

HOUSE BILL 3201

By DeBerry J

AN ACT to amend Tennessee Code Annotated, Title 6;
Title 13; Title 57 and Title 67, relative to the
assessment and collection of a fee for historic
preservation, tourism and other improvements.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 6, Chapter 54, Part 1, is amended by adding the following language as a new, appropriately designated section:

6-54-1__.

(a) Any municipality that has within its municipal boundaries a national historic landmark centered around a public street or right-of-way which is closed to motor vehicular traffic on a regular basis and is known for the live music and entertainment provided at the restaurants and limited service restaurants located along such street is authorized to create an authority whose responsibility is to ensure that the historic landmark is preserved, maintained and improved.

(b) The authority shall have a board of directors in which all corporate powers of the authority shall be vested.

(c)

(1) The mayor of the municipality creating the authority shall appoint a five (5) member board of directors as follows:

(A) At least three (3) members of the board shall be business owners or representatives of businesses located along the public street in the national historic landmark;

(B) One (1) member shall be from the municipality in which such national historic landmark is located; and

(C) One (1) member shall be a private citizen with accounting or management background.

(2) All board members shall be residents of the municipality or county in which the national historic landmark is located. The mayor shall insure that the board members reflect the ethnicity of the residents living in such community in proportion to the population of the community as a whole.

(d)

(1) The board of directors is authorized to impose a fifty cent (50¢) historic landmark preservation fee on every fifty dollar (\$50.00) charge imposed by a merchant located in the national historic landmark except for the price of admission tickets sold by entities located within such national historic landmark.

(2) Such fee shall be added by the merchant to each check, bill or tab prepared for food, beverages, entertainment and other items sold by the merchant to a customer. The fifty cent (50¢) fee shall be added to each fifty dollar (\$50.00) increment. The check, bill or tab showing the aggregated fee shall be given directly or transmitted to the customer, a copy thereof to be retained and filed by the merchant and retained for audit purposes.

(3) The fee shall be remitted by the merchant to the municipality in such manner as the municipality may direct. In addition the municipality may develop a procedure to audit the merchants, and charge a penalty and interest, if the fee is not timely remitted to the municipality in the manner directed by the municipality.

(4) Each occurrence of knowing refusal of a merchant to collect or remit the fee or knowing refusal of a customer to pay the fee imposed is a separate

violation of this section and may result in the imposition of a civil penalty, to be imposed separately for each violation, not to exceed fifty dollars (\$50.00) upon a finding of such knowing refusal by a court of competent jurisdiction

(e)

(1) All funds generated from the fee imposed pursuant to subsection (d) shall be placed in a special account within the general fund of the municipality creating the authority and earmarked specifically for historic preservation, tourism and improvements for and within the national historic landmark identified in subsection (a).

(2) Notwithstanding any requirements of the municipality creating the authority for the expenditure of municipal funds, the funds placed in the special account shall be spent for the earmarked purposes only pursuant to the direction of the board of directors of the authority.

SECTION 2. This act shall take effect July 1, 2012, the public welfare requiring it.