

**2015-2016**

**HOUSE  
LOCAL GOVERNMENT**

**MINUTES**



# **HOUSE LOCAL GOVERNMENT COMMITTEE**

**REPRESENTATIVE TED DAVIS, JR., CO-CHAIRMAN  
REPRESENTATIVE CARL FORD, CO-CHAIRMAN**

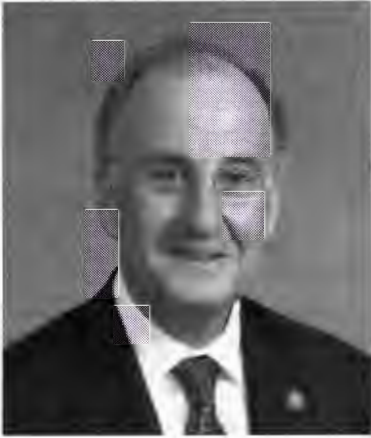
**2015-16 LONG SESSION**

**JUDY LOWE, COMMITTEE ASSISTANT  
KYLE CHERMAK, COMMITTEE ASSISTANT**



**HOUSE COMMITTEE ON LOCAL GOVERNMENT**  
**2015 SESSION**

Clerks: Judy Lowe, Kyle Chermak



**Rep. Davis, Co-Chair**



**Rep. Ford, Co-Chair**



**Rep. Langdon, Vice-Chair**



**Rep. Ager**



**Rep. Boles**



**Rep. Brawley**



**Rep. R. Brown**



**Rep. Burr**



**Rep. Cleveland**



**Rep. Faircloth**



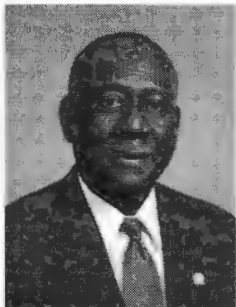
**Rep. Farmer-Butterfield**



**Rep. Fisher**



**Rep. Floyd**



**Rep. G. Graham**



**Rep. Holley**



**Rep. Jeter**



**Rep. Luebke**





**Rep. Pendleton**



**Rep. Ross**



**Rep. Setzer**



**Rep. Szoka**



**Rep. Warren**



**Rep. Watford**



**HOUSE COMMITTEE ON LOCAL GOVERNMENT**

<b><u>MEMBER</u></b>	<b><u>ASSISTANT</u></b>	<b><u>PHONE</u></b>	<b><u>OFFICE</u></b>	<b><u>SEAT</u></b>
Rep. Davis, Jr., Chair	Judy Lowe	3-5786	418B	38
Rep. Ford, Chair	Kyle Chermak	3-5881	608	76
Rep. Langdon, Vice Chair	Thomas Goffe	3-5849	417B	17
Rep. Ager	Meredith Graf	3-5746	1315	115
Rep. Boles	Kerry Guice	3-5903	528	25
Rep. Brawley	Lynn Taylor	3-5800	534	31
Rep. R. Brown	Andrew Bailey	5-0873	633	61
Rep. Burr	Dina Long	3-5908	307A	16
Rep. Cleveland	Pamela Ahlin	5-6707	417A	18
Rep. Faircloth	Becky Bauerband	3-5877	613	39
Rep. Farmer-Butterfield	Tijuana Locus	3-5898	1220	45
Rep. Fisher	Cindy Garrison	5-2013	504	81
Rep. Floyd	Dorothy McLean	3-5959	1325	83
Rep. G. Graham	Beverlee Baker	3-5995	1321	91
Rep. Holley	Lee Lewis	3-5758	1213	95
Rep. Jeter	Brit Eller	3-5654	2226	113
Rep. Luebke	Joyce Harris	3-7663	513	70
Rep. Pendleton	Kathy Peters	3-5860	610	97
Rep. Ross	Laura Spratley	3-5820	2221	37
Rep. Setzer	Margaret Herring	3-4948	2204	7
Rep. Szoka	Beverly Slagle	3-9892	2223	73
Rep. Warren	Cristy Yates	3-5784	611	62
Rep. Watford	Regina Irwin	5-2526	2121	88

**STAFF**

Erika Churchill  
Giles Perry  
Kelly Quick Tornow

**COMMITTEE ASST.**

Judy Lowe  
Kyle Chermak

**SPEAKER'S OFFICE**

Lewis King



# ATTENDANCE

## Local Government

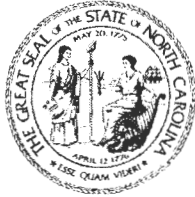
(Name of Committee)

DATES	3/5/15	3/19/15	3/26/15	4/1/15	4/2/15	4/16/15	4/23/15	4/27/15	5/7/15	5/14/15	5/28/15	6/4/15	8/5/15	8/13/15	8/18/15
<b>MEMBERS</b>															
Rep. Ted Davis, Jr., Chairman	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rep. Carl Ford, Chairman	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rep. James Langdon, Vice-Chair	X	X	X	X	X	X	X	X			X		X	X	X
Rep. John Ager	X	X	X		X	X	X	X	X	X	X	X	X	X	X
Rep. Jamie Boles	X	X	X		X	X	X	X	X	X	X		X	X	X
Rep. Bill Brawley		X			X	X	X	X	X		X	X		X	
Rep. Rayne Brown	X	X	X		X	X	X		X		X		X		
Rep. Justin Burr			X			X	X	X							X
Rep. George Cleveland	X	X	X		X	X	X	X	X		X	X	X	X	X
Rep. John Faircloth	X	X				X	X		X	X	X	X	X	X	X
Rep. Jean Farmer-Butterfield	X					X	X		X		X	X	X	X	X
Rep. Susan Fisher	X	X	X	X		X	X	X	X			X	X	X	X
Rep. Elmer Floyd	X	X	X	X	X	X	X	X	X	X	X		X	X	X
Rep. George Graham	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
Rep. Rep. Yvonne Holley		X	X			X	X	X	X		X	X	X	X	X
Rep. Charles Jeter	X	X	X	X	X	X	X	X	X	X	X		X	X	
Rep. Paul Luebke		X	X			X		X	X	X		X	X	X	
Rep. Gary Pendleton	X		X	X	X	X	X		X	X		X		X	X
Rep. Stephen Ross	X	X	X		X	X	X	X	X	X	X		X	X	X
Rep. Mitchell Setzer		X	X		X	X	X	X						X	
Rep. John Szoka	X	X	X			X	X	X			X	X		X	
Rep. Harry Warren	X	X		X	X	X	X	X	X	X	X	X		X	X
Rep. Sam Watford	X	X	X	X	X	X	X	X	X	X	X		X	X	X



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## MINUTES

### COMMITTEE ON LOCAL GOVERNMENT

Thursday, March 5, 2015

Room 643

The Committee Local Government met on Thursday, March 5, 2015 at 10:00 am in Room 643. The following Committee members were present: Representatives Davis, Chairman, Ford, Chairman, Langdon, Vice-Chairman, Ager, Boles, R. Brown, Cleveland, Faircloth, Farmer-Butterfield, Fisher, G. Graham, Jeter, Pendleton, Ross, Szoka, Warren, and Watford. Erika Churchill, Giles Perry, and Kelly Tornow, Research Staff, and Judy Lowe and Kyle Chermak, Committee Assistants, were also in attendance. A Visitor Registration list is attached.

Representative Ted Davis presided and called the meeting to order at 10:00 am. He introduced the pages Drew West from Buncombe Co., sponsored by Representative Presnell and Anna DeGrauw, Mecklenburg Co. sponsored by Rep. Bradford and the Sergeant of Arms staff Young Bae, Bill Morris and Jim Moran.

Representative Ford, Chairman stated that he looked forward to the Local Government Committee meetings and helping everyone out with Statewide bills but mostly hearing local bills and getting things done and moving bills through as quickly as possible.

The following bills were considered: **HB73, entitled, CARY ANNEXATION.** Chairman Davis stated there was a motion by Representative Cleveland to have the PCS before the Committee for consideration. Hearing no objection, the PCS was properly before the Committee. Representative Dollar was recognized and explained that the Holly Brook Subdivision, whose systems are failing and 85% of its citizenry want to be in the Town of Cary; the Town is willing and interested in taking them in. There were no further comments or concerns from members or the public. Representative Floyd moved for a favorable report for the PCS and unfavorable to the original bill. The Chair noted there was a serial referral to Finance. Representative Pendleton seconded the motion and it passed unanimously.

**HB55 – PUBLIC DISPLAY OF FIREWORKS/NCSU.** Representative Dollar explained that the bill is also sponsored by Representatives Langdon, Ross and Duane Hall. The bill permits public exhibition of fireworks at NC State. Currently, the School of the Arts and UNC-Chapel Hill are able to exercise under the statutory provisions of G.S. 14-410 certain exhibitions of pyrotechnics. NC State is just as well equipped and wants to do the same thing, within the confines of Wake County, on their property. This legislation adds NC State to the existing statute. The Chairman then called for further questions from Committee members and the public. There being none, Representative Boles moved for a favorable report on HB55. The motion was seconded and passed unanimously.





**HB43 – WINSTON-SALEM/PARKING METERS.** Representative Terry stated that the bill expands the methods by which the city can collect parking fees to include credit cards, debit cards or electronic means. There being no further questions or comments, Representative Floyd moved for a favorable report on HB43. The motion was seconded and passed unanimously.

**HB44 – CITIES/OVERGROWN VEGETATION NOTICE.** Representative Conrad said that the title of the bill was basically self-explanatory. The current law allows the annual notification to be done by registered or certified mail and this allow the city to expand the means of notification. Representative Pendleton moved for a favorable report with a referral to Regulatory Reform. The motion was seconded by Representative Boles and passed.

**HB58 – ALAMANCE COUNTY SHERIFF/FOOD PURCHASES.** Representative Riddell stated that the bill came to him and Representative Ross with the unanimous support of their County Commissioners to give their Sheriff's Department permission to purchase food locally. There was discussion regarding the cost savings and other advantages from the Committee members. Representative Boles raised the question about what "and supplies" included. Representative Riddell clarified that it was strictly for food service and preparation so it would mean supplies such as trays and items related to the delivery of food. A motion was passed as favorable to the Committee Substitute, unfavorable to the original bill.

**HB71 – CLARIFY COUNTY COMM OATH FILING.** Representative Hurley stated that this is a simple, clarifying bill. Representative Fisher moved for a favorable report, which was seconded and passed unanimously.

There being no further business, the meeting was adjourned at 10:35 am.

A handwritten signature in blue ink, appearing to read "Ted Davis, Jr.", written over a horizontal line.

Representative Ted Davis, Jr.  
Presiding

A handwritten signature in blue ink, appearing to read "Judy Lowe", written over a horizontal line.

Judy Lowe, Committee Clerk

**ATTACHMENTS:**

- Committee notice
- Agenda
- Committee report
- Copies of bills, with amendments (if any)
- Proposed committee substitutes
- Visitor registration sheet



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**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, March 5, 2015

**TIME:** 10:00 AM

**LOCATION:** 643 LOB

**COMMENTS:** Representative Ted Davis, Jr. will preside. If Session is at 1:00, the committee may extend to 11:30.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 43	Winston-Salem/Parking Meters.	Representative Conrad Representative Lambeth Representative Hanes Representative Terry
HB 44	Local Government Regulatory Reform 2015.	Representative Conrad Representative Lambeth Representative Hanes Representative Terry
HB 55	Public Exhibit of Fireworks/NCSU.	Representative Dollar Representative Langdon Representative Ross Representative D. Hall
HB 58	Certain Counties Sheriff/Food Purchases.	Representative Riddell Representative Ross
HB 71	Clarify County Comm Oath Filing.	Representative Hurley Representative McNeill
HB 73	Cary Annexation.	Representative Dollar



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:56 AM on Monday, October 12, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Thursday, March 5, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Members and Staff**

**Introduction of Pages and Sergeants at Arms**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 43	Winston-Salem/Parking Meters.	Representative Conrad Representative Lambeth Representative Hanes Representative Terry
HB 44	Cities/Overgrown Vegetation Notice.	Representative Conrad Representative Lambeth Representative Hanes Representative Terry
HB 55	Public Exhibit of Fireworks/NCSU.	Representative Dollar Representative Langdon Representative Ross Representative D. Hall
HB 58	Alamance County Sheriff/Food Purchases.	Representative Riddell Representative Ross
HB 71	Clarify County Comm Oath Filing.	Representative Hurley Representative McNeill
HB 73	Cary Annexation.	Representative Dollar

**Adjournment**



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

H

1

HOUSE BILL 43\*

Short Title: Winston-Salem/Parking Meters. (Local)

Sponsors: Representatives Conrad, Lambeth, Hanes, and Terry (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

February 5, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT PROVIDING THAT PARKING METERS IN THE CITY OF WINSTON-SALEM  
3 MAY BE ACTIVATED BY COINS, TOKENS, CASH, CREDIT CARDS, DEBIT  
4 CARDS, OR ELECTRONIC MEANS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 160A-301 reads as rewritten:

7 "§ 160A-301. Parking.

8 (a) On-Street Parking. – A city may by ordinance regulate, restrict, and prohibit the  
9 parking of vehicles on the public streets, alleys, and bridges within the city. When parking is  
10 permitted for a specified period of time at a particular location, a city may install a parking  
11 meter at that location and require any person parking a vehicle therein to place the meter in  
12 operation for the entire time that the vehicle remains in that location, up to the maximum time  
13 allowed for parking there. Parking meters may be activated by ~~coins or tokens.~~ coins, tokens,  
14 cash, credit cards, debit cards, or electronic means. Proceeds from the use of parking meters on  
15 public streets must be used to defray the cost of enforcing and administering traffic and parking  
16 ordinances and regulations.

17 ...."

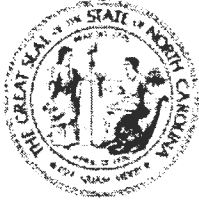
18 SECTION 2. This act applies to the City of Winston-Salem only.

19 SECTION 3. This act is effective when it becomes law.



\* H 4 3 - V - 1 \*





## HOUSE BILL 43: Winston-Salem/Parking Meters

2015-2016 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	February 17, 2015
<b>Introduced by:</b>	Reps. Conrad, Lambeth, Hanes, Terry	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 43 authorizes the City of Winston-Salem to accept payment for on-street metered parking by the additional methods of cash, credit cards, debit cards, or electronic means.*

[As introduced, this bill was identical to S8, as introduced by Sen. Krawiec, which is currently in Rules and Operations of the Senate.]

**CURRENT LAW:** Current G.S. 160A-301 authorizes municipalities to regulate on-street parking, install parking meters, and provide for parking meter payment by coins or tokens.

**BILL ANALYSIS:** House Bill 43 authorizes the City of Winston-Salem to accept payment for on-street metered parking by the additional methods of cash, credit cards, debit cards, or electronic means.

**EFFECTIVE DATE:** House Bill 43 applies to the City of Winston-Salem only, and is effective when it becomes law.

**BACKGROUND:** Similar legislation has been enacted for the Cities of Durham and Raleigh, and the Towns of Atlantic Beach, Beaufort, and Chapel Hill. (S.L. 2009-164, S.L. 2011-79, S.L. 2014-34).

A bill with similar provisions, applicable Statewide, has been introduced in the Senate this session. (Senate Bill 52).

O. Walker Reagan  
Director



\* H 4 3 - S M R W - 2 E 1 - V 2 \*

Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 44

Short Title: Cities/Overgrown Vegetation Notice.

(Public)

Sponsors: Representatives Conrad, Lambeth, Hanes, and Terry (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Regulatory Reform.

February 5, 2015

A BILL TO BE ENTITLED

AN ACT AUTHORIZING CITIES TO PROVIDE ANNUAL NOTICE TO CHRONIC VIOLATORS OF OVERGROWN VEGETATION ORDINANCES BY REGULAR MAIL AND POSTING.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-200 reads as rewritten:

**"§ 160A-200. Annual notice to chronic violators of overgrown vegetation ordinances.**

(a) A municipality may notify a chronic violator of the municipality's overgrown vegetation ordinance that, if the violator's property is found to be in violation of the ordinance, the municipality shall, without further notice in the calendar year in which notice is given, take action to remedy the violation and the expense of the action shall become a lien upon the property and shall be collected as unpaid taxes. The initial annual notice shall be served by registered or certified mail. When service is attempted by registered or certified mail, a copy of the notice may also be sent by regular mail. Service shall be deemed sufficient if the registered or certified mail is unclaimed or refused, but the regular mail is not returned by the post office within 10 days after the mailing. If service by regular mail is used, a copy of the notice shall be posted in a conspicuous place on the premises affected. A chronic violator is a person who owns property whereupon, in the previous calendar year, the municipality took remedial action at least three times under the overgrown vegetation ordinance.

(b) Repealed by Session Laws 2009-19, s. 1, effective April 30, 2009."

**SECTION 2.** This act is effective when it becomes law.



\* H 4 4 - V - 1 \*





## HOUSE BILL 44: Cities/Overgrown Vegetation Notice

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Regulatory Reform	<b>Date:</b>	February 13, 2015
<b>Introduced by:</b>	Reps. Conrad, Lambeth, Hanes, Terry	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 44 changes the requirements for the annual notice to a chronic violator of a municipal overgrown vegetation ordinance, to authorize notice by regular mail and posting.*

[As introduced, this bill was identical to S53, as introduced by Sens. Krawiec, Lowe, which is currently in Senate Judiciary II.]

**CURRENT LAW:** Current law requires the initial annual notice to a chronic violator of a municipal overgrown vegetation ordinance be sent by registered or certified mail.

**BILL ANALYSIS:** House Bill 44 changes the requirements for the annual notice to a chronic violator of a municipal overgrown vegetation ordinance:

- to provide that if service is attempted by registered and certified mail, *notice can also be sent by regular mail;*
- to provide that service will be deemed sufficient if the certified mail is unclaimed or refused, but the *regular mail is not returned with 10 days of mailing;* and
- to require a copy of the *notice to also be posted on the premises, if regular mail notice is used.*

This proposed change would enact the same notice procedure currently provided in law for chronic violators of a municipal nuisance ordinance (G.S. 160A-200.1), or for notice of other municipal orders or complaints (G.S. 160A-445).

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Under current law, a municipality can enact an overgrown vegetation ordinance, charge a chronic violator of the ordinance for the expense of remedying violations, and collect the cost of remedying violations in the same manner as collection of unpaid property taxes. (G.S. 160A-174, G.S. 160A-175, and G.S. 160A-193; Art 26 of Chapter 105 of the General Statutes).

Current law defines a chronic violator of an overgrown vegetation ordinance as a person who has had remedial action taken against their property at least three times in the previous calendar year. (G.S. 160A-200).

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

**H**

**1**

**HOUSE BILL 55**

Short Title:   Public Exhibit of Fireworks/NCSU. (Public)

Sponsors:   Representatives Dollar, Langdon, Ross, and D. Hall (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to:   Local Government.

February 9, 2015

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE LAW REGARDING PYROTECHNIC EXHIBITIONS  
AUTHORIZED BY NORTH CAROLINA STATE UNIVERSITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 14-410(a1) reads as rewritten:

"(a1) It shall be permissible for pyrotechnics to be exhibited, used, handled, manufactured, or discharged within the State, provided all of the following apply:

- (1) The exhibition, use, or discharge is at a concert or public exhibition.
- (2) All individuals who exhibit, use, handle, or discharge pyrotechnics in connection with a concert or public exhibition have completed the training and licensing required under Article 82A of Chapter 58 of the General Statutes. The display operator or proximate audience display operator, as required under Article 82A of Chapter 58 of the General Statutes, must be present at the concert or public exhibition and must personally direct all aspects of exhibiting, using, handling, or discharging the pyrotechnics. Notwithstanding this subdivision, the display operator for the University of North Carolina School of the Arts may appoint an on-site representative to supervise any performances that include a proximate audience display subsequent to the opening performance, provided that the representative (i) is a minimum of 21 years of age and (ii) is properly trained in the safe discharge of proximate audience displays.
- (3) The display operator has secured written authority under G.S. 14-413 from the board of county commissioners of the county, or the city if authorized under G.S. 14-413(a1), in which the pyrotechnics are to be exhibited, used or discharged. Written authority from the board of commissioners or city is not required under this subdivision for a concert or public exhibition provided the display operator has secured written authority from (i) The University of North Carolina or the University of North Carolina at Chapel Hill under G.S. 14-413, and pyrotechnics are exhibited on lands or buildings in Orange County owned by The University of North Carolina or the University of North Carolina at Chapel Hill or Hill, (ii) the University of North Carolina School of the Arts and pyrotechnics are exhibited on lands or in buildings owned by the State and used by the University of North Carolina School of the Arts, Arts, or (iii) The University of North Carolina or North Carolina State University under G.S. 14-413, and pyrotechnics are exhibited on lands





or buildings in Wake County owned by The University of North Carolina or North Carolina State University."

**SECTION 2.** G.S. 14-413 reads as rewritten:

**"§ 14-413. Permits for use at public exhibitions.**

(a) For the purpose of enforcing the provisions of this Article, the board of county commissioners of any county, or the governing board of a city authorized pursuant to subsection (a1) of this section, may issue permits for use in connection with the conduct of concerts or public exhibitions, such as fairs, carnivals, shows of all descriptions and public celebrations, but only after satisfactory evidence is produced to the effect that said pyrotechnics will be used for the aforementioned purposes and none other. Provided that no such permit shall be required for a public exhibition under any of the following circumstances:

- (1) The exhibition is authorized by The University of North Carolina or the University of North Carolina at Chapel Hill and conducted on lands or in buildings in Orange County owned by The University of North Carolina or the University of North Carolina at Chapel Hill.
- (2) The exhibition is authorized by the University of North Carolina School of the Arts and conducted on lands or in buildings owned by the State and used by the University of North Carolina School of the Arts.
- (3) The exhibition is authorized by The University of North Carolina or North Carolina State University and conducted on lands or in buildings in Wake County owned by The University of North Carolina or North Carolina State University.

(a1) For the purpose of enforcing the provisions of this Article, a board of county commissioners may authorize the governing body of any city in the county to issue permits pursuant to the provisions of this Article for pyrotechnics to be exhibited, used, or discharged within the corporate limits of the city for use in connection with the conduct of concerts or public exhibitions. The board of county commissioners shall adopt a resolution granting the authority to the city, and it shall remain in effect until withdrawn by the board of county commissioners adopting a subsequent resolution withdrawing the authority. If a city lies in more than one county, the board of county commissioners of each county in which the city lies must adopt an authorizing resolution. If any county in which the city lies withdraws the authority of the city to issue permits for the use of pyrotechnics, the authority of the city to issue permits for the use of pyrotechnics will end, and all counties within which the city lies must resume their authority to issue the permits.

(b) For any indoor use of pyrotechnics at a concert or public exhibition, the board of commissioners or the governing body of an authorized city may not issue any permit unless the local fire marshal or the State Fire Marshal (or in the case of The University of North Carolina ~~or Carolina~~, the University of North Carolina at Chapel Hill ~~Hill~~, or North Carolina State University) it may not authorize such concert or public exhibition unless the State Fire Marshal) has certified that:

- (1) Adequate fire suppression will be used at the site.
- (2) The structure is safe for the use of such pyrotechnics with the type of fire suppression to be used.
- (3) Adequate egress from the building is available based on the size of the expected crowd.

(c) The requirements of subsection (b) of this section also apply to any city authorized to grant pyrotechnic permits by local act and to the officer delegated the power to grant such permits by local act.

(d) A board of county commissioners or the governing board of a city shall not issue a permit under this section unless the display operator provides proof of insurance in the amount of at least five hundred thousand dollars (\$500,000) or the minimum amount required under the



1 North Carolina State Building Code pursuant to G.S. 143-138(e), whichever is greater. A board  
2 of county commissioners or the governing board of a city may require proof of insurance that  
3 exceeds these minimum requirements."

4 **SECTION 3.** This act is effective when it becomes law.





# HOUSE BILL 55: Public Exhibit of Fireworks/NCSU

2015-2016 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	February 17, 2015
<b>Introduced by:</b>	Reps. Dollar, Langdon, Ross, D. Hall	<b>Prepared by:</b>	Kelly Quick Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 55 exempts North Carolina State University (NCSU) from being required to obtain approval from the board of county commissioners to host pyrotechnic events on campus.*

## CURRENT LAW:

G.S. 14-410 prohibits the manufacture, sale, and use of pyrotechnics within the State except when all of the following apply:

- The exhibition, use, or discharge is at a concert or public exhibition.
- All individuals who exhibit, use, handle, or discharge pyrotechnics in connection with a concert or public exhibition have completed the training required under the law by the Office of the State Fire Marshal and are present at the event and personally direct all aspects of the pyrotechnics exhibition.
- The local permitting requirements of G.S. 14-413 are met.

