

1 Town, together with all littoral and riparian rights appurtenant thereto, in the area south of Front
2 Street to Taylor Creek, upon such terms and conditions as the Town's Board of Commissioners
3 may determine, for longer than 10 years as long as it follows the requirements of G.S. 160A-272
4 for leases of 10 years or less if the Town's Board of Commissioners determines that the real
5 property will not be needed by the Town for the term of the lease.

6 **SECTION 3.(b)** Notwithstanding the provisions of G.S. 160A-272, the Town of
7 Beaufort may renew or extend any lease entered into under subsection (a) of this section for
8 periods longer than 10 years as long as it follows the requirements of G.S. 160A-272 for leases
9 of 10 years or less if the Town's Board of Commissioners determines that the real property will
10 not be needed by the Town for the term of the renewal or extension.

11 **SECTION 3.(c)** Chapter 371 of the 1979 Session Laws is repealed.

12 **SECTION 3.(d)** Chapter 100 of the 1983 Session Laws is repealed.

13 **SECTION 3.(e)** Section 2 of Chapter 1199 of the 1981 Session Laws shall not apply
14 to any real property described in subsection (a) of this section.

15 **SECTION 3.(f)** This section is effective when it becomes law and applies to property
16 owned, acquired, or controlled on or after that date and to leases entered into or renewed or
17 extended on or after that date.

18 **CITY OF BOILING SPRING LAKES DEANNEXATIONS**

19 **SECTION 4.(a)** The following described properties are removed from the corporate
20 limits of the City of Boiling Spring Lakes, as identified by Brunswick County Parcel
21 Identification Numbers: 208915742849, 208916838833, 208916846076, 208916930807,
22 217012868467, and 11300039. Parcel 11300039 is further described as: Being all of Lot 47,
23 Section 24, pursuant to a map titled "Boiling Spring Lakes, Section 24, Investment Tracts", as
24 prepared by Gerrit C. Greer, Reg. Land Surveyor, said map being recorded in Book G of Maps
25 at Page 111, Brunswick County Registry.

26 **SECTION 4.(b)** This section has no effect upon the validity of any liens of the City
27 of Boiling Spring Lakes for ad valorem taxes or special assessments outstanding before the
28 effective date of this section. Such liens may be collected or foreclosed upon after the effective
29 date of this section as though the property were still within the corporate limits of the City of
30 Boiling Spring Lakes.

31 **SECTION 4.(c)** The property in the territory described in this section shall not be
32 subject to the extraterritorial powers of any municipality.

33 **SECTION 4.(d)** This section becomes effective June 30, 2024. Property in the
34 territory described in this section as of January 1, 2024, is no longer subject to municipal taxes
35 for taxes imposed for taxable years beginning on or after July 1, 2024.

36 **TOWN OF EDENTON ANNEXATION**

37 **SECTION 5.(a)** The following described property is added to the corporate limits of
38 the Town of Edenton:

39 **TRACT I**

40 Being that 141.83 Acre tract as shown on "A SURVEY AND PLAT FOR THE STATE OF
41 NORTH CAROLINA – FIRST TOWNSHIP – CHOWAN COUNTY – NORTH CAROLINA"
42 by Josiah A. Webb, III, Professional Land Surveyor, dated June 3, 2022, and recorded in Plat
43 Cabinet 3, Slide 6I, Chowan County Registry.

44 **TRACT II**

45 Being that 1.13 Acre tract labeled PARCEL ONE as shown on "A SURVEY AND PLAT
46 FOR THE CONSERVATION FUND – FIRST TOWNSHIP – CHOWAN COUNTY – NORTH
47 CAROLINA" by Josiah A. Webb, III, Professional Land Surveyor, dated January 27, 2022, and
48 recorded in Plat Cabinet 3, Slide 4H, Chowan County Registry.

49 **TRACT III**

1 Being that 19.06 Acre tract labeled PARCEL TWO as shown on "A SURVEY AND PLAT
2 FOR THE CONSERVATION FUND – FIRST TOWNSHIP – CHOWAN COUNTY – NORTH
3 CAROLINA" by Josiah A. Webb, III, Professional Land Surveyor, dated January 27, 2022, and
4 recorded in Plat Cabinet 3, Slide 4H, Chowan County Registry.

