

AMENDED IN ASSEMBLY JUNE 26, 2002

AMENDED IN SENATE APRIL 11, 2002

SENATE BILL

No. 1900

Introduced by Senator McPherson

February 22, 2002

An act to amend Sections 15372.87, 15372.100, 15372.102, and 15372.103 of the Government Code, relating to tourism.

LEGISLATIVE COUNSEL'S DIGEST

SB 1900, as amended, McPherson. California Tourism Marketing Act.

The California Tourism Marketing Act authorizes the California Travel and Tourism Commission to levy assessments on certain businesses in the travel and tourism industry in the state according to referendum of the assessed businesses, to reach a level of \$25,000,000 per fiscal year. The act states the intent of the Legislature that the state shall be responsible for appropriating a minimum of \$7,300,000 each fiscal year for travel and tourism, and authorizes the industry to terminate the commission by referendum if the state fails to appropriate that amount in any fiscal year, while the state may decide not to appropriate funding in the event that the commission fails in any fiscal year to target its annual assessment level at or above a specified level.

The act provides that the commission may be terminated after the initial 4 years of operation by referendum of the assessed businesses held every 2 years.

This bill, *commencing January 1, 2007*, would limit the authority to terminate the commission under this provision to every 6 years. It

would also permit the commission to be terminated *at any time* by a referendum called by a minimum of 10% of the assessed businesses.

The bill would also delete obsolete provisions and make other conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 15372.87 of the Government Code is
2 amended to read:

3 15372.87. (a) Except as otherwise specified in Section
4 15372.111, the commission may be terminated ~~at any time after the~~
5 ~~initial four years of operation by referendum of the assessed~~
6 ~~businesses pursuant to subdivision (b) of Section 15372.100 or by~~
7 ~~by referendum of the assessed businesses pursuant to Section~~
8 ~~15372.100 or at any time by a referendum called by 10 percent of~~
9 the assessed businesses, calculated by weighted percentages.

10 (b) Notice of the termination shall be mailed to all assessed
11 businesses.

12 (c) Upon termination, the commission shall continue its
13 existence as a nonprofit corporation for purposes of winding up its
14 affairs and dissolution.

15 (d) Upon termination of the commission established pursuant
16 to this chapter, the California Tourism Commission authorized
17 pursuant to Section 15364.52 shall advise the office, and conduct
18 all other tasks authorized by the California Tourism Policy Act.

19 SEC. 2. Section 15372.100 of the Government Code is
20 amended to read:

21 ~~15372.100. (a) The initial referendum shall cover, but not be~~
22 ~~limited to, the following subjects:~~

23 ~~(1) The proposed assessment level, based upon specified~~
24 ~~assessment formulae, together with necessary information to~~
25 ~~enable each assessed business to determine what its individual~~
26 ~~assent would be.~~

27 ~~(2) Election of commissioners.~~

28 ~~(3) Whether to have an assessment.~~

29 ~~(b) A referendum shall be called every two years, commencing~~
30 ~~on the second anniversary of the initial referendum.~~



1 ~~(e) The first referendum following the initial referendum shall~~
2 ~~solely determine the new set of commissioners by adopted~~
3 ~~resolution. At that referendum, the assessment target shall remain~~
4 ~~at the same level as utilized in the initial referendum. The~~
5 ~~assessment formula shall remain the same and the commission~~
6 ~~shall continue its existence. As used in this article and Article 7~~

7 *15372.100. (a) As used in this article and Article 7*
8 *(commencing with Section 15372.105) “assessment level” means*
9 *the estimated gross dollar amount received by assessment from all*
10 *assessed businesses on an annual basis, and “assessment formula”*
11 *means the allocation method used within each industry segment*
12 *(for example, percentage of gross revenue).*

13 ~~(d) Commencing with the third referendum, the commission~~
14 ~~shall, by adopted resolution, determine the slate of individuals~~

