

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1993**

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HOUSE BILL 1383

Short Title: Rural Tourism Development Funds.

(Public)

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Sponsors: Representatives Jenkins, Judy Hunt, James, Redwine, Smith; Flaherty and Jeffus.

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Referred to: Appropriations.

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May 13, 1993

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO CREATE AND IMPLEMENT THE  
RURAL TOURISM DEVELOPMENT GRANT FUND PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Commerce the sum of five hundred thousand dollars (\$500,000) for the 1993-94 fiscal year and the sum of five hundred thousand dollars (\$500,000) for the 1994-95 fiscal year to create and implement the Rural Tourism Development Grant Fund Program.

Sec. 2. (a) The Rural Tourism Development Grant Fund Program is created to assist the State's rural counties in further developing the economic potential of the travel and tourism industry.

(b) The function of the program shall be to:

- (1) Stimulate the growth of tourism-based businesses in rural regions of the State where the potential for economic growth in the tourism industry is high;
- (2) Assist rural regions of the State that have identified tourism development as a priority for their overall economy;
- (3) Promote regional cooperation for the purpose of enhancing the tourism industry in rural regions of the State;
- (4) Strengthen the ability of the rural regions of the State to work effectively with the National Park Service, National Forest Service, State Parks, State Travel and Tourism Division, and local governments for tourism development;

- 1 (5) Aid the overall economic development potential of the rural regions of  
2 the State, specifically those with counties classified by the Department  
3 of Commerce as "distressed";  
4 (6) Encourage and stimulate the involvement of tourism-related businesses  
5 in the economic growth of rural regions of the State; and  
6 (7) Enhance the development of tourism-dependent rural regions as year-  
7 round destinations.

8 Sec. 3. (a) The Department of Commerce shall develop procedures for the  
9 administration and distribution of funds allocated to the Rural Tourism Development  
10 Grant Fund Program under guidelines set forth in this section.

11 (b) Funds shall be distributed under the following guidelines:

- 12 (1) Eligible organizations shall make application under procedures  
13 established by the Department of Commerce;  
14 (2) Eligible organizations shall be nonprofit regional travel and tourism  
15 organizations located in the State's rural regions;  
16 (3) Priority shall be given to eligible organizations serving counties  
17 classified by the Department of Commerce as being "severely  
18 distressed";  
19 (4) Priority shall be given to eligible organizations that match funds with  
20 nontax generated revenues, i.e., private sector contributions;  
21 (5) Priority shall be given to established eligible organizations recognized  
22 as having a successful track record for tourism development,  
23 marketing, and promotion;  
24 (6) Priority shall be given to eligible organizations that have significant  
25 involvement of travel and tourism-related businesses;  
26 (7) Priority shall be given to eligible organizations currently under  
27 contract with the Department of Transportation to operate a State-  
28 owned visitor information center;  
29 (8) Eligible organizations may apply for up to two hundred fifty thousand  
30 dollars (\$250,000) per year;  
31 (9) Funds may be used for the following purposes:  
32 a. Regional tourism marketing, promotion, advertising;  
33 b. Market research;  
34 c. Tourism business recruitment;  
35 d. Tourism business retention;  
36 e. Visitor services;  
37 f. Contracted services: management, clerical, consultation;  
38 g. Travel expenses for tourism-related activities; and  
39 (10) Funds shall not be used for the renting or purchasing of land,  
40 buildings, equipment, or for financing debt.

41 Sec. 4. The Secretary of Commerce shall make an annual report on the  
42 program to the General Assembly.

43 Sec. 5. This act becomes effective July 1, 1993.