5 TRACT IV

6 Being that 1.76 Acre tract labeled PARCEL ONE as shown on "A SURVEY AND PLAT
7 FOR THE CONSERVATION FUND – FIRST TOWNSHIP – CHOWAN COUNTY – NORTH
8 CAROLINA" by Josiah A. Webb, III, Professional Land Surveyor, dated October 5, 2021, and
9 recorded in Plat Cabinet 3, Slide 3A, Chowan County Registry.

10 TRACT V

11 Being that 8.05 Acre tract labeled PARCEL TWO as shown on "A SURVEY AND PLAT
12 FOR THE CONSERVATION FUND – FIRST TOWNSHIP – CHOWAN COUNTY – NORTH
13 CAROLINA" by Josiah A. Webb, III, Professional Land Surveyor, dated October 5, 2021, and
14 recorded in Plat Cabinet 3, Slide 3A, Chowan County Registry.

15 TRACT VI

16 Being that 17.16 Acre tract labeled PARCEL THREE as shown on "A SURVEY AND PLAT
17 FOR THE CONSERVATION FUND – FIRST TOWNSHIP – CHOWAN COUNTY – NORTH
18 CAROLINA" by Josiah A. Webb, III, Professional Land Surveyor, dated October 5, 2021, and
19 recorded in Plat Cabinet 3, Slide 3A, Chowan County Registry.

20 TRACT VII

21 Being that 5.10 Acre tract shown on "A SURVEY AND PLAT FOR THE CONSERVATION
22 FUND – FIRST TOWNSHIP – CHOWAN COUNTY – NORTH CAROLINA" by Josiah A.
23 Webb, III, Professional Land Surveyor, dated October 5, 2021, and recorded in Plat Cabinet 3,
24 Slide 3B, Chowan County Registry.

25 **SECTION 5.(b)** This section becomes effective June 30, 2024. Property in the
26 territory described in this section as of January 1, 2024, is subject to municipal taxes for taxes
27 imposed for taxable years beginning on or after July 1, 2024.

28
29 **CITY OF HENDERSONVILLE VACANCIES**

30 **SECTION 6.(a)** Notwithstanding Section 3.3 of the Charter of the City of
31 Hendersonville, being Chapter 874 of the 1971 Session Laws, as amended by S.L. 2016-15, and
32 G.S. 160A-63, the following shall apply to vacancies on the City Council of Hendersonville:

- 33 (1) Any vacancy in the office of Mayor shall be filled by majority vote of the
34 members of the City Council from the membership of the City Council. The
35 successor shall serve the remainder of the unexpired term.
- 36 (2) Any vacancy in the office of City Council shall be filled by majority vote of
37 the Mayor and the remaining members of the City Council. The successor
38 shall serve for the remainder of the unexpired term.

39 **SECTION 6.(b)** This section is effective when it becomes law and applies to any
40 vacancy filled on or after October 25, 2023, and before the organizational meeting of the City
41 Council following the municipal election for the City of Hendersonville in 2026.

42
43 **TOWN OF LAUREL PARK SATELLITE ANNEXATION CAP REMOVAL**

44 **SECTION 7.** G.S. 160A-58.1(b)(5) reads as rewritten:

- 45 "(5) The area within the proposed satellite corporate limits, when added to the area
46 within all other satellite corporate limits, may not exceed ten percent (10%)
47 of the area within the primary corporate limits of the annexing city.

48 This subdivision does not apply to the Cities of Archdale, Asheboro,
49 Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia,
50 Greenville, Hickory, Kannapolis, Kings Mountain, Locust, Lowell, Marion,
51 Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke

Rapids, Rockingham, Saluda, Sanford, Salisbury, Shelby, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Belville, Benson, Bladenboro, Bridgeton, Bunn, Burgaw, Calabash, Carthage, Catawba, China Grove, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Franklin, Franklinton, Franklinville, Fuquay-Varina, Garner, Godwin, Goldston, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Hope Mills, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Laurel Park, Liberty, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, North Wilkesboro, Norwood, Oak Island, Oakboro, Ocean Isle Beach, Pembroke, Pine Level, Pollocksville, Princeton, Ramseur, Ranlo, Richlands, Rockwell, Rolesville, Rutherfordton, Shallotte, Siler City, Smithfield, Spencer, Spring Lake, Stanley, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Vass, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, West Jefferson, Wilson's Mills, Windsor, Wingate, Yadkinville, Youngsville, and Zebulon."

