

SECOND REGULAR SESSION
SENATE COMMITTEE SUBSTITUTE FOR

HOUSE BILL NO. 1698

98TH GENERAL ASSEMBLY

Reported from the Committee on Jobs, Economic Development and Local Government, April 14, 2016, with recommendation that the Senate Committee Substitute do pass.

4582S.03C

ADRIANE D. CROUSE, Secretary.

AN ACT

To amend chapter 620, RSMo, by adding thereto one new section relating to incentives to attract major out-of-state conventions to Missouri.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 620, RSMo, is amended by adding thereto one new section, to be known as section 620.1620, to read as follows:

620.1620. 1. This section shall be known and may be cited as the "Meet in Missouri Act".

2. As used in this section, the following terms shall mean:

(1) "Director", the director of the department of economic development;

(2) "Eligible commission", any regional convention and visitors commission created under section 67.601; any body designated by the division of tourism official destination marketing organization for a Missouri county which is designated as the single representative organization for the county to solicit and service tourism;

(3) "Eligible major convention event costs", all operational costs of the venue of a major convention event including, but not limited to, costs related to the following: security, venue utilities, cleaning, production of the event, installation and dismantling, facility rental charges, personnel, construction to prepare the venue, and other temporary facility construction;

(4) "Fund", the major economic convention event in Missouri fund established in this section;

(5) "Grant", an amount of money equal to the total amount of eligible major convention event costs listed in an approved major

21 convention plan to be disbursed at the requested date from the fund to
22 an eligible commission by the state treasurer at the direction of the
23 director which shall not exceed the amount of estimated total sales
24 taxes to be received by the state generated by sleeping rooms paid by
25 guests of hotels and motels reasonably believed to be occupied due to
26 the major convention event;

27 (6) "Major convention event", any convention if more than fifty
28 percent of attendees travel to the convention from outside of Missouri
29 and require overnight hotel accommodations;

30 (7) "Major convention plan", a written plan for the administration
31 of a major convention event, containing such information as shall be
32 requested by the director to establish that the event covered by the
33 application is a major convention event including, but not limited to,
34 the start and end dates of the major convention event, an identification
35 of the organization planning the event, the location of the event,
36 projected total and out-of-state attendance, projected contracted and
37 actual hotel room nights, projected costs and revenues anticipated to
38 be received by the eligible commission in connection with the event,
39 the eligible major convention event costs, and evidence of satisfaction
40 of the conditions of subsection 5 of this section.

41 3. (1) There is hereby created in the state treasury the "Major
42 Economic Convention Event in Missouri Fund", which shall consist of
43 moneys appropriated from the general revenue fund as prescribed in
44 subsection 6 of this section and any gifts, contributions, grants, or
45 bequests received from federal, private, or other sources. The state
46 treasurer shall be custodian of the fund. In accordance with sections
47 30.170 and 30.180, the state treasurer may approve disbursements. The
48 fund shall be a dedicated fund and, upon appropriation, moneys in the
49 fund shall be used solely for the administration of this section.

50 (2) Notwithstanding the provisions of section 33.080 to the
51 contrary, any moneys remaining in the fund at the end of the biennium
52 shall not revert to the credit of the general revenue fund.

53 (3) The state treasurer shall invest moneys in the fund in the
54 same manner as other funds are invested. Any interest and moneys
55 earned on such investments shall be credited to the fund.

56 4. For major convention plans which have complied with
57 subsection 5 of this section, in addition to funds otherwise made

58 available under Missouri law, a grant shall be paid from the fund by the
59 department of economic development to the eligible commission at the
60 requested date. Any transfer of a grant from the fund to the treasurer
61 or other designated financial officer of an eligible commission with an
62 approved major convention plan shall be deposited in a separate,
63 segregated account of such commission. The eligible commission shall
64 agree to hold such funds until the major convention event has occurred
65 and not disburse the funds until such time as the report in subsection
66 7 has been submitted.

