



HOUSE BILL 253: Burgaw TDA Members/Surf City Parking.

2021-2022 General Assembly

Committee:	House Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 27, 2021
Introduced by:	Rep. C. Smith	Prepared by:	Trina Griffin
Analysis of:	Second Edition		Staff Attorney

OVERVIEW: House Bill 253 would authorize the Board of Commissioners for the Town of Burgaw to increase the membership of the Burgaw Tourism and Development Authority and would authorize the Town of Surf City to expand the use of proceeds collected from parking meters.

This bill would allow a deviation from the House Finance Occupancy Tax Guidelines with respect to the number of required representatives who serve on the Burgaw TDA that are affiliated with businesses that collect the occupancy tax. The Occupancy Tax Subcommittee recommended the bill be given a favorable report.

CURRENT LAW & BILL ANALYSIS:

Burgaw TDA (Section 1): The Burgaw Tourism Development Authority (BTDA) is a public authority under the Local Government Budget and Fiscal Control Act. The Authority is authorized by local act to spend occupancy tax funds for tourism related expenditures and for the promotion of travel and tourism in Burgaw. The Authority is composed of three members appointed by the Board of Commissioners. One-third of the members must be individuals affiliated with businesses that collect the occupancy tax and one-half of the members must be individuals currently active in the promotion of travel and tourism.

Section 1 of the bill would authorize the Burgaw Board of Commissioners to increase the membership of the BTDA. If the membership is five or less, only one of those members must be an individual affiliated with businesses that collect the occupancy tax. If the membership exceeds five, at least one-third of those members must be an individual affiliated with businesses that collect the occupancy tax. Under the House Finance Occupancy Tax Guidelines, a four- or five-member TDA would require that at least 2 of the members be affiliated with businesses that collect the tax.

Surf City Parking (Section 2): Cities in North Carolina may use proceeds from parking meters on public streets only to defray the cost of enforcing and administering traffic and parking ordinances and regulations. Proceeds collected from off-street parking facilities may be pledged to amortize bonds issued to finance such facilities or be used for any other public purpose (G.S. 160A-301).

Section 2 would authorize the Town of Surf City to use the proceeds from charging for on-street parking for any public purpose. The Town intends to use paid parking revenues to help fund its portion of a long-term beach nourishment project for which it has partnered with the federal government and the Town of North Topsail Beach.

EFFECTIVE DATE: The act would be effective when the bill becomes law.

BACKGROUND: The General Assembly has granted the following municipalities authority to use the proceeds from parking meters on public streets for any public purpose: Carolina Beach (S.L. 2001-9); Kure Beach (S.L. 2001-9); Sunset Beach (S.L. 2016-9); Wrightsville Beach (S.L. 1998-86); and the City of Wilmington (S.L. 2001-9).

Billy Godwin, Staff Attorney, substantially contributed to this summary.

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