G.S. 14-413 authorizes the board of county commissioners of a county, or the governing board of a city if the board of commissioners adopts a resolution granting authority to the city, to issue permits for the use of pyrotechnics at concerts or public exhibitions. Permits issued by the board of county commissioners are not required if the exhibition is authorized by one of the following:

- The University of North Carolina (UNC) or UNC-Chapel Hill and conducted on lands or in buildings owned by UNC or UNC-Chapel Hill.
- The University of North Carolina School of the Arts and conducted on lands or in buildings owned by the State and used by the School of the Arts.

For any indoor use of pyrotechnics at a concert or public exhibition, the board of commissioners or the governing body of an authorized city may not issue a permit unless the local fire marshal has certified that (i) adequate fire suppression will be used at the site, (ii) the structure is safe for the use of the pyrotechnics with the type of fire suppression to be used, and (iii) adequate egress from the building is available based on the size of the expected crowd. For any indoor use of pyrotechnics at a concert or public exhibition at the University of North Carolina or the University of North Carolina at Chapel Hill, the State Fire Marshal must certify the same requirements.

**BILL ANALYSIS:** House Bill 55 provides that local government permitting authority does not apply to concerts or exhibitions authorized by UNC or NCSU and conducted on University-owned lands or in University-owned buildings in Wake County. NCSU's exemption is identical to UNC's exemption in current law for University-owned lands and buildings in Orange County. Just like UNC, NCSU would still be required to obtain a State permit from the State Fire Marshal for pyrotechnic events, as this bill only exempts NCSU from also having to get permission from the board of county commissioners to host a pyrotechnic event in Wake County.

**EFFECTIVE DATE:** This act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 58

Short Title: Alamance County Sheriff/Food Purchases. (Local)

Sponsors: Representatives Riddell and Ross (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

February 9, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT PROVIDING THAT THE ALAMANCE COUNTY SHERIFF'S OFFICE MAY  
3 CONTRACT FOR THE PURCHASE OF FOOD AND SUPPLIES FOR THE COUNTY'S  
4 DETENTION FACILITY WITHOUT BEING SUBJECT TO THE REQUIREMENTS OF  
5 CERTAIN STATE PURCHASE AND CONTRACT LAWS.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The Alamance County Sheriff's Office may contract for the purchase  
8 of food and supplies for the County's detention facility without being subject to the  
9 requirements of G.S. 143-129 and G.S. 143-131.

10 **SECTION 2.** This act is effective when it becomes law.



★ H 5 8 - V - 1 ★



*This was in bill jacket of com. sub. - out of Local Govt. -*



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 58

*do not need  
in jacket*

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H58-AST-3 [v.1]

Page 1 of 1

Comm. Sub. [NO]  
Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2015

Representative Fisher

- 1 moves to amend the bill on page 1, line 8, by inserting "food services" between "and" and  
2 "supplies" on that line.

SIGNED

*Susan Fisher*  
Amendment Sponsor

SIGNED

\_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED



★ H 5 8 - A S T - 3 - V - 1 ★





# HOUSE BILL 58: Alamance County Sheriff/Food Purchases

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Riddell, Ross  
**Analysis of:** First Edition

**Date:** February 17, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *House Bill 58 would exempt all purchases of food and supplies from the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-313 by the Alamance County Sheriff for the detention facility.*

**CURRENT LAW:** Article 8 of Chapter 143 sets out the current general law for public building contracts. That Article generally requires separate or single-prime bidding.

The sections of Article 8 for construction or renovations of buildings that require or imply the separate or single-prime bidding process are:

- G.S. 143-128, regarding separate specifications for HVAC, Plumbing, Electrical, and general contract work under separate prime or single-prime bidding.
- G.S. 143-129, regarding formal bidding for public construction over \$500, 000 and goods over \$90,000.
- G.S. 143-131, regarding informal bidding procedures
- G.S. 143-132, concerning the minimum number of bids for a public construction contract.

A public school is not required to comply with the requirement to purchase all supplies under Article 8 of Chapter 143 when purchasing supplies and food for such school food services. G.S. 115C-264(c)

**BILL ANALYSIS:** The bill exempts the County of Alamance Sheriff from complying with G.S. 143-129 and G.S. 143-131 when the Sheriff is purchasing food and supplies for the detention facility.

**EFFECTIVE DATE:** Effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 71

Short Title: Clarify County Comm Oath Filing. (Public)

Sponsors: Representatives Hurley and McNeill (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

February 12, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY WITH WHOM THE OATH OF OFFICE TAKEN BY MEMBERS  
3 OF EACH BOARD OF COUNTY COMMISSIONERS SHOULD BE FILED.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 153A-26 reads as rewritten:

6 "**§ 153A-26. Oath of office.**

7 Each person elected by the people or appointed to a county office shall, before entering  
8 upon the duties of the office, take and subscribe the oath of office prescribed in Article VI, Sec.  
9 7 of the Constitution. The oath of office shall be administered by some person authorized by  
10 law to administer oaths and shall be filed with the ~~clerk~~ clerk to the board of commissioners.

11 On the first Monday in December following each general election at which county officers  
12 are elected, the persons who have been elected to county office in that election shall assemble  
13 at the regular meeting place of the board of commissioners. At that time each such officer shall  
14 take and subscribe the oath of office. An officer not present at this time may take and subscribe  
15 the oath at a later time."

16 **SECTION 2.** This act becomes effective October 1, 2015.







## HOUSE BILL 71: Clarify County Comm Oath Filing

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Hurley, McNeill  
**Analysis of:** First Edition

**Date:** March 2, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 71 clarifies that the oath of office taken by a member of a board of county commissioners must be filed with the clerk to the board of commissioners.*

**CURRENT LAW:** Current G.S. 153A-26 requires that the oath of office of a person appointed or elected to a board of county commissioners must be filed with the "clerk". "Clerk" is defined in G.S. 153A-1(2) as the clerk to the board of commissioners.

**BILL ANALYSIS:** House Bill 71 amends State law to further clarify that an oath of a person appointed or elected to a board of county commissioners must be filed with the clerk to the board of county commissioners.

**EFFECTIVE DATE:** This act becomes effective October 1, 2015.

**BACKGROUND:** G.S. 14-229 requires all oaths of office to be filed in the "proper office" for oaths. Prior to 1974, State law required a commissioner oath to be filed with the local clerk of superior court. (G.S. 153-7, *repealed*).

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

•  
•



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

H

D

HOUSE BILL 73

PROPOSED COMMITTEE SUBSTITUTE H73-CSSTx-3 [v.1]

2/24/2015 8:13:46 PM

Short Title: Cary Annexation.

(Local)

Sponsors:

Referred to:

February 12, 2015

A BILL TO BE ENTITLED

AN ACT TO ADD CERTAIN DESCRIBED PROPERTY TO THE CORPORATE LIMITS  
OF THE TOWN OF CARY.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property is added to the corporate limits of  
the Town of Cary:

All of the Holly Brook Subdivision, Phases 1, 2 and 3, except the 0.21 acre strip of  
land in the Town of Apex's Utility Service Area, which is more particularly described as  
follows:

Beginning at an existing iron pipe on the western right of way line of Kildaire Farm  
Road (60' Public R/W), said iron pipe being the easternmost common corner of lands now or  
formerly owned by Woodhaven Baptist Church, Inc. as recorded in Deed Book 8812, Page 791  
of the Wake County registry and lands now or formerly known as Holly Brook Subdivision as  
recorded in Book of Maps 1987, Page 451; Book of Maps 1990, Page 688; Book of Maps 1992,  
Page 1099; and Book of Maps 1992, Page 1166 of the Wake County registry, thence with the  
western right of way line of Kildaire Farm Road the following four (4) calls South 03°15'54"  
West 84.79 feet to an existing iron pipe in the northern right of way intersection of Kildaire  
Farm Road and Holly Brook Drive (60' Public R/W), thence continuing with the right of way of  
Kildare Farm Road South 03°15'54" West 97.33 feet to a point, thence South 03°15'58" West  
22.68 feet to an existing iron pipe in the southern right of way intersection of Kildaire Farm  
Road and Holly Brook Drive, thence continuing with the right of way of Kildaire Farm Road  
South 03°15'58" West 700.73 feet to an existing iron pipe, said iron pipe being the northeastern  
most common corner of Hallmark West Subdivision as recorded in Book of Maps 1994, Page  
452 of the Wake County registry and Holly Brook Subdivision, thence with the common line of  
Hallmark West Subdivision North 87°35'34" West 955.19 feet to an existing iron pipe, thence  
continuing with the common line of Hallmark West Subdivision crossing the right of way of  
Perney Court (50' Public R/W) and past the southernmost common corner of Hallmark West  
Subdivision with the common line of lands now or formerly owned by Triangle Community  
Church as recorded in Deed Book 8892, Page 764 and Book of Maps 2001, Page 1178 of the  
Wake County Registry South 02°24'46" West 1241.46 feet to an existing iron pipe, said pipe  
being the common corner of Holly Brook Subdivision, Triangle Community Church, and lands  
now or formerly owned by BRIARTAC Family, LLC as recorded in Deed Book 13812, Page  
334 and Book of Maps 1982, Page 168 of the Wake County Registry, thence leaving the  
common line of Triangle Community Church with the common line of BRIARTAC Family,  
LLC North 83°46'41" West 399.31 feet to an existing iron pipe, thence North 83°46'41" West  
8.00 feet to a point in the creek, said point being the common corner of Holly Brook



\* H 7 3 - C S S T X - 3 - V - 1 \*

1 Subdivision, BRIARTAC Family, LLC and lands now or formerly known as Allendale Acres  
2 Subdivision as recorded in Book of Maps 1984, Page 734 of the Wake County registry, thence  
3 leaving the common line of BRIARTAC Family, LLC with the common line of Allendale  
4 Acres Subdivision North 83°46'28" West 1588.86 feet to an existing iron pipe, thence North  
5 03°50'41" West 18.67 feet to an existing concrete monument in the southern right of way of  
6 Stephenson Road (60' Public R/W), thence leaving the common line of Allendale Acres  
7 Subdivision with the right of way of Stephenson Road the following eight (8) calls North  
8 18°35'46" East 47.91 feet to an existing iron pipe, thence North 19°30'55" East 105.23 feet to  
9 an existing iron pipe, thence North 16°28'52" East 67.29 feet to an existing iron pipe, thence  
10 North 16°28'52" East 20.00 feet to an existing iron pipe, thence North 16°28'52" East 13.62  
11 feet to an existing iron pipe, thence North 15°03'43" East 101.40 feet to an existing iron pipe,  
12 thence North 15°06'53" East 52.75 feet to an existing iron pipe, said pipe being the  
13 westernmost common corner of Holly Brook Subdivision and lands now or formerly known as  
14 Briarwood Farms Subdivision as recorded in Book of Maps 1983, Page 1357; Book of Maps  
15 1984, Page 277; and Book of Maps 1984, Page 278 of the Wake County registry, thence  
16 leaving the right of way of Stephenson Road with the common line of Briarwood Farms  
17 Subdivision the following two (2) calls North 89°24'26" East 505.53 feet to an existing iron  
18 pipe, thence North 15°35'08" East 1349.63 feet to an existing iron pipe, said iron pipe being the  
19 common corner of Holly Brook Subdivision; Briarwood Farms Subdivision; and lands now or  
20 formerly known as Kildaire Estates Subdivision as recorded in Book of Maps 1988, Page 1452  
21 and Book of Maps 1994, Page 208 of the Wake County registry, thence leaving the common  
22 line of Briarwood Farms Subdivision with the common line of Kildaire Estates Subdivision the  
23 following three (3) calls South 86°12'30" East 1076.82 feet to an existing iron pipe, thence  
24 North 02°51'19" East 286.17 feet to an existing iron pipe, thence continuing with the common  
25 line of Kildaire Estates Subdivision and past the southern common corner of Kildaire Estates  
26 Subdivision with the common line of Woodhaven Baptist Church, Inc. South 87°35'08" East  
27 968.71 feet to the point and place of beginning containing 3455302 sq. ft. or 79.323 acres more  
28 or less and being area depicted as Holly Brook Subdivision Phases 1, 2, and 3 as recorded in  
29 Book of Maps 1987, Page 451; Book of Maps 1990, Page 688; Book of Maps 1992, Page 1099;  
30 and Book of Maps 1992, Page 1166 of the Wake County registry.

31 **SECTION 2.** This act becomes effective June 30, 2015.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 73

Short Title: Cary Annexation. (Local)

Sponsors: Representative Dollar (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

February 12, 2015

A BILL TO BE ENTITLED

AN ACT TO ADD CERTAIN DESCRIBED PROPERTY TO THE CORPORATE LIMITS  
OF THE TOWN OF CARY.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property is added to the corporate limits of  
the Town of Cary:

All of the Holly Brook Subdivision, Phases 1, 2 and 3, except the 0.21 acre strip of  
land in the Town of Apex's Utility Service Area, which is more particularly described as  
follows:

Beginning at an existing iron pipe on the western right of way line of Kildaire Farm  
Road (60' Public R/W), said iron pipe being the easternmost common corner of lands now or  
formerly owned by Woodhaven Baptist Church, Inc. as recorded in Deed Book 8812, Page 791  
of the Wake County registry and lands now or formerly known as Holly Brook Subdivision as  
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Wake County Registry South 02°24'46" West 1241.46 feet to an existing iron pipe, said pipe  
being the common corner of Holly Brook Subdivision, Triangle Community Church, and lands  
now or formerly owned by BRIARTAC Family, LLC as recorded in Deed Book 13812, Page  
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common line of Triangle Community Church with the common line of BRIARTAC Family,  
LLC North 83°46'41" West 399.31 feet to an existing iron pipe, thence North 83°46'41" West



\* H 7 3 - V - 1 \*



1 8.00 feet to a point in the creek, said point being the common corner of Holly Brook  
2 Subdivision, BRIARTAC Family, LLC and lands now or formerly known as Allendale Acres  
3 Subdivision as recorded in Book of Maps 1984, Page 734 of the Wake County registry, thence  
4 leaving the common line of BRIARTAC Family, LLC with the common line of Allendale  
5 Acres Subdivision North 83°46'28" West 1588.86 feet to an existing iron pipe, thence North  
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11 North 16°28'52" East 20.00 feet to an existing iron pipe, thence North 16°28'52" East 13.62  
12 feet to an existing iron pipe, thence North 15°03'43" East 101.40 feet to an existing iron pipe,  
13 thence North 15°06'53" East 52.75 feet to an existing iron pipe, said pipe being the  
14 westernmost common corner of Holly Brook Subdivision and lands now or formerly known as  
15 Briarwood Farms Subdivision as recorded in Book of Maps 1983, Page 1357; Book of Maps  
16 1984, Page 277; and Book of Maps 1984, Page 278 of the Wake County registry, thence  
17 leaving the right of way of Stephenson Road with the common line of Briarwood Farms  
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28 968.71 feet to the point and place of beginning containing 3455302 sq. ft. or 79.323 acres more  
29 or less and being area depicted as Holly Brook Subdivision Phases 1, 2, and 3 as recorded in  
30 Book of Maps 1987, Page 451; Book of Maps 1990, Page 688; Book of Maps 1992, Page 1099;  
31 and Book of Maps 1992, Page 1166 of the Wake County registry.

32 **SECTION 2.** This act becomes effective July 1, 2015.





# HOUSE BILL 73: Cary Annexation

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	February 24, 2015
<b>Introduced by:</b>	Rep. Dollar	<b>Prepared by:</b>	R. Erika Churchill
<b>Analysis of:</b>	PCS to First Edition H73-CSSTx-3		Committee Counsel

**SUMMARY:** *House Bill 73 annexes certain property into the corporate limits of the Town of Cary.*

**CURRENT LAW:** Annexation is a method by which municipalities alter their boundaries. The municipality must follow the statutorily prescribed steps in order to add an area into its boundaries. The municipality must provide, or contract to provide, basic services to the area. These services include police protection, fire protection, solid waste collection and the extension of water and sewer lines to the area.

North Carolina law sets forth four basic ways in which a municipality may annex an area.

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

**BILL ANALYSIS:** The pcs annexes a all of the Holly Brook subdivision, Phases 1, 2, and 3, into the corporate limits of the Town of Cary.

**EFFECTIVE DATE:** June 30, 2015





NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair

Representative Carl Ford, Co-Chair

FAVORABLE

HB 43

Winston-Salem/Parking Meters.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Terry

HB 55

Public Exhibit of Fireworks/NCSU.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Dollar

HB 71

Clarify County Comm Oath Filing.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Hurley

FAVORABLE AND RE-REFERRED

HB 44

Cities/Overgrown Vegetation Notice.

Draft Number: None  
~~Serial Referral:~~ REGULATORY REFORM  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Conrad

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL

HB 58

Alamance County Sheriff/Food Purchases.

Draft Number: H58-PCS10081-ST-5  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Riddell





FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED

HB 73

Cary Annexation.

Draft Number: H73-PCS10080-STx-3

Serial Referral: FINANCE

Recommended Referral: None

Long Title Amended: No

Floor Manager: Dollar

TOTAL REPORTED: 6



★ C M R 2 4 - V - 1 ★



Committee Sergeants at Arms

NAME OF COMMITTEE House Comm. on Local Gov.

DATE: 05/05/15

Room: 643

House Sgt-At Arms:

1. Name: Young Bae

2. Name: Bill Morris

3. Name: Jim Moran

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_

*CEVA Checkill*

Senate Sgt-At Arms:

1. Name: \_\_\_\_\_

2. Name: \_\_\_\_\_

3. Name: \_\_\_\_\_

4. Name: \_\_\_\_\_

5. Name: \_\_\_\_\_



**Thursday, March 5**  
EDUCATION K-12

**Room**  
643

**Time**  
10:00 am

<b>Name</b>	<b>County</b>	<b>Sponsor</b>
Drew West	Buncombe	Michele D. Presnell
Anna DeGrauw	Mecklenburg	John R. Bradford, III



# VISITOR REGISTRATION SHEET

Local Government  
Name of Committee

3/5/15  
Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME	FIRM OR AGENCY AND ADDRESS
Jim Johnson	BSA
JAKE PARKER	NCFB
PAUL SHERMAN	NCFB
Dana Fenton	City of Charlotte
Fred Bone	Bone Assoc.
Dana Clark	Dept of Govt.
Penny Griffin	School of Govt.
Mike Carpenter	NCHBA
Steven Webb	NCHBA
Chris Thomas	Fox Carolina
Julianne	NCHMC



# VISITOR REGISTRATION SHEET

Local Government  
Name of Committee

3/5/15  
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Rose Williams	NCLM
Shawna Martin	NCLM
Tim Bailey	Town of Cary
Albra Cozart	USS
John B. B. B.	ref
Allen Hardison	CRSWMH
Mio Bailey	ElectriCity
Michelle Frazier	MFIS
M. Sillian D. Totman	MWC LLC



**Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Wednesday, March 18, 2015 02:25 PM  
**To:** Rep. Mark Brody; Rep. Michele Presnell; Rep. Tricia Cotham; Rep. Carla Cunningham; Rep. John Bradford; Rep. Dan Bishop; Rep. Paul Stam; Rep. Darren Jackson; Rep. Ken Goodman; Rep. John Fraley  
**Cc:** Neva Helms (Rep. Mark Brody); John Wall (Rep. Michele Presnell); Carol Erichsen (Rep. Tricia Cotham); Sherrie Burnette (Rep. Carla Cunningham); Anita Spence (Rep. John Bradford); David Larson (Rep. Dan Bishop); Anne Murtha (Rep. Paul Stam); Angela McMillan (Rep. Darren Jackson); Judy Veorse (Rep. Ken Goodman); Carol Wakely (Rep. John Fraley)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Thursday, March 19, 2015 at 10:00 AM - CORRECTED #1  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

**Corrected #1: House Bills 11 and 128 have been removed.**

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, March 19, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ford Presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 99	Town of Polkton/Deannexation.	Representative Brody
HB 131	Town of Maggie Valley/Deannexation.	Representative Presnell
HB 143	Charlotte/Civil Service Board.	Representative Bishop
		Representative Cunningham
		Representative Cotham
		Representative Bradford
		Representative Stam
		Representative Goodman
		Representative Jackson
		Representative Fraley
HB 201	Zoning Changes/Citizen Input.	



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 2:24 PM on Wednesday, March 18, 2015.

\_\_\_ Principal Clerk  
\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government  
Thursday, March 19, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
✓ HB 99	Town of Polkton/Deannexation.	✓ Representative Brody
✓ HB 131	Town of Maggie Valley/Deannexation.	✓ Representative Presnell
✓ HB 143	Charlotte/Civil Service Board.	Representative Bishop
		Representative Cunningham
		Representative Cotham
		Representative Bradford
✓ HB 201	Zoning Changes/Citizen Input.	Representative Stam
		Representative Goodman
		Representative Jackson
		Representative Fraley

**Adjournment**



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 99

Short Title: Town of Polkton/Deannexation. (Local)

Sponsors: Representative Brody (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

February 24, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
3 LIMITS OF THE TOWN OF POLKTON.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The following described property is removed from the corporate  
6 limits of the Town of Polkton:

7 The area containing 81.5 acres, more or less, shown on a plat entitled "Map of  
8 Annexation for the Town of Polkton," dated January 13, 2003, prepared by William G. Martin,  
9 R.L.S., and found at Plat Book A-189, Page 7, Anson County Registry.

10 **SECTION 2.** This act has no effect upon the validity of any liens of the Town of  
11 Polkton for ad valorem taxes or special assessments outstanding before the effective date of this  
12 act. Such liens may be collected or foreclosed upon after the effective date of this act as though  
13 the property described in Section 1 of this act were still within the corporate limits of the Town  
14 of Polkton.

15 **SECTION 3.** This act becomes effective July 1, 2015.







## HOUSE BILL 99: Town of Polkton/Deannexation

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	March 19, 2015
<b>Introduced by:</b>	Rep. Brody	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 99 would deannex 81.5 acres from the Town of Polkton.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexation. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

**BILL ANALYSIS:** House Bill 99 would deannex 81.5 acres from the Town of Polkton in Anson County.

Property taxes and special assessments imposed by the Town of Polkton before the effective date are valid and may be collected as if the property were still in the Town of Polkton.

**EFFECTIVE DATE:** This act becomes effective July 1, 2015.

**BACKGROUND:** Pursuant to a Town ordinance dated December 2, 2002, the Town satellite annexed 81.5 acres of real property. On February 2, 2015, the Town of Polkton Board of Commissioners approved a resolution to request that the Town's legislative delegation deannex the property from the corporate limits of the Town. The real property owners in the area to be deannexed wrote letters in support of the resolution.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 131

Short Title: Town of Maggie Valley/Deannexation. (Local)

Sponsors: Representative Presnell (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 4, 2015

A BILL TO BE ENTITLED  
AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
LIMITS OF THE TOWN OF MAGGIE VALLEY.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property is removed from the corporate limits of the Town of Maggie Valley:

BEGINNING at an Iron Pin (Control Corner); thence N 27°09'35" W a distance of 207.49'; thence N 27°07'24" W a distance of 144.40'; thence N 26°48'51" W a distance of 236.38'; thence N 28°02'59" W a distance of 156.90'; thence N 89°16'42" W a distance of 191.83'; thence N 88°47'13" W a distance of 309.75'; thence S 16°24'11" W a distance of 61.42'; thence S 08°33'54" E a distance of 368.29'; thence S 33°24'25" W a distance of 85.87'; thence N 84°49'43" W a distance of 127.76'; thence S 09°04'49" W a distance of 313.29'; thence S 85°08'16" E a distance of 69.71'; thence S 70°40'39" E a distance of 104.17'; thence N 82°31'31" E a distance of 72.47'; thence S 76°05'07" E a distance of 31.50'; thence S 02°28'26" E a distance of 27.04'; thence S 66°52'06" E a distance of 266.48'; thence N 59°43'35" E a distance of 216.89'; thence N 61°12'08" E a distance of 106.69'; thence N 61°09'22" E a distance of 64.63'; thence N 60°24'40" E a distance of 201.32'; which is the point of BEGINNING, having an area of 14.738 acres.

**SECTION 2.** This act has no effect upon the validity of any liens of the Town of Maggie Valley for ad valorem taxes or special assessments outstanding before the effective date of this act. Such liens may be collected or foreclosed upon after the effective date of this act as though the property described in Section 1 of this act were still within the corporate limits of the Town of Maggie Valley.

