



# HOUSE BILL 420: Rockingham Cty Tourism Development Authority.

2017-2018 General Assembly

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<b>Committee:</b>	Senate State and Local Government. If favorable, re-refer to Rules and Operations of the Senate	<b>Date:</b>	May 22, 2017
<b>Introduced by:</b>	Reps. Bert Jones, K. Hall	<b>Prepared by:</b>	Brad Krehely
<b>Analysis of:</b>	First Edition		Committee Co-Counsel

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**OVERVIEW:** *House Bill 420 would change the membership composition of the Rockingham County Tourism Development Authority and the method for filling vacancies. The bill would become effective when it becomes law.*

**CURRENT LAW:** In 1991 the General Assembly created The Rockingham County Tourism Development Authority (TDA) and authorized the Rockingham County Board of Commissioners (BOC) to levy a three percent (3% ) occupancy tax which was increased to four (4%) by the General Assembly in 2009. The TDA consists of 12 members, one-third (1/3) of whom must be *affiliated with* businesses that collect the tax and one-half (1/2) of whom must be currently active in promotion of travel and tourism. Members serve three-year terms with vacancies filled by the appointing authority. Current membership is composed as follows:

- The Executive Director of Rockingham Economic Development and Tourism.
- A Rockingham County Commissioner.
- Two hotel/motel owners or operators and two persons involved in the tourism business.
  - One appointed by the BOC & one appointed by each of the three Chambers of Commerce in Rockingham County.
- Five persons involved in businesses or professions affected by tourism development.
  - Two appointed by the BOC & one appointed by each of the three Chambers of Commerce in Rockingham County.
- The President of the Chinqua-Penn Foundation, Inc.

The taxes are levied, collected, and administered by the county in accordance with G.S. 153A-155 and remitted to the TDA on a quarterly basis with two-thirds (2/3) to be used for promotion of travel and tourism and one-third (1/3) to be used for tourism related expenses.

**BILL ANALYSIS:** House Bill 420 would retain the 12-person membership but remove the requirement that one-third (1/3) of the members be *affiliated with* business that collect the tax and one-half (1/2) be currently active in promotion of travel and tourism. The County Finance Officer would be added as a member and membership designated for the President of the Chinqua-Penn Foundation, Inc., would be eliminated upon the expiration of that existing member's term. Composition of the TDA under the bill would be:

- The Executive Director of Rockingham Economic Development and Tourism.
- A Rockingham County Commissioner.

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Director



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- The County Finance Officer.
- Two hotel/motel owners or operators *that collect* the tax.
- Seven persons involved in businesses or professions who may, but are not required to be, *affiliated with* businesses that collect the tax.

The bill would also provide that:

- All TDA vacancies are filled by the Rockingham County Board of Commissioners.
- The membership changes take effect as the terms expire.
- Voting members are limited to two consecutive terms.
- The TDA chair is elected by the voting members only.

**EFFECTIVE DATE:** The bill would become effective when it becomes law.

\*Billy Godwin, Staff Attorney for the Legislative Analysis Division, contributed substantially to this summary.