TOWN OF NEWPORT DEANNEXATION

SECTION 8.(a) The following described property, identified by Carteret County Parcel Identification Number, is removed from the corporate limits of the Town of Newport: 633920716415000.

SECTION 8.(b) This section has no effect upon the validity of any liens of the Town of Newport for ad valorem taxes or special assessments outstanding before the effective date of this section. Such liens may be collected or foreclosed upon after the effective date of this section as though the property were still within the corporate limits of the Town of Newport.

SECTION 8.(c) This section becomes effective June 30, 2024. Property in the territory described in this section as of January 1, 2024, is no longer subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2024.

TOWN OF NORTHWEST RESIDENCY DISTRICTS

SECTION 9.(a) Section 3.2 of the Charter of the City of Northwest, being Chapter 222 of the 1993 Session Laws, is recodified as Section 4.2 of the Charter of the City of Northwest.

SECTION 9.(b) Chapter IV of the Charter of the City of Northwest, being Chapter 222 of the 1993 Session Laws, as amended by Section 9(a) of this act, reads as rewritten:

"CHAPTER IV.

"ELECTIONS.

"Sec. 4.1. **Conduct of Town Elections.** The Town officers shall be elected on a nonpartisan basis, and the results determined by plurality as provided in G.S. 163-292. Elections shall be conducted by the Brunswick County Board of Elections.

"Sec. 4.2. **Manner of Electing Council.** The qualified voters of the entire City elect the members of the Council. To be eligible for election, a ~~person~~ candidate must reside in the ~~City~~ district for which that person is seeking election.

"Sec. 4.3. **Residency Districts.** For the purpose of conducting elections, the City shall be divided into geographical subdivisions known as residency districts. Districts 1, 2, and 4 shall be single-member districts, and District 3 shall be a two-member district. The residency districts may be revised by the Council from time to time."

SECTION 9.(c) Section 3.3 of the Charter of the City of Northwest, being Chapter 222 of the 1993 Session Laws, reads as rewritten:

"Sec. 3.3. **Term of Office of Council Members.** Members of the Council are elected to ~~four-year terms except that of those elected at the initial election in 1993, the three highest vote~~

1 ~~getters who are elected shall serve for four year terms and the next two highest vote getters shall~~
2 ~~serve for two year terms. In 1995 and quadrennially thereafter, two members of the Council shall~~
3 ~~be elected for four year terms. In 1997 and quadrennially thereafter, three members of the~~
4 ~~Council shall be elected for four year staggered terms."~~

5 **SECTION 9.(d)** Nothing in this section shall affect the terms of office of any person
6 elected in 2021 or 2023 to the Council of the City of Northwest who shall continue to hold
7 at-large positions on the Council until the end of their term or a vacancy occurs due to resignation
8 or other causes.

9 **SECTION 9.(e)** In 2025 and quadrennially thereafter, three members of the Council
10 of the City of Northwest shall be elected, one member from each of Districts 1, 2, and 4, for
11 four-year terms. In 2027 and quadrennially thereafter, two members of the Council of the City
12 of Northwest shall be elected from District 3 for four-year terms.

13 **SECTION 9.(f)** This section is effective when it becomes law and applies to
14 elections held on or after that date.

15 16 **CITY OF SOUTHPORT ETJ**

17 **SECTION 10.(a)** Notwithstanding the provisions of G.S. 160D-202(a), the City of
18 Southport shall not exercise any of the powers granted to cities under Chapter 160D of the
19 General Statutes or its predecessor, Article 19 of Chapter 160A of the General Statutes, beyond
20 its contiguous corporate limits.