**SECTION 3.** This act becomes effective July 1, 2015.







## HOUSE BILL 131: Town of Maggie Valley/Deannexation

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	March 19, 2015
<b>Introduced by:</b>	Rep. Presnell	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 131 would deannex 14.738 acres from the Town of Maggie Valley.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexation. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

**BILL ANALYSIS:** House Bill 131 would deannex 14.738 acres from the Town of Maggie Valley in Haywood County.

Property taxes and special assessments imposed by the Town of Maggie Valley before the effective date are valid and may be collected as if the property were still in the Town of Maggie Valley.

**EFFECTIVE DATE:** This act becomes effective July 1, 2015.

**BACKGROUND:** The property in House Bill 131 (the Evergreen Heights neighborhood) was part of the 116.121 acres annexed by the Town on June 17, 2008. Since July 1, 2008, the neighborhood has received Town services, including police protection, solid waste collection, street maintenance, wastewater collection, and street lighting. On March 9, 2015, the Town Alderman approved Resolution 15-2 to oppose House Bill 131 by a 4-1 vote.

O. Walker Reagan  
Director



\* H 1 3 1 - S M T H - 1 6 E 1 - V 3 \*

Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 143

Short Title: Charlotte/Civil Service Board. (Local)

Sponsors: Representatives Bishop, Cunningham, Cotham, and Bradford (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 4, 2015

A BILL TO BE ENTITLED

AN ACT AMENDING THE CHARTER OF THE CITY OF CHARLOTTE TO INCREASE THE NUMBER OF MEMBERS ON THE CIVIL SERVICE BOARD FROM SEVEN TO NINE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 4.61 of Article III of Chapter 4 of the Charter of the City of Charlotte, being S.L. 2000-26, as amended by S.L. 2006-124, reads as rewritten:

"Section 4.61. **Civil service board; Membership, Powers and Duties.** (a) Establishment. There is hereby continued a Civil Service Board for the City of Charlotte, to consist of ~~seven~~ nine members; ~~four-six~~ members to be appointed by the Council and three members to be appointed by the Mayor. Each member shall serve for a term of three years. In case of a vacancy on the Board, the Council or the Mayor, as the case may be, shall fill such vacancy for the unexpired term of said member. ~~For the purposes of establishing a quorum of the Board, any combination of Board members and alternates totaling three~~ Five members shall constitute a quorum. All Board members shall attend regular meetings for the purposes of meeting attendance policy and familiarity with Board business and procedures. Attendance at meetings and continued service on the Board shall be governed by the attendance policies established by the Council. Vacancies resulting from a member's failure to attend the required number of meetings or hearings shall be filled as provided herein.

(a1) Council May Increase Board Membership. Notwithstanding the provisions of subsection (a) of this section, the Council may, in its discretion, increase the number of Board members from nine to 11; seven members to be appointed by the Council and four members to be appointed by the Mayor. Six members shall constitute a quorum for the 11-member Board. At any time after increasing the number of Board members as authorized in this subsection, the Council may, in its discretion, reduce the number of members to nine, and those members shall be appointed as provided in subsection (a) of this section.

...

(j) Appeal Hearings. Upon receipt of a citation for termination from either chief or upon receipt of notice of appeal for a suspension from any civil service covered police officer or firefighter, the Board shall hold a hearing not less than 15 days nor more than 30 days from the date the notice of appeal, or the citation, is received by the Board, and shall promptly notify the officer of the hearing date. Termination hearings shall be held with a panel of five ~~made up of any combination of available members or alternates,~~ members, and suspension hearings shall be held with a panel of three ~~made up of any combination of available members or~~



1 ~~alternates members.~~ In the event an officer desires a hearing at a date other than that set by the  
2 Board within the period set forth above, such officer may file a written request for a change of  
3 hearing date setting forth the reasons for such request, and the Chair of the Board is empowered  
4 to approve or disapprove such request; provided that such request must be received by the  
5 Board at least seven days prior to the date set for the hearing. For good cause, the Chair of the  
6 Board may set a hearing date other than within the period set forth above, or may continue the  
7 hearing from time to time. In the conduct of its hearing, each member of the Board shall have  
8 the power to subpoena witnesses, administer oaths, and compel the production of evidence. If a  
9 person fails or refuses to obey a subpoena issued pursuant to this subsection, the Board may  
10 apply to the General Court of Justice, Superior Court Division, for an order requiring that its  
11 subpoena be obeyed, and the court shall have jurisdiction to issue these orders after notice to all  
12 parties. If any person, while under oath at a hearing of the Board, willfully swears falsely, such  
13 person shall be guilty of a Class 1 misdemeanor. Both the officer and the police or fire  
14 department shall have the right to present relevant evidence to the Board at its hearing. The  
15 officer must be furnished with a copy of the charges which have been brought against an officer  
16 and which will be heard by the Board. The officer shall be required to answer questions from  
17 members of the Board or the Board's counsel; however, the officer may refuse to answer any  
18 question where the answer might incriminate the officer with respect to any criminal violation  
19 of State or federal laws. The officer may be present at all evidentiary portions of the hearing,  
20 may retain counsel to represent the officer at the hearing, and may cross-examine those  
21 witnesses who testify against the officer. The officer will be given the right to an open or closed  
22 hearing as he may elect. After the evidentiary portion of the hearing is concluded, the Board  
23 will consider the evidence in closed session, and the Board will make findings of facts which  
24 will be provided to the officer together with a statement of the action taken by the Board on the  
25 basis of its findings of fact.

26 ...."

27 **SECTION 2.** This act is effective when it becomes law.



## HOUSE BILL 143: Charlotte/Civil Service Board

2015-2016 General Assembly

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<b>Committee:</b>	House Local Government	<b>Date:</b>	March 19, 2015
<b>Introduced by:</b>	Reps. Bishop, Cunningham, Cotham, Bradford	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	First Edition		

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**SUMMARY:** *House Bill 143 expands the Charlotte Civil Service Board from seven to nine members. In addition, the bill gives the Charlotte City Council the option of adding two additional members, for a total of 11.*

**CURRENT LAW:** The Charlotte Civil Service Board currently has seven members, four appointed by the City Council, and three appointed by the Mayor. The Civil Service Board's duties include establishing requirements for employment in the fire and police departments, and conducting hearings related to fire and police department employment actions.

**BILL ANALYSIS:** House Bill 143:

- Expands the Charlotte Civil Service Board to nine members, six appointed by the City Council, and three by the Mayor, with a five member quorum.
- Authorizes the City Council to add two additional members to the Board, seven appointed by the City Council, and four by the Mayor, with a six member quorum.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 201

Short Title: Zoning Changes/Citizen Input. (Public)

Sponsors: Representatives Stam, Goodman, Jackson, and Fraley (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 11, 2015

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE PROCESS BY WHICH THE CITY COUNCILS RECEIVE  
CITIZEN INPUT IN ZONING ORDINANCE AMENDMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-385(a) reads as rewritten:

"§ 160A-385. Changes.

(a) Qualified Protests/Citizen Comments.

(1) Zoning ordinances may from time to time be amended, supplemented, changed, modified or repealed. ~~In case, however, of a qualified protest against a zoning map amendment, that amendment shall not become effective except by favorable vote of three fourths of all the members of the city council. For the purposes of this subsection, vacant positions on the council and members who are excused from voting shall not be considered "members of the council" for calculation of the requisite supermajority. If any resident or property owner in the city submits a written statement regarding a proposed amendment, modification, or repeal to a zoning ordinance to the clerk to the board at least two business days prior to the proposed vote on such change, the clerk to the board shall deliver such written statement to the city council.~~

(2) ~~To qualify as a protest under this section, the petition must be signed by the owners of either (i) twenty percent (20%) or more of the area included in the proposed change or (ii) five percent (5%) of a 100 foot wide buffer extending along the entire boundary of each discrete or separate area proposed to be rezoned. A street right of way shall not be considered in computing the 100 foot buffer area as long as that street right of way is 100 feet wide or less. When less than an entire parcel of land is subject to the proposed zoning map amendment, the 100 foot buffer shall be measured from the property line of that parcel. In the absence of evidence to the contrary, the city may rely on the county tax listing to determine the "owners" of potentially qualifying areas.~~

(3) ~~The foregoing provisions concerning protests shall not be applicable to any amendment which initially zones property added to the territorial coverage of the ordinance as a result of annexation or otherwise, or to an amendment to an adopted (i) special use district, (ii) conditional use district, or (iii) conditional district if the amendment does not change the types of uses that~~



are ~~permitted within the district or increase the approved density for residential development, or increase the total approved size of nonresidential development, or reduce the size of any buffers or screening approved for the special use district, conditional use district, or conditional district."~~

**SECTION 2.** G.S. 160A-386 is repealed.

**SECTION 3.** G.S. 122C-403(3) reads as rewritten:

"(3) Regulate the development of the reservation in accordance with the powers granted in Article 19, Parts 2, 3, 3C, 5, 6, and 7, of Chapter 160A of the General Statutes. The Secretary may not, however, grant a special use permit, a conditional use permit, or a special exception under Part 3 of that Article. In addition, the Secretary is not required to notify landowners of zoning classification actions under G.S. 160A-384, ~~and the protest petition requirements in G.S. 160A-385, and 160A-386 do not apply,~~ but the Secretary shall give the mayor of the Town of Butner at least 14 days' advance written notice of any proposed zoning change. The Secretary may designate Advisory establish a board to act like a Board of Adjustment to make recommendations to the Secretary concerning implementation of plans for the development of the reservation. When acting as a Board of Adjustment, Advisory that board shall be subject to subsections (b), (c), (d), (f), and (g) of G.S. 160A-388."

**SECTION 4.** This act also repeals any local act authority for submission, review, or action by any municipality upon any zoning protest petition, whether or not enacted as a provision in a municipal charter.

**SECTION 5.** G.S. 160A-75 reads as rewritten:

**"§ 160A-75. Voting.**

No member shall be excused from voting except upon matters involving the consideration of the member's own financial interest or official conduct or on matters on which the member is prohibited from voting under G.S. 14-234, 160A-381(d), or 160A-388(e)(2). In all other ~~eases cases except votes taken under G.S. 160A-385,~~ a failure to vote by a member who is physically present in the council chamber, or who has withdrawn without being excused by a majority vote of the remaining members present, shall be recorded as an affirmative vote. The question of the compensation and allowances of members of the council is not a matter involving a member's own financial interest or official conduct.

An affirmative vote equal to a majority of all the members of the council not excused from voting on the question in issue, including the mayor's vote in case of an equal division, shall be required to adopt an ordinance, take any action having the effect of an ordinance, authorize or commit the expenditure of public funds, or make, ratify, or authorize any contract on behalf of the city. In addition, no ordinance nor any action having the effect of any ordinance may be finally adopted on the date on which it is introduced except by an affirmative vote equal to or greater than two thirds of all the actual membership of the council, excluding vacant seats and not including the mayor unless the mayor has the right to vote on all questions before the council. For purposes of this section, an ordinance shall be deemed to have been introduced on the date the subject matter is first voted on by the council."

**SECTION 6.** This act becomes effective May 1, 2015, and applies to zoning ordinance changes adopted on or after that date.



# HOUSE BILL 201: Zoning Changes/Citizen Input

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Stam, Goodman, Jackson, Fraley  
**Analysis of:** PCS to First Edition  
H201-CSST-8

**Date:** March 18, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 201 would remove the qualified protest petition process and implement a mechanism for citizen input into proposed zoning ordinance amendments, changes, modifications, repeals, or supplementations.*

**CURRENT LAW:** The city zoning statutes allow property owners within an area around the parcel affected by a proposed zoning change to sign protest petitions. There is no corresponding county provision. If enough qualified owners sign, the zoning change is subject to a  $\frac{3}{4}$  majority vote of the city council. For calculating the  $\frac{3}{4}$  majority, vacant seats and members excused from voting are not counted.

The  $\frac{3}{4}$  majority vote requirement after submission of a qualified protest petition statute only applies to amendments to the zoning map, except for any amendment that:

- Initially zones property added to the territorial coverage of the ordinance
- Is adopted to amend an existing (i) special use district, (ii) conditional use district, or (iii) conditional district, if that amendment does not do any of the following:
  - Change the types of uses that are permitted within the district.
  - Increase the approved density for residential development.
  - Increase the total approved size of nonresidential development.
  - Reduce the size of any buffers or screening approved for the special use district, conditional use district, or conditional district.

To qualify as a protest under this section, the petition must meet one of the following criteria:

1. Be signed by 20% or more of owners of the area included in the proposed change. OR
2. Be signed by 5% of the owners of a 100-foot-wide buffer extending along the entire boundary of each discrete or separate area proposed to be rezoned. A street right-of-way shall not be considered in computing the 100-foot buffer area as long as that street right-of-way is 100 feet wide or less. When less than an entire parcel of land is subject to the proposed zoning map amendment, the 100-foot buffer shall be measured from the property line of that parcel.

In the absence of evidence to the contrary, the city may rely on the county tax listing to determine the "owners" of potentially qualifying areas.

**BILL ANALYSIS:** The proposed committee substitute would remove the qualified protest petition, and the resulting  $\frac{3}{4}$  majority vote requirement, from the statutes and substitute a process for citizens to submit comments on the proposed zoning change to the board. Citizens would be allowed to submit written comment to the clerk to the board, and if the clerk receives those comments at least 2 business

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 201

*Page 2*

days prior to the meeting in which the proposed change will be voted, the clerk is to provide all the comments to the board prior to the vote. If the proposed change is part of a quasi-judicial proceeding and written comments are submitted, the clerk is to provide only the names and address of those submitting comments and the provision of that information to the board does not disqualify any member of the board from voting on the proposed change.

**EFFECTIVE DATE:** May 1, 2015, and applies to zoning ordinance changes adopted on or after that date.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 201

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H201-AST-9 [v.1]

Page 1 of 2

Comm. Sub. [YES]  
Amends Title [YES]  
First Edition

Date \_\_\_\_\_, 2015

Representative Luebke

moves to amend the bill on page 1, line 2, through page 2, line 48, by rewriting those lines to read:

"AN ACT TO AMEND ARTICLE 19 OF CHAPTER 160A OF THE GENERAL STATUTES  
TO ALTER QUALIFICATION REQUIREMENTS FOR ZONING PROTEST  
PETITIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-385(a) reads as rewritten:

**"§ 160A-385. Changes.**

(a) Qualified Protests.

(1) Zoning ordinances may from time to time be amended, supplemented, changed, modified or repealed. In case, however, of a qualified protest against a zoning map amendment, that amendment shall not become effective except by favorable vote of ~~three-fourths~~ two-thirds of all the members of the city council. ~~For the purposes of this subsection, vacant positions on the council and members who are excused from voting shall not be considered "members of the council" for calculation of the requisite supermajority.~~

(2) To qualify as a protest under this section, the petition must be signed by the owners of either (i) twenty percent (20%) or more of the area included in the proposed change or (ii) ~~five percent (5%)~~ fifteen percent (15%) of a 100-foot-wide buffer extending along the entire boundary of each discrete or separate area proposed to be rezoned. A street right-of-way shall not be considered in computing the 100-foot buffer area as long as that street right-of-way is 100 feet wide or less. When less than an entire parcel of land is subject to the proposed zoning map amendment, the 100-foot buffer shall be measured from the property line of that parcel. In the absence of evidence to the contrary, the city may rely on the county tax listing to determine the "owners" of potentially qualifying areas.

(3) The foregoing provisions concerning protests shall not be applicable to any amendment which initially zones property added to the territorial coverage of the ordinance as a result of annexation or otherwise, or to an amendment



\* H 2 0 1 - A S T - 9 - V - 1 \*



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 201

H201-AST-9 [v.1]

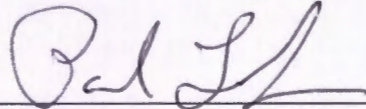
AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 2 of 2

1 to an adopted (i) special use district, (ii) conditional use district, or (iii)  
2 conditional district if the amendment does not change the types of uses that  
3 are permitted within the district or increase the approved density for  
4 residential development, or increase the total approved size of nonresidential  
5 development, or reduce the size of any buffers or screening approved for the  
6 special use district, conditional use district, or conditional district."

7 **SECTION 2.** This act is effective May 1, 2015, and applies to zoning ordinance  
8 changes adopted on or after that date."

SIGNED



Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED



NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

FAVORABLE

HB 143 Charlotte/Civil Service Board.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Bishop

FAVORABLE AND RE-REFERRED

HB 99 Town of Polkton/Deannexation.  
Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Brody

HB 131 Town of Maggie Valley/Deannexation.  
Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Presnell

TOTAL REPORTED: 3



\* C M R 6 0 - V - 1 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 201**

Zoning Changes/Citizen Input.

Draft Number:	H201-PCS10134-ST-8
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Stam

TOTAL REPORTED: 1



\* C M R 6 2 - V - 1 \*



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 03/19/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Ron DeSimone <del>Don</del>	Mayor of Maggie Valley
Rose Williams	NCLM
Jim Blyth	TOWN OF MAGGIE VALLEY
Lisa Martin	Capitol Advantage Assoc
Tim Brown	HBA of Raleigh, Wake & Cary
Rhian Merwald	Wm
Kaye Culberson	NCSA
Joe Hand	MFS
RICK HELFERS	MAGGIE VALLEY
Richard Beard	Schulman + Beard Open Real Estate
JAKSA COZART	NFS



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 03/19/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Dana Fenton	City of Charlotte
Anthony & Mary	P. C. Law & Associates
MICHI VOJTA	(Daleigh) interested citizen, in FAVOR of USPD
CADY Thomas	Focus Caroline
Colleen Kochanek	AANK
Mike Carpenter	NCOSA
STEVEN WAGG	NCBA
Meghan Cook	OITS
Crystal Collins	NC Trucking Assn.
Dana Simpson	SEA
Brin Lewis	New FRAME LLC



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 03/19/15

Name of Committee

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Fred Bone

Bone Assn.

Law Robert

Cyrc

Betsy McCord

NCSF



**House Committee on Local Government  
Thursday, March 26, 2015 at 10:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM, March 26, 2015 in Room 643 of the Legislative Office Building. Representatives Carl Ford, Chairman, James Langdon, John Ager, Jamie Boles, Rayne Brown, Justin Burr, George Cleveland, Susan Fisher, Elmer Floyd, George Graham, Yvonne Holley, Charles Jeter, Paul Luebke, Gary Pendleton, Stephen Ross, Mitchell Setzer, John Szoka, and Sam Watford attended. Also in attendance were staff members Erika Churchill, Giles Perry, Kelly Quick Tornow and committee assistants Judy Lowe and Kyle Chermak.

Representative Ted Davis, Jr., Chair, presided. He introduced the Sergeants at Arms Young Bae, Bill Morris and Jim Moran and the pages Britney McManus, Caroline Norton and David Kostenberger.

The following bills were considered:

**HB 199 Raleigh/Donate Service Animals to Officers.** Representative Holley presented the bill and stated it is a local bill regarding what to do with animals that are no longer in active duty or service to the City of Raleigh. Mr. Joe McClees of the North Carolina Federation of Dog Clubs stated they wholeheartedly support the bill. Following a brief discussion, Representative Floyd moved for a favorable report. The motion was seconded and passed unanimously.

**HB 204 Caswell Beach/Quick Take Eminent Domain.** The bill was detailed by Representative Frank Iler who noted that Caswell Beach wants to build a fire station next to their town hall. The condo owners of the property have agreed to a swap of land for financial compensation. The bill will allow the Town of Caswell Beach to use a "quick take" process. There is no opposition to the bill. Representative Cleveland moved for a favorable report. The motion passed.

**HB 243 Local Mod: Economic Development Commissions.** Rep. West stated this bill simply allows the Economic Development Commission to increase the number of members from nine to 12. There being no further comment or questions, Representative Setzer moved for a favorable report; motion carried.

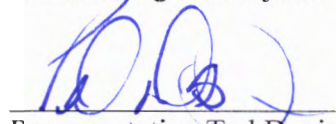
**HB 247 Hoke County Local Option Sales Tax.** Representative Pierce stated the bill would authorize an additional ½ cent local option sales tax for Hoke Co. for new schools; after a referendum which would take place in the next election cycle in November 2015. The county and the school board have approved the referendum. Representative Floyd moved for a favorable report of HB247 with a serial referral to Finance. The chairman called for the vote and the motion passed unanimously.



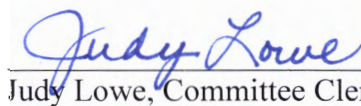
**HB 279 Wake Cty Local Board of Equalization/Review.** Representative Cleveland moved that the Committee have the PCS properly before the Committee. The motion carried. Representative Pendleton explained the bill stating that Wake Co. requested this bill which would allow two Board panels so they could meet independently of one another. Each panel would have the power of the whole Board. Representative Boles moved for a favorable committee substitute, unfavorable to the original bill. Motion passed.

**HB 263 City of Trinity Terms of Election.** Chairman Davis noted that Representative Watford was planning to propose an amendment. Rep. Hurley stated that the committee should hear the amendment first. The amendment states that the reduction of the Council size makes it subject to a referendum November 3, 2016 to take effect in 2017. Representative Luebke had some comments and called for a division. Representative Hurley added further information as to why this bill was requested to change the structure of the governing body/number of members. Representative Fisher spoke in support of the amendment and allowing a referendum. Representative Cleveland stated he did not think it was a good amendment and believed it would not solve the problem in Trinity. Jesse Hill, Mayor of the City of Trinity, stated the City was for the amendment. Representative Watford moved to approve the amendment. The vote was 8 members in favor of the amendment; 9 against so the amendment failed. Chairman Davis then asked for any further discussion by the committee concerning the bill. Several members from the public spoke for and against the bill. Representative Iler moved for a favorable report. The motion passed by a vote of 13 to 4.

The meeting was adjourned at 10:44 A.M.



Representative Ted Davis, Jr., Chair  
Presiding



Judy Lowe, Committee Clerk

Attachments

- Committee notice
- Agenda
- Committee report
- Copies of bills, with amendments (if any)
- Proposed committee substitutes
- Visitor registration sheet



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, March 26, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Davis will be presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 199	Certain Cities/Donate Service Animals.	Representative D. Hall Representative Holley Representative Jackson Representative Gill Representative Iler
HB 204	Caswell Beach/Quick Take Eminent Domain.	
HB 221	Lake Santeetlah Occupancy Tax Authorization.	Representative West
HB 234	Reinstate Mtn Island Lake Marine Commission.	Representative Jeter
HB 243	Local Mod: Economic Development Commissions.	Representative West
HB 247	Hoke County Local Option Sales Tax.	Representative Pierce Representative Goodman
HB 263	City Elections/Trinity and Greensboro.	Representative Hurley
HB 279	Wake Cty Local Board of Equalization/Review.	Representative Pendleton Representative Malone Representative Dollar Representative Avila



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12:01 PM on Friday, September 25, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government**  
**Thursday, March 26, 2015, 10:00 AM**  
**643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 199	Certain Cities/Donate Service Animals.	Representative D. Hall Representative Holley Representative Jackson Representative Gill Representative Iler
HB 204	Caswell Beach/Quick Take Eminent Domain.	
HB 221	Lake Santeetlah Occupancy Tax Authorization.	Representative West
HB 234	Reinstate Mtn Island Lake Marine Commission.	Representative Jeter
HB 243	Local Mod: Economic Development Commissions.	Representative West
HB 247	Hoke County Local Option Sales Tax.	Representative Pierce Representative Goodman
HB 263	City Elections/Trinity and Greensboro.	Representative Hurley
HB 279	Wake Cty Local Board of Equalization/Review.	Representative Pendleton Representative Malone Representative Dollar Representative Avila

**Presentations**

**Other Business**

**Adjournment**





## HOUSE BILL 199: Raleigh/Donate Service Animals to Officers

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. D. Hall, Holley, Jackson, Gill  
**Analysis of:** First Edition

**Date:** March 26, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *House Bill 199 would amend the Charter of the City of Raleigh to allow the City to donate retired animals used by the Police Department or other City agency to the police officer or employee who had normal custody or control of the animal during the animal's service.*

[As introduced, this bill was identical to S247, as introduced by Sens. Stein, Alexander, Blue, which is currently in Senate State and Local Government.]

**CURRENT LAW:** City governments generally dispose of real and personal property in accordance with the procedures established by Article 12 of Chapter 160A. Subject to certain limitations, a city can dispose of real or personal property belonging to the city by:

- Private negotiation and sale
- Advertisement for sealed bids
- Negotiated offer, advertisement, and upset bid
- Public auction
- Exchange

Currently, there is not a provision in the Charter of the City of Raleigh that addresses the donation of retired animals used by the City.

**BILL ANALYSIS:** House Bill 199 is a local act that would amend the Charter of the City of Raleigh to provide that when a horse, dog, or other animal used by the Police Department or any other City agency is deemed no longer fit for public service, the City Council is authorized to donate the animal to the officer or employee who had normal custody and control of the animal during its service to the City.

