
By: **Washington County Delegation**

Introduced and read first time: March 6, 2000

Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Washington County Hotel Rental Tax**

3 FOR the purpose of altering the rate of the hotel rental tax imposed in Washington
4 County; altering the distribution of certain hotel rental tax revenue in
5 Washington County; requiring the Hagerstown/Washington County Convention
6 and Visitors Bureau to hold a public hearing each year on its proposed annual
7 budget before adoption of the budget; requiring the Board of County
8 Commissioners of Washington County to report on or before certain dates to the
9 Washington County Senate and House Delegations of the General Assembly on
10 the hotel rental tax revenue collected and the use of the revenue; requiring the
11 Hagerstown/Washington County Convention and Visitors Bureau to report on or
12 before certain dates to the Washington County Senate and House Delegations of
13 the General Assembly on its use of the hotel rental tax revenue; prohibiting the
14 Board of County Commissioners of Washington County from using any hotel
15 rental tax revenue for the construction of a new stadium in the county until
16 certain events occur; requiring the Maryland Stadium Authority as part of its
17 review of a certain proposed new stadium to assess the viability and costs
18 associated with constructing a multi-use stadium; and generally relating to
19 Washington County hotel rental tax.

20 BY repealing and reenacting, with amendments,
21 Article 24 - Political Subdivisions - Miscellaneous Provisions
22 Section 9-304 and 9-318(b)(4)
23 Annotated Code of Maryland
24 (1998 Replacement Volume and 1999 Supplement)

25 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
26 MARYLAND, That the Laws of Maryland read as follows:

27 **Article 24 - Political Subdivisions - Miscellaneous Provisions**

28 9-304.

29 (a) Subject to the limitations in subsections (b) and (c) of this section, the hotel
30 rental tax rate is the rate that the authorized county sets by resolution.

1 (b) An authorized county may not set a hotel rental tax rate that exceeds:

- 2 (1) 3% in a code county;
- 3 (2) 5% in Calvert County;
- 4 (3) 3% in Cecil County;
- 5 (4) 5% in Charles County;
- 6 (5) 5% in Dorchester County;
- 7 (6) 5% in Garrett County;
- 8 (7) 5% in St. Mary's County;
- 9 (8) 3% in Somerset County;
- 10 (9) 3% in Talbot County; AND
- 11 (10) [3% in Washington County; and
- 12 (11)] 5% in Wicomico County.

13 (c) Notwithstanding subsection (b)(1) of this section, a code county may set a
14 hotel rental tax rate that is greater than 3%, but not exceeding 5%, with the
15 unanimous consent of the county commissioners for the county.

16 (D) THE HOTEL RENTAL TAX RATE IN WASHINGTON COUNTY IS 6%.

17 9-318.

18 (b) (4) (I) Washington County:

19 [(i) May not deduct more than 5% of the revenue for administrative
20 costs under subsection (a)(1) of this section; and

21 (ii) Shall deposit all remaining revenues, after the distribution
22 under subsection (a)(1) of this section, in the general funds of Washington County to
23 underwrite the Washington County tourism budget and, when established, the
24 Washington County Convention Bureau.]

25 1. SHALL DISTRIBUTE 45% OF THE TOTAL HOTEL RENTAL
26 TAX COLLECTED IN THE COUNTY TO THE GENERAL FUND OF WASHINGTON COUNTY
27 TO BE USED TO FUND THE HAGERSTOWN/WASHINGTON COUNTY CONVENTION AND
28 VISITORS BUREAU; AND

29 2. SHALL DISTRIBUTE THE REMAINING BALANCE AFTER
30 THE DISTRIBUTION UNDER ITEM 1 OF THIS SUBPARAGRAPH TO A SPECIAL FUND, TO
31 BE USED ONLY TO DEVELOP TOURISM ATTRACTIONS, ENHANCE ECONOMIC

1 DEVELOPMENT, AND SUPPORT CULTURAL AND RECREATIONAL PROJECTS IN
2 WASHINGTON COUNTY.

3 (II) A MUNICIPAL CORPORATION IN WASHINGTON COUNTY MAY
4 APPLY TO THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY FOR
5 FUNDING FROM THE SPECIAL FUND ESTABLISHED UNDER SUBPARAGRAPH (I)2 OF
6 THIS PARAGRAPH FOR AN ELIGIBLE PROJECT WITHIN THE MUNICIPAL
7 CORPORATION.

8 (III) EACH YEAR BEFORE ADOPTION OF ITS ANNUAL BUDGET, THE
9 HAGERSTOWN/WASHINGTON COUNTY CONVENTION AND VISITORS BUREAU SHALL
10 HOLD A PUBLIC HEARING ON THE PROPOSED ANNUAL BUDGET.

11 (IV) ON OR BEFORE SEPTEMBER 1 OF EACH YEAR BEGINNING IN
12 2001:

13 1. THE BOARD OF COUNTY COMMISSIONERS OF
14 WASHINGTON COUNTY SHALL REPORT TO THE WASHINGTON COUNTY SENATE AND
15 HOUSE DELEGATIONS OF THE GENERAL ASSEMBLY ON THE HOTEL RENTAL TAX
16 REVENUE COLLECTED AND THE USE OF THE HOTEL RENTAL TAX REVENUE FOR THE
17 PRECEDING FISCAL YEAR; AND

18 2. THE HAGERSTOWN/WASHINGTON COUNTY CONVENTION
19 AND VISITORS BUREAU SHALL REPORT TO THE WASHINGTON COUNTY SENATE AND
20 HOUSE DELEGATIONS OF THE GENERAL ASSEMBLY ON ITS USE OF THE HOTEL
21 RENTAL TAX REVENUE FOR THE PRECEDING FISCAL YEAR.

22 SECTION 2. AND BE IT FURTHER ENACTED, That:

23 (a) Notwithstanding any other provision of law, the Board of County
24 Commissioners of Washington County may not use any hotel rental tax revenue for
25 the construction of a new stadium in the county until:

26 (1) The Maryland Stadium Authority has developed for the proposed new
27 stadium:

28 (i) a preliminary plan;

29 (ii) an estimated project cost;

30 (iii) an economic impact review;

31 (iv) a financing plan; and

32 (v) a reuse or redevelopment plan for the existing Hagerstown
33 stadium; and

34 (2) The estimated project costs, economic impact, financing plan, and
35 reuse or redevelopment plan for the existing Hagerstown stadium have been:

1 (i) approved by a majority vote of the combined membership of the
2 commissioners of Washington County and the Hagerstown City Council, sitting
3 jointly; and

4 (ii) submitted for review and comment to the Washington County
5 Senate and House Delegations of the General Assembly.

6 (b) As part of its review of the proposed new stadium, the Maryland Stadium
7 Authority shall assess the viability and costs associated with constructing a
8 multi-use stadium that, in addition to serving as the home field to a minor league
9 baseball team, would also be used by the community for other events such as
10 nonprofessional baseball, soccer, lacrosse, and track and field.

11 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect
12 July 1, 2000.