21 **SECTION 10.(b)** The relinquishment of jurisdiction over an area that the City of
22 Southport is regulating under the authority of Chapter 160D of the General Statutes or its
23 predecessor, Article 19 of Chapter 160A of the General Statutes, shall become effective July 1,
24 2024.

25 **SECTION 10.(c)** Upon relinquishment of jurisdiction over an area that the City of
26 Southport is regulating under the authority of Chapter 160D of the General Statutes or its
27 predecessor, Article 19 of Chapter 160A of the General Statutes, the following shall apply:

- 28 (1) The City's regulations and powers of enforcement shall remain in effect until
29 (i) Brunswick County has adopted the regulation or (ii) a period of 60 days
30 has elapsed following July 1, 2024, the date the relinquishment becomes
31 effective, whichever is sooner. Prior to the transfer of jurisdiction, Brunswick
32 County may hold hearings and take other measures consistent with
33 G.S. 160D-204 that may be required in order to adopt and apply its
34 development regulations for the area at the same time it assumes jurisdiction.
- 35 (2) Any person who has acquired vested rights in the City of Southport may
36 exercise those rights as if no change of jurisdiction had occurred. Brunswick
37 County, in acquiring jurisdiction over the area, may take any action regarding
38 the development approval, certificate, or other evidence of compliance that
39 could have been taken by the City of Southport pursuant to its development
40 regulations. Except as provided in this subdivision, any building, structure, or
41 other land use in an area over which Brunswick County has acquired
42 jurisdiction is subject to the development regulations of Brunswick County.

43 44 **BEAUFORT COUNTY LOCAL MATTERS**

45 **SECTION 11.(a)** Section 2 of S.L. 2022-34 reads as rewritten:

46 **"SECTION 2.** The Airport Authority shall consist of seven members appointed by the
47 ~~Washington City Council as provided in this section~~ to serve staggered three-year terms. Each
48 member shall take and subscribe an oath of office before the Clerk of Superior Court of Beaufort
49 County and file the same with the clerk to the board of the Beaufort County Commissioners and
50 the clerk to the board of the Washington City Council. Members of the Airport Authority may
51 be appointed to one or more successive terms by the ~~Washington City Council.~~ appointing

1 ~~authority. The Washington City Council appointing authority shall fill any vacancies arising on~~
 2 ~~the Airport Authority. In appointing members or filling vacancies to~~ Members of the Airport
 3 ~~Authority, the Washington City Council shall appoint members~~ Authority shall be appointed as
 4 follows:

- 5 (1) ~~Two members~~ One member appointed by the Washington City Council who
 6 shall be a registered voter of the City of Washington with aviation or
 7 drone experience in aviation or business management expertise.
- 8 (2) One member appointed by the Beaufort County Commissioners who shall be
 9 a registered voter of the County of Beaufort and of the City of
 10 ~~Washington.~~ Washington with business management or financial expertise.
- 11 (3) Two members appointed by the Beaufort County Commissioners who shall
 12 be registered voters of the County of Beaufort ~~with experience in aviation and~~
 13 ~~shall not be registered voters of the City of Washington.~~ Washington with
 14 aviation or drone experience.
- 15 (4) ~~One member shall be a registered voter of the County of Beaufort and shall~~
 16 ~~not be a registered voter of the City of Washington.~~
- 17 (5) ~~One member shall be a registered voter of the County of Beaufort and may be~~
 18 ~~a registered voter of the City of Washington.~~ Three members who shall be
 19 registered voters of the County of Beaufort selected and appointed by the
 20 remaining members of the Airport Authority."