**EFFECTIVE DATE:** This act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 199\*

Short Title: Raleigh/Donate Service Animals to Officers. (Local)

Sponsors: Representatives D. Hall, Holley, Jackson, and Gill (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 11, 2015

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE CHARTER OF THE CITY OF RALEIGH TO ALLOW THE  
CITY TO DONATE RETIRED ANIMALS USED BY THE POLICE DEPARTMENT OR  
ANY OTHER CITY AGENCY TO THE POLICE OFFICER OR EMPLOYEE WHO  
HAD NORMAL CUSTODY AND CONTROL OF THE ANIMAL.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 33(c) of the Charter of the City of Raleigh, being Chapter 1184 of the 1949 Session Laws, as amended by S.L. 1991-312, S.L. 1993-649, S.L. 1995-323, and S.L. 2005-157, reads as rewritten:

"(c) Notwithstanding the provisions of subsection (a) of this ~~section~~, nothing ~~section~~:

(1) Nothing herein shall be construed as preventing any official or employee covered by this section from purchasing a utility service offered to the general public at uniform rates, sludge generated at a wastewater treatment plant, farm products grown on City-owned or City-leased farms, and mulch produced at the City's yard waste processing center.

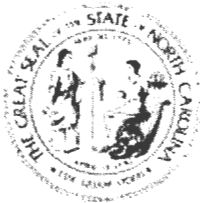
(2) In addition to the transactions authorized in this section, the City may sell items of personal uniforms and equipment, excluding weapons, to public safety employees upon their separation from the City's employment. The items may be sold by private sale at the prices and under the terms and conditions that the City Council may establish by resolution.

(3) When any horse, dog, or other animal used by the Police Department or any other City agency is deemed no longer fit for public service, the City Council may donate the animal to the officer or employee who had normal custody and control of the animal during its service to the City."

**SECTION 2.** This act is effective when it becomes law.







# HOUSE BILL 204: Caswell Beach/Quick Take Eminent Domain

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Iler  
**Analysis of:** First Edition

**Date:** March 25, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *House Bill 204 would authorize the Town of Caswell Beach to use the "quick take" condemnation process for the taking of property for a fire and emergency services public facility.*

[As introduced, this bill was identical to S216, as introduced by Sen. Rabon, which is currently in Rules and Operations of the Senate.]

**CURRENT LAW:** Under current law, cities and counties may use the power of eminent domain for the purposes listed in G.S. 40A-3(b), such as constructing city streets, building water and sewer lines, establishing parks, etc. G.S. 40A-3(b1) provides several coastal counties and towns the following two additional purposes for which they may use the power of eminent domain:

- Beach renourishment and hurricane protection works.
- Public access to beaches and appurtenant parking areas.

In exercising the power of eminent domain, a city or county may acquire the property by purchase, gift, or condemnation. Article 3 of Chapter 40A provides the procedures by which a county or city may condemn property. Generally, the public condemnor must file a civil action to condemn the property in the superior court in which the land is located and must provide a deposit in the amount estimated by the condemnor to be just compensation for the taking. Compensation is generally the fair market value (FMV) of the property. In the case of a taking of less than an entire tract, compensation is usually the greater of (i) the diminution on value, or (ii) the FMV of the property taken. The condemnor is allowed to take title to the property and has the right to possess the property upon the filing of an answer by the owner who does not challenge the authority of the condemnor, or upon the failure of an owner to file an answer within 120 days, or upon the disbursement of the deposit.

In limited circumstances under G.S. 40A-42(a), the condemnor has the right to immediate possession of the property when the complaint is filed. This action is sometimes referred to as "quick take condemnation." However, under this quick take authority, the compensation for the property is not questioned; the only difference is the date upon which possession of the property vests with the condemnor. The purposes for which the "quick take" process may be used are:

- Opening, widening, extending, or improving roads, streets, alleys, and sidewalks.
- Establishing, extending, enlarging, or improving storm sewer and drainage systems and works, or sewer and septic tank lines and systems.
- Establishing drainage programs and programs to prevent obstructions to the natural flow of streams, creeks and natural water channels or improving drainage facilities.
- Beach renourishment.
- Public access to beaches and appurtenant parking areas.
- A city is acquiring property for a public enterprise fund, for any of the following purposes:
  - Electric power generation, transmission, and distribution systems.
  - Water supply and distribution systems.



# House Bill 204

Page 2

- Wastewater collection, treatment, and disposal systems of all types, including septic tank systems or other on-site collection or disposal facilities or systems.
- Gas production, storage, transmission, and distribution systems, where systems shall also include the purchase or lease of natural gas fields and natural gas reserves, the purchase of natural gas supplies, and the surveying, drilling and any other activities related to the exploration for natural gas, whether within the State or without.
- Solid waste collection and disposal systems and facilities.
- Cable television systems.
- A county is acquiring property for a public enterprise fund, for any of the following purposes:
  - Water supply and distribution systems.
  - Wastewater collection, treatment, and disposal systems of all types, including septic tank systems or other on-site collection or disposal facilities or systems.
  - Solid waste collection and disposal systems and facilities.

In 2003, the General Assembly granted the Town of Caswell Beach the authority to use the "quick take" process. That authority has also been granted to: Carteret and Dare Counties, the Towns of Atlantic Beach, Carolina Beach, Caswell Beach, Duck, Emerald Isle, Holden Beach, Indian Beach, Kill Devil Hills, Kitty Hawk, Kure Beach, Nags Head, North Topsail Beach, Oak Island, Ocean Isle Beach, Pine Knoll Shores, Sunset Beach, Surf City, Topsail Beach, and Wrightsville Beach, and the Village of Bald Head Island.

**BILL ANALYSIS:** The bill would authorize the Town of Caswell Beach to use the quick take process, in addition to the other reason, for the constructing, enlarging, or improving city halls, fire stations, office buildings, courthouse jails and other buildings for use by any department, board, commission or agency for the taking of property for a public services facility housing a fire department and other emergency services providers.

**EFFECTIVE DATE:** Effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 204

Short Title: Caswell Beach/Quick Take Eminent Domain.

(Local)

Sponsors: Representative Iler (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 12, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE TOWN OF CASWELL BEACH TO TAKE IMMEDIATE  
3 POSSESSION OF PROPERTY CONDEMNED FOR A PUBLIC SERVICES FACILITY.  
4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 40A-42(a)(2) reads as rewritten:

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

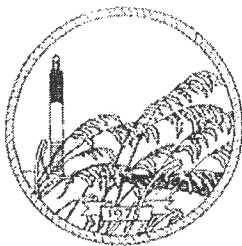
21 This subdivision applies only to Carteret and Dare Counties, the Towns  
22 of Atlantic Beach, Carolina Beach, Caswell Beach, Duck, Emerald Isle,  
23 Holden Beach, Indian Beach, Kill Devil Hills, Kitty Hawk, Kure Beach,  
24 Nags Head, North Topsail Beach, Oak Island, Ocean Isle Beach, Pine Knoll  
25 Shores, Sunset Beach, Surf City, Topsail Beach, and Wrightsville Beach,  
26 and the Village of Bald Head Island."

27 SECTION 2. This act applies only to the Town of Caswell Beach, for the taking of  
28 property for a public services facility where a fire department and other emergency services  
29 providers will be located.

30 SECTION 3. This act is effective when it becomes law.







## TOWN of CASWELL BEACH

1100 Caswell Beach Road • Caswell Beach, NC 28465  
(910) 278-5471 • Fax: 1-866-271-3641 • Website: [www.caswellbeach.org](http://www.caswellbeach.org)

### TOWN OF CASWELL BEACH - RESOLUTION ORDER #2015-004

#### DIRECTING TOWN ADMINISTRATOR TO FORWARD DRAFT LEGISLATION TO NORTH CAROLINA GENERAL ASSEMBLY

**WHEREAS**, the Board of Commissioners has determined to proceed with a public services project. The project requires the construction of a public services facility to be located in the vicinity of 1000 Caswell Beach Road and requires that the Town condemn property in that area on which to locate said public services facility. It also requires that the Town permanently close a portion of Robert L. Jones Street (formerly known as "Richmond Street"); and

**WHEREAS**, the Board of Commissioners has determined that it would greatly expedite the construction of the public services facility if the Town was able to use the "quick-take" procedure listed in N.C. Gen. Stat. § 40A-42(a)(2) to obtain the property needed for the public services facility; and

**WHEREAS**, the Board of Commissioners has determined that in order to use the "quick-take" procedure listed in N.C. Gen. Stat. § 40A-42(a)(2) to obtain the needed property, local legislation will need to be adopted by the North Carolina General Assembly authorizing the Town to use the "quick-take" procedure listed in N.C. Gen. Stat. § 40A-42(a)(2) for the construction of the public services facility. Accordingly, the Board has directed that proposed legislation be drafted to that effect. Said proposed legislation is attached hereto as Exhibit A; and

**WHEREAS**, the Board of Commissioners has reviewed the proposed legislation attached as Exhibit A, finds it sufficient to accomplish the Town's purposes, and finds it agreeable in form and content.

#### **THEREFORE BE IT RESOLVED:**

THAT, the Town Administrator is hereby directed and authorized to forward the attached proposed legislation to the offices of Senator Bill Rabon and Representative Frank Iler for introduction and passage before the North Carolina General Assembly.

Upon motion duly made by: Commissioner Martha J. Hardy and duly seconded by: George F. Kassler, III, the above resolution was duly adopted by the Board of Commissioners for the Town of Caswell Beach at the February, 2015 Regular Meeting/Reconvened Session held on the 13th day of February, 2015 in the Caswell Beach Town Hall.

Upon call for a vote the following Commissioners voted in the affirmative:

Deborah G. Ahlers (*Mayor Pro Tempore*)

Audrey L. Ellinger, Martha J. Hardy, George F. Kassler, III and Daniel J. O'Neill

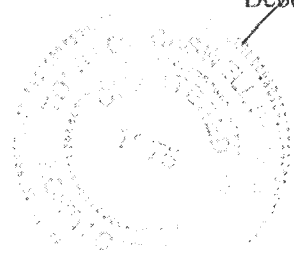
and the following Commissioners voted in the negative: None (All members present)

**SO RESOLVED**, this the 13th day of February, 2015.

ATTEST:

  
Linda C. Bethune, NCCMC, Town Clerk

  
Deborah G. Ahlers, *Mayor Pro Tempore*







## TOWN of CASWELL BEACH

1100 Caswell Beach Road • Caswell Beach, NC 28465  
(910) 278-5471 • Fax: 1-866-271-3641 • Website: [www.caswellbeach.org](http://www.caswellbeach.org)

Representative Frank Iler  
N.C. House of Representatives  
300 N. Salisbury Street, Room 639  
Raleigh, NC 27603-5925  
919-301-1450  
[Frank.Iler@ncleg.net](mailto:Frank.Iler@ncleg.net)

Senator Bill Rabon  
N.C. Senate  
300 N. Salisbury Street, Room 311  
Raleigh, NC 27603-5925  
(919) 733-5963  
[Bill.Rabon@ncleg.net](mailto:Bill.Rabon@ncleg.net)

Dear Senator Rabon and Representative Iler,

The Town of Caswell Beach, Brunswick County, NC has designed and put out for bid a Fire/ EMS/Police Station which will also have space to accommodate the Towns Public Works equipment. The new building will reside on land that is currently owned by the Town of Caswell Beach and formerly by The Oak Island Beach Villas Condominium Association(OIBV) located at 1000 Caswell Beach Road, Caswell Beach, NC.

The section of the new building housing the equipment bays for the fire station and EMS ambulance will be on land, contiguous to Town land, formerly owned by OIBV which has been obtained via a Friendly Condemnation process. In exchange for the land needed to build the portion of the building that will house the truck bays the Town is giving the OIBV an agreed upon appraised value as well as ocean front property, closure of a town owned road and right of way that ran parallel to the OIBV western property line boundary; providing added security to the OIBV complex and eliminating any future possibility of a public beach access way along the OIBV western boundary. The road closure, ocean front property and right of way gained in the Friendly Condemnation had been requested by the OIBV for many years. The opportunity for a Friendly Condemnation has proven valuable to both the Town and the OIBV.

### **Friendly Condemnation**

Although the trade or sale of OIBV property was acceptable to the OIBV Board of Directors to accomplish a sale of property the OIBV Condominium Association needs a quorum and an 80% positive vote to approve a sale of common property. The majority of the 174 OIBV unit owners are out of town/state property owners who rely on rental agencies to maintain their units and their elected Board of Directors to oversee the stewardship of the Association. Acting on behalf of the owners the OIBV



Board of Directors felt it would be impossible to fulfill the requirement of a quorum of the 174 unit owners and 80% vote. With this in mind the Board of Directors felt it would be impossible to sell the land the Town needed for the building in a conventional manner, therefore the Board of Directors agreed to a process of Friendly Condemnation to complete the land trade. As a concerned neighbor the Town of Caswell Beach did not want to cause financial hardship to any of the OIBV owners or the OIBV Association, therefore, the Town has assumed all cost of the condemnation process including all attorney fees, legal fees, clerical fees and mailing cost of certified letters to all unit owners on behalf of OIBV.

In place of a conventional sale/purchase the Town has acquired the property needed to construct the building through a Friendly Condemnation. At the time the condemnation was filed the OIBV Board of Directors immediately accepted the Town check for payment of the agreed upon assessed value deposited with the Brunswick County Clerk of Court and signed off on the suit. Superior Court Judge Ola Lewis has also signed the order releasing the funds from the Town to the OIBV.

#### **Easement Rights:**

The Town has two appraisals that claim the easements have no value and that the land donated to the OIBV by the Town in the condemnation process will increase the size of the subject land "after the Taking". The issue facing the town now is that we must now condemn the easement rights of the 174 unit owners (members) of the OIBV Condominium Association that run across the land that the Town received in the condemnation process. The process we must follow is to again notify each of the 174 unit owners and serve each owner of record with the suit of condemnation. The NC Local Government Commission has instructed the Town that unless the Town can use a Quick Take Condemnation the Town will be required to wait another 180 days to fulfill the obligation of the condemnation of easement process to complete before construction can begin on the new building.

#### **Quick Take:**

The Town respects the rights of the owners and understands and accepts the need for property owners to seek a judicial remedy should they disagree with the amount of compensation agreed upon in a condemnation and/or the appraisals. Since the condemnation process for the land has already been accepted and completed and since the easement across the condemned land has been determined to be valueless in the appraisal by the assessor and the Board of Directors of the OIBV who were elected to represent the unit owners, the Town of Caswell Beach is requesting the NC Legislature allow the Town of Caswell Beach the ability to take title to the easements by use of a "Quick Take Condemnation" and immediately begin construction of the building that will house the YBVFD, Town of Caswell Beach Police and a Brunswick County EMS ambulance.

On October 1, 2014, the fire department that provides fire service to the Town of Caswell Beach and the surrounding area, Yaupon Beach Volunteer Fire Department (YBVFD), lost their lease of the building they rented from the Town of Oak Island. Since that time YBVFD has had to store their equipment and trucks in storage units and garages in three different towns while they wait for the Town of Caswell Beach to build the fire station.

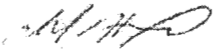
What we ask is for the ability to take title to the easements and begin construction of the fire station prior to the 180 day waiting period associated with the condemnation lawsuit. With a "Quick Take Condemnation" for the easements on the land that the Town has already received from the OIBV the town can begin construction without jeopardizing any easement holder's right to contest this action in court.



The NC General Statutes currently allows for Caswell Beach and other municipalities to "Quick Take" land through condemnation under certain specific circumstances. Our request is that Senator Rabon and Representative Iler amend N.C. GEN. STAT. § 40A-42(a)(2) which currently allows for Quick Take Condemnation for various projects. With this revision and passage of the Local Bill that is attached to this correspondence, the Town of Caswell Beach will immediately begin construction of the building which will bring the YBVFD and their equipment back into the fire district they protect while preserving the right of OIBV easement owners to file action in court should they seek reparations for their lost easement rights.

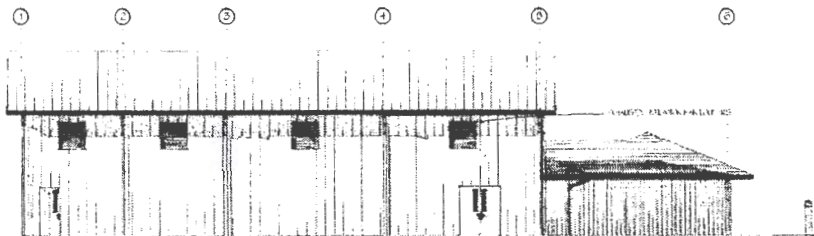
Please feel free to call me should you have any questions about this request. As always we thank you both for the service you provide your constituents.

Sincerely,

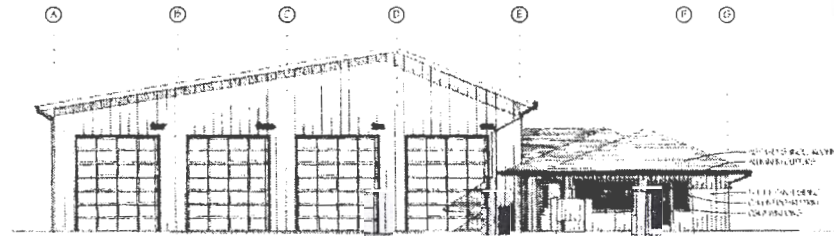


Chad Hicks  
Town Administrator  
Caswell Beach





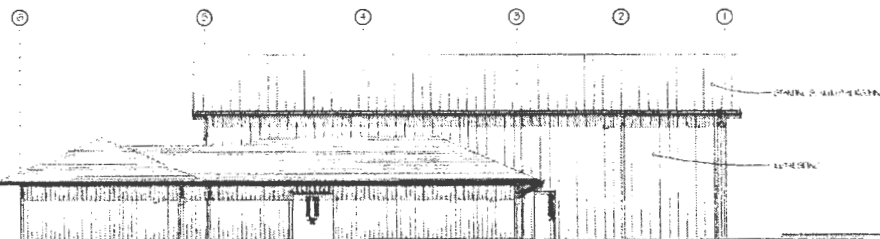
1 SOUTH ELEVATION  
A-5 SCALE 1/8" = 1'-0"



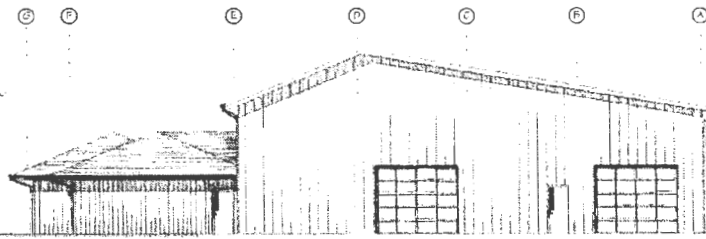
2 EAST ELEVATION  
A-5 SCALE 1/8" = 1'-0"

Offices & training - stick built building

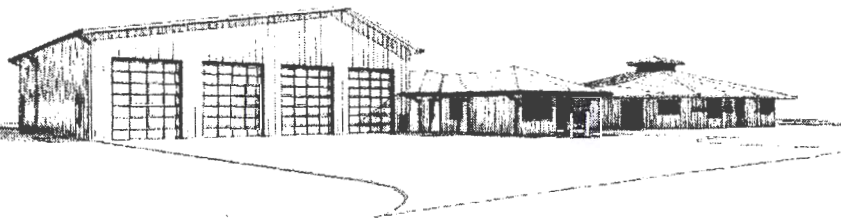
3 Engine Bays & 1 EMS Bay - metal building



3 NORTH ELEVATION  
A-5 SCALE 1/8" = 1'-0"



4 WEST ELEVATION  
A-5 SCALE 1/8" = 1'-0"



5 PERSPECTIVE  
A-5



Current Town Hall

6 PERSPECTIVE  
A-5

Scott W Bartholomew Architecture  
505-712-2037  
ASTORIA, NC



Caswell Beach Public Services Facility  
CASWELL BEACH, NC

2-10-14-004  
30 Dec 2014

A-5  
of 18





# HOUSE BILL 243: Local Mod: Economic Development Commissions

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. West  
**Analysis of:** First Edition

**Date:** March 26, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *House Bill 243 would allow the Macon County Economic Development Commission to increase its membership to a maximum of twelve members.*

**CURRENT LAW:** Article 2 of Chapter 158 of the General Statutes authorizes the governing body of any municipality or the board of county commissioners of any county to create an economic development commission for that municipality or county. An economic development commission can consist of between three and nine members, and the terms and compensation of its members are fixed by the governing body.

An economic development commission is authorized to:

- Receive from any municipal, county, joint, or regional planning board or commission with jurisdiction within its area an economic development program for part or all of the area.
- Formulate projects for carrying out an economic development program through attraction of new industries, encouragement of existing industries, encouragement of agricultural development, encouragement of new business and industrial ventures by local as well as foreign capital, and other activities of a similar nature.
- Conduct industrial surveys as needed, advertise in periodicals or other communications media, furnish advice and assistance to business and industrial prospects which may locate in its area, furnish advice and assistance to existing businesses and industries, furnish advice and assistance to persons seeking to establish new businesses or industries, and engage in related activities.
- Encourage the formation of private business development corporations or associations which may carry out such projects as securing and preparing sites for industrial development, constructing industrial buildings, or rendering financial or managerial assistance to businesses and industries; and furnish advice and assistance to such corporations or associations.
- Use grant funds to make loans for purposes permitted by the federal government, by the grant agreement and in furtherance of economic development.

This bill would apply to the economic development commission for Macon County only.

**BILL ANALYSIS:** House Bill 243 would increase the maximum number of members allowed on the Macon County Economic Development Commission from nine to twelve.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



1

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 243

Short Title: Local Mod: Economic Development Commissions. (Local)

Sponsors: Representative West (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 17, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY THE COMPOSITION OF THE ECONOMIC DEVELOPMENT  
3 COMMISSION FOR MACON COUNTY.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 158-8 reads as rewritten:

6 "**§ 158-8. Creation of municipal, county or regional commissions authorized;  
7 composition; joining or withdrawing from regional commissions.**

8 The governing body of any municipality or the board of county commissioners of any  
9 county may by resolution create an economic development commission for said municipality or  
10 county. The governing bodies of any two or more municipalities and/or counties may by joint  
11 resolution, adopted by separate vote of each governing body concerned, create a regional  
12 economic development commission. A municipal or county economic development  
13 commission shall consist of from three to ~~nine~~ 12 members, named for terms and compensation  
14 (if any) fixed by its respective governing body. The membership, compensation (if any), and  
15 terms of a regional economic development commission, and the formula for its financial  
16 support, shall be fixed by the joint resolution creating the commission. Additional  
17 governmental units may join a regional commission with the consent of all existing members.  
18 Any governmental unit may withdraw from a regional commission on two years' notice to the  
19 other members. The resolution creating a municipal, county, or regional economic development  
20 commission may be modified, amended, or repealed in the same manner as it was originally  
21 adopted."

22 **SECTION 2.** This act applies to the economic development commission for Macon  
23 County only.

24 **SECTION 3.** This act is effective when it becomes law.







# HOUSE BILL 247: Hoke County Local Option Sales Tax

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Finance

**Date:** March 25, 2015

**Introduced by:** Reps. Pierce, Goodman

**Prepared by:** R. Erika Churchill

**Analysis of:** First Edition

Committee Counsel

**SUMMARY:** *House Bill 247 would authorize an additional ½ cent local option sales tax for Hoke County, to be used for the purpose of land and construction of schools, after an advisory referendum of the voters.*

**CURRENT LAW:** Counties and cities are created by the State and have only the authority given to them by the State. The General Assembly has authorized counties to levy a local option sales tax on at least four different occasions. The counties must distribute a portion of the 2% local sales tax revenues to the cities. The distribution between the county and its cities is based upon one of two methods: ad valorem or per capita.

The current local sales tax authority is as follows:

Authority	Levy Amount	Distribution	Use of Proceeds by Counties	Counties that have implemented the tax
Article 39	1 cent	Counties and cities	Any public purpose	100
Article 40	½ cent	Counties and cities	60% must be used for Public School Capital Outlay; remainder for any public purpose	100
Article 42	½ cent	Counties and cities	30% must be used for Public School Capital Outlay; remainder for any public purpose	100
Article 43	½ cent or ¼ cent	Counties only	Public transportation	3 <sup>1</sup>
Article 46	¼ cent	Counties only	Any public purpose	27

**BILL ANALYSIS:** The bill would authorize Hoke County to levy an additional ½ cent sales tax. The bill restricts its use to school construction and renovation, purchase of land or facilities for schools, and payment of indebtedness already incurred for those purposes. The tax would be administered in the same manner as the county local option sales tax. The County may not levy the tax unless the majority of the voters approve the levy. The sales tax base would not include food.<sup>2</sup>

**EFFECTIVE DATE:** Effective when it becomes law.

<sup>1</sup> Durham, Orange, and Mecklenburg have levied a ½% sales tax. Forsyth, Guilford, and Wake have the authority to levy a ½% tax under this Article, if approved by the voters, but have not done so. The remaining 94 counties have authority to levy a ¼% sales tax, if approved by the voters.

