

# **TITLE 42**

## **State Affairs and Government**

### **CHAPTER 42-63.1**

#### **Tourism and Development**

##### **SECTION 42-63.1-1**

**§ 42-63.1-1 Purpose.** – The purpose of this chapter is to establish an operating program to promote and encourage tourism, to coordinate tourism activities within the state, and to establish a fund to promote and encourage tourism; and to promote and develop conventions and related exhibitions, meetings, banquets and other events customarily incident thereto in facilities established pursuant to chapter 99 of this title.

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#### SECTION 42-63.1-2

**§ 42-63.1-2 Definitions.** – For the purposes of this chapter:

(1) "Consideration" means the monetary charge for the use of space devoted to transient lodging accommodations.

(2) "Corporation" means the Rhode Island economic development corporation.

(3) "District" means the regional tourism districts set forth in § 42-63.1-5.

(4) "Hotel" means any facility offering a minimum of three (3) rooms for which the public may, for a consideration, obtain transient lodging accommodations. The term "hotel" shall include hotels, motels, tourist homes, tourist camps, lodging houses, and inns and shall exclude schools, hospitals, sanitariums, nursing homes, and chronic care centers.

(5) "Occupancy" means a person, firm or corporation's use of space ordinarily used for transient lodging accommodations not to exceed thirty (30) days. Excluded from "occupancy" is the use of space for which the occupant has a written lease for the space, which lease covers a rental period of twelve (12) months or more.

(6) "Tax" means the hotel tax imposed by subsection 44-18-36.1(a).

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#### SECTION 42-63.1-3

**§ 42-63.1-3 Distribution of tax.** – Except as provided in § 42-63.1-12, the proceeds of the hotel tax shall be distributed as follows by the division of taxation and the city of Newport:

(1) Forty-seven percent (47%) of the tax generated by the hotels in the district, except as otherwise provided in this chapter, shall be given to the regional tourism district wherein the hotel is located; provided, however, that from the tax generated by the hotels in the city of Warwick, thirty-one percent (31%) of the tax shall be given to the Warwick regional tourism district established in § 42-63.1-5(5) and sixteen percent (16%) of the tax shall be given to the Greater Providence-Warwick Convention and Visitors' Bureau established in § 42-63.1-11; and provided further, that from the tax generated by the hotels in the city of Providence, sixteen percent (16%) of that tax shall be given to the Greater Providence-Warwick Convention and Visitors' Bureau established by § 42-63.1-11, and thirty-one percent (31%) of that tax shall be given to the Convention Authority of the city of Providence established pursuant to the provisions of chapter 84 of the public laws of January, 1980; provided, however, that the receipts attributable to the district as defined in § 42-63.1-5(7) shall be deposited as general revenues;

(2) Twenty-five percent (25%) of the hotel tax shall be given to the city or town where the hotel, which generated the tax, is physically located, to be used for whatever purpose the city or town decides.

(3) Twenty-one (21%) of the hotel tax shall be deposited as general revenues and seven percent (7%) to the Greater Providence-Warwick Convention and Visitors' Bureau.

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#### SECTION 42-63.1-4

**§ 42-63.1-4 Use of funds.** – Subject to §§ 42-63.1-3(2), 42-63.1-3(3), and 42-63.1-12, an entity which receives funds pursuant to this chapter shall use the funds to promote and encourage tourism to coordinate tourism activities and to further economically develop the state by and through tourism activities, and to promote and develop conventions and related exhibition, meeting, banquet and other events customarily incident to tourism activities in facilities established pursuant to Chapter 99 of this title.

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#### SECTION 42-63.1-5

**§ 42-63.1-5 Regional tourism districts.** – (a) The state of Rhode Island is divided into eight (8) regional tourism districts to be administered by the tourism council, convention and visitor's bureau or the Rhode Island economic development corporation as designated in this section:

(1) South County district which shall include Westerly, Charlestown, Narragansett, South Kingstown, North Kingstown, Hopkinton, Exeter, Richmond, West Greenwich, East Greenwich, and Coventry to be administered by the South County tourism council, inc.;

(2) Providence district consists of the city of Providence to be administered by the Convention Authority of the City of Providence.

(3) Northern Rhode Island district consists of Pawtucket, Woonsocket, Lincoln, Central Falls, Cumberland, North Smithfield, Smithfield, Glocester and Burrillville to be administered by the Blackstone Valley tourism council, inc.;

(4) Aquidneck Island district consists of Newport, Jamestown, Middletown, Portsmouth, Tiverton and Little Compton to be administered by the Newport County convention and visitors bureau;

(5) Warwick district consists of the city of Warwick to be administered by the city of Warwick department of economic development;

(6) Block Island district which shall consist of the town of New Shoreham to be administered by the New Shoreham tourism council, inc.;

(7) East Bay district which consists of Barrington, Bristol, Warren and East Providence to be administered by an entity that shall be acceptable to the economic development corporation;

(8) Statewide district consists of all cities and towns not delineated in subdivisions (1) through (7) to be administered by the economic development corporation.

(b) Before receiving any funds under this chapter, the organizations designated to receive the funds on behalf of the South County regional tourism district and East Bay regional tourism district and the Northern Rhode Island regional tourism district shall be required to apply to and receive approval from the Rhode Island economic development corporation pursuant to guidelines promulgated by the economic development corporation. The corporation shall review the eligibility of the regional tourism district organizations to receive the funds at least annually.

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##### **SECTION 42-63.1-7**

**§ 42-63.1-7 Administration of the fund.** – The department of environmental management shall: (1) develop the criteria by rules and regulations necessary for defining eligible projects; (2) prepare and adopt rules regulating its activities and establish procedures consistent with the purpose of this chapter.

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#### SECTION 42-63.1-8

**§ 42-63.1-8 Local hotel taxes.** – Local communities which, prior to September 1, 1986, having taxing authority to assess a hotel tax on transient lodging such as Providence Public Laws 1980, chapter 84; Newport Public Laws 1981, chapter 263, and Warwick Public Laws 1985, chapter 13, shall not impose a tax on or after September 1, 1986.

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**SECTION 42-63.1-9**

**§ 42-63.1-9 Exemption.** – This chapter is exempt from the provisions of §§ 45-13-7 – 45-13-10.



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#### SECTION 42-63.1-13

**§ 42-63.1-13 Annual report.** – Each entity which administers a regional tourism district pursuant to § 42-63.1-5 shall submit to the state budget office, the chairperson of the house finance committee, and the chairperson of the senate finance committee by the first day of March and the first day of September of each year, a complete and detailed report, for the prior six (6) month period ending thirty (30) days prior to the reporting date, setting forth: (1) the district's operations and accomplishments; and (2) the district's receipts and expenditures of funds received pursuant to § 42-63.1-3.