21 **SECTION 11.(b)** The terms of all current members of the Washington-Warren
 22 Airport Authority shall expire October 1, 2024. Upon the expiration of those terms, appointments
 23 shall be promptly made to the Airport Authority as provided in Section 2 of S.L. 2022-34, as
 24 amended by this act, and, after establishing the staggered terms, all terms of office shall be for
 25 three years as provided in Section 2 of S.L. 2022-34, as amended by this act. If an appointing
 26 authority fails to make an initial appointment under subdivisions (1) through (3) of Section 2 of
 27 S.L. 2022-34, as amended by this act, by October 31, 2024, and the number of vacancies on the
 28 board is such that a quorum of the board cannot be obtained, the Clerk of Superior Court of
 29 Beaufort County may fill the vacancies upon the request of any remaining member of the Airport
 30 Authority. To implement staggering of the terms, the following shall apply:

- 31 (1) The member appointed by the Washington City Council shall serve a two-year
 32 term.
- 33 (2) One of the members appointed by the Beaufort County Commissioners shall
 34 serve a two-year term. One of the members appointed by the Beaufort County
 35 Commissioners shall serve a three-year term. One of the members appointed
 36 by the Beaufort County Commissioners shall serve a four-year term.
- 37 (3) One of the members selected and appointed by the remaining members of the
 38 Airport Authority shall serve a two-year term. One of the members selected
 39 and appointed by the remaining members of the Airport Authority shall serve
 40 a three-year term. One of the members selected and appointed by the
 41 remaining members of the Airport Authority shall serve a four-year term.

42 **SECTION 11.(c)** Section 16 of S.L. 2022-34 is repealed.

43
 44 **CURRITUCK COUNTY EMINENT DOMAIN**

45 **SECTION 12.(a)** G.S. 40A-3(b1) reads as rewritten:

46 "(b1) Local Public Condemnors – Modified Provision for Certain Localities. – For the
 47 public use or benefit, the governing body of each municipality or county shall possess the power
 48 of eminent domain and may acquire by purchase, gift or condemnation any property or interest
 49 therein, either inside or outside its boundaries, for the following purposes:

50 ...

1 The board of education of any municipality or county or a combined board may exercise the
 2 power of eminent domain under this Chapter for purposes authorized by Chapter 115C of the
 3 General Statutes.

4 The power of eminent domain shall be exercised by local public condemners under the
 5 procedures of Article 3 of this chapter.

6 This subsection applies only to Carteret and Dare Counties, the Towns of Atlantic Beach,
 7 Carolina Beach, Caswell Beach, Emerald Isle, Holden Beach, Indian Beach, Kill Devil Hills,
 8 Kitty Hawk, Kure Beach, Nags Head, North Topsail Beach, Oak Island, Ocean Isle Beach, Pine
 9 Knoll Shores, Sunset Beach, Surf City, Topsail Beach, and Wrightsville Beach, and the Village
 10 of Bald Head Island. This subsection, excluding subdivision (11) of this subsection, applies to
 11 Currituck County and the Towns of Duck and Southern Shores."

12 **SECTION 12.(b)** G.S. 40A-42(a)(2) reads as rewritten:

13 "(2) Modified Provision for Certain Localities. – When a local public condemner
 14 is acquiring property by condemnation for a purpose set out in
 15 G.S. 40A-3(b1)(1), (4), (7), (10), or (11), or when a city is acquiring property
 16 for a purpose set out in G.S. 160A-311(1), (2), (3), (4), (6), or (7), or when a
 17 county is acquiring property for a purpose set out in G.S. 153A-274(1), (2) or
 18 (3), or when a local board of education or any combination of local boards of
 19 education is acquiring property for any purpose set forth in G.S. 115C-517, or
 20 when a condemner is acquiring property by condemnation as authorized by
 21 G.S. 40A-3(c)(8), (9), (10), (12), or (13) title to the property and the right to
 22 immediate possession shall vest pursuant to this subsection. Unless an action
 23 for injunctive relief has been initiated, title to the property specified in the
 24 complaint, together with the right to immediate possession thereof, shall vest
 25 in the condemner upon the filing of the complaint and the making of the
 26 deposit in accordance with G.S. 40A-41.