67 5. The director shall not disburse a grant until the director or
68 his or her designee has approved a written major convention plan
69 submitted to the department of economic development by an eligible
70 commission requesting a grant. The director or his or her designee
71 shall not approve any submitted major convention plan unless he or she
72 finds that the following conditions have been met:

73 (1) The applicant submitting the major convention plan is an
74 eligible commission;

75 (2) The projected start and end dates of the planned major
76 convention event and the requested date of disbursement of the grant
77 are no later than five years from the date of the application; and

78 (3) There is sufficient evidence that:

79 (a) The event shall qualify as a major convention event under
80 this section including, but not limited to, evidence of the actual number
81 of contracted advance hotel reservations or projected out-of-state
82 attendance numbers and actual hotel room usage from comparable past
83 events;

84 (b) A request for proposal or similar documentation
85 demonstrates the applicant eligible commission is competing for the
86 event against non-Missouri cities;

87 (c) Without the grant, the major convention event would not be
88 reasonably anticipated to occur in Missouri; and

89 (d) The positive net fiscal impact to general revenue of the state
90 through any and all taxes attributable to the major convention event
91 exceeds the amount of the major convention grant. In reviewing such
92 evidence, the director shall take into account any expenditures by an
93 attendee for sleeping rooms paid by guests of the hotels and motels
94 typically constitutes less than fifty percent of the expenditures by such

95 attendees at a major convention event.

96 **6. (1) Upon verification that the major convention plan complies**
97 **with the terms of subsection 5 of this section, the director or his or her**
98 **designee shall issue a certificate of approval to the eligible commission**
99 **stating the date on which such grant shall be disbursed and the total**
100 **amount of the grant, which shall be equal to the eligible major**
101 **convention event costs listed in the approved major convention**
102 **plan. The amount of any grant shall not exceed more than fifty percent**
103 **of the cost of hosting the major convention event, positive net fiscal**
104 **impact to general revenue, or one million dollars, whichever is less.**

105 **(2) All approved grants scheduled for disbursement each year**
106 **shall be disbursed from the general revenue fund subject to**
107 **appropriation by the general assembly. Any such appropriation shall**
108 **not exceed three million dollars in any year.**

109 **(3) Upon such annual appropriation and transfer into the fund**
110 **from the general revenue fund, the director shall disburse all grants**
111 **pursuant to certificates of approval.**

112 **7. (1) Within one hundred eighty days of the conclusion of any**
113 **major convention event for which a grant was disbursed under this**
114 **section, the eligible commission that received such grant shall provide**
115 **a written report to the director detailing the final amount of eligible**
116 **major convention event costs incurred and actual attendance figures**
117 **which certify compliance with this section. If the final amount of total**
118 **eligible major convention event costs is less than the amount of the**
119 **grant disbursed to the eligible commission under an approved major**
120 **convention plan, such commission shall refund to the state treasurer**
121 **the excess greater than fifty percent of the actual cost for deposit into**
122 **the fund.**

123 **(2) An eligible commission shall refund the following amounts to**
124 **the state treasurer based on the actual attendance figures in relation**
125 **to the projected total attendance for the event as provided in the major**
126 **convention plan:**

127 **(a) If the actual attendance figure is less than twenty-five**
128 **percent of the projected total attendance, the commission shall refund**
129 **an amount equal to the full amount of the grant;**

130 **(b) If the actual attendance figure is equal to or less than**
131 **eighty-five percent and greater than or equal to twenty-five percent of**

132 the projected total attendance, the commission shall keep a portion of
133 the grant received under this section equal to the proportion of the
134 actual attendance figure to the projected attendance figure rounded to
135 the nearest dollar and refund the remaining amount;

136 (c) If the actual attendance figure is greater than eighty-five
137 percent of the projected total attendance, the commission shall keep
138 the entire grant amount received under this section unless otherwise
139 provided by this section.

140 (3) The provisions of this subdivision shall not apply where
141 attendance at the convention is adversely affected by a man-made
142 disaster including, but not limited to an uprising or other civil unrest
143 or where attendance at the convention is adversely affected by a
144 substantial inclement weather-related event.

145 8. Any amounts that are refunded from a grant under this section
146 shall be returned to the major economic convention event in Missouri
147 fund to be used for future grants.

148 9. In accordance with the provisions of sections 23.250 to 23.298
149 and unless otherwise authorized pursuant to section 23.253:

150 (1) The program authorized under the provisions of this section
151 shall automatically sunset six years after the effective date of this
152 section; and

153 (2) This section shall terminate on September first of the year
154 following the year in which any new program authorized under this
155 section is sunset, and the revisor of statutes shall designate such
156 sections and this section in a revision bill for repeal.

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