<sup>2</sup> The sales tax authority under Articles 39, 42, and 43 include food in the sales tax base. Food is not included in the sales tax base of either Article 43 or Article 46.

O. Walker Reagan  
Director



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(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 247

Short Title: Hoke County Local Option Sales Tax. (Local)

Sponsors: Representatives Pierce and Goodman (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 17, 2015

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE HOKE COUNTY TO LEVY AN ADDITIONAL ONE-HALF  
CENT SALES AND USE TAX.

The General Assembly of North Carolina enacts:

**SECTION 1.** Subchapter VIII of Chapter 105 of the General Statutes is amended  
by adding a new Article to read:

"Article 47.

"Third One-Half Cent (1/2¢) Local Government Sales and Use Tax.

**"§ 105-539. Short title.**

This Article is the Third One-Half Cent (1/2¢) Local Government Sales and Use Tax Act.

**"§ 105-540. Limitations.**

This Article applies only to counties that levy the first one-cent (1¢) local sales and use tax under Article 39 of this Chapter or under Chapter 1096 of the 1967 Session Laws, the first one-half cent (1/2¢) local sales and use tax under Article 40 of this Chapter, and the second one-half cent (1/2¢) local sales and use tax under Article 42 of this Chapter.

**"§ 105-541. Levy.**

(a) Authority. – If the majority of those voting in a referendum held pursuant to this Article vote for the levy of the tax, the board of commissioners of the county may, by resolution and after 10 days' public notice, levy a local sales and use tax at a rate of one-half percent (1/2%).

(b) Vote. – The board of commissioners of a county may direct the county board of elections to conduct an advisory referendum on the question of whether to levy a local sales and use tax in the county as provided in this Article. The election shall be held in accordance with the procedures of G.S. 163-287.

(c) Ballot Question. – The form of the question to be presented on a ballot for a special election concerning the levy of the tax authorized by this Article shall be:

"[ ] FOR [ ] AGAINST

Local sales and use tax at the rate of one-half percent (1/2%) in addition to the current local sales and use taxes to be used only for school construction or renovation, for the purchase of land or facilities for schools, and to pay indebtedness incurred by the county for these purposes."

**"§ 105-542. Administration.**

Except as provided in this Article, the adoption, levy, collection, administration, and repeal of these additional taxes must be in accordance with Article 39 of this Chapter. G.S. 105-468.1 is an administrative provision that applies to this Article. A tax levied under this Article does



1 not apply to the sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to  
2 the sales price of a bundled transaction taxable pursuant to G.S. 105-467(a)(5a). The Secretary  
3 shall not divide the amount allocated to a county between the county and the municipalities  
4 within the county.

5 **"§ 105-543. Use.**

6 Counties may use the proceeds of a tax levied under this Article only for the purposes listed  
7 in the ballot question used in the referendum pursuant to G.S. 105-541(c)."

8 **SECTION 2.** A tax levied under Article 47 of Chapter 105 of the General Statutes,  
9 as enacted by this act, does not apply to construction materials purchased to fulfill a lump-sum  
10 or unit-price contract entered into or awarded before the effective date of the levy or entered  
11 into or awarded pursuant to a bid made before the effective date of the levy when the  
12 construction materials would otherwise be subject to the tax levied under Article 47 of Chapter  
13 105 of the General Statutes.

14 **SECTION 3.** This act applies to Hoke County only.

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



## HOUSE BILL 263: City of Trinity Terms of Election

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Hurley  
**Analysis of:** First Edition

**Date:** March 26, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *House Bill 263 would reduce the size of the Trinity City Council from eight members to five members and would reduce the terms for Mayor and City Council members from four years to two years.*

**CURRENT LAW:** Currently, the Trinity City Council consists of eight members who serve staggered four-year terms. The city is divided into four wards, each with two members, and the voters of the entire city elect candidates who reside in that ward. The Mayor is elected by the voters and serves a four-year term.

Four members of the City Council (one from each of the four wards) were elected in 2011, and four members (one from each ward) were elected in 2013.

**BILL ANALYSIS:** House Bill 263 would decrease the size of the City Council from eight members to five members. One member from each of the four wards would be elected by all the voters in the city, and one member would be elected at-large.

The bill would also decrease the terms of the Mayor and Council members from four years to two years. Terms for Council members would no longer be staggered.

The four seats (one from each ward) that would be up for reelection in 2015 would be eliminated, and the at-large member would be elected in the 2015 election. The four remaining ward seats would be up for reelection in 2017, along with the Mayor's seat.

**EFFECTIVE DATE:** This act is effective when it becomes law and applies to elections held on or after that date and to vacancies occurring on or after that date.

**BACKGROUND:** The City of Trinity was incorporated in 1997 and is located in Randolph County.

O. Walker Reagan  
Director



\* H 2 6 3 - S M T H - 2 3 E 1 - V 3 \*

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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 263

Short Title: City of Trinity Terms of Election.

(Local)

Sponsors: Representative Hurley (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 18, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY THE FORM OF GOVERNMENT IN THE CITY OF TRINITY.  
3 The General Assembly of North Carolina enacts:

4 SECTION 1. Chapter III of the Charter of the City of Trinity, as enacted by S.L.  
5 1997-44, reads as rewritten:

6 "CHAPTER III.  
7 "GOVERNING BODY.

8 "Section 3-1. **Structure of the Governing Body; Number of Members.** The governing  
9 body of the City of Trinity is the City Council which has ~~eight~~ five members.

10 "Section 3-2. **Manner of Electing Council.** The city is divided into four wards, each with  
11 ~~two members, one member,~~ and the qualified voters of the entire city elect candidates who  
12 reside in that ward for the seats apportioned to that ward. Each ward shall have the same  
13 number of persons as nearly as practicable. Additionally, one member who resides in the city  
14 shall be elected at large by all the qualified voters of the city.

15 "Section 3-3. **Term of Office of Council Members.** Members of the Council are elected to  
16 ~~four-year two-year terms. In 1997, two persons shall be elected for each ward. The candidate in~~  
17 ~~each ward receiving the highest number of votes is elected to a four-year term, and the~~  
18 ~~candidate receiving the next highest number of votes is elected to a two-year term. In 1999 and~~  
19 ~~biennially thereafter, one member shall be elected from each ward for a four-year term.~~

20 "Section 3-4. **Mayor; Term of Office.** In ~~1997-2017~~ and quadrennially ~~biennially~~  
21 thereafter, the Mayor shall be selected by the qualified voters of the city for a ~~four-year~~  
22 two-year term.

23 "Section 3-5. **Vacancies.** ~~Notwithstanding G.S. 160A-63, any~~ Any person appointed to fill  
24 a vacancy in the City Council or as Mayor shall serve for the remainder of the unexpired term."

25 SECTION 2. In the 2015 election, no member shall be elected from any ward. In  
26 the 2015 election, the member to be elected at-large by all the qualified voters of the City of  
27 Trinity, as established by Section 1 of this act, shall be elected.

28 SECTION 3. This act is effective when it becomes law and applies to elections  
29 held on or after that date and to vacancies occurring on or after that date.







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 263

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H263-ATH-13 [v.2]

Page 1 of 2

Comm. Sub. [NO]  
Amends Title [YES]  
First Edition

Date \_\_\_\_\_, 2015

Representative Watford

1 moves to amend the bill on page 1, line 2, by inserting "PROVIDE FOR A REFERENDUM  
2 TO" between "TO" AND "MODIFY";  
3  
4  
5  
6  
7  
8

9 on page 1, lines 15-22, by rewriting those lines to read:

10 ""Section 3-3. **Term of Office of Council Members.** Members of the Council are elected  
11 to four-year terms. ~~In 1997, two persons shall be elected for each ward. The candidate in each~~  
12 ~~ward receiving the highest number of votes is elected to a four-year term, and the candidate~~  
13 ~~receiving the next highest number of votes is elected to a two-year term. In 1999 and biennially~~  
14 ~~thereafter, one member shall be elected from each ward for a four-year term.~~

15 "Section 3-4. **Mayor; Term of Office.** In ~~1997-2017~~ and quadrennially thereafter, the  
16 Mayor shall be selected by the qualified voters of the city for a four-year term.";  
17

18 on page 1, line 25, by deleting "2015" and substituting "2017";  
19

20 on page 1, line 26, by deleting "2015" and substituting "2017";  
21  
22  
23

24 and on page 1, lines 28-29, by deleting those lines and substituting the following:

25 "SECTION 3. Sections 1 and 2 of this act become effective only if approved by a  
26 majority of the qualified voters of the City of Trinity in a referendum. The election shall be  
27 conducted by the Randolph County Board of Elections on November 3, 2015. The question on  
28 the ballot shall be:

29 "[ ] FOR [ ] AGAINST

30 Reducing the membership of the Trinity City Council from eight members to five  
31 members."



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**NORTH CAROLINA GENERAL ASSEMBLY**  
**AMENDMENT**  
House Bill 263

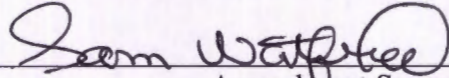
AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H263-ATH-13 [v.2]

Page 2 of 2

1           **SECTION 4.** Sections 1 and 2 of this act become effective upon ratification of the  
2 approval by the voters of the referendum set forth in Section 3 of this act. The remainder of this  
3 act is effective when it becomes law and applies to elections held on or after that date and to  
4 vacancies occurring on or after that date."

SIGNED \_\_\_\_\_



Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_

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# HOUSE BILL 279: Wake Cty Local Board of Equalization/Review

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Pendleton, Malone, Dollar, Avila  
**Analysis of:** PCS to First Edition  
H279-CSRW-4

**Date:** March 24, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 279 (proposed committee substitute) changes the law governing the Board of Equalization and Review in Wake County, by:*

- *authorizing multiple Board panels in reappraisal years; and*
- *making other procedural changes.*

*The PCS revises the language governing qualification of Board members, and authorizes the assessor's designee to serve as clerk to the Board.*

**CURRENT LAW:** A County Board of Equalization and Review reviews county property tax listings and hears property tax appeals. The Board of County Commissioners, or a Special Board of Equalization and Review appointed by it, functions as the Board of Equalization and Review. Real property is generally reappraised on an eight year cycle. Wake County's next reappraisal will be effective January 1, 2016 (G.S. 105-286).

**BILL ANALYSIS:** House Bill 279 (proposed committee substitute) changes the law governing the Board of Equalization and Review in Wake County, by:

- Requiring any Special Board of Equalization and Review appointed by the Board of County Commissioners to have at least five members.
- Authorizing a designee to the Clerk of the Board of Equalization and Review to attend Board meetings.
- Authorizing, in general reappraisal years, the Chair of the Board of Equalization and Review to divide the board into two or more separate panels with at least three members each; and authorizing interchange of members among panels.
- Provides that a decision of a Board panel has the same effect as a decision by the entire Board.
- Authorizes the Board of Equalization and Review to make changes to the property tax records, as authorized by G.S. 105-325, such as giving effect to decisions made on appeals of the Board's decisions, and to making other corrections to the property tax records.
- Authorizing the Board of Equalization and Review to accept an application for a property tax exemption or exclusion that was filed after the statutory deadline, if good cause is shown.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 279  
PROPOSED COMMITTEE SUBSTITUTE H279-CSRW-4 [v.2]

3/24/2015 3:13:53 PM

Short Title: Wake Cty Local Board of Equalization/Review.

(Local)

Sponsors:

Referred to:

March 19, 2015

A BILL TO BE ENTITLED  
AN ACT REGARDING A SPECIAL BOARD OF EQUALIZATION AND REVIEW FOR  
WAKE COUNTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** This act applies only to Wake County.

**SECTION 2.** G.S. 105-322 reads as rewritten:

**"§ 105-322. County board of equalization and review.**

(a) Personnel. – Except as otherwise provided herein, the board of equalization and review of each county shall be composed of the members of the board of county commissioners.

Upon the adoption of a resolution so providing, the board of commissioners is authorized to appoint a special board of equalization and review composed of at least five members to carry out the duties imposed under this section. The resolution shall provide for the membership, qualifications, terms of office and the filling of vacancies on the ~~board~~ special board of equalization and review, as determined by the board of commissioners. The board of commissioners shall also designate the chairman of the special board. The resolution may also authorize a taxpayer to appeal a decision of the special board with respect to the listing or appraisal of his property or the property of others to the board of county commissioners. The resolution shall be adopted not later than the first Monday in March of the year for which it is to be effective and shall continue in effect until revised or rescinded. It shall be entered in the minutes of the meeting of the board of commissioners and a copy thereof shall be forwarded to the Department of Revenue within 15 days after its adoption.

Nothing in this subsection (a) shall be construed as repealing any law creating a special board of equalization and review or creating any board charged with the duties of a board of equalization and review in any county.

(b) Compensation. – The board of county commissioners shall fix the compensation and allowances to be paid members of the board of equalization and review for their services and expenses.

(c) Oath. – Each member of the board of equalization and review shall take the oath required by Article VI, § 7 of the North Carolina Constitution with the following phrase added to it: "that I will not allow my actions as a member of the board of equalization and review to be influenced by personal or political friendships or obligations.". The oath must be filed with the clerk of the board of county commissioners.

(d) Clerk and Minutes. – The ~~assessor~~ assessor or the assessor's designee shall serve as clerk to the board of equalization and review, shall be present at all meetings, shall maintain accurate minutes of the actions of the board, and shall give to the board such information as he



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1 may have or can obtain with respect to the listing and valuation of taxable property in the  
2 county.

3 (e) Time of Meeting. – Each year the board of equalization and review shall hold its  
4 first meeting not earlier than the first Monday in April and not later than the first Monday in  
5 May. In years in which a county does not conduct a real property revaluation, the board shall  
6 complete its duties on or before the third Monday following its first meeting unless, in its  
7 opinion, a longer period of time is necessary or expedient to a proper execution of its  
8 responsibilities. Except as provided in subdivision (g)(5) of this section, the board may not sit  
9 later than July 1 except to hear and determine requests made under the provisions of  
10 subdivision (g)(2), below, when such requests are made within the time prescribed by law. In  
11 the year in which a county conducts a real property revaluation, the board shall complete its  
12 duties on or before December 1, except that it may sit after that date to hear and determine  
13 requests made under the provisions of subdivision (g)(2), below, when such requests are made  
14 within the time prescribed by law. From the time of its first meeting until its adjournment, the  
15 board shall meet at such times as it deems reasonably necessary to perform its statutory duties  
16 and to receive requests and hear the appeals of taxpayers under the provisions of subdivision  
17 (g)(2), below.

18 (f) Notice of Meetings and Adjournment. – A notice of the date, hours, place, and  
19 purpose of the first meeting of the board of equalization and review shall be published at least  
20 three times in some newspaper having general circulation in the county, the first publication to  
21 be at least 10 days prior to the first meeting. The notice shall also state the dates and hours on  
22 which the board will meet following its first meeting and the date on which it expects to  
23 adjourn; it shall also carry a statement that in the event of earlier or later adjournment, notice to  
24 that effect will be published in the same newspaper. Should a notice be required on account of  
25 earlier adjournment, it shall be published at least once in the newspaper in which the first notice  
26 was published, such publication to be at least five days prior to the date fixed for adjournment.  
27 Should a notice be required on account of later adjournment, it shall be published at least once  
28 in the newspaper in which the first notice was published, such publication to be prior to the date  
29 first announced for adjournment.

30 (g) Powers and Duties. – The board of equalization and review has the following  
31 powers and duties:

- 32 (1) Duty to Review Tax Lists. – The board shall examine and review the tax  
33 lists of the county for the current year to the end that all taxable property  
34 shall be listed on the abstracts and tax records of the county and appraised  
35 according to the standard required by G.S. 105-283, and the board shall  
36 correct the abstracts and tax records to conform to the provisions of this  
37 Subchapter. In carrying out its responsibilities under this subdivision (g)(1),  
38 the board, on its own motion or on sufficient cause shown by any person,  
39 shall:
- 40 a. List, appraise, and assess any taxable real or personal property that  
41 has been omitted from the tax lists.
  - 42 b. Correct all errors in the names of persons and in the description of  
43 properties subject to taxation.
  - 44 c. Increase or reduce the appraised value of any property that, in the  
45 board's opinion, has been listed and appraised at a figure that is  
46 below or above the appraisal required by G.S. 105-283; however, the  
47 board shall not change the appraised value of any real property from  
48 that at which it was appraised for the preceding year except in  
49 accordance with the terms of G.S. 105-286 and 105-287.
  - 50 d. Cause to be done whatever else is necessary to make the lists and tax  
51 records comply with the provisions of this Subchapter.

- 1 e. Embody actions taken under the provisions of subdivisions (g)(1)a  
2 through (g)(1)d, above, in appropriate orders and have the orders  
3 entered in the minutes of the board.
- 4 f. Give written notice to the taxpayer at the taxpayer's last known  
5 address in the event the board, by appropriate order, increases the  
6 appraisal of any property or lists for taxation any property omitted  
7 from the tax lists under the provisions of this subdivision (g)(1).
- 8 (2) Duty to Hear Taxpayer Appeals. – On request, the board of equalization and  
9 review shall hear any taxpayer who owns or controls property taxable in the  
10 county with respect to the listing or appraisal of the taxpayer's property or  
11 the property of others.
- 12 a. A request for a hearing under this subdivision (g)(2) shall be made in  
13 writing to or by personal appearance before the board prior to its  
14 adjournment. However, if the taxpayer requests review of a decision  
15 made by the board under the provisions of subdivision (g)(1), above,  
16 notice of which was mailed fewer than 15 days prior to the board's  
17 adjournment, the request for a hearing thereon may be made within  
18 15 days after the notice of the board's decision was mailed.
- 19 b. Taxpayers may file separate or joint requests for hearings under the  
20 provisions of this subdivision (g)(2) at their election.
- 21 c. At a hearing under provisions of this subdivision (g)(2), the board, in  
22 addition to the powers it may exercise under the provisions of  
23 subdivision (g)(3), below, shall hear any evidence offered by the  
24 appellant, the assessor, and other county officials that is pertinent to  
25 the decision of the appeal. Upon the request of an appellant, the  
26 board shall subpoena witnesses or documents if there is a reasonable  
27 basis for believing that the witnesses have or the documents contain  
28 information pertinent to the decision of the appeal.
- 29 d. On the basis of its decision after any hearing conducted under this  
30 subdivision (g)(2), the board shall adopt and have entered in its  
31 minutes an order reducing, increasing, or confirming the appraisal  
32 appealed or listing or removing from the tax lists the property whose  
33 omission or listing has been appealed. The board shall notify the  
34 appellant by mail as to the action taken on the taxpayer's appeal not  
35 later than 30 days after the board's adjournment.
- 36 (3) Powers in Carrying Out Duties. – In the performance of its duties under  
37 subdivisions (g)(1) and (g)(2), above, the board of equalization and review  
38 may exercise the following powers:
- 39 a. It may appoint committees composed of its own members or other  
40 persons to assist it in making investigations necessary to its work. It  
41 may also employ expert appraisers in its discretion. The expense of  
42 the employment of committees or appraisers shall be borne by the  
43 county. The board may, in its discretion, require the taxpayer to  
44 reimburse the county for the cost of any appraisal by experts  
45 demanded by the taxpayer if the appraisal does not result in material  
46 reduction of the valuation of the property appraised and if the  
47 appraisal is not subsequently reduced materially by the board or by  
48 the Department of Revenue.
- 49 b. The board, in its discretion, may examine any witnesses and  
50 documents. It may place any witnesses under oath administered by  
51 any member of the board. It may subpoena witnesses or documents

on its own motion, and it must do so when a request is made under the provisions of subdivision (g)(2)c, above.

A subpoena issued by the board shall be signed by the chair of the board, directed to the witness or to the person having custody of the document, and served by an officer authorized to serve subpoenas. Any person who willfully fails to appear or to produce documents in response to a subpoena or to testify when appearing in response to a subpoena shall be guilty of a Class 1 misdemeanor.

c. In any year of general reappraisal, the chair of the board may divide the board into two or more separate panels with a minimum of three members each. The board members on each panel may be interchanged during the year. A decision by a panel has the same effect as a decision by the entire board.

(4) Power to Submit Reports. – Upon the completion of its other duties, the board may submit to the Department of Revenue a report outlining the quality of the reappraisal, any problems it encountered in the reappraisal process, the number of appeals submitted to the board and to the Property Tax Commission, the success rate of the appeals submitted, and the name of the firm that conducted the reappraisal. A copy of the report should be sent by the board to the firm that conducted the reappraisal.

(5) ~~Duty to Change Abstracts and Records~~ Powers After Adjournment. – Following adjournment upon completion of its duties under subdivisions (g)(1) and (g)(2) of this subsection, the board may continue to meet to carry out the following duties:

- a. To hear and decide all appeals relating to discovered property under G.S. 105-312(d) and (k).
- b. To hear and decide all appeals relating to the appraisal, situs, and taxability of classified motor vehicles under G.S. 105-330.2(b).
- c. To hear and decide all appeals relating to audits conducted under G.S. 105-296(j) and relating to audits conducted under G.S. 105-296(j) and (l) of property classified at present-use value and property exempted or excluded from taxation.
- d. To hear and decide all appeals relating to personal property under G.S. 105-317.1(c).
- e. To make any changes authorized by G.S. 105-325.
- f. To exercise its authority under G.S. 105-282.1(a1) to accept an application for exemption or exclusion that was filed after the statutory deadline."

**SECTION 2.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 279

Short Title: Wake Cty Local Board of Equalization/Review. (Local)

Sponsors: Representatives Pendleton, Malone, Dollar, and Avila (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 19, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT REGARDING A SPECIAL BOARD OF EQUALIZATION AND REVIEW FOR  
3 WAKE COUNTY.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. This act applies only to Wake County.

6 SECTION 2. G.S. 105-322 reads as rewritten:

7 "§ 105-322. County board of equalization and review.

8 (a) Personnel. – Except as otherwise provided herein, the board of equalization and  
9 review of each county shall be composed of the members of the board of county  
10 commissioners.

11 Upon the adoption of a resolution so providing, the board of commissioners is authorized to  
12 appoint a special board of equalization and review composed of at least five members to carry  
13 out the duties imposed under this section. To be eligible for appointment, a person must have  
14 resided in the county of appointment for a period of at least three years immediately preceding  
15 appointment, must be at least 18 years of age, must own at least one parcel of real property in  
16 the county of appointment, and must have knowledge of or experience in real estate, appraisal,  
17 or another activity satisfactory to the board of county commissioners. The resolution shall  
18 provide for the membership, qualifications, terms of office and the filling of vacancies on the  
19 board. The board of commissioners shall also designate the chairman of the special board. The  
20 resolution may also authorize a taxpayer to appeal a decision of the special board with respect  
21 to the listing or appraisal of his property or the property of others to the board of county  
22 commissioners. The resolution shall be adopted not later than the first Monday in March of the  
23 year for which it is to be effective and shall continue in effect until revised or rescinded. It shall  
24 be entered in the minutes of the meeting of the board of commissioners and a copy thereof shall  
25 be forwarded to the Department of Revenue within 15 days after its adoption.

26 Nothing in this subsection (a) shall be construed as repealing any law creating a special  
27 board of equalization and review or creating any board charged with the duties of a board of  
28 equalization and review in any county.

29 (b) Compensation. – The board of county commissioners shall fix the compensation and  
30 allowances to be paid members of the board of equalization and review for their services and  
31 expenses.

32 (c) Oath. – Each member of the board of equalization and review shall take the oath  
33 required by Article VI, § 7 of the North Carolina Constitution with the following phrase added  
34 to it: "that I will not allow my actions as a member of the board of equalization and review to



1 be influenced by personal or political friendships or obligations,". The oath must be filed with  
2 the clerk of the board of county commissioners.

3 (d) Clerk and Minutes. – The assessor shall serve as clerk to the board of equalization  
4 and review, shall be present at all meetings, shall maintain accurate minutes of the actions of  
5 the board, and shall give to the board such information as he may have or can obtain with  
6 respect to the listing and valuation of taxable property in the county.