27 This subdivision applies only to ~~Carteret~~ Carteret, Currituck, and Dare
 28 Counties, the Towns of Atlantic Beach, Carolina Beach, Caswell Beach,
 29 Duck, Emerald Isle, Holden Beach, Indian Beach, Kill Devil Hills, Kitty
 30 Hawk, Kure Beach, Nags Head, North Topsail Beach, Oak Island, Ocean Isle
 31 Beach, Pine Knoll Shores, Southern Shores, Sunset Beach, Surf City, Topsail
 32 Beach, and Wrightsville Beach, and the Village of Bald Head Island."
 33

34 **TOWN OF WOODFIN STORMWATER FEES**

35 **SECTION 13.** G.S. 160A-314(a1)(4) reads as rewritten:

36 "(4) A city may adopt an ordinance providing that any fee imposed under this
 37 subsection may be billed with property taxes, may be payable in the same
 38 manner as property taxes, and, in the case of nonpayment, may be collected
 39 in any manner by which delinquent personal or real property taxes can be
 40 collected. If an ordinance states that delinquent fees can be collected in the
 41 same manner as delinquent real property taxes, the fees are a lien on the real
 42 property described on the bill that includes the fee.

43 This subdivision applies only to the Cities of Creedmoor, Durham and
 44 Winston-Salem, the Towns of Bolton, Butner, Fairmont, Garner, Kernersville,
 45 Knightdale, La Grange, Morrisville, Pembroke, Proctorville, Rowland, St.
 46 Pauls, Stem, Wendell, Woodfin, and Zebulon, and the Village of Clemmons."
 47

48 **PENDER COUNTY DISTRICT P OCCUPANCY TAX**

49 **SECTION 14.1.(a)** Pender County District P Created. – Pender County District P is
 50 created as a taxing district. Its jurisdiction consists of all of Pender County exclusive of the Towns
 51 of Burgaw, Surf City, and Topsail Beach. Pender County District P is a body politic and corporate

1 and has the power to carry out the provisions of this section. The Pender County Board of
2 Commissioners shall serve ex officio as the governing body of the district, and the officers of the
3 county shall serve as the officers of the governing body of the district. A simple majority of the
4 governing body constitutes a quorum, and approval by a majority of those present is sufficient to
5 determine any matter before the governing body, if a quorum is present.

6 **SECTION 14.1.(b)** Authorization and Scope. – The governing body of Pender
7 County District P may levy a room occupancy tax of up to three percent (3%) of the gross receipts
8 derived from the rental of an accommodation within the district that is subject to sales tax
9 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local
10 sales or room occupancy tax.

11 **SECTION 14.1.(c)** Administration. – A tax levied under this section shall be levied,
12 administered, collected, and repealed as provided in G.S. 153A-155 as if Pender County District
13 P were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this section.

14 **SECTION 14.1.(d)** Distribution and Use of Tax Revenue. – Pender County District
15 P shall, on a quarterly basis, distribute the net proceeds of the occupancy tax to the Pender County
16 Tourism Development Authority created pursuant to Section 6.3 of S.L. 2001-439. The Authority
17 shall use at least two-thirds of the proceeds distributed to it to promote travel and tourism in the
18 district and shall use the remainder for tourism-related expenditures in the district. In accordance
19 with the North Carolina Constitution and the United States Constitution, the tax proceeds may
20 be used only for the direct benefit of the jurisdiction of Pender County District P.

21 The following definitions apply in this subsection:

- 22 (1) Net proceeds. – Gross proceeds less the cost to the district of administering
23 and collecting the tax, as determined by the finance officer, not to exceed three
24 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
25 proceeds collected each year and one percent (1%) of the remaining gross
26 receipts collected each year.
- 27 (2) Promote travel and tourism. – To advertise or market an area or activity,
28 publish and distribute pamphlets and other materials, conduct market research,
29 or engage in similar promotional activities that attract tourists or business
30 travelers to the area. The term includes administrative expenses incurred in
31 engaging in the listed activities.
- 32 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
33 Tourism Development Authority, are designed to increase the use of
34 accommodations, meeting facilities, or convention facilities in a district or to
35 attract tourists or business travelers to the district. The term includes
36 tourism-related capital expenditures.

37 **SECTION 14.1.(e)** Additional Tourism Development Authority Duties. – In addition
38 to the duties required under Section 6.3(b) of S.L. 2001-439, the Authority shall expend the net
39 proceeds of the tax levied under this section for promoting travel and tourism in the district and
40 for tourism-related expenditures in the district as provided in this section.

