STATE OF NEW YORK

9318

IN SENATE

May 16, 2022

Introduced by Sen. BROOKS -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to increasing and providing for the distribution of the revenue from extending the authorization for the hotel and motel taxes in Suffolk County

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

Section 1. Subdivisions 1, 6 and 7 of section 1202-o of the tax law, subdivisions 1 and 6 as amended by chapter 159 of the laws of 2009 and subdivision 7 as amended by section 1 of item C of subpart D of part XXX of chapter 58 of the laws of 2020, are amended to read as follows:

(1) Notwithstanding any other provisions of law to the contrary, the county of Suffolk is hereby authorized and empowered to adopt and amend local laws imposing in such county a tax, in addition to any other tax authorized and imposed pursuant to this article, such as the legislature has or would have the power and authority to impose upon persons occupying hotel or motel rooms in such county. For the purposes of this section, [~~the term~~] **(i)** "hotel" or "motel" shall mean and include any facility providing lodging on an overnight basis and shall include those facilities designated and commonly known as "bed and breakfast", inns, cabins, cottages, campgrounds, tourist homes and convention centers**, and (ii) "cultural programs and activities" shall mean events, forums, or actions of benefit to the general public that are thematically related to art, music, performing arts or music, or historic or environmental preservation or education**.

The rates of such tax shall not exceed [~~three~~] **five and one-half** percent of the per diem rental rate for each room, provided, however, that such tax shall not be applicable to a permanent resident of such hotel or motel. For the purposes of this section the term "permanent resident" shall mean a person occupying any room or rooms in a hotel or motel for at least thirty consecutive days.

(6) Such local law shall provide that all revenues resulting from the imposition of the tax payable hereunder shall be paid into the treasury of the county of Suffolk and shall be distributed within thirty days of receipt by the county **proportional to the annual amount due** under the following formula: (a) [~~twenty-four percent of all revenues collected,~~

EXPLANATION--Matter in *italics* (underscored) is new; matter in brackets [-] is old law to be omitted.

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~~but not more than two~~] six million dollars per fiscal year, shall be delivered to [~~the~~] a not-for-profit tourism promotion agency that has experience with tourism promotion in the Long Island Region which the county of Suffolk contracts with pursuant to the provisions of subdivision five of this section; (b) [~~ten percent of all revenues collected~~] two million two hundred fifty thousand dollars per fiscal year shall be utilized by the county of Suffolk in support of cultural programs and activities relevant to the continuation and enhancement of the tourism industry [~~which may be increased one percent each county fiscal year by the Suffolk county legislature to an amount not to exceed fifteen percent of all revenues collected as such legislature reduces the allocation for the purposes of paragraph (c) of this subdivision~~], provided that one million dollars per fiscal year shall be utilized in support of cultural programs and activities in the towns of Babylon, Brookhaven, Huntington, Islip and Smithtown; one million dollars per fiscal year shall be utilized in support of cultural programs and activities in the towns of Riverhead, Southold, Shelter Island, Southampton and East Hampton and two hundred fifty thousand dollars per fiscal year shall fund cultural grant programs administered by the county department of economic development and planning; (c) [~~ten percent of all revenues collected~~] one million two hundred fifty thousand dollars per fiscal year shall be utilized by the county of Suffolk for the support of any museum accredited by the American Association of Museums, which is located in such county's first dedicated park and is also listed on the National Register of Historic Places[~~, such amount may be decreased one percent each county fiscal year by the Suffolk county legislature to an amount not less than five percent of all revenues collected~~]; (d) [~~eight percent of all revenues collected~~] one million dollars per fiscal year shall be utilized by the county of Suffolk for the support of other museums, and historical societies, historic residences and historic birthplaces[~~, provided that of such eight percent, an amount equal to one and one-half percent of all revenue collected shall be utilized by the county of Suffolk for program support of a not-for-profit museum organization that manages a National Register of Historic Places site in Suffolk county that has been named a National Treasure, is part of a National Recreational Trail and is a New York state historic site~~]; (d-1) two hundred fifty thousand dollars per fiscal year shall be utilized by the county of Suffolk for program support of a not-for-profit museum organization that manages a National Register of Historic Places site in Suffolk county that has been named a National Treasure, is part of a National Recreational Trail and is a New York state historic site; (e) [~~twenty percent of all revenues collected~~] two million five hundred thousand dollars per fiscal year shall be utilized by the county of Suffolk for the care, maintenance, and interpretation for the general public of the historic structures, sites and unique natural areas that are managed by the Suffolk county department of parks and recreation for sites and activities that are open to tourists on a regular and predictable basis; (f) [~~not more than two percent of all revenues collected~~] two hundred fifty thousand dollars per fiscal year shall be utilized by the county of Suffolk for the promotion of the county of Suffolk as a film friendly location through the county department of economic development and [~~workforce housing~~] planning; [~~and~~] (f-1) three million two hundred fifty thousand dollars per fiscal year shall be deposited into the general fund of the county of Suffolk to be utilized for general park purposes; (g) five hundred thousand dollars per fiscal year shall be utilized by the county of Suffolk for regional marketing and