15 *(b) The commission, commencing January 1, 2007, and every*
16 *six years thereafter, by adopted resolution, shall determine the*
17 *slate of individuals who will run for commissioner. The resolution*
18 *shall also cover, but not be limited to, the proposed assessment*
19 *level, based upon specified assessment formulae, together with*
20 *necessary information to enable each assessed business to*
21 *determine what its individual assessment would be; and, every six*
22 *years and, termination of the commission. The resolution may*
23 *also include an amended industry segment allocation formula and*
24 *the percentage allocation of assessments between industry*
25 *categories and segments. The commission may specify in the*
26 *resolution that a special, lower assessment rate that was set*
27 *pursuant to subdivision (c) of Section 15372.66 for a particular*
28 *business will no longer apply due to changes in the unique*
29 *circumstance that originally justified the lower rate. The*
30 *resolution may include up to three possible assessment levels,*
31 *from which the assessed businesses will select one assessment*
32 *level by plurality weighted vote.*

33 ~~(e)~~

34 *(c) The commission shall deliver to the secretary the resolution*
35 *described in subdivision (b) or (e). The secretary shall call a*
36 *referendum containing the information required by subdivision*
37 *(b) or (e) plus any additional matters complying with the*
38 *procedures of subdivision (b) of Section 15372.102.*

39 ~~(f)~~



1 (d) When the secretary calls a referendum, all assessed
2 businesses shall be sent a ballot for the referendum. Every ballot
3 that the secretary receives by the ballot deadline shall be counted,
4 utilizing the weighted formula adopted initially by the selection
5 committee, and subsequently amended by referendum.

6 ~~(g)~~

7 (e) If the referendum includes more than one possible
8 assessment rate, the rate with the plurality of weighted votes shall
9 be adopted.

10 ~~(h) The initial referendum shall, if possible, be held within 180~~
11 ~~days of receipt by the Governor of the selection committee report,~~
12 ~~or, if not possible, as soon as practicable thereafter. The secretary~~
13 ~~shall call the referendum.~~

14 SEC. 3. Section 15372.102 of the Government Code is
15 amended to read:

16 15372.102. (a) ~~Commencing with the third referendum,~~
17 ~~assessed~~ Assessed businesses may place on a referendum pursuant
18 to Section 15372.100 additional candidates for commissioner, a
19 different assessment level, or both.

20 ~~(b) Except for the referendum that occurs four years from the~~
21 ~~initial referendum, a~~ A minimum of 20 percent of the assessed
22 businesses (calculated by weighted percentages) must signify their
23 agreement to add different assessment levels to the items included
24 in the referendum. ~~For the referendum occurring four years from~~
25 ~~the initial referendum, a minimum of 10 percent of the assessed~~
26 ~~businesses (calculated by weighted percentages) must signify~~
27 ~~agreement.~~

28 (c) A minimum of 10 percent of the assessed businesses
29 (calculated by weighted percentages) must signify their agreement
30 to add candidates for commissioner to the items included in the
31 referendum.

32 SEC. 4. Section 15372.103 of the Government Code is
33 amended to read:

34 15372.103. (a) Upon receipt of the resolution required by
35 Section 15372.100, including any assessed business referendum
36 request pursuant to subdivision (a) of Section 15372.87 or Section
37 15372.102, the secretary shall establish a referendum period not
38 to exceed 60 days. If the secretary determines that the referendum
39 period so established does not provide sufficient time for the
40 balloting, the secretary may extend the referendum period not



1 more than 15 additional days. At the close of the referendum
2 period, the secretary shall count and tabulate the ballots filed
3 during the referendum period.

4 (b) The secretary shall establish a deadline for adoption of the
5 resolution described in subdivision (a). If the commission fails to
6 meet this deadline, or if the adopted resolution fails to meet the
7 requirements of this chapter, then assessed businesses may present
8 a slate of candidates to the secretary not later than 60 days
9 following the deadline established for the commission resolution.
10 A minimum of 10 percent of weighted voters shall sign the
11 document presenting the slate.

12 (c) In the event that the secretary does not receive a resolution
13 required by Section 15372.100 from the commission by the
14 deadline established pursuant to subdivision (b) or the resolution
15 does not comply with the requirements of this chapter and the
16 assessed businesses fail to present a slate pursuant to subdivision
17 (b), then the secretary shall select a slate of commissioners and this
18 slate, added to any assessed business referendum requests pursuant
19 to subdivision (a) of Section 15372.87 or Section 15372.102, shall
20 constitute the items included in the referendum.