7 (e) Time of Meeting. – Each year the board of equalization and review shall hold its  
8 first meeting not earlier than the first Monday in April and not later than the first Monday in  
9 May. In years in which a county does not conduct a real property revaluation, the board shall  
10 complete its duties on or before the third Monday following its first meeting unless, in its  
11 opinion, a longer period of time is necessary or expedient to a proper execution of its  
12 responsibilities. Except as provided in subdivision (g)(5) of this section, the board may not sit  
13 later than July 1 except to hear and determine requests made under the provisions of  
14 subdivision (g)(2), below, when such requests are made within the time prescribed by law. In  
15 the year in which a county conducts a real property revaluation, the board shall complete its  
16 duties on or before December 1, except that it may sit after that date to hear and determine  
17 requests made under the provisions of subdivision (g)(2), below, when such requests are made  
18 within the time prescribed by law. From the time of its first meeting until its adjournment, the  
19 board shall meet at such times as it deems reasonably necessary to perform its statutory duties  
20 and to receive requests and hear the appeals of taxpayers under the provisions of subdivision  
21 (g)(2), below.

22 (f) Notice of Meetings and Adjournment. – A notice of the date, hours, place, and  
23 purpose of the first meeting of the board of equalization and review shall be published at least  
24 three times in some newspaper having general circulation in the county, the first publication to  
25 be at least 10 days prior to the first meeting. The notice shall also state the dates and hours on  
26 which the board will meet following its first meeting and the date on which it expects to  
27 adjourn; it shall also carry a statement that in the event of earlier or later adjournment, notice to  
28 that effect will be published in the same newspaper. Should a notice be required on account of  
29 earlier adjournment, it shall be published at least once in the newspaper in which the first notice  
30 was published, such publication to be at least five days prior to the date fixed for adjournment.  
31 Should a notice be required on account of later adjournment, it shall be published at least once  
32 in the newspaper in which the first notice was published, such publication to be prior to the date  
33 first announced for adjournment.

34 (g) Powers and Duties. – The board of equalization and review has the following  
35 powers and duties:

36 (1) Duty to Review Tax Lists. – The board shall examine and review the tax  
37 lists of the county for the current year to the end that all taxable property  
38 shall be listed on the abstracts and tax records of the county and appraised  
39 according to the standard required by G.S. 105-283, and the board shall  
40 correct the abstracts and tax records to conform to the provisions of this  
41 Subchapter. In carrying out its responsibilities under this subdivision (g)(1),  
42 the board, on its own motion or on sufficient cause shown by any person,  
43 shall:

- 44 a. List, appraise, and assess any taxable real or personal property that  
45 has been omitted from the tax lists.
- 46 b. Correct all errors in the names of persons and in the description of  
47 properties subject to taxation.
- 48 c. Increase or reduce the appraised value of any property that, in the  
49 board's opinion, has been listed and appraised at a figure that is  
50 below or above the appraisal required by G.S. 105-283; however, the  
51 board shall not change the appraised value of any real property from

- that at which it was appraised for the preceding year except in accordance with the terms of G.S. 105-286 and 105-287.
- d. Cause to be done whatever else is necessary to make the lists and tax records comply with the provisions of this Subchapter.
  - e. Embody actions taken under the provisions of subdivisions (g)(1)a through (g)(1)d, above, in appropriate orders and have the orders entered in the minutes of the board.
  - f. Give written notice to the taxpayer at the taxpayer's last known address in the event the board, by appropriate order, increases the appraisal of any property or lists for taxation any property omitted from the tax lists under the provisions of this subdivision (g)(1).
- (2) Duty to Hear Taxpayer Appeals. – On request, the board of equalization and review shall hear any taxpayer who owns or controls property taxable in the county with respect to the listing or appraisal of the taxpayer's property or the property of others.
- a. A request for a hearing under this subdivision (g)(2) shall be made in writing to or by personal appearance before the board prior to its adjournment. However, if the taxpayer requests review of a decision made by the board under the provisions of subdivision (g)(1), above, notice of which was mailed fewer than 15 days prior to the board's adjournment, the request for a hearing thereon may be made within 15 days after the notice of the board's decision was mailed.
  - b. Taxpayers may file separate or joint requests for hearings under the provisions of this subdivision (g)(2) at their election.
  - c. At a hearing under provisions of this subdivision (g)(2), the board, in addition to the powers it may exercise under the provisions of subdivision (g)(3), below, shall hear any evidence offered by the appellant, the assessor, and other county officials that is pertinent to the decision of the appeal. Upon the request of an appellant, the board shall subpoena witnesses or documents if there is a reasonable basis for believing that the witnesses have or the documents contain information pertinent to the decision of the appeal.
  - d. On the basis of its decision after any hearing conducted under this subdivision (g)(2), the board shall adopt and have entered in its minutes an order reducing, increasing, or confirming the appraisal appealed or listing or removing from the tax lists the property whose omission or listing has been appealed. The board shall notify the appellant by mail as to the action taken on the taxpayer's appeal not later than 30 days after the board's adjournment.
- (3) Powers in Carrying Out Duties. – In the performance of its duties under subdivisions (g)(1) and (g)(2), above, the board of equalization and review may exercise the following powers:
- a. It may appoint committees composed of its own members or other persons to assist it in making investigations necessary to its work. It may also employ expert appraisers in its discretion. The expense of the employment of committees or appraisers shall be borne by the county. The board may, in its discretion, require the taxpayer to reimburse the county for the cost of any appraisal by experts demanded by the taxpayer if the appraisal does not result in material reduction of the valuation of the property appraised and if the

appraisal is not subsequently reduced materially by the board or by the Department of Revenue.

- b. The board, in its discretion, may examine any witnesses and documents. It may place any witnesses under oath administered by any member of the board. It may subpoena witnesses or documents on its own motion, and it must do so when a request is made under the provisions of subdivision (g)(2)c, above.

A subpoena issued by the board shall be signed by the chair of the board, directed to the witness or to the person having custody of the document, and served by an officer authorized to serve subpoenas. Any person who willfully fails to appear or to produce documents in response to a subpoena or to testify when appearing in response to a subpoena shall be guilty of a Class 1 misdemeanor.

- c. In any year of general reappraisal, the chair of the board may divide the board into two or more separate panels with a minimum of three members each. The board members on each panel may be interchanged during the year. A decision by a panel has the same effect as a decision by the entire board.

- (4) Power to Submit Reports. – Upon the completion of its other duties, the board may submit to the Department of Revenue a report outlining the quality of the reappraisal, any problems it encountered in the reappraisal process, the number of appeals submitted to the board and to the Property Tax Commission, the success rate of the appeals submitted, and the name of the firm that conducted the reappraisal. A copy of the report should be sent by the board to the firm that conducted the reappraisal.

- (5) ~~Duty to Change Abstracts and Records~~Powers After Adjournment. – Following adjournment upon completion of its duties under subdivisions (g)(1) and (g)(2) of this subsection, the board may continue to meet to carry out the following duties:

- a. To hear and decide all appeals relating to discovered property under G.S. 105-312(d) and (k).
- b. To hear and decide all appeals relating to the appraisal, situs, and taxability of classified motor vehicles under G.S. 105-330.2(b).
- c. To hear and decide all appeals relating to audits conducted under G.S. 105-296(j) and relating to audits conducted under G.S. 105-296(j) and (l) of property classified at present-use value and property exempted or excluded from taxation.
- d. To hear and decide all appeals relating to personal property under G.S. 105-317.1(c).
- e. To make any changes authorized by G.S. 105-325.
- f. To exercise its authority under G.S. 105-282.1(a1) to accept an application for exemption or exclusion that was filed after the statutory deadline."

**SECTION 2.** This act is effective when it becomes law.

## VISITOR REGISTRATION SHEET

House Comm. on Local Government 03/26/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Graham Kelly

Office of Rep. Duane Hall

\* JESSE R. Hill

Mayor, City of Trinity, N.C.

Debbie Frazier

Mayor Pro-Tem City of Trinity

Linda Gantt

City council member - City of Trinity

Joe McClees

NC Federation of Ang Clubs

Henri McClees

NC Federation of Ang Clubs

Steve Wall

NC Federation of Ang Clubs



## VISITOR REGISTRATION SHEET

House Comm. on Local Government 03/26/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Wendy Kelly	Focus Cardina
CHARIS DILLON	WARE CO
Marcus Kinrade	Wake
GERRY CONN	Nelson Mullins
Thomas McCrue	City of Raleigh
Philip Isley	Sumit
Hayden Burgess	FSP
Erin Wynia	NCLM
Amanda Harker	Troutman Sanders



Tommy Johnson  
7216 Lansdowne Pl.  
Thomasville NC

Retired, Former Council member

Barry Lambeth  
6657 Fairview Church Rd

Trinity NC 27370

Jesse R. Hill  
3449 Barbara Lane  
Trinity, N.C. 27370

**House Committee on Local Government  
Thursday, March 26, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 199	Raleigh/Donate Service Animals to Officers.	Representative D. Hall Representative Holley Representative Jackson Representative Gill Representative Iler
HB 204	Caswell Beach/Quick Take Eminent Domain.	Representative Iler
HB 221	Lake Santeetlah Occupancy Tax Authorization.	Representative West
HB 234	Reinstate Mtn Island Lake Marine Commission.	Representative Jeter
HB 243	Local Mod: Economic Development Commissions.	Representative West
HB 247	Hoke County Local Option Sales Tax.	Representative Pierce Representative Goodman
HB 263	City of Trinity Terms of Election.	Representative Hurley
HB 279	Wake Cty Local Board of Equalization/Review.	Representative Pendleton Representative Malone Representative Dollar Representative Avila

**Presentations**

**Other Business**

**Adjournment**

**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE**

- HB 199 Raleigh/Donate Service Animals to Officers.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Holley
- HB 204 Caswell Beach/Quick Take Eminent Domain.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Iler
- HB 243 Local Mod: Economic Development Commissions.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: West
- HB 263 City of Trinity Terms of Election.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Hurley

**FAVORABLE AND RE-REFERRED**

- HB 247 Hoke County Local Option Sales Tax.  
Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Pierce



\* C M R 8 8 - V - 2 \*



**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB 279

Wake Cty Local Board of Equalization/Review.

Draft Number: H279-PCS30159-RW-4

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Pendleton

TOTAL REPORTED: 6



★ C M R 8 8 - V - 2 ★



**House Committee on Local Government  
Wednesday, April 1, 2015 at 8:30 AM  
Room Room 1124, Legislative Building**

**MINUTES**

The House Committee on Local Government met at 8:30 AM on April 1, 2015 in Room 1124, Legislative Building. Representatives Davis, Fisher, Floyd, Ford, G. Graham, Jeter, Langdon, Pendleton, Warren, and Watford attended. Erika Churchill, Giles Perry and Kelly Tornow, Research Staff and Judy Lowe and Kyle Chermak, Committee Assistants, were also in attendance. A visitor registration sheet is attached.

Representative Ted Davis, Jr., Chair, presided and called the meeting to order at 8:37 AM. He introduced the pages Dawson McHarg from Wilson Co., sponsored by Rep. Martin, Matthew Parker, Forsyth County, sponsored by Rep. Terry and Raymond Chen, Orange County sponsored by Rep. Insko. He then introduced the Sergeant at Arms staff Warren Hawkins, Doug Harris and David Leighton and thanked them for their service to the Legislature.

The Agenda is as follows: **HB 234 Reinstate Mtn Island Lake Marine Commission.** The Chairman noted that this is a PCS and asked for a motion to bring it properly before the Committee. The motion was made by Representative Landon and seconded by Representative Floyd and passed. Representative Jeter explained that the bill was to authorize the reinstatement of the Mountain Island Lake Marine Commission. On July 30, 2014 Gaston County opted out of the Commission which by definition in the General Statutes shut the Marine Commission down completely. If a participating county withdraws, HB234 allows the Commission to still be established. There was a brief discussion and Representative Jeter announced that an amendment to this bill would be on the floor to add limiting language. He further stated that Gaston County is now accepting the concept as long as there is specific limiting language to what the committee can do. There was also a brief discussion against the bill. Representative Warren moved to provide the PCS of HB234 a favorable report and an unfavorable report as to the original bill. Motion seconded by Rep. Langdon and passed.

**HB 236 Certain Counties/Purchasing Exemption.** The Chairman called for a motion to bring the PCS before the Committee. Representative Langdon so moved, seconded by Representative Floyd and the motion passed. Representative Speciale explained that the bill is identical to HB 58 granting Alamance, Anson, Caswell, Craven, Cumberland, Davidson, Guilford, Onslow, Pamlico, Randolph, Rockingham and Wake counties the authority to purchase food and food supplies for the county's detention facility while complying with the formal and informal bidding requirements in G.S.143-129 and G.S.143-131 (a). There were brief comments, followed by a motion from Representative Warren to give the PCS of HB236 a favorable report and an unfavorable report to the original bill. The motion carried.

**HB 312 Certain Counties Sheriff/Food Purchases.** There was a motion from Representative Langdon to bring the PCS before the Committee. The motion was seconded and carried. Representative Presnell explained that the bill would permit the sheriffs in Haywood, Madison, and Yancey Counties to purchase food and food supplies for the county's detention facility while



complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a). Rep. Fisher had an amendment which moves to amend the bill on page 1, line 11 inserting "Orange" between "Madison" and "and" on that line and on page 1, line 10, by inserting "Cherokee" before "Haywood" on that line. The amendment passed unanimously. Representative Jeter moved to roll the amendment into the PCS and give a favorable report as to the PCS, an unfavorable report to the original bill, seconded by Rep. Warren; motion passed.

**HB 313 Promotion Grievances/City of Statesville.** Rep. Jeter moved, seconded by Representative Warren that the PCS was properly before the Committee. Rep. Turner stated that the bill was uncontroversial and being requested by the Fire Department. It doesn't make any significant changes and calls attention to language that was already in the Charter and is being repeated in Section 5.14.1. Rep. Warren moved to provide the PCS of HB313 a favorable report, unfavorable to the original bill. The motion, seconded by Rep. Langdon, passed unanimously.

**HB 345 Currituck County/Remove Abandoned Vessels.** Representative Steinburg explained the bill. He stated that it is adding Currituck County to a statute that exists for Brunswick and Dare Counties and it will remove abandoned vessels left by owners and which block canals, etc. causing a problem and the County does not have the authority to do anything. This legislation will allow them to get rid of the vessels. Representative Warren moved to provide HB345 a favorable report, seconded by Representative Pendleton, and passed unanimously.

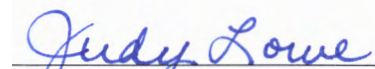
**HB 347 Graham, Buncombe Occ. Tax/Stokesdale Fire.** Representative West stated that HB347 would recodify the previously authorized occupancy tax in Graham County and get it back up to speed. Representative Langdon moved for a favorable report and a re-referral to Finance, seconded by Representative Watford. The motion passed unanimously.

**HB 353 Wilson's Mills/Satellite Annexations.** Representative Langton stated that the bill would give the Town of Wilson's Mills the option to go past their 10% cap on voluntary satellite annexations. There were no questions or further comments. Representative Fisher moved to give HB353 a favorable report and be re-referred to Finance. The motion passed unanimously.

The meeting was adjourned at 9:05 AM.



Representative Ted Davis, Jr., Chair  
Presiding



Judy Lowe, Committee Clerk

**Attachments:**

- Committee notice
- Agenda
- Committee reports
- Bills, with copies of amendments (if any)
- Proposed committee substitutes
- Visitor registration sheets



**Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Tuesday, March 31, 2015 06:33 PM  
**To:** Rep. Charles Jeter; Rep. Michael Speciale; Rep. Michele Presnell; Rep. Rena Turner; Rep. John Fraley; Rep. Bob Steinburg; Rep. Roger West; Rep. Leo Daughtry; Rep. J.H. Langdon  
**Cc:** Brittany Eller (Rep. Charles Jeter); Hazel Speciale (Rep. Michael Speciale); John Wall (Rep. Michele Presnell); Barbara Gaiser (Rep. Rena Turner); Carol Wakely (Rep. John Fraley); Bethany Hudson (Rep. Bob Steinburg); Linda C. Johnson (Rep. Roger West); Jan Copeland (Rep. Leo Daughtry); Thomas Goffe (Rep. J.H. Langdon)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Wednesday, April 01, 2015 at 8:30 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Wednesday, April 1, 2015  
**TIME:** 8:30 AM  
**LOCATION:** Room 1124, Legislative Building  
**COMMENTS:** Representative Davis Presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 234	Reinstate Mtn Island Lake Marine Commission.	Representative Jeter
HB 236	Certain Counties/Purchasing Exemption.	Representative Speciale
HB 312	Certain Counties Sheriff/Food Purchases.	Representative Presnell
HB 313	Promotion Grievances/City of Statesville.	Representative R. Turner Representative Fraley
HB 345	Currituck County/Remove Abandoned Vessels.	Representative Steinburg
HB 347	Modify Graham County Occupancy Tax.	Representative West
HB 353	Wilson's Mills/Satellite Annexations.	Representative Langdon Representative Daughtry



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 6:31 PM on Tuesday, March 31, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government  
Wednesday, April 1, 2015, 8:30 AM  
Room 1124, Legislative Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 234	Reinstate Mtn Island Lake Marine Commission.	Representative Jeter
HB 236	Certain Counties/Purchasing Exemption.	Representative Speciale
HB 312	Certain Counties Sheriff/Food Purchases.	Representative Presnell
HB 313	Promotion Grievances/City of Statesville.	Representative R. Turner Representative Fraley
HB 345	Currituck County/Remove Abandoned Vessels.	Representative Steinburg
HB 347	Modify Graham County Occupancy Tax.	Representative West
HB 353	Wilson's Mills/Satellite Annexations.	Representative Langdon Representative Daughtry

**Presentations**

**Other Business**

**Adjournment**





# HOUSE BILL 234: Reinstate Mtn Island Lake Marine Commission

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Jeter  
**Analysis of:** PCS to First Edition  
H234-CSST

**Date:** March 31, 2015  
**Prepared by:** Kristen Harris  
Staff Attorney

**SUMMARY:** *The Proposed Committee Substitute for House Bill 234 would authorize the reinstatement the Mountain Island Lake Marine Commission.*

**CURRENT LAW:** Article 6 of Chapter 77 of the North Carolina General Statutes addresses the Mountain Island Lake Marine Commission. G.S. 77-71 allows Gaston, Lincoln, and Mecklenburg counties to create the Commission by the adoption of a joint resolution of each of the counties. The Commission, once created, enables Gaston, Lincoln, and Mecklenburg Counties to make regulations applicable to Mountain Island Lake and its shoreline area relating to or affecting the use of the lake.

The Commission is governed by a board of seven appointees. The Boards of Commissioners from Gaston and Mecklenburg Counties appoint three commissioners each and Lincoln County appoints one.

A county may unilaterally withdraw from the Commission. Currently, when a county withdraws, the Commission is dissolved, and property of the Commission must be equitably divided among the three counties and any public agencies serving the area.

**BILL ANALYSIS:** The PCS would authorize any of the three counties, jointly or separately, to reinstate the Mountain Island Lake Marine Commission by adding a definition for "participating counties" and making necessary conforming changes. The term would mean any combination of Gaston, Lincoln, and Mecklenburg Counties that have adopted a resolution to participate in the Commission and have not withdrawn from the Commission.

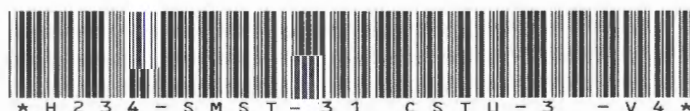
The PCS would provide that the participating counties would be authorized to create the Commission. The Commission would be governed by a board of seven as determined by the participating counties. The provisions of any joint resolution could be amended, modified, or rescinded by a subsequent joint resolution made with the unanimous consent of the participating counties.

If a participating county withdraws, the Commission continues with the remaining participating counties, and any property of the withdrawing county must be distributed as determined by all participating counties.

**EFFECTIVE DATE:** Effective when it becomes law.

**BACKGROUND:** The Mountain Island Lake Marine Commission was created in 1997 by the North Carolina General Assembly. On June 30, 2014, Gaston County unilaterally withdrew from the Commission which dissolved the Commission.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 234  
PROPOSED COMMITTEE SUBSTITUTE H234-CSTU-3 [v.6]

3/31/2015 7:23:05 PM

Short Title: Reinstatement Mtn Island Lake Marine Commission.

(Local)

Sponsors:

Referred to:

March 16, 2015

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE THE REINSTATEMENT OF THE MOUNTAIN ISLAND LAKE  
MARINE COMMISSION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 77-70 reads as rewritten:

**§ 77-70. Definitions.**

For purposes of this Article:

- (1) "Board" means the board of commissioners of one of the ~~three-participating~~ counties.
- (2) "Commission" means the Mountain Island Lake Marine Commission or its governing board, as the case may be.
- (3) "Commissioner" means a member of the governing board of the Mountain Island Lake Marine Commission.
- (4) "Joint resolution" means a resolution or ordinance substantially identical in content adopted separately by the governing boards in ~~each of the three counties~~ the participating counties.
- (5) "Mountain Island Lake" means the impounded body of water along the Catawba River in the three counties extending from the Cowans Ford Dam downstream to the Mountain Island Dam.
- (5a) "Participating counties" means those of the three counties that have adopted a resolution to participate in the Commission and have not withdrawn.
- (6) "Shoreline area" means, except as modified by a joint resolution, the area within the three counties lying within 1,000 feet of the full pond elevation contour on Mountain Island Lake. In addition, the shoreline area includes all islands within Mountain Island Lake and all peninsulas extending into the waters of Mountain Island Lake.
- (7) "Three counties" means Gaston, Lincoln, and Mecklenburg Counties.
- (8) "Wildlife Commission" means the North Carolina Wildlife Resources Commission."

**SECTION 2.** G.S. 77-71 reads as rewritten:

**"§ 77-71. Authority to create Commission; withdrawal from and dissolution of Commission.**

(a) The ~~three-participating~~ counties may by joint resolution create the Mountain Island Lake Marine Commission. Upon its creation the Commission has the powers, duties, and responsibilities conferred upon it by joint resolution, subject to the provisions of this Article.



(b) The provisions of any joint resolution may be modified, amended, or rescinded by a subsequent joint resolution made with the unanimous consent of the participating counties.

(c) A county may unilaterally withdraw from participation as provided by any joint resolution or the provisions of this Article, once the Commission has been created, and any county may unilaterally withdraw from the Commission at the end of any budget period upon 90 days prior written notice. Upon the effectuation of the withdrawal, ~~the Commission is dissolved,~~ the Commission continues with the remaining participating counties, and any property of the withdrawing county shall be distributed as determined by all participating counties. ~~and Upon withdrawal of the final participating county, all property of the Commission must be distributed to or divided among the three counties and any other public agency or agencies serving the Mountain Island Lake area in a manner considered equitable by the Commission by resolution adopted by it prior to dissolution."~~

**SECTION 3.** G.S. 77-72 reads as rewritten:

**"§ 77-72. Membership; terms.**

(a) Upon its creation, the Commission shall have a governing board of seven members, to be appointed as determined by a joint resolution of the participating counties, subject to the provisions of this section. ~~Except as otherwise provided for the initial appointees, each commissioner shall serve a three-year term. Upon creation of the Commission, the Boards of Commissioners of Gaston County and Mecklenburg County shall appoint three commissioners each, and the Board of Commissioners of Lincoln County shall appoint one commissioner. Of the initial appointees:~~

(1) ~~One commissioner appointed by Gaston County and one member appointed by Mecklenburg County shall serve one-year terms;~~

(2) ~~One commissioner appointed by Gaston County and one member appointed by Mecklenburg County shall serve two-year terms; and~~

(3) ~~One member appointed by Gaston County, one member appointed by Mecklenburg County, and the member appointed by Lincoln County shall serve three-year terms.~~

(b) Any commissioner who has served two consecutive terms, including any initial term of less than three years, may not be reappointed to a third consecutive term. Such a member may, however, be appointed to serve again after the expiration of the term of the member's successor.

(c) On the death of a commissioner, resignation, incapacity, or inability to serve, as determined by the board appointing that commissioner, or removal of the commissioner for cause, as determined by the board appointing that commissioner, the board affected may appoint another commissioner to fill the unexpired term."

