



OFFICE OF LEGISLATIVE AUDITOR  
Fiscal Note

Fiscal Note On: **HB 810** HLS 15RS 1369

Bill Text Version: **ORIGINAL**

Opp. Chamb. Action:

Proposed Amd.:

Sub. Bill For.:

<b>Date:</b> April 30, 2015	12:54 PM	<b>Author:</b> BILLIOT
<b>Dept./Agy.:</b> Jefferson Convention and Visitors Bureau/Tourism Orgs		
<b>Subject:</b> Hotel Assessment and Guest Surcharge		<b>Analyst:</b> Steve Stevens

TOURISM

OR +\$1,200,000 LF RV See Note

Page 1 of 1

Authorizes tourism organizations in Jefferson Parish to levy hotel assessments upon its hotel members and provides for treating such assessments as a surcharge to hotel quests

**Purpose of Bill:** The purpose of this bill is to authorize a “tourism organization” domiciled in Jefferson Parish including the Jefferson Convention and Visitors Bureau (JCVB) to levy a hotel assessment on its hotel members and use the proceeds for destination marketing sales, public relations, and related tourism and economic development. The measure provides requirements allowing member hotels to vote on a proposed assessment. It also provides requirements for disclosing assessments passed to hotel guests as a surcharge.

EXPENDITURES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0

REVENUES	2015-16	2016-17	2017-18	2018-19	2019-20	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,000,000
Annual Total	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,000,000

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on governmental expenditures as a result of this measure.

REVENUE EXPLANATION

Beginning in fiscal year 2016, there may be an increase in revenues for the Jefferson Convention and Visitors Bureau (non-profit organization) of up to \$1,200,000 each year.

A representative of the Jefferson Convention and Visitors Bureau estimated that \$1,155,217 would be generated. The representative based this on 5,047 hotel rooms, at an average occupancy rate of 67.3%, at an average daily room rate of \$93.18, and an assessment rate of one percent for 365 days (5,047 x 67.3% x \$93.18 x 1% x 365).