

Original sponsor: State Affairs Committee

Offered: 4/12/76
Referred: Finance

1 IN THE HOUSE

BY THE STATE AFFAIRS COMMITTEE

2 CS FOR HOUSE BILL NO. 869

3 IN THE LEGISLATURE OF THE STATE OF ALASKA

4 NINTH LEGISLATURE - SECOND SESSION

5 A BILL

6 For an Act entitled: "An Act creating a convention centers revolving loan
7 fund to be funded by means of a hotel occupancy tax;
8 and providing for an effective date."

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

10 * Section 1. AS 43 is amended by adding a new chapter to read:

11 CHAPTER 76. HOTEL OCCUPANCY TAX.

12 Sec. 43.76.010. HOTEL OCCUPANCY TAX. (a) There is levied a tax
13 on hotels and boardinghouses of \$1 for each night that a room furnished
14 for hire by that hotel or boardinghouse is occupied by a transient
15 guest, unless the hotel or boardinghouse is located in a general law or
16 home rule city with outstanding obligations to the convention centers
17 revolving loan fund.

18 (b) The legislature is authorized to annually appropriate an
19 amount equivalent to the amount collected under this section to the
20 convention center revolving loan fund.

21 Sec. 43.76.020. GENERAL PROVISIONS. In this chapter "hotel" or
22 "boardinghouse" means a building held out to the public to be an inn,
23 motel, hotel, or public lodging house, or place where sleeping accom-
24 modations, whether with or without meals, are furnished for hire to
25 transient guests.

26 * Sec. 2. AS 29.53 is amended by adding a new section to read:

27 ARTICLE 6. CITY HOTEL OCCUPANCY TAX.

28 Sec. 29.53.470. CITY HOTEL OCCUPANCY TAX. (a) A general law city
29 or a home rule city shall levy on hotels and boardinghouses a tax of at

1 least \$1.50 for each night that a room furnished for hire by that hotel
2 or boardinghouse is occupied by a transient guest, if that city has
3 obligations outstanding to the convention centers revolving loan fund.

4 (b) The city shall use revenue collected under this section to
5 repay its outstanding obligations to the convention centers revolving
6 loan fund.

7 (c) In this section "hotel" or "boardinghouse" means any building
8 held out to the public to be an inn, motel, hotel, or public lodging
9 house, or place where sleeping accommodations, whether with or without
10 meals, are furnished for hire to transient guests.

11 * Sec. 3. AS 45 is amended by adding a new chapter to read:

12 CHAPTER 87. CONVENTION CENTERS REVOLVING LOAN FUND.

13 Sec. 45.87.010. FUND ESTABLISHED. There is created in the Depart-
14 ment of Commerce and Economic Development a convention centers revolving
15 loan fund. Money in this fund shall be loaned to general law and home
16 rule cities to assist them in the construction of convention centers.

17 Sec. 45.87.020. LOAN FUND SOURCE. The convention centers revolv-
18 ing loan fund shall consist of repayments made by borrowers and those
19 funds which may be appropriated to the fund.

20 Sec. 45.87.030. INTEREST ON LOANS. The interest rate on loans
21 shall not exceed three per cent a year.

22 Sec. 45.87.040. ADMINISTRATION OF LOANS. (a) The convention
23 centers revolving loan fund shall be administered by the Department of
24 Commerce and Economic Development which is empowered to adopt procedures
25 and promulgate regulations necessary to carry out the provisions of this
26 chapter.

27 (b) The department shall forward all loan applications it recom-
28 mends for approval to the Convention Centers Revolving Loan Fund Commit-
29 tee which consists of the commissioner of community and regional affairs

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

the commissioner of commerce and economic development, the commissioner of administration, and the commissioner of revenue.

(c) Priority of loans shall be established by the department and shall be subject to review by, and appeal to, the Convention Centers Revolving Loan Fund Committee.

Sec. 45.87.050. ELIGIBILITY FOR PROJECT LOANS. A general law city or a home rule city is an eligible borrower for a project loan under this chapter if the city can demonstrate in its loan application that the project is economically and technically feasible.

* Sec. 4. This Act takes effect January 1, 1977.