

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 416
PROPOSED COMMITTEE SUBSTITUTE H416-PCS10312-BA-13

Short Title: Robeson County/Local Business Preference.

(Local)

Sponsors:

Referred to:

March 22, 2017

1 A BILL TO BE ENTITLED
2 AN ACT PROVIDING THAT COUNTIES AND CITIES SHALL, WHEN CONTRACTING
3 FOR CONSTRUCTION OR REPAIR WORK OR FOR THE PURCHASE OF
4 APPARATUS, SUPPLIES, MATERIALS, OR EQUIPMENT INVOLVING THE
5 EXPENDITURE OF PUBLIC FUNDS, GIVE PREFERENCE TO LOCAL BIDDERS
6 AND LOCAL RESIDENTS WHEN CERTAIN REQUIREMENTS ARE MET.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** Article 8 of Chapter 143 of the General Statutes is amended by
9 adding a new section to read as follows:

10 **"§ 143-131.2. Local contract preference.**

11 (a) Bid-Match Preference. – Notwithstanding any other provision of this Article, when
12 contracting for construction or repair work or for the purchase of apparatus, supplies, materials,
13 or equipment involving the expenditure of public funds, counties and municipalities may give
14 preference to the lowest responsible, responsive local bidder if the following conditions are
15 met: (i) the bid of the lowest responsible, responsive local bidder is no greater than five percent
16 (5%) or ten thousand dollars (\$10,000), whichever is less, of the bid of the lowest responsible,
17 responsive nonlocal bidder and (ii) the lowest responsible, responsive local bidder matches the
18 bid of the lowest responsible, responsive nonlocal bidder.

19 (b) Contractor Responsibilities. – A local or nonlocal bidder who is awarded a contract
20 with a county or municipality under subsection (a) of this section shall give preference to local
21 businesses and local residents. Nothing in this section shall be construed to require a contractor
22 to award contracts or subcontracts to or to make purchases of apparatus, supplies, materials, or
23 equipment from a local business that does not submit the lowest responsible, responsive bid or
24 bids or to employ a local resident who does not meet the contractor's qualifications for
25 employment. Within 30 days of being awarded a contract, the contractor shall submit to the
26 governing body or a person designated by the governing body, a Community Preference Plan
27 which shall identify (i) the local businesses and local residents that the contractor will use on
28 the project, (ii) the good-faith efforts the contractor has made to contact local businesses that
29 reasonably could have been expected to submit a quote, (iii) the good-faith efforts the
30 contractor has made to employ qualified local residents, and (iv) the estimated total dollar value
31 of the contract that will be performed by local businesses.

32 (c) Definitions. – For purposes of this section, the following definitions apply:

33 (1) Local bidder. – A bidder that has paid unemployment taxes or income taxes
34 in this State and whose principal place of business is located within the
35 boundaries of the county or municipality giving the preference.



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- 1 (2) Local resident. – A person whose primary residence is within the boundaries
- 2 of the county or municipality giving the preference.
- 3 (3) Nonlocal bidder. – A bidder that is not a local bidder, as defined in
- 4 subdivision (1) of this subsection.
- 5 (4) Principal place of business. – The principal place from which the trade or
- 6 business of the bidder is directed or managed."

7 **SECTION 2.** This act applies to Robeson and Columbus Counties and the
8 municipalities within those Counties.

9 **SECTION 3.** This act is effective when it becomes law and applies to bids received
10 on or after that date.