41 **SECTION 14.1.(f)** Reports. – In addition to the reports required under Section 6.3(c)
42 of S.L. 2001-439, the Authority shall report quarterly and at the close of the fiscal year to the
43 Pender County Board of Commissioners on its receipts and expenditures for the net proceeds of
44 the tax levied under this section for the preceding quarter and for the year in such detail as the
45 board may require.

46 **SECTION 14.2.** G.S. 153A-155(g) reads as rewritten:

47 "(g) Applicability. – Subsection (c) of this section applies to all counties and county
48 districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of
49 a local act, subsection (c) supersedes that provision. The remainder of this section applies only
50 to Alleghany, Anson, Bertie, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret,
51 Caswell, Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie,

1 Duplin, Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood,
 2 Henderson, Jackson, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Nash, New
 3 Hanover, Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond,
 4 Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Swain, Transylvania,
 5 Tyrrell, Union, Vance, Warren, Washington, Wayne, Wilson, and Yancey Counties, to Avery
 6 County District A, Graham County District G, Harnett County District H, Iredell County District
 7 I, New Hanover County District U, Pender County District P, Surry County District S, Watauga
 8 County District U, Wilkes County District W, Yadkin County District Y, and the Township of
 9 Averasboro in Harnett County and the Ocracoke Township Taxing District."

11 MCDOWELL COUNTY OCCUPANCY TAX

12 **SECTION 15.** Chapter 892 of the 1985 Session Laws, as amended by S.L. 2007-315,
 13 reads as rewritten:

14 "Section 1. Occupancy Tax. – (a) Authorization and Scope. – The McDowell County Board
 15 of Commissioners may levy a room occupancy tax of three percent (3%) of the gross receipts
 16 derived from the rental of ~~any room, lodging, or similar accommodation furnished by a hotel,~~
 17 ~~motel, inn, or similar place within an accommodation within~~ the county that is subject to sales
 18 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local
 19 sales tax. ~~This tax does not apply to accommodations furnished by nonprofit charitable,~~
 20 ~~educational, or religious organizations when furnished in furtherance of the nonprofit purpose.~~

21 (a1) Authorization of Additional Two Percent Occupancy Tax. – In addition to the tax
 22 authorized by subsection (a) of this section, the McDowell County Board of Commissioners may
 23 levy an additional room occupancy tax of two percent (2%) of the gross receipts derived from
 24 the rental of accommodations taxable under subsection (a) of this section. The levy, collection,
 25 administration, and repeal of the tax authorized by this subsection shall be in accordance with
 26 the provisions of this act. McDowell County may not levy a tax under this subsection unless it
 27 also levies the tax authorized under subsection (a) of this section.

28 (a2) Authorization of Additional One Percent Occupancy Tax. – In addition to the tax
 29 authorized by subsections (a) and (a1) of this section, the McDowell County Board of
 30 Commissioners may levy an additional room occupancy tax of one percent (1%) of the gross
 31 receipts derived from the rental of accommodations taxable under subsections (a) and (a1) of this
 32 section. The levy, collection, administration, and repeal of the tax authorized by this subsection
 33 shall be in accordance with the provisions of this act. McDowell County may not levy a tax under
 34 this subsection unless it also levies the tax authorized under subsections (a) and (a1) of this
 35 section.

36 (c) Administration. – A tax levied under this act shall be levied, administered, collected,
 37 and repealed as provided in G.S. 153A-155. The penalties provided in G.S. 153A-155 apply to a
 38 tax levied under this act.

39 (e) Distribution and Use of Tax Revenue. – McDowell County shall, on a quarterly basis,
 40 remit the net proceeds of the occupancy tax to the McDowell Tourism Development Authority.
 41 The Authority shall use at least two-thirds of the funds remitted to it under this subsection to
 42 promote travel and tourism in McDowell County and shall use the remainder for tourism-related
 43 expenditures.

