

## RÉSUMÉ DIGEST

ACT 265 (SB 169)

2015 Regular Session

Martiny

New law, relative to hotels and lodging houses in Jefferson Parish, provides that a tourism organization, under authority of its articles or bylaws, may levy a hotel assessment of up to 1.75% of the daily room charge upon its hotel members in Jefferson Parish pursuant to prior law for destination marketing, sales, public relations and for other matters deemed by the tourism organization to benefit directly or indirectly economic development, the traveler economy and tourism growth as shall be approved by resolution of the board of directors of the tourism organization and ratified by a vote of the assessed hotels in a referendum conducted in accordance with new law.

New law provides that a hotel assessment proposed to be levied pursuant to new law by a tourism organization: (1) shall be authorized by its board of directors or other governing body by resolution that describes in general terms the hotel assessment to be levied and includes a statement that the hotel assessment is to be levied pursuant to new law and (2) shall be approved in a referendum of the assessed hotels as provided in new law.

New law provides that a hotel operator shall not be liable for payment of a hotel assessment under new law for any time period in which it is not a member of the tourism organization.

New law provides that in addition to the right to resign from the tourism organization as provided in the bylaws or other governing documents of the tourism organization, an assessed hotel shall have the right to resign its membership in the tourism organization by written notice given to the tourism organization within 30 days of the announcement of the results of the referendum approving the hotel assessment and, for purposes of new law, such resignation shall be effective as of the date of the referendum.

New law provides that a hotel operator shall not be liable for payment of a hotel assessment under new law during any time period in which it is not a member of the tourism organization.

New law provides that an assessed hotel shall place the hotel assessment as a mandatory surcharge on the folio and in so doing shall comply with new law.

New law provides that receipts from any hotel assessments levied pursuant to new law are not part of gross receipts or gross revenue for any purpose, including the calculation of hotel sales or occupancy taxes, or state income taxes, and are not part of income pursuant to any lease or operator agreement.

New law provides that payment of the assessment to the tourism organization shall not be taken as a deduction from income for state income tax purposes.

New law provides that any hotel assessment levied and passed through to a guest as a surcharge in accordance with new law is an enforceable obligation of the guest as and to the same extent as are daily room charges and other lawful surcharges.

New law provides that procedures for collection of hotel assessments, interest charges and penalties for delinquent remittance of hotel assessments to the tourism organization or other matters incident to the hotel assessment shall be as provided by resolution or in the bylaws of the tourism organization.

New law provides that the state, the parish, and any and all of their agencies and political subdivisions may, upon the request of a tourism organization, enter into a cooperative endeavor agreement with the tourism organization for the collection of hotel assessments on behalf of the tourism organization.

New law requires that each tourism organization which levies an assessment pursuant to new law be subject to audit by the legislative auditor.

New law provides that rate schedules setting forth room charges and any surcharges as required by new law for hotels shall be posted or disclosed in all hotels as required by applicable local ordinances.

New law provides that each operator of a hotel shall comply with applicable local ordinances relating to furnishing a schedule of charges for the rental or use of hotel rooms and shall include therein surcharges in effect for the following year, a schedule of binding rates, applicable surcharges and length-of-stay requirements.

New law provides that an operator of a hotel shall place line itemization of any hotel assessment for which the operator is responsible on the guest folio as a charge to the guest immediately after, or included in, the itemization of hotel tax and occupancy tax.

New law provides that all hotel assessments to be passed through to guests as surcharges shall be disclosed on all information or communication platforms of the hotel in the same manner as are other surcharges and hotel and occupancy taxes as required by applicable laws and regulations.

New law provides that the provisions of new law shall not supersede or limit the authority of a tourism organization to levy assessments on its members under the nonprofit corporation law or other applicable law and apply only to assessments that are declared by resolution of the board of directors or other governing body of the tourism organization to be made under new law.

New law provides that any hotel assessment to be levied pursuant to new law shall be approved by a vote of the assessed hotels in a referendum conducted in accordance with new law.

New law provides that a referendum of all assessed hotels shall be called by the president of the Greater New Orleans Hotel and Lodging Association, by written notice mailed to all hotel operators identified by the tourism organization as its members in accordance with such procedures as the tourism organization may establish in its discretion.

New law provides that in any referendum, each assessed hotel shall have a number of votes equal to the number of its hotel rooms as shown on its occupational license. In any referendum, 2/3 of the votes cast shall be required to approve or ratify any hotel assessment.

New law provides that the written notice of the referendum shall include a description of any hotel assessment, including the effective date thereof, a ballot, and a statement of the referendum period, which shall be not less than 30 days from the date of the mailing of the notice and a ballot.

Effective August 1, 2015.

(Adds R.S. 21:301-308)