**SECTION 4.** G.S. 77-73 reads as rewritten:

**"§ 77-73. Compensation; budget.**

The joint resolution of the ~~three-participating~~ participating counties shall state the terms relating to compensation to commissioners, if any, compensation of consultants and staff members employed by the Commission, and reimbursement of expenses incurred by commissioners, consultants, and employees. The Commission shall be governed by those budgetary and accounting procedures specified by joint resolution. "

**SECTION 5.** G.S. 77-74 reads as rewritten:

**"§ 77-74. Organization and meetings.**

Upon creation of the Commission, its governing board shall meet at a time and place agreed upon by the boards of the ~~three-participating~~ participating counties concerned. The commissioners shall elect a chairman and officers as they choose. All officers shall serve one-year terms. The governing board shall adopt rules and regulations as it deems necessary, not inconsistent with the provisions of this Article or of any joint resolution, for the proper discharge of its duties and for the governance of the Commission. In order to conduct business, a quorum must be present. The chairman may adopt those committees as authorized by those rules and regulations. The

Commission shall meet regularly at times and places as specified in its rules and regulations or in any joint resolution. However, meetings of the Commission must be held in all ~~three~~ participating counties on a rotating basis so that an equal number of meetings is held in each county. Special meetings may be called as specified in the rules and regulations. The provisions of the Open Meetings Law, Article 33C of Chapter 143 of the General Statutes, shall apply. "

**SECTION 6.** G.S. 77-75 reads as rewritten:

**"§ 77-75. Powers of the Commission; administration and funding.**

(a) Within the limits of funds available to it and subject to the provisions of this Article and of any joint resolution, the Commission may:

- (1) Hire and fix the compensation of permanent and temporary employees and staff as it may deem necessary in carrying out its duties;
- (2) Contract with consultants for services it requires;
- (3) Contract with the State of North Carolina or the federal government, or any agency or department, or subdivision of them, for property or services as may be provided to or by these agencies and carry out the provisions of these contracts;
- (4) Contract with persons, firms, and corporations generally as to all matters over which it has a proper concern, and carry out the provisions of contracts;
- (5) Lease, rent, purchase, or otherwise obtain suitable quarters and office space for its employees and staff, and lease, rent, purchase, or otherwise obtain furniture, fixtures, vessels, vehicles, firearms, uniforms, and other supplies and equipment necessary or desirable for carrying out the duties imposed in or under the authority of this Article; and
- (6) Lease, rent, purchase, construct, otherwise obtain, maintain, operate, repair, and replace, either on its own or in cooperation with other public or private agencies or individuals, any of the following: boat docks, navigation aids, waterway markers, public information signs and notices, and other items of real and personal property designed to enhance public safety in Mountain Island Lake and its shoreline area, or protection of property in the shoreline area subject however to Chapter 113 of the General Statutes and rules promulgated under that Chapter.

(b) The Commission may accept, receive, and disburse in furtherance of its functions any funds, grants, services, or property made available by the federal government or its agencies or subdivisions, by the State of North Carolina or its agencies or subdivisions, or by private and civic sources.

(c) The governing boards of the ~~three-participating~~ counties may appropriate funds to the Commission out of surplus funds or funds derived from nontax sources. They may appropriate funds out of tax revenues and may also levy annually property taxes for the payments of such appropriation as a special purpose, in addition to any allowed by the Constitution, or as provided by G.S. 153A-149.

(d) The Commission shall be subject to those audit requirements as may be specified in any joint resolution.

(e) In carrying out its duties and either in addition to or in lieu of exercising various provisions of the above authorization, the Commission may, with the agreement of the governing board of the county concerned, utilize personnel and property of or assign responsibilities to any officer or employee of any of the ~~three-participating~~ counties. Such contribution in kind, if substantial, may with the agreement of the ~~any~~ other ~~two-participating~~ counties be deemed to substitute in whole or in part for the financial contribution required of that county in support of the Commission.

1 (f) Unless otherwise specified by joint resolution, each of the ~~three-participating~~  
2 counties shall annually contribute an equal financial contribution to the Commission in an  
3 amount appropriate to support the activities of the Commission in carrying out its duties."

4 **SECTION 7.** G.S. 77-76(a) reads as rewritten:

5 "(a) A copy of the joint resolution creating the Commission and of any joint resolution  
6 amending or repealing the joint resolution creating the Commission shall be filed with the  
7 Executive Director of the Wildlife Commission. When the Executive Director receives  
8 resolutions that are in substance identical from ~~all three-the participating~~ counties concerned,  
9 the Executive Director shall within 10 days so certify and distribute a certified single resolution  
10 text to the following:

11 (1) The Secretary of State;

12 (2) The clerk to the governing board of each of the three counties;

13 (3) The clerks of Superior Court of Lincoln, Mecklenburg, and Gaston Counties.  
14 Upon request, the Executive Director also shall send a certified single copy  
15 of any and all applicable joint resolutions to the chairman of the  
16 Commission; and

17 (4) A newspaper of general circulation in the three counties."

18 **SECTION 8.** G.S. 77-78(c) reads as rewritten:

19 "(c) Unless a joint resolution provides otherwise, all courts in the ~~three-participating~~  
20 counties within the limits of their subject matter jurisdiction shall have concurrent jurisdiction  
21 as to all criminal offenses arising within the boundaries of Mountain Island Lake and its  
22 shoreline area."

23 **SECTION 9.** This act applies only to Gaston, Lincoln, and Mecklenburg Counties.

24 **SECTION 10.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 234

Short Title: Reinstatement of Mountain Island Lake Marine Commission. (Local)

Sponsors: Representative Jeter (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 16, 2015

A BILL TO BE ENTITLED  
AN ACT TO REINSTATE THE MOUNTAIN ISLAND MARINE COMMISSION TO ITS  
STATUS PRIOR TO THE WITHDRAWAL OF GASTON COUNTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Notwithstanding the provisions of G.S. 77-71 or any other provision of law, the Mountain Island Lake Marine Commission is reinstated as it existed on June 1, 2014, prior to the unilateral withdrawal of Gaston County and resulting dissolution of the Commission. The reinstated Mountain Island Lake Marine Commission shall be governed by Article 6 of Chapter 77 of the General Statutes, as amended by this act.

**SECTION 2.** G.S. 77-71 reads as rewritten:

"§ 77-71. ~~Authority to create Commission; withdrawal from and dissolution of Commission.~~ Creation of Commission.

The three counties ~~may~~shall by joint resolution create the Mountain Island Lake Marine Commission. Upon its creation the Commission has the powers, duties, and responsibilities conferred upon it by joint resolution, subject to the provisions of this Article. The provisions of any joint resolution may be modified, amended, or rescinded by a subsequent joint resolution. ~~A county may unilaterally withdraw from participation as provided by any joint resolution or the provisions of this Article, once the Commission has been created, and any county may unilaterally withdraw from the Commission at the end of any budget period upon 90 days prior written notice. Upon the effectuation of the withdrawal, the Commission is dissolved, and all property of the Commission must be distributed to or divided among the three counties and any other public agency or agencies serving the Mountain Island Lake area in a manner considered equitable by the Commission by resolution adopted by it prior to dissolution.~~

**SECTION 3.** This act is effective when it becomes law.







## HOUSE BILL 236: Certain Counties/Purchasing Exemption

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Speciale  
**Analysis of:** PCS to First Edition  
H236-CSST-15

**Date:** March 31, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *House Bill 236 would permit the sheriffs in Beaufort, Chowan, Currituck, Granville, Pasquotank, and Stanly Counties to purchase food and food supplies for the county's detention facility with complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a).*

*The proposed committee substitute adds Dare and Washington Counties to the bill.*

**CURRENT LAW:** Article 8 of Chapter 143 sets out the current general law for public building contracts. That Article generally requires separate or single-prime bidding.

The sections of Article 8 for construction or renovations of buildings that require or imply the separate or single-prime bidding process are:

- G.S. 143-128, regarding separate specifications for HVAC, Plumbing, Electrical, and general contract work under separate prime or single-prime bidding.
- G.S. 143-129, regarding formal bidding for public construction over \$500, 000 and goods over \$90,000.
- G.S. 143-131, regarding informal bidding procedures
- G.S. 143-132, concerning the minimum number of bids for a public construction contract.

A public school is not required to comply with the requirement to purchase all supplies under Article 8 of Chapter 143 when purchasing supplies and food for such school food services. G.S. 115C-264(c)

**BILL ANALYSIS:** House Bill 236 would permit the sheriffs in Beaufort, Chowan, Currituck, Dare, Granville, Pasquotank, Stanly, and Washington Counties to purchase food and food supplies for the county's detention facility with complying with the formal and informal bidding requirements of G.S. 143-129 and C.S. 143-131(a).

**EFFECTIVE DATE:** Effective when it becomes law.

**BACKGROUND:** House Bill 58, Certain Counties Sheriff/Food Purchases, granting the following counties the same authority, passed the House on 3/16/15, and is now in Senate Rules: Alamance, Anson, Caswell, Craven, Cumberland, Davidson, Guilford, Onslow, Pamlico, Randolph, Rockingham, and Wake.







## HOUSE BILL 313: Promotion Grievances/City of Statesville

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. R. Turner, Fraley  
**Analysis of:** PCS to First Edition  
H313-CSTH-8

**Date:** March 31, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *House Bill 313 is a local bill that would clarify that the Civil Service Board shall hear grievances related to the promotion of members of the fire and police departments in the City of Statesville.*

*The PCS makes a technical change to correct the session law references in Section 1.*

**CURRENT LAW:** Article V of the Charter of the City of Statesville establishes the Civil Service Board, which hears grievances as to promotions, demotions, suspensions, and terminations of members of the fire and police departments. The Board is composed of five members who serve three-year staggered terms beginning on the first day of July and ending on the last day of June. Members are appointed by the Senior Resident Superior Court Judge in Judicial District 22A. Any person who is not a member of the City Council, an elected officer, a member or employee of the police or fire department, or a City employee, is eligible to serve on the Board.

The chiefs of the police and fire departments are authorized to hire, suspend, promote, demote, and fire members of their respective departments. The Board has the authority to sustain the disciplinary action imposed by the chief, vacate the chief's action, or impose its own disciplinary action, but the action does not become final unless the City Council concurs.

The following actions may be appealed to the Civil Service Board:

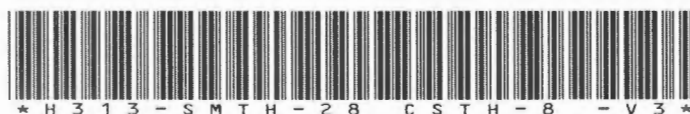
- Suspensions for an infraction of departmental rules and regulations of more than 15 days at any one time, or one which would make the total number of days exceed 25 during any six-month period.
- Demotions in rank and terminations.
- Any suspension, if authorized by the rules and regulations of that department.

All promotions are required to be by competitive examination.

**BILL ANALYSIS:** House Bill 313 is a local bill that would clarify that one of the duties of the Civil Service Board is to hear grievances as to promotions of members of the police and fire departments in the City of Statesville.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Statesville is one of five municipalities in North Carolina that has a Civil Service Board. The other municipalities are Asheville, Charlotte, Raleigh, and Wilmington.





GENERAL ASSEMBLY OF NORTH CAROLINA  
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D

HOUSE BILL 313  
PROPOSED COMMITTEE SUBSTITUTE H313-CSTH-8 [v.1]

3/31/2015 3:04:29 PM

Short Title: Promotion Grievances/City of Statesville.

(Local)

Sponsors:

Referred to:

March 23, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT THE CIVIL SERVICE BOARD SHALL HEAR  
3 GRIEVANCES RELATED TO THE PROMOTION OF MEMBERS OF THE FIRE AND  
4 POLICE DEPARTMENTS IN THE CITY OF STATESVILLE.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.** Section 5.14.1 of Article V of the Charter of the City of Statesville,  
7 being Chapter 289 of the 1977 Session Laws, as amended by Chapter 799 of the 1981 Session  
8 Laws, S.L. 1998-79 and Section 1 of S.L. 2007-238, reads as rewritten:  
9 "Sec. 5.14.1. Hiring Members of Police and Fire Departments; Promotions. The Chiefs of  
10 the police and fire departments shall hire the members of their respective departments. All  
11 promotions shall be by competitive examination within the departments and shall be made by  
12 the respective Chiefs. In accordance with Section 5.5 of this Article, the Board shall hear  
13 grievances as to promotions of members of the police and fire departments."  
14 **SECTION 2.** This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 313

Short Title: Promotion Grievances/City of Statesville. (Local)

Sponsors: Representatives R. Turner and Fraley (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 23, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT THE CIVIL SERVICE BOARD SHALL HEAR  
3 GRIEVANCES RELATED TO THE PROMOTION OF MEMBERS OF THE FIRE AND  
4 POLICE DEPARTMENTS IN THE CITY OF STATESVILLE.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.** Section 5.14.1 of Article V of the Charter of the City of Statesville,  
7 being Chapter 289 of the 1977 Session Laws, as amended by S.L. 1998-79 and Section 1 of  
8 S.L. 2007-238, reads as rewritten:  
9 "Sec. 5.14.1. Hiring Members of Police and Fire Departments; Promotions. The Chiefs of  
10 the police and fire departments shall hire the members of their respective departments. All  
11 promotions shall be by competitive examination within the departments and shall be made by  
12 the respective Chiefs. In accordance with Section 5.5 of this Article, the Board shall hear  
13 grievances as to promotions of members of the police and fire departments."  
14 **SECTION 2.** This act is effective when it becomes law.







# HOUSE BILL 345: Currituck County/Remove Abandoned Vessels

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Steinburg  
**Analysis of:** First Edition

**Date:** March 31, 2015  
**Prepared by:** Kristen Harris  
Staff Attorney

**SUMMARY:** *House Bill 345 authorizes Currituck County to remove abandoned vessels from its navigable waters.*

**CURRENT LAW:** S.L. 2013-182 authorizes Brunswick and Dare Counties to enact ordinances authorizing the removal of abandoned vessels in their navigable waters.

An abandoned vessel is defined as any of the following:

- A vessel moored, anchored, or otherwise located for more than 30 consecutive days in any 180-consecutive-day period without permission of a dock owner.
- A vessel that is in danger of sinking, has sunk, is resting on the bottom, or is located such that it is a hazard to navigation or is an immediate danger to other vessels. The definition, however, excludes shipwrecks and archeological remains in place more than 10 years.

The current procedure for removal includes a notice, hearing, and appeal procedure for the owner.

**BILL ANALYSIS:** House Bill 345 amends S.L. 2013-182 to include Currituck County.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Similar legislation authorizing Wrightsville Beach to remove and dispose of abandoned vessels was enacted in 2011 (S.L. 2011-82).

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 345

Short Title: Currituck County/Remove Abandoned Vessels. (Local)

Sponsors: Representative Steinburg (Primary Sponsor).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 26, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW CURRITUCK COUNTY TO REMOVE ABANDONED VESSELS  
3 FROM NAVIGABLE WATERS.  
4 The General Assembly of North Carolina enacts:  
5 SECTION 1. Section 1 of S.L. 2013-182 reads as rewritten:  
6 "SECTION 1. This act applies to ~~Brunswick and Dare~~ Brunswick, Currituck, and Dare  
7 Counties only."  
8 SECTION 2. This act is effective when it becomes law.



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## HOUSE BILL 347: Modify Graham County Occupancy Tax

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 1, 2015
<b>Introduced by:</b>	Rep. West	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 347 would recodify the previously authorized Graham County occupancy tax to make it more uniform with current occupancy tax guidelines. By doing so, Graham County would be able to use up to one-third of the occupancy tax proceeds for tourism-related expenditures, which it cannot do under current law.*

**CURRENT LAW:** In 1985, the General Assembly authorized Graham County to levy an occupancy tax of 3%. The county must place the net proceeds of the tax in a special Travel and Tourism Fund, and the net proceeds must be used only to promote travel and tourism in the County.

**BILL ANALYSIS:** House Bill 347 would recodify the existing law authorizing a room occupancy tax in Graham County to more closely conform to the uniform guidelines currently used for occupancy taxes. The tax rate would remain the same. By conforming to the guidelines, Graham County would be able to use up to one-third of the occupancy tax proceeds for tourism-related expenditures, which it cannot do under current law. The bill also makes the Graham County occupancy tax subject to the uniform provisions for room occupancy taxes in G.S. 153A-155 and requires the Graham County Board of Commissioners to adopt a resolution modifying the Graham County Tourism Development Authority to conform with the requirements of the bill within 60 days of the act becoming law.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax,<sup>1</sup> which provide uniformity among counties and cities with respect to the levy, administration, collection, repeal, and imposition of penalties. In 1993, the House Finance Committee established the Occupancy Tax Guidelines, which address the rate of tax, the use of the tax proceeds, the administration of the tax, and the body with authority to determine how the proceeds will be spent. A summary of these provisions is detailed in the chart below.

UNIFORM OCCUPANCY TAX PROVISIONS	
<b>Rate</b>	The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.
<b>Use</b>	Two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism related expenditures.
<b>Definitions</b>	The term "net proceeds", "promote travel and tourism", and "tourism related expenditures" are defined terms.
<b>Administration</b>	The net revenues must be administered by a local tourism development authority that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least 1/2 of the members must be currently active in the promotion of travel and tourism in the county and 1/3 of the members must be affiliated with organizations that collect the tax.
<b>Costs of Collection</b>	The taxing authority may retain from the revenues its actual costs of collection, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.

<sup>1</sup> G.S. 153A-155 and G.S. 160A-215.





GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

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HOUSE BILL 347

Short Title: Modify Graham County Occupancy Tax. (Local)

Sponsors: Representative West (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 26, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY THE AUTHORIZATION TO GRAHAM COUNTY TO LEVY AN  
3 OCCUPANCY TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Section 1 of Chapter 969 of the 1985 Session Laws, as amended by  
6 Chapters 118 and 195 of the 1987 Session Laws and Section 21(k) of S.L. 2007-527, and only  
7 as it applies to Graham County, is rewritten and recodified as Sections 2 and 3 of this act. This  
8 act does not affect the rights or liabilities of the county, a taxpayer, or another person arising  
9 under the law rewritten and recodified by this act before the effective date of this act, nor does  
10 it affect the right to any refund or credit of a tax that accrued under the law rewritten and  
11 recodified by this act before the effective date of this act.

12 **SECTION 2.** Occupancy tax. – (a) Authorization and Scope. – The Graham  
13 County Board of Commissioners may levy a room occupancy tax of three percent (3%) of the  
14 gross receipts derived from the rental of any room, lodging, or accommodation furnished by a  
15 hotel, motel, inn, tourist camp, or similar place within the county that is subject to sales tax  
16 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
17 sales tax. This tax does not apply to accommodations furnished by nonprofit charitable,  
18 educational, or religious organizations when furnished in furtherance of their nonprofit  
19 purpose.

20 **SECTION 2.(b)** Administration. – A tax levied under this act shall be levied,  
21 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in  
22 G.S. 153A-155 apply to a tax levied under this Part.

23 **SECTION 2.(c)** Definitions. – The following definitions apply in this act:

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



the use of lodging facilities, meeting facilities, or convention facilities in the county or to attract tourists or business travelers to the county. The term includes tourism-related capital expenditures.

**SECTION 2.(d)** Distribution and Use of Tax Revenue. – Graham County shall, on a quarterly basis, remit the net proceeds of the occupancy tax levied under this act to the Graham County Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection to promote travel and tourism in Graham County and shall use the remainder for tourism-related expenditures.

**SECTION 3.** Tourism Development Authority. – (a) Appointment and Membership. – The Graham County Board of Commissioners shall adopt a resolution modifying the Graham County Tourism Development Authority to conform with the requirements of this section. The Authority shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution adopted by the Board of Commissioners shall provide for the membership of the Authority, including the members' terms of office, and for the filling of vacancies on the Authority. At least one-third of the members shall be individuals who are affiliated with businesses that collect the tax in the county, and at least one-half of the members shall be individuals who are currently active in the promotion of travel and tourism in the county. The Board of Commissioners shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members of the Authority.

The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The Finance Officer for Graham County shall be the ex officio finance officer of the Authority.

**SECTION 3.(b)** Duties. – The Authority shall expend the net proceeds of the tax levied under this Section 2 of this act for the purposes provided in this act. The Authority shall promote travel, tourism, and conventions in the county, sponsor tourist-related events and activities in the county, and finance tourist-related capital projects in the county.

**SECTION 3.(c)** Reports. – The Authority shall report quarterly and at the close of the fiscal year to the Graham County Board of Commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the Board of Commissioners may require.

**SECTION 4.** Section 3 of Chapter 969 of the 1985 Session Laws, as amended by S.L. 2011-170, reads as rewritten:

"**Sec. 3.** This act applies only to the following counties: ~~Graham~~, Clay, Durham, Macon, Polk, and Transylvania."

**SECTION 5.** Section 3 of Chapter 118 of the 1987 Session Laws, as amended by S.L. 2011-170, reads as rewritten:

"**Sec. 3.** This act applies only to the following counties: ~~Clay, Graham, Clay~~ and Macon."

**SECTION 6.** Section 2 of Chapter 195 of the 1987 Session Laws, as amended by S.L. 2011-170, reads as rewritten:

"**Sec. 2.** This act applies only to the following counties: ~~Clay, Graham, Clay~~ and Macon."

**SECTION 7.** G.S. 153A-155(g) reads as rewritten:

"(g) Applicability. – Subsection (c) of this section applies to all counties and county districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection (c) supersedes that provision. The remainder of this section applies only to Alleghany, Anson, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret, Caswell, Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood, Henderson, Jackson, Madison, Martin, McDowell, Montgomery, Moore, Nash, New Hanover, Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Swain, Transylvania, Tyrrell, Vance,

1 Washington, and Wilson Counties, to New Hanover County District U, to Surry County  
2 District S, to Watauga County District U, to Wilkes County District K, to Yadkin County  
3 District Y, and to the Township of Averasboro in Harnett County and the Ocracoke Township  
4 Taxing District."

5         **SECTION 8.** This act is effective when it becomes law, and the Graham County  
6 Board of Commissioners shall adopt the resolution required by Section 3 of this act within 60  
7 days of that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 353

Short Title: Wilson's Mills/Satellite Annexations. (Local)

Sponsors: Representatives Langdon and Daughtry (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 26, 2015

A BILL TO BE ENTITLED  
AN ACT REMOVING CERTAIN RESTRICTIONS ON SATELLITE ANNEXATIONS FOR  
THE TOWN OF WILSON'S MILLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-58.1 reads as rewritten:  
**"§ 160A-58.1. Petition for annexation; standards.**

...  
(b) A noncontiguous area proposed for annexation must meet all of the following standards:

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

This subdivision does not apply to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Ranlo, Richlands, Rolesville, Rutherfordton, Shallotte, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Wilson's Mills, Windsor, Yadkinville, and Zebulon.

...."

**SECTION 2.** This act is effective when it becomes law.





## HOUSE BILL 353: Wilson's Mills/Satellite Annexations

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 1, 2015
<b>Introduced by:</b>	Reps. Langdon, Daughtry	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 353 would exempt the Town of Wilson's Mills from the 10% area cap on voluntary satellite annexations.*

**CURRENT LAW:** G.S. 160A-58.1 governs voluntary municipal annexation of noncontiguous property (i.e., voluntary satellite annexation). If all property owners in a satellite area petition a municipality for voluntary annexation of the noncontiguous property, the municipality may annex the property, if the following 5 requirements are met:

1. The nearest point on the proposed satellite corporate limits must be not more than 3 miles from the primary corporate limits of the annexing city.
2. No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city.
3. The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits.
4. If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included.
5. *The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed 10% of the area within the primary corporate limits of the annexing city.*

**BILL ANALYSIS:** House Bill 353 would add the Town of Wilson's Mills to the group of municipalities exempted from the 10% area cap on voluntary satellite annexation.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** The Town of Wilson's Mills was incorporated in 1996 and is located in Johnston County.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 353

Short Title: Wilson's Mills/Satellite Annexations. (Local)

Sponsors: Representatives Langdon and Daughtry (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 26, 2015

A BILL TO BE ENTITLED  
AN ACT REMOVING CERTAIN RESTRICTIONS ON SATELLITE ANNEXATIONS FOR  
THE TOWN OF WILSON'S MILLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-58.1 reads as rewritten:

**"§ 160A-58.1. Petition for annexation; standards.**

...

(b) A noncontiguous area proposed for annexation must meet all of the following standards:

...

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

This subdivision does not apply to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Ranlo, Richlands, Rolesville, Rutherfordton, Shallotte, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Wilson's Mills, Windsor, Yadkinville, and Zebulon.

...."

