



1 ~~be used for the maintenance, operation, renovation, and promotion of The~~  
2 ~~Vagabond School of the Drama, Inc., including the Mainstage and the~~  
3 ~~Playhouse Downtown locations.~~

4 (e1) Definitions. – The following definitions apply in this act:

- 5 (1) Net proceeds. – Gross proceeds less the cost to the county of administering  
6 and collecting the tax, as determined by the finance officer, not to exceed  
7 three percent (3%) of the first five hundred thousand dollars (\$500,000) of  
8 gross proceeds collected each year and one percent (1%) of the remaining  
9 gross receipts collected each year.
- 10 (2) Promote travel and tourism. – To advertise or market an area or activity,  
11 publish and distribute pamphlets and other materials, conduct market  
12 research, or engage in similar promotional activities that attract tourists or  
13 business travelers to the area. The term includes administrative expenses  
14 incurred in engaging in the listed activities.
- 15 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
16 entity responsible for expending the net proceeds of the tax, are designed to  
17 increase the use of lodging facilities, meeting facilities, or convention  
18 facilities in a county or to attract tourists or business travelers to the county.  
19 The term includes tourism-related capital expenditures.

20 **"Sec. 6. Henderson County Tourism Development Authority.** (a) Appointment and  
21 Membership. – When the board of commissioners adopts a resolution levying a room  
22 occupancy tax under this act, it shall also adopt a resolution creating the Henderson County  
23 Tourism Development Authority, which shall be a public authority under the Local  
24 Government Budget and Fiscal Control Act. The resolution adopted by the Board of  
25 Commissioners shall provide for the membership of the Authority, including the members'  
26 terms of office, and for the filling of vacancies on the Authority. However, no member shall  
27 serve on the Authority for more than five consecutive years. The Committee shall consist of  
28 nine voting members as follows:

- 29 (1) Three members who are registered to vote in Henderson County, appointed  
30 by the Henderson County Board of Commissioners.
- 31 (2) Three members who are registered to vote in Henderson County, appointed  
32 by the Hendersonville City Council.
- 33 (3) One member who is registered to vote in Henderson County, appointed by  
34 the Fletcher Town Council.
- 35 (4) One member who is registered to vote in Henderson County, appointed by  
36 the Flat Rock Village Council.
- 37 (5) One member appointed by the Henderson County Board of Commissioners  
38 upon a recommendation of the Henderson County Chamber of Commerce.

39 Of these members, at least one-third of the members shall be individuals who are affiliated  
40 with businesses that collect the tax in the county, and at least one-half of the members shall be  
41 individuals who are currently active in the promotion of travel and tourism in the county.

42 The board of commissioners shall designate one member of the Authority as chair and shall  
43 determine the compensation, if any, to be paid to members of the Authority. The Authority  
44 shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The  
45 finance officer for Henderson County shall be the ex officio finance officer of the Authority.

46 (b) Duties. – The Authority shall expend the net proceeds of the tax levied under  
47 subsections (a) and (a1) of Section 5 of this act for the purposes provided in Section 5 of this  
48 act. The Authority shall promote travel, tourism, and conventions in the county, sponsor  
49 tourist-related events and activities in the county, and finance tourist-related capital projects in  
50 the county.

1 (c) Reports. – The Authority shall report quarterly and at the close of the fiscal year to  
2 the board of commissioners on its receipts and expenditures for the preceding quarter and for  
3 the year in such detail as the board may require. The Vagabond School of the Drama, Inc., shall  
4 separately identify in its financial statements expenditures of funds that it receives pursuant to  
5 this act. The Vagabond School of the Drama, Inc., shall report annually by October 1 to the  
6 Authority expenditures of the funds received during the Authority's fiscal year pursuant to this  
7 act in such detail as required by the Authority or the Authority's Finance Officer."

8 **SECTION 2.** Section 2(b) of S.L. 2012-144 reads as rewritten:

9 "SECTION 2.(b) This section is effective when it becomes law, and the board of county  
10 commissioners shall adopt a resolution establishing the Henderson County Tourism  
11 Development Authority and make the changes to the membership as required by this section on  
12 or before September 1, 2012."

13 **SECTION 3.** Section 3 of S.L. 2012-144 is repealed.

14 **SECTION 4.** This act is effective when it becomes law.