



Legislation Text

File #: 40611, Version: 3

Fiscal Note

Under state law, municipalities that collect a room tax must, beginning in 2017, transfer 70% of room tax revenues to a Room Tax Commission which will make decisions on expenditures for tourism promotion and development. Room tax collections in 2016 are estimated to total \$15.1 million. If this requirement were in place in 2016, \$10.57 million in room tax revenues would be transferred to the Commission. Tourism promotion and development includes tangible municipal development, including a convention center, tourism marketing activities, and transient tourism informational services.

Title

2nd SUBSTITUTE Creating Section 33.29 of the Madison General Ordinances to create a Room Tax Commission for the City of Madison.

Body

DRAFTER'S ANALYSIS: This proposal creates a Room Tax Commission for the City of Madison, consisting of six members, appointed by the mayor and confirmed by the Council. One member of the commission must represent the Wisconsin hotel and motel industry. A Room Tax Commission is authorized by state law to use room tax revenue it receives from the City for tourism promotion and development, pursuant to Wis. Stat. § 66.0615.

The Common Council of the City of Madison do hereby ordain as follows:

Section 33.29 entitled "Room Tax Commission" of the Madison General Ordinances is created to read as follows:

"33.29 ROOM TAX COMMISSION.

- (1) Creation. There is hereby created a Room Tax Commission for the City of Madison.
- (2) Composition. The Room Tax Commission shall consist of six (6) members appointed by the mayor and confirmed by a majority vote of the members of the Common Council who are present when the vote is taken. Members shall serve without compensation. All members shall be adult residents of the City. At least two members shall be alderpersons. Strong consideration shall be given to alderpersons who serve on the boards of the Monona Terrace, Overture Center, and Greater Madison Convention and Visitor Bureau. One member shall represent the hotel and motel industry. Strong consideration shall be given to an owner/operator of a hotel in the City. Notwithstanding Sec. 33.01(7)(b), MGO, an alderperson may serve as chair of this commission.
- (3) Terms. Pursuant to Wis. Stat. § 66.0615(1m) (c) 3, the members shall be appointed for a one-year term and shall serve at the pleasure of the Mayor and may be reappointed.
- (4) Powers and Duties. The Room Tax Commission shall have the powers and duties prescribed by Wis. Stat. § 66.0615. Any contract entered into by the Commission shall be approved by the Common Council. The Commission shall elect from among its members a chairperson, vice chairperson and secretary. No person may serve as Chair more than three (3) years in any five (5)-year period."