



**RESOLUTION OF THE NAGS HEAD BOARD OF COMMISSIONERS
OPPOSING HOUSE BILL 531**

WHEREAS, the Hospitality industry in Dare County requested to be taxed for the purpose of generating funds to promote visitation to Dare County's Outer Banks; AND

WHEREAS, the Hospitality industry worked with local officials and state legislators to create the occupancy tax legislation, House Bill 225, *An Act to Authorize Dare County to Increase Its Occupancy Tax, Levy a Restaurant Tax, and Create a Tourism Board to Promote Tourism in Dare County*, which served the needs of the community; AND

WHEREAS, half of the net proceeds from the six percent (6%) occupancy tax are paid to Dare County and towns within Dare County "only for tourist-related purposes, including construction and maintenance of public facilities and buildings, garbage, refuse, and solid waste collection and disposal, police protection and emergency services."; AND

WHEREAS, Dare County was authorized to levy a room occupancy and tourism development tax of one percent (1%) and a food and beverage tax of one percent (1%), both of which are remitted to the Dare County Tourism Board; AND

WHEREAS, after deducting the cost of Dare County Tourism Board's annual audit, 75% of the funds shall be used for the costs of administration and promotion of tourism; AND

WHEREAS, the remaining 25% shall be used for services or programs needed due to the impact of tourism on the County. Additionally, Dare County Board of Commissioners' prior approval is needed for expenditures of the 25% and any purchase of real property by the Dare County Tourism Board; AND

WHEREAS, the Unabridged Edition of the Random House Dictionary of the English Language defines impact as *influence, effect*. A simple reading of section 7 of the Act creating the Dare County Tourism Board would be "Twenty-five percent (25%) shall be used for services or programs needed due to the influence of tourism on the County" or "Twenty five percent (25%) shall be used for services needed due to the effect of tourism on the County."; AND

WHEREAS, income from tourism is the mainstay of Dare County's economy. Occurrences that affect tourism in positive and negative ways should legitimately be the subject of action by government and those entities challenged with the responsibility of "promoting tourism"; AND

WHEREAS, for twenty-five (25) years, the Dare County Tourism Board has administered this fund according to its interpretation of the plain language in the Act without the need for court decree or legislative elaboration; AND

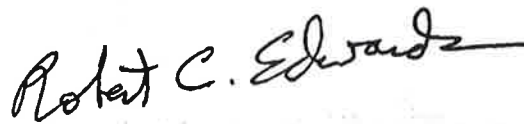
WHEREAS, the Dare County Tourism Board Restricted Fund has reinvested more than nine million (\$9,000,000) into the community, partnering with local non-profits, Dare County, and its towns; AND

WHEREAS, the Nags Head Board of Commissioners supports the activities of the Dare County Tourism Board and its use of the restricted fund; AND

WHEREAS, the Nags Head Board of Commissioners has neither been consulted about, nor requested the legislative changes in House Bill 531.

NOW, THEREFORE BE IT RESOLVED that the Board of Commissioners of the Town of Nags Head hereby strongly opposes House Bill 531.

Adopted this 5th day of April 2017.



Robert C. Edwards, Mayor
Town of Nags Head

ATTEST:


Carolyn F. Morris, Town Clerk