as otherwise provided in paragraph (c), for  
4 each Fiscal Year beginning on or after July 1, 2000, the  
5 governing body shall revise the allocation required pursuant  
6 to this subsection in such a manner that the amount of those  
7 proceeds retained by the governing body is reduced, and the  
8 amount remitted to the Authority is increased, from the  
9 amounts for the prior fiscal year by not less than 2 percent  
10 and not more than 5 percent of the total amount of the  
11 proceeds allocated pursuant to this subsection, until the  
12 amount retained by the governing body for each fiscal year  
13 equals 35 percent of those proceeds and the amount remitted  
14 to the Authority for each fiscal year equals 65 percent of  
15 those proceeds.

16 (c) The governing body may, for not more than one of the  
17 Fiscal Years beginning on or after July 1, 2000, elect not to  
18 make a revision otherwise required pursuant to paragraph (b).

19 5. *After allocation pursuant to subsections 1 and 2 of*  
20 *the proceeds of the tourism surcharge paid by vendors*  
21 *located in the Township, the remaining proceeds must be*  
22 *remitted to the Authority.*

23 6. The proceeds remitted to the Authority pursuant to  
24 subsections 3, ~~and~~ 4 and 5 must be used exclusively for:

25 (a) The advertising, publicizing and promotion of tourism  
26 and recreation; ~~and~~

27 (b) The planning, construction and operation of a  
28 *multiuse event and* convention center in the Township ~~;~~  
29 *and*

30 (c) *The payment of principal and interest on the*  
31 *municipal securities issued pursuant to section 29 of this*  
32 *act.*

33 **Sec. 14.** This act becomes effective on July 1, 2019.

