

## Senate Bill No. 1900

### CHAPTER 474

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

[Approved by Governor September 11, 2002. Filed with Secretary of State September 11, 2002.]

#### LEGISLATIVE COUNSEL'S DIGEST

SB 1900, 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. The act also requires, among other things, commencing with the 3rd referendum, the commission by adopted resolution to determine the individuals who will run for commissioner and the termination of the commission.

This bill would, instead, require that, commencing with the referendum held in 2007, and every 6 years thereafter, the resolution to also cover the continuation of the commission. 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.

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

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

15372.87. (a) Except as otherwise specified in Section 15372.111, the commission may be terminated by referendum of the assessed

businesses pursuant to Section 15372.100 or at any time by a referendum called by 10 percent of the assessed businesses, calculated by weighted percentages.

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

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

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

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

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

(b) Commencing on January 1, 2003, a referendum shall be called every two years, and the commission, by adopted resolution, shall determine the slate of individuals who will run for commissioner. The resolution shall also cover, but not be limited to, the proposed assessment level, based upon specified assessment formulae, together with necessary information to enable each assessed business to determine what its individual assessment would be. Commencing with the referendum held in 2007 and every six years thereafter, the resolution shall also cover the termination or continuation of the commission. The resolution may also include an amended industry segment allocation formula and the percentage allocation of assessments between industry categories and segments. The commission may specify in the resolution that a special, lower assessment rate that was set pursuant to subdivision (c) of Section 15372.66 for a particular business will no longer apply due to changes in the unique circumstance that originally justified the lower rate. The resolution may include up to three possible assessment levels, from which the assessed businesses will select one assessment level by plurality weighted vote.

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



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

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

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

15372.102. (a) Assessed businesses may place on a referendum pursuant to Section 15372.100 additional candidates for commissioner, a different assessment level, or both.

(b) A minimum of 20 percent of the assessed businesses (calculated by weighted percentages) must signify their agreement to add different assessment levels to the items included in the referendum.

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

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

15372.103. (a) Upon receipt of the resolution required by Section 15372.100, including any assessed business referendum request pursuant to subdivision (a) of Section 15372.87 or Section 15372.102, the secretary shall establish a referendum period not to exceed 60 days. If the secretary determines that the referendum period so established does not provide sufficient time for the balloting, the secretary may extend the referendum period not more than 15 additional days. At the close of the referendum period, the secretary shall count and tabulate the ballots filed during the referendum period.

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

(c) In the event that the secretary does not receive a resolution required by Section 15372.100 from the commission by the deadline established pursuant to subdivision (b) or the resolution does not comply with the requirements of this chapter and the assessed businesses fail to present a slate pursuant to subdivision (b), then the secretary shall select a slate of commissioners and this slate, added to any assessed business referendum requests pursuant to subdivision (a) of Section 15372.87 or



Section 15372.102, shall constitute the items included in the referendum.

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