

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 627

Rules and Operation of the Senate Committee Substitute Adopted 5/11/95

Short Title: Cumberland Room Tax Administration.

(Local)

Sponsors:

Referred to:

April 11, 1995

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT THE FAYETTEVILLE AREA CHAMBER OF COMMERCE SHALL ADMINISTER THE CUMBERLAND COUNTY OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

Section 1. Sections 4 and 5 of Chapter 983 of the 1983 Session Laws read as rewritten:

"Sec. 4. Cumberland County shall allocate the net proceeds collected as follows:

(a) Cumberland County shall retain three percent (3%) of the gross proceeds of the tax collected to compensate it for any administrative or collection expenses incurred in implementing this program. "Net Proceeds" shall mean gross taxes collected less any monies retained by the county for administrative and collection expenses. Cumberland County shall remit the net proceeds of the tax to the Fayetteville Area Chamber of Commerce. The Chamber of Commerce shall use the net proceeds only as provided in this section.

(b) Fifty percent (50%) of the net proceeds from the tax in a fiscal year shall be allocated for the benefit of the Cumberland County ~~Auditorium~~ Civic Center Commission to help finance major repairs, renovation, rehabilitation, or other capital improvements to its existing facilities and any new additions. These funds may also be utilized by the

1 Commission as approved by the ~~county board of commissioners~~ Chamber of Commerce for
2 financing construction of new convention oriented or multipurpose facilities. These
3 funds will not be used for the acquisition, construction, renovation, or operation of any
4 sleeping room or ~~overnite~~ overnight lodging. These funds shall be budgeted, appropriated,
5 and expended under the auditorium budget through regular county budgeting appropriation and
6 expenditure methods.

7 (c) Fifty percent (50%) of net proceeds from the tax in a fiscal year shall be
8 designated, ~~within the auditorium commission budget specifically used~~ for advertising the
9 auditorium or civic center and promoting travel and tourism within the County of
10 Cumberland. These funds shall be budgeted, appropriated, and expended under the auditorium
11 budget through regular county budgeting, appropriation and expenditure methods, however, 180
12 days prior to the adoption of the annual county budget, in which this tax is first budgeted, an
13 advisory committee, the constitution of which is described herein below, shall be formed. The
14 Chamber of Commerce shall expend these funds only after consultation with the advisory
15 committee created in Section 5 of this act to plan and propose areas and items of
16 expenditure for the funds designated under this subsection.

17 Sec. 5. The county board of commissioners shall appoint an advisory
18 committee to provide information and advice to the Chamber of Commerce on the
19 expenditure of the net proceeds of the tax. This advisory committee shall be constituted
20 of: (a) two representatives nominated by hotels and motels within the county which have in
21 excess of 100 rooms subject to this occupancy tax and appointed by the county board of
22 commissioners; (b) two representatives nominated by hotels and motels within the county which
23 have fewer than 100 rooms subject to this occupancy tax and appointed by the county board of
24 commissioners; (c) the chairman of the Travel and Tourism Committee of the Fayetteville Area
25 Chamber of Commerce, in an ex officio capacity; (d) the County Manager of Cumberland
26 County in an ex officio capacity; and (e) the Auditorium Manager of the Cumberland County
27 Memorial Auditorium, in an ex officio capacity. All members to this advisory committee,
28 whether in an appointed or ex officio capacity, shall have equal rights and privileges. of nine
29 members as follows:

30 (1) Three members nominated by hotels and motels within the county.

31 (2) Three members selected by the county board of commissioners.

32 (3) Three members nominated by the Fayetteville City Council.

33 This advisory committee will remain intact from term-to-term to provide information and
34 advice to the ~~Auditorium Commission~~ Chamber of Commerce for the expenditure of these
35 funds on a continuing basis as the need arises.

36 ~~The budget process for these funds shall be as follows:~~
37 ~~Promotion Plan formulated by the advisory committee and submitted, through the~~
38 ~~Auditorium Manager, as part of the Auditorium's overall budget to the Auditorium~~
39 ~~Commission for its review and approval, then to the Cumberland County Board of~~
40 ~~Commissioners, through the County Manager for its review and adoption."~~

41 Sec. 2. Section 3 of Chapter 360 of the 1965 Session Laws, as amended by
42 Section 6 of Chapter 983 of the 1984 Session Laws and Section 2 of Chapter 27 of the
43 1991 Session Laws, reads as rewritten:

1 "Sec. 3. Special auditorium tax funds, if authorized and levied, and nontax revenues
2 may, in the discretion of the Board of County Commissioners, be turned over to the
3 Commission to be used in operating, equipping, improving and maintaining. Occupancy
4 tax revenues as authorized in ~~AN ACT TO AUTHORIZE AND IMPLEMENT AN~~
5 ~~OCCUPANCY TAX IN CUMBERLAND COUNTY~~ Chapter 983 of the 1983 Session Laws
6 may be utilized by the County Civic Center Commission, as approved by the ~~Board of~~
7 ~~County Commissioners~~, Fayetteville Area Chamber of Commerce, in aiding and
8 encouraging convention and visitor promotion in Cumberland County."

9 Sec. 3. This act is effective upon ratification and applies to tax proceeds
10 collected on or after July 1, 1995.