



HOUSE BILL 204: Edgecombe Co. Tourism Development Authority

2011-2012 General Assembly

Committee: House Finance
Introduced by: Rep. Tolson
Analysis of: First Edition

Date: April 20, 2011
Prepared by: Trina Griffin
Committee Counsel

SUMMARY: *House Bill 204 authorizes the creation of the Edgecombe County Tourism Development Authority (TDA) to promote travel, tourism, and conventions, sponsor tourist-related events and activities, and finance tourist-related capital projects within the county. The composition of the TDA as set out in the bill conforms to the Occupancy Tax Guidelines established by the House Finance Committee. The Subcommittee on Occupancy Tax gave the bill a favorable recommendation on April 19, 2011.*

BILL ANALYSIS: House Bill 204 would authorize the Edgecombe County Board of Commissioners to create the Edgecombe County Tourism Development Authority for the purposes outlined above. The resolution creating the Authority must designate one member as chair and determine the compensation, if any, to be paid to Authority members. The Authority will meet at the call of the chair, adopt rules to govern meetings, will be a public authority under the Local Government Budget and Fiscal Control Act (Article 3, Chapter 159), and the Edgecombe County Finance Officer will serve as the ex officio finance officer of the Authority. The resolution creating the Edgecombe County Tourism Development Authority must specify terms of office, filling of vacancies, and the following nine member composition:

- One member that is an Edgecombe County Commissioner (appointed by the board of commissioners).
- One member of the Tarboro Town Council (appointed by the town council).
- Three members that are owners or operators of motels, hotels, or other taxable accommodations in Edgecombe County (one appointed by the Tarboro Town Council, one by the Edgecombe County Board of Commissioners, and one by the Edgecombe County Chamber of Commerce).
- Two members that are involved in the tourist business, have demonstrated an interest in tourist development and do not own or operate hotels, motels, or other taxable tourist accommodations (one appointed by the Tarboro Town Council and one by the Edgecombe County Board of Commissioners).
- One member interested in the tourism business that has demonstrated an interest in tourism development (appointed by the Edgecombe County Board of Commissioners).
- One member interested in the tourism business that has demonstrated an interest in tourism development (appointed by the Tarboro Town Council).

At least one-third of the members must be individuals affiliated with businesses in the county and at least one-half of the members must be currently active in the promotion of travel and tourism in the county.

The Authority must report to the board of county commissioners on a quarterly basis and at the close of the fiscal year. The reports must include receipts and expenditures for the preceding quarter and the year in the detail prescribed by the board.

EFFECTIVE DATE: This bill would become effective when it becomes law

BACKGROUND: Approximately $\frac{3}{4}$ of the counties in NC have Tourism Development Authorities or a tourism initiative run by a government entity or by some other entity. Approximately $\frac{1}{4}$ of the counties, including Edgecombe, do not have an officially designated tourism development entity.

The Edgecombe County Sustainable Tourism Plan (2008) recommended creation of a Tourism Development Authority. Edgecombe County is not currently authorized to levy an occupancy tax.

Theresa Matula, analyst for House Government, substantially contributed to this summary.

H204-SMSV-25(e1) v1

Research Division

O. Walker Reagan, Director

(919) 733-2578