

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 523

Rules and Operations of the Senate Committee Substitute Adopted 6/8/99

Short Title: Modify Greensboro Room Tax Use.

(Local)

Sponsors:

Referred to:

March 25, 1999

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE PURPOSES FOR WHICH THE GREENSBORO ROOM OCCUPANCY TAX MAY BE USED.

The General Assembly of North Carolina enacts:

Section 1. Section 6 of Chapter 22 of the 1991 Session Laws, as amended by Chapter 380 of the 1995 Session Laws, reads as rewritten:

"Sec. 6. Disposition of Taxes Collected.

(a) Until retirement of the debt to finance renovation and expansion of the Greensboro War Memorial Coliseum arena, the proceeds of the occupancy tax shall be used as provided in this subsection.

(1) Promotion Funds. – The city or the county shall remit twenty percent (20%) of the net proceeds of the tax to the Greensboro/Guilford County Tourism Development Authority. 'Net proceeds' means gross proceeds less the cost to the city or the county of administering and collecting the tax, not to exceed five percent (5%) of the gross proceeds of the tax. The authority shall use the funds remitted to it under this subsection only for activities and programs promoting and encouraging travel and tourism.

- 1 (2) Rent Subsidy Funds. – The city may remit up to two hundred thousand
2 dollars (\$200,000) of the remaining net proceeds each fiscal year to the
3 Greensboro/Guilford County Tourism Development Authority for a
4 marketing fund. The marketing fund may be used only for coliseum
5 rent subsidies to attract citywide groups that commit to fill at least 5,000
6 room nights for the event. Any part of the marketing fund that has not
7 been spent or committed at the end of each fiscal year for this purpose
8 shall be credited to the City of Greensboro for use in accordance with
9 subdivision (3) of this subsection.
- 10 (3) Complex Funds. – The City of Greensboro shall receive the balance of
11 the net proceeds and shall use these funds only (i) to finance the
12 renovation and expansion of the Greensboro War Memorial Coliseum
13 arena, (ii) to finance the renovation and expansion of the remainder of
14 the Greensboro War Memorial Complex and acquisition of property in
15 the vicinity of the Complex, and (iii) for maintenance of the Complex.
16 In the event that the funds exceed the amount required for these
17 purposes, the excess shall be retained in a special reserve fund and used
18 (i) to make debt payments where additional funds are needed in any
19 payment period or (ii) to call a portion of the debt.
- 20 (b) Upon retirement of the full debt to finance the renovation and expansion of the
21 Greensboro War Memorial Coliseum arena, the proceeds of the occupancy tax shall be
22 used as provided in this subsection.
- 23 (1) Promotion Funds. – The city or the county shall remit twenty-five
24 percent (25%) of the net proceeds of the tax to the Greensboro/Guilford
25 County Tourism Development Authority. The authority shall use the
26 funds remitted to it under this subsection only for activities and
27 programs promoting and encouraging travel and tourism.
- 28 (2) Rent Subsidy Funds. – The city may remit up to two hundred thousand
29 dollars (\$200,000) of the remaining net proceeds each fiscal year to the
30 Greensboro/Guilford County Tourism Development Authority for a
31 marketing fund. The marketing fund may be used only for coliseum
32 rent subsidies to attract citywide groups that commit to fill at least 5,000
33 room nights for the event. Any part of the marketing fund that has not
34 been spent or committed at the end of each fiscal year for this purpose
35 shall be credited to the City of Greensboro for use in accordance with
36 subdivision (3) of this subsection.
- 37 (3) Promotion and Facilities Funds. – The city shall receive the balance of
38 the net proceeds and shall use these funds only (i) for specific tourist-
39 related events, programs, and activities, such as arts, recreational, or
40 cultural events, or (ii) for promoting, improving, constructing,
41 financing, or acquiring facilities or attractions that enhance the
42 development of tourism. Before expending the proceeds for any of the
43 purposes listed in this subsection, the city shall submit each project to

1 the Greensboro/Guilford County Tourism Development Authority. The
2 board of directors of that authority shall make recommendations to the
3 city with respect to the projects within 60 days after submission by the
4 city."

5 Section 2. This act becomes effective July 1, 1999, and applies to taxes
6 collected on or after that date.