44 The following definitions apply in this subsection:

- 45 (1) Net proceeds. – Gross proceeds less the cost to the county of administering
 46 and collecting the tax, as determined by the finance officer, not to exceed three
 47 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
 48 proceeds collected each year and one percent (1%) of the remaining gross
 49 receipts collected each year.
- 50 (2) Promote travel and tourism. – To advertise or market an area or activity,
 51 publish and distribute pamphlets and other materials, conduct market research,

1 or engage in similar promotional activities that attract tourists or business
2 travelers to the area. The term includes administrative expenses incurred in
3 engaging in the listed activities.

- 4 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
5 Tourism Development Authority, are designed to increase the use of lodging
6 facilities, meeting facilities, or convention facilities in a county or to attract
7 tourists or business travelers to the county. The term includes tourism-related
8 capital expenditures. Tourism-related capital expenditures may include
9 expenditures to purchase, renovate, maintain, or operate heritage tourism sites,
10 such as the McDowell House, the Carson House, Fort Davidson, or Heritage
11 Trails.

12 "Sec. 2. Tourism Development Authority. (a) Appointment and Membership. – When the
13 board of commissioners adopts a resolution levying a room occupancy tax under this act, it shall
14 also adopt a resolution creating a county Tourism Development Authority, which shall be a
15 public authority under the Local Government Budget and Fiscal Control Act. The resolution shall
16 provide for the membership of the Authority, including the members' terms of office, and for the
17 filling of vacancies on the Authority. At least one-half of the members shall be individuals who
18 are affiliated with businesses that collect the tax in the county, and at least one-third of the
19 members shall be individuals who are currently active in the promotion of travel and tourism in
20 the county. The Authority must be comprised of the following seven voting members and two
21 nonvoting, ex officio members:

- 22 (1) The Executive Director of the McDowell Chamber of Commerce, who shall
23 serve as an ex officio, nonvoting member.
24 (2) A county commissioner appointed by the McDowell County Board of
25 Commissioners, who shall serve as an ex officio, nonvoting member.
26 (3) Four owners or operators of hotels, motels, or other taxable accommodations,
27 two of whom shall be appointed by the McDowell County Board of
28 Commissioners, and two of whom shall be appointed by the McDowell
29 Chamber of Commerce. Two of these appointees shall own or operate hotels,
30 motels, or other accommodations with more than 50 rental units, and two shall
31 own or operate hotels, motels, or other accommodations with 50 or fewer
32 rental units.
33 (4) Three individuals who are currently active in the promotion of travel and
34 tourism in the county, appointed as follows: two by the McDowell Chamber
35 of Commerce and one by the McDowell County Board of Commissioners.

36 All members of the Authority shall serve without compensation. Vacancies in the Authority
37 shall be filled by the appointing authority of the member creating the vacancy. Members
38 appointed to fill vacancies shall serve for the remainder of the unexpired term which they are
39 appointed to fill. Members shall serve three-year terms. The members shall elect a chairman from
40 the membership of the Authority, who shall serve for a term of two years. The Authority shall
41 meet at the call of the chairman and shall adopt rules of procedure to govern its meetings. The
42 Finance Officer for McDowell County shall be the ex officio finance officer of the Authority.

43 (c) Duties. – The Authority shall expend the net proceeds of the tax levied under this act
44 for the purposes provided in this act. The Authority shall promote travel, tourism, and
45 conventions in McDowell County, sponsor tourist-related events and activities in the county, and
46 finance tourist-related capital projects in the county. In performing its duties, the Authority may
47 contract with any person, firm, or agency to advise and assist it and may recommend to the board
48 of county commissioners that county staff be employed for this advice and assistance. Any
49 county staff employed upon a recommendation made by the Authority shall be hired and
50 supervised by the Authority, which shall pay the salaries and expenses of this staff promoting
51 travel and tourism and for tourism-related expenditures as provided in this act.

1 (d) Reports. – The Authority shall report quarterly and at the close of the fiscal year to
2 the board of county commissioners on its receipts and expenditures for the preceding quarter and
3 for the year in such detail as the board may require.

4 "Sec. 4. This act is effective upon ratification."
5

6 **EFFECTIVE DATE**

7 **SECTION 16.** Except as otherwise provided, this act is effective when it becomes
8 law.