promotion provided that two hundred fifty thousand dollars is delivered to a Long Island regional commercial airport, designated as an official metro airport that does not operate in the same airspace as airports located in New York city and two hundred fifty thousand dollars to an east end tourism agency which the county of Suffolk contracts with to administer programs designed to develop, encourage, solicit and enhance business and tourism on the east end of the county of Suffolk; (h) all remaining revenue collected by the county of Suffolk shall be deposited [~~into the general fund of such county to be utilized for general park purposes~~] into a special fund to be designated as the "Suffolk County Infrastructure Fund," to be created by said county therefore separate and apart from any other funds and accounts of the county. Moneys in such fund shall be deposited and secured in the manner provided by section ten of the general municipal law, and, pending expenditure, may be invested in the manner provided by section ten of the general municipal law. Any interest earned or capital gain realized on monies deposited shall accrue to and become part of the fund. In no event shall monies deposited in the fund be transferred to any other fund except as set forth in this subdivision. Monies in said fund may be appropriated from and transferred or expended in any fiscal year for the planning, design, and construction of a convention center and surrounding infrastructure, including but not limited to, utilities, underground infrastructure, wastewater improvements, parking facilities, traffic improvements, pedestrian access and multi-modal projects, community impact projects, transportation facilities and related improvements and to repay any indebtedness or obligations incurred, pursuant to local finance law, for these purposes; and (i) the funding amounts identified in paragraphs (a) through (g) of this subdivision shall be increased by one percent over the prior fiscal years' funding each fiscal year.

In the event that revenues resulting from the imposition of the tax payable hereunder are insufficient to fund according to the amounts identified in paragraphs (a) through (g) of this subdivision, the county of Suffolk shall utilize funds from the Suffolk County Infrastructure Fund to fund according to the amounts identified in paragraphs (a) through (g) of this subdivision, however, if the funds from the Suffolk County Infrastructure Fund are still insufficient to provide funding according to paragraphs (a) through (g), distributions set forth in paragraphs (a) through (g) of this subdivision shall be reduced on a proportional basis.

Schedules of availability of all historic and cultural activities and events funded from any part of these revenues shall be provided to the aforementioned tourism promotion agency which is contracted with by the county of Suffolk so as to enhance tourism promotion and tourist visitation.

Annually, the department of economic development and [~~workforce housing~~] planning of the county of Suffolk shall submit, to the county executive and the county legislature of such county, a report on such department's progress on the promotion of the county of Suffolk as a film friendly location, and annual statistics of the revenue generated pursuant to paragraph (f) of this subdivision.

(7) Such local law shall provide for the imposition of a hotel or motel tax [~~until December thirty-first, two thousand twenty-three~~] in perpetuity.

§ 2. This act shall take effect immediately.