**SECTION 2.** This act is effective when it becomes law.





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE**

HB 345 Currituck County/Remove Abandoned Vessels.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Steinburg

**FAVORABLE AND RE-REFERRED**

HB 347 Modify Graham County Occupancy Tax.  
Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: West

HB 353 Wilsons Mills/Satellite Annexations.  
Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Langdon

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB 234 Reinstate Mtn Island Lake Marine Commission.  
Draft Number: H234-PCS40264-TU-3  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Jeter

HB 236 Certain Counties/Purchasing Exemption.  
Draft Number: H236-PCS10194-ST-15  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Speciale



\* C M R 1 0 5 - V - 7 \*



HB 312

Certain Counties Sheriff/Food Purchases.

Draft Number: H312-PCS10195-ST-14  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Presnell

HB 313

Promotion Grievances/City of Statesville.

Draft Number: H313-PCS10196-TH-8  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: R. Turner

TOTAL REPORTED: 7



\* C M R 1 0 5 - V - 7 \*



# VISITOR REGISTRATION SHEET

Local Government

Name of Committee

Date

4/1/15

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

DB Bungeachner

NC House

Joe McClus

McClus Consult

Rep Rena Turner

NC House

Amanda Horvath

TSS

JOHN FRALEY

NC HOUSE

Rep Michele Presnell

NC House

Doug Miskew

PSG

Rose Williams

NC L M



## **Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Wednesday, April 01, 2015 09:23 AM  
**To:** Rep. Leo Daughtry; Rep. Marilyn Avila; Rep. Duane Hall; Rep. Gale Adcock; Rep. Nelson Dollar; Rep. Larry Pittman; Rep. Carl Ford; Rep. Michael Speciale  
**Cc:** Jan Copeland (Rep. Leo Daughtry); Susan Lewis (Rep. Marilyn Avila); Graham Kelly (Rep. Duane Hall); Seth Morris (Rep. Gale Adcock); Candace Slate (Rep. Nelson Dollar); Tammy Pittman (Rep. Larry Pittman); Kyle Chermak (Rep. Carl Ford); Hazel Speciale (Rep. Michael Speciale)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Thursday, April 02, 2015 at 15 Minutes After Session  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

### **NORTH CAROLINA HOUSE OF REPRESENTATIVES COMMITTEE MEETING NOTICE AND BILL SPONSOR NOTIFICATION 2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, April 2, 2015  
**TIME:** 15 Minutes After Session  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ford Presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 217	Clayton Deannexation/Annexation.	Representative Daughtry
HB 218	Clayton Annexation.	Representative Daughtry
HB 343	Clayton/Extend ETJ Area.	Representative Daughtry
HB 322	Zoning/Recreational Land Req.- Morrisville.	Representative Avila Representative Adcock Representative D. Hall
HB 337	Town of Cary/Release Unneeded Easements.	Representative Dollar Representative Adcock Representative D. Hall
HB 61	Local Control/Land Application of Biosolids.	Representative Pittman Representative Ford Representative Speciale



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 9:22 AM on Wednesday, April 01, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government  
Thursday, April 2, 2015, 15 Minutes After Session  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 217	Clayton Deannexation/Annexation.	Representative Daughtry
HB 218	Clayton Annexation.	Representative Daughtry
HB 343	Clayton/Wallace ETJ Areas.	Representative Daughtry
HB 322	Zoning/Recreational Land Req.- Morrisville.	Representative Avila Representative Adcock Representative D. Hall
HB 337	Town of Cary/Release Unneeded Easements.	Representative Dollar Representative Adcock Representative D. Hall
HB 61	Local Control/Land Application of Biosolids.	Representative Pittman Representative Ford Representative Speciale

**Presentations**

**Other Business**

**Adjournment**





# HOUSE BILL 61: Local Control/Land Application of Biosolids

2015-2016 General Assembly

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<b>Committee:</b>	House Local Government, if favorable, Environment	<b>Date:</b>	February 18, 2015
<b>Introduced by:</b>	Reps. Pittman, Ford, Speciale	<b>Prepared by:</b>	R. Erika Churchill
<b>Analysis of:</b>	PCS to First Edition H61-CSST-1		Committee Counsel

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**SUMMARY:** *The proposed committee substitute for House Bill 61 would authorize counties to regulate, by ordinance, the land application of bulk residuals and have the Commission for Public Health incorporate such ordinance into permits for land application of bulk residuals.*

**CURRENT LAW:** A permit is required prior to the land application of waste. The Commission for Public Health must act on a permit application as quickly as possible and may conduct any inquiry or investigation it considers necessary before acting on an application. The applicant may be required to submit plans, specifications, and other information the Commission necessary to evaluate the application.

Prior to acting on a permit application for the land application of bulk residuals resulting from the operation of a wastewater treatment facility, the Commission must provide notice and an opportunity for comment from the governing board of the county in which the site of the land application of bulk residuals is proposed to be located.

If the Commission fails to act on an application for a permit, including a renewal of a permit, within 90 days after the applicant submits all information required by the Commission, the application is considered to be approved. Permits and renewals are effective until the date specified in the permit or until rescinded, unless modified or revoked by the Commission.

**BILL ANALYSIS:** The proposed committee substitute would grant authority to every county to adopt an ordinance regulating the land application of bulk residuals resulting from the operation of a wastewater treatment facility to all real property located within the jurisdiction of the county, including that property lying within the extraterritorial jurisdiction of a municipality.

The ordinance could require any of the following:

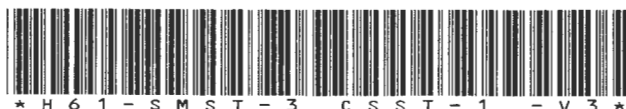
- (1) That the bulk residuals be incinerated prior to land application, if the county operates or contracts with an incinerator permitted under Article 9 of Chapter 130A of the General Statutes.
- (2) A specific alternate method of pathogen reduction and vector attraction reduction for the bulk residuals, if the county does not operate or contract with a permitted incinerator.

The ordinance must be consistent with, and supplementary to, any rules adopted by the Commission for Public Health or the Department of Environment and Natural Resources.

The county commissioners are required to conduct a public hearing prior to adopting the ordinance, and if the ordinance is incorporated into a permit issued pursuant to G.S. 143-215.1, the Commission on Public Health has sole enforcement authority.

**EFFECTIVE DATE:** Effective October 1, 2015, and applies to any land application site permits issued or renewed on or after that date. A county may adopt an ordinance under the authority of prior to October 1, 2015, if the ordinance has an effective date of October 1, 2015, or later.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 61  
PROPOSED COMMITTEE SUBSTITUTE H61-CSST-1 [v.7]

4/1/2015 6:56:48 PM

Short Title: Local Control/Land Application of Biosolids.

(Public)

Sponsors:

Referred to:

February 10, 2015

- 1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE LOCAL SAFEGUARDS FOR THE LAND APPLICATION OF  
3 BIOSOLIDS.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** G.S. 143-215.1(d) reads as rewritten:  
6 "(d) Applications and Permits for Sewer Systems, Sewer System Extensions and  
7 Pretreatment Facilities, Land Application of Waste, and for Wastewater Treatment Facilities  
8 Not Discharging to the Surface Waters of the State. –  
9 (1) Applications. – All applications for new permits and for renewals of existing  
10 permits for sewer systems, sewer system extensions and for disposal  
11 systems, and for land application of waste, or treatment works which do not  
12 discharge to the surface waters of the State, and all permits or renewals and  
13 decisions denying any application for permit or renewal shall be in writing.  
14 The Commission shall act on a permit application as quickly as possible.  
15 The Commission may conduct any inquiry or investigation it considers  
16 necessary before acting on an application and may require an applicant to  
17 submit plans, specifications, and other information the Commission  
18 considers necessary to evaluate the application.  
19 (2) Deemed approved. – If the Commission fails to act on an application for a  
20 permit, including a renewal of a permit, within 90 days after the applicant  
21 submits all information required by the Commission, the application is  
22 considered to be approved.  
23 (3) Effective date. – Permits and renewals issued in approving such facilities  
24 pursuant to this subsection shall be effective until the date specified therein  
25 or until rescinded unless modified or revoked by the Commission.  
26 (4) Local comment and conditions for land application of certain wastes. – Prior  
27 to acting on a permit application for the land application of bulk residuals  
28 resulting from the operation of a wastewater treatment facility, the  
29 Commission shall provide notice and an opportunity for comment from the  
30 governing board of the county in which the site of the land application of  
31 bulk residuals is proposed to be located. If the county has adopted an  
32 ordinance under G.S. 153A-145.3 prior to receipt of the notice from the  
33 Commission, the county shall so notify the Commission within 10 days of  
34 receipt of the notice by providing the Commission with a copy of the  
35 ordinance. The ordinance so provided to the Commission shall be attached to  
36 the permit, if issued, and the Commission shall incorporate the ordinance's



requirements at the time of the permit issuance into any conditions placed on the permit. Any subsequent changes to the ordinance by the county shall not affect the issued permit.

(5) Public access. — Local governmental units to whom pretreatment program authority has been delegated shall establish, maintain, and provide to the public, upon written request, a list of pretreatment applications received.

(2)(6) Additional notice required for land application of petroleum contaminated soil. — An applicant for a permit to dispose of petroleum contaminated soil by land application shall give written notice that he intends to apply for such a permit to each city and county government having jurisdiction over any part of the land on which disposal is proposed to occur. The Commission shall not accept such a permit application unless it is accompanied by a copy of the notice and evidence that the notice was sent to each such government by certified mail, return receipt requested. The Commission may consider, in determining whether to issue the permit, the comments submitted by local governments."

SECTION 2. Article 6 of Chapter 153A is amended to add a new section to read:

**"§ 153A-145.3. Regulation of land application of bulk residuals resulting from the operation of a wastewater treatment facility.**

(a) A county may by ordinance regulate the land application of bulk residuals resulting from the operation of a wastewater treatment facility to all real property located within the jurisdiction of the county, including that property lying within the extraterritorial jurisdiction of a municipality. Such an ordinance may do any of the following:

(1) Require that the bulk residuals be incinerated prior to land application, if the county operates or contracts with an incinerator permitted under Article 9 of Chapter 130A of the General Statutes.

(2) Specify an alternate method of pathogen reduction and vector attraction reduction for the bulk residuals, if the county does not operate or contract with a permitted incinerator.

(b) Any ordinance adopted pursuant to this section shall be consistent with and supplementary to any rules adopted by the Commission for Public Health or the Department of Environment and Natural Resources.

(c) The board of county commissioners may exercise the power and authority herein conferred only after a public hearing held by the board pursuant to 10 days' notice given in a newspaper having general circulation in said county prior to the public hearing.

(d) If the ordinance is incorporated into a permit issued pursuant to G.S. 143-215.1, the Commission shall have sole enforcement authority for any permit violations.

SECTION 3. This act becomes effective October 1, 2015, and applies to any land application site for disposal of bulk residuals for which a permit is issued or renewed on or after that date. A county may adopt an ordinance under the authority of G.S. 153A-145.3, as enacted by Section 2 of this act, prior to October 1, 2015, if the ordinance has an effective date of October 1, 2015, or later.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 61

Short Title: Local Control/Land Application of Biosolids. (Public)

Sponsors: Representatives Pittman, Ford, and Speciale (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Environment.

February 10, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE LOCAL SAFEGUARDS FOR THE LAND APPLICATION OF  
3 BIOSOLIDS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 143-215.1(d) reads as rewritten:

6 "(d) Applications and Permits for Sewer Systems, Sewer System Extensions and  
7 Pretreatment Facilities, Land Application of Waste, and for Wastewater Treatment Facilities  
8 Not Discharging to the Surface Waters of the State. –

9 (1) Applications. – All applications for new permits and for renewals of existing  
10 permits for sewer systems, sewer system extensions and for disposal  
11 systems, and for land application of waste, or treatment works which do not  
12 discharge to the surface waters of the State, and all permits or renewals and  
13 decisions denying any application for permit or renewal shall be in writing.  
14 The Commission shall act on a permit application as quickly as possible.  
15 The Commission may conduct any inquiry or investigation it considers  
16 necessary before acting on an application and may require an applicant to  
17 submit plans, specifications, and other information the Commission  
18 considers necessary to evaluate the application.

19 (2) Deemed approved. – If the Commission fails to act on an application for a  
20 permit, including a renewal of a permit, within 90 days after the applicant  
21 submits all information required by the Commission, the application is  
22 considered to be approved.

23 (3) Effective date. – Permits and renewals issued in approving such facilities  
24 pursuant to this subsection shall be effective until the date specified therein  
25 or until rescinded unless modified or revoked by the Commission.

26 (4) Local comment and conditions for land application of certain wastes. – Prior  
27 to acting on a permit application for the land application of bulk residuals  
28 resulting from the operation of a wastewater treatment facility, the  
29 Commission shall provide notice and an opportunity for comment from the  
30 governing board of the county in which the site of the land application of  
31 bulk residuals is proposed to be located. If the county operates or contracts  
32 with an incinerator permitted under Article 9 of Chapter 130A of the General  
33 Statutes, the governing board may by ordinance require that the bulk  
34 residuals be incinerated prior to land application. If the county does not  
35 operate or contract with a permitted incinerator, then the governing board



1                    may by ordinance specify an alternate method of pathogen reduction and  
2                    vector attraction reduction. In either case, the ordinance shall be attached to  
3                    the permit, and the Commission shall incorporate the ordinance's  
4                    requirements into the permit.

5                    (5) Public access. – Local governmental units to whom pretreatment program  
6                    authority has been delegated shall establish, maintain, and provide to the  
7                    public, upon written request, a list of pretreatment applications received.

8                    (2)(6) An applicant for a permit to dispose of petroleum contaminated soil by land  
9                    application shall give written notice that he intends to apply for such a  
10                    permit to each city and county government having jurisdiction over any part  
11                    of the land on which disposal is proposed to occur. The Commission shall  
12                    not accept such a permit application unless it is accompanied by a copy of  
13                    the notice and evidence that the notice was sent to each such government by  
14                    certified mail, return receipt requested. The Commission may consider, in  
15                    determining whether to issue the permit, the comments submitted by local  
16                    governments."

17                    **SECTION 2.** This act becomes effective October 1, 2015, and applies to any land  
18                    application site for disposal of bulk residuals for which a permit is issued or renewed on or  
19                    after that date.





**NORTH CAROLINA GENERAL ASSEMBLY**  
**AMENDMENT**  
House Bill 61

AMENDMENT NO. 1  
(to be filled in by  
Principal Clerk)

Page 1 of 1

H61-ARI-7 [v.1]

Comm. Sub. [YES]

Amends Title [NO]

H61-CSST-1 [v.7]

Date \_\_\_\_\_, 2015

Representative

1 moves to amend the bill on page 2, lines 25 through 26,  
2 by rewriting those lines to read:

3

4       "county operates or contracts with an incinerator permitted by the Department to incinerate  
5       such material."

6

7

8

SIGNED

Harry E. Kline  
Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 61

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

H61-ARI-6 [v.2]

Comm. Sub. [YES]  
Amends Title [NO]  
H61-CSST-1 [v.7]

Date \_\_\_\_\_, 2015

Representative \_\_\_\_\_

1 moves to amend the bill on page 2, lines 30 through 32,  
2 by rewriting those lines to read:

3  
4 "(b) Requirements under existing rules governing the application of bulk residuals  
5 resulting from the operation of a wastewater treatment facility that do not conflict with the  
6 provisions of this section shall continue to apply to such activities. The Commission for Public  
7 Health shall amend existing rules governing the application of bulk residuals resulting from the  
8 operation of a wastewater treatment facility as necessary to implement the provisions of this  
9 section."

10  
11  
12  
  
SIGNED \_\_\_\_\_

  
Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



\* H 6 1 - A R I - 6 - V - 2 \*



## Sewage Sludge Facts

Sewage sludge is composed of the solids extracted from the wastewater treatment process and contains everything that you could possibly think of that goes down the drain or toilet in urban areas. This includes residences, hospitals, mortuaries, industrial facilities, commercial industry, office buildings and laboratories.

In 1972, the EPA banned disposal of raw sewage directly into waterways and oceans, thus, land application of sewage sludge began.

Most sewage sludge can be classified generally as "Class A" or "Class B". The difference is that Class A is defined as being biologically inert, meaning that it has been sufficiently treated (usually by heat) to deactivate living microorganisms. Class B sludge contains living microorganisms that would be found at a wastewater treatment plant including but not limited to Fecal Coliform Bacteria and various disease-causing organisms found in human excrement. Plasm-arch and incineration are 2 of the most effective measures that can be taken to prevent biological proliferation after sewage sludge treatment.

The land application of Class B sewage sludge gained popularity due to its obvious benefit to agriculture and low treatment cost, supplying nitrogen, phosphorous and trace metals needed for plant growth and was thus dubbed, "Biosolids" to sound less imposing when spread on agricultural land.

While it is true that agricultural constituents such as Nitrogen, Phosphorus, Potassium and other nutrients are contained in Class B sewage sludge, the issues begin with the constituents that are not normally found in commercial fertilizers. Let's take a look at a few that can be found in analyses conducted by the EPA and the NC Department of Health and Human Services:

Metals- Mercury, Arsenic, Barium, Tin, Lead, Zinc, Chromium, Selenium, Cadmium, just to name a few  
Antibiotics- Doxycycline, Cloxacillin, Sulfadiazine, Penicillin G & V, Erythromycin, Tiriclosan and more  
Other Drugs- Acetaminophen, Caffeine, Ibuprofen, Codeine, Naproxen, Norgestimate and others  
Steroids- Cholesterol, Coprostanol, Beta Sitosterol, Campesterol, Epi-coprostanol, and more  
Hormones- Progesterone, Testosterone, Androstenedione, Estriol, Androsterone, Esterone and others  
Volitiles and Hydrocarbons- Dichloromethane, Toluene, Xylenes, Petroleum, Pyrene and more  
Carcinogens- Benzene, Asbestos, Chloroform, Creosote, Dioxin, DDT, PCBs and many more  
Organisms- Salmonella, E.coli, Hepatitis A & E, Norwalk virus, Polioviruses, Cryptosporidium, Giardia, just to name a few more well-known microorganisms

Counties that dispose of sewage sludge via incinerator have invested a great deal and residents pay a premium in return for energy production and combustion of toxic compounds and organisms that would otherwise be land-applied as Class B sewage sludge on farmland, exposing county water, soil and wildlife resources to exposure of a wide variety of toxins, pharmaceuticals and biologics that are not required to be tested under state and federal laws.

Incinerators have been accused of air pollution, however land application can be accused of air pollution through fuel burned by excessive hauling (60+ miles from the treatment plant) and spreading vehicles; exacerbated by water pollution generated by runoff/erosion from rain and/or wind to surface water resources and downward migration to ground water.

Counties that value their water and soil resources enough to incinerate their sewage sludge deserve the right to deny land application of Class B sewage sludge from outside the county, as HB 61 outlines, these incinerator counties would be officially afforded the option to deny other counties from land application of their Class B sewage sludge within the incinerator county.



FROM DOCUMENT: "Human Health Risk Evaluation of Land Application of Sewage  
Sludge/Biosolids  
DATED: November 2005  
PREPARED BY: Occupational and Environmental Epidemiology Branch of NC  
Department of Health and Human Services

Table 1 – Compounds Detected in Biosolids 2, 32.33)

SUBSTANCE	
<i>Halogenated volatiles</i>	<i>Dioxins</i>
1,4-Dichlorobenzene	2,3,7,8-TCDD
cis-1,2-Dichloroethylene	TCDD – Total
Dichloromethane	1,2,3,7,8-PCDD
Tetrachloroethylene	PCDD – Total
	1,2,3,4,7,8-HexCDD
<i>Non-halogenated volatiles</i>	1,2,3,6,7,8-HexCDD
Toluene	1,2,3,7,8,9-HexCDD
Meta- and para-xylene	HexCDD – Total
Ortho-xylene	1,2,3,4,6,7,8-HCDD
Total xylenes (calculated)	HCDD – Total
Volatile petroleum hydrocarbons	OCDD – Total
	<i>Furans</i>
<i>Base-neutral extractables</i>	2,3,7,8-TCDF
Benzyl butyl phthalate	TCDF – Total
Bis(2-ethylhexyl) phthalate	1,2,3,7,8-PCDF
Di-n-butyl phthalate	2,3,4,7,8-PCDF
Diethyl phthalate	PCDF – Total
Dimethyl phthalate	1,2,3,4,7,8-HexCDF
	1,2,3,6,7,8-HexCDF
<i>Polycyclic aromatic hydrocarbons</i>	2,3,4,6,7,8-HexCDF
Acenaphthene	1,2,3,4,7,8,9-HexCDF
Acenaphthylene	HexCDF – Total
Anthracene	1,2,3,4,6,7,8-HCDF
Benz(a)anthracene	1,2,3,4,7,8,9-HCDF
Benzo(a)pyrene	HCDF – Total
Benzo(b)fluoranthene	OCDF – Total
Benzo(g,h,i)perylene	
Benzo(k)fluoranthene	<i>PCDDF's TEQs</i>
Fluoranthene	2,3,7,8-TCDD TEQs
Fluorene	2,3,7,8-TCDD TEQs
Indeno(1,2,3-c,d)pyrene	
Naphthalene	<i>Metals/Inorganic Chemicals</i>
Phenanthrene	Arsenic
Pyrene	Barium
	Cadmium
<i>Chlorinated and nonchlorinated phenolics</i>	Chromium
4-Chloro-3-methylphenol	Cobalt
2,4 and 2,5 Dichlorophenol	Copper
3,4,5-Trichlorophenol	Lead
2,3,4,5-Tetrachlorophenol	Molybdenum
2,3,4,6-Tetrachlorophenol	Nickel
Pentachlorophenol	Selenium
m-Cresol	Silver
o-Cresol	Tin
p-Cresol	Zinc
2,4-Dimethylphenol	
2-Nitrophenol	
4-Nitrophenol	
Phenol	
	<i>Extractables</i>
Light extractable petroleum	
Hydrocarbons (LEPHs)	
Heavy extractable petroleum	
Hydrocarbons (HEPHs)	

**Table 2 – Carcinogens (suspected and confirmed animal and human) that have been found in Land Applied Sludges (2,32,34,35)**

Aldrin	Dioxin
Arsenic	DDD
Benzene	DDE
Benzo(a)pyrene	DDT
Beryllium	Dibenzo(a,h)anthracene
Asbestos	Dieldrin
Bis(2-ethylhexyl)phthalate	Dimethyl nitrosamine
Benzo(a)anthracene	1,2 Dichloroethane
Benzidine	1,2,Dibromoethane
Benzo(b)fluoranthene	Heptachlor
Benzo(k)fluoranthene	Indeno(1,2,3-c,d)pyrene
Cadmium	Lead
Chlordane	Lindane
Chloroform	Methylene chloride
Chrysene	Nickel
Chromium VI	PCBs
Creosote	Toxaphene
Chrysene	Trichloroethylene
Dimethyl nitrosamine	Tetrachloroethene
	1,1,2,2,Tetrachloroethane

**Table 3 – Odorants Found in Biosolids (2,34,36,37)**

Class	Compound <sup>a</sup>	Formula <sup>a</sup>	Character <sup>a</sup>
Sulfurous	Hydrogen sulfide	H <sub>2</sub> S	Rotten eggs
	Dimethyl sulfide	(CH <sub>3</sub> ) <sub>2</sub> S	Decayed vegetables, garlic
	Diphenyl sulfide	(C <sub>6</sub> H <sub>5</sub> ) <sub>2</sub> S	Unpleasant, burnt rubber
	Carbon disulfide	CS <sub>2</sub>	Decayed vegetables
	Dimethyl disulfide	(CH <sub>3</sub> ) <sub>2</sub> S <sub>2</sub>	Putrifaction
	Methyl mercaptan	CH <sub>3</sub> SH	Decayed cabbage, garlic
	Ethyl mercaptan	C <sub>2</sub> H <sub>5</sub> SH	Decayed cabbage
	Propyl mercaptan	C <sub>3</sub> H <sub>7</sub> SH	Unpleasant
	Allyl mercaptan	CH <sub>2</sub> CHCH <sub>2</sub> SH	Garlic
	Benzyl mercaptan	C <sub>6</sub> H <sub>5</sub> CH <sub>2</sub> SH	Garlic
	Thiocresol	CH <sub>3</sub> C <sub>6</sub> H <sub>4</sub> SH	Skunk, rancid
Nitrogenous	Ammonia	NH <sub>3</sub>	Sharp, pungent
	Methylamine	CH <sub>3</sub> NH <sub>2</sub>	Fishy
	Dimethylamine	(CH <sub>3</sub> ) <sub>2</sub> NH	Fishy
	Trimethylamine	(CH <sub>3</sub> ) <sub>3</sub> N	Fishy, ammoniacal
	Ethylamine	C <sub>2</sub> H <sub>5</sub> NH <sub>2</sub>	Ammoniacal
	Triethylamine	(C <sub>2</sub> H <sub