

ARIZONA STATE SENATE Fifty-Fifth Legislature, Second Regular Session

AMENDED FACT SHEET FOR H.B. 2381

technical correction; sports facilities account (NOW: office of tourism; powers; fund)

<u>Purpose</u>

Allows the Arizona Office of Tourism (AOT) to produce, own, sell or license services or personal property related to the duties and goals of AOT and establishes the Tourism Development Fund (Fund).

Background

AOT is established to promote and develop tourism in Arizona. The Director of AOT (Director), with advisement from the Tourism Advisory Council, is responsible for promoting and developing tourism business and planning and developing a campaign of information, advertising, promotion, exhibition and publicity relating to tourism business (A.R.S. 41-2302).

Statute outlines the powers and duties of AOT, which include: 1) the ability to accept gifts, grants, matching funds and direct payments from public or private agencies or persons for the conduct of programs which are consistent with the general purposes and objectives of AOT; and 2) charge reasonable fees, established by the Director, for services and publications. Additionally, AOT must make an annual report to the Governor and the Legislature on its activities, finances and the scope of its operations (A.R.S. § 41-2305).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

- 1. Allows AOT to produce, own, sell or license services or personal property related to the duties and goals of AOT, limited to marketing and branding related promotional materials or items, copyrightable publications, artwork, trademarks or other intellectual property.
- 2. Allows AOT to establish reasonable prices for the use of its items, rather than charge a reasonable fee for services and publications.
- 3. Establishes the Fund administered by AOT and consisting of monies received from services or personal property related to the duties and goals of AOT.
- 4. Requires monies in the Fund to be used for the purposes of supporting tourism marketing and branding of Arizona.

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- 5. Specifies that monies in the Fund are continuously appropriated.
- 6. Requires AOT, beginning in FY 2025, to annually report to the Joint Legislative Budget Committee (JLBC) by October 1 the monies in the Fund, expenditures made from the previous fiscal year and the purposes of those expenditures.
- 7. Makes technical changes.
- 8. Becomes effective on the general effective date.

Amendments Adopted by Committee of the Whole

- 1. Limits the authorization for the AOT to produce, own, sell or license services or personal property to only marketing and branding related promotional materials or items, copyrightable publications, artworks, trademarks or other intellectual property.
- 2. Specifies that monies in the Fund are continuously appropriated for the purpose of supporting tourism marketing and branding of Arizona, rather than subject to legislative appropriation.
- 3. Requires AOT, beginning in FY 2025, to annually report to JLBC by October 1 the monies in the Fund, expenditures made from the previous fiscal year and the purposes of those expenditures.

House Action				Senate Action			
APPROP 3 rd Read	2/16/22 2/22/22	DPA/SE	12-1-0-0 42-16-2	СОМ	3/9/22	DP	8-0-1

Prepared by Senate Research May 18, 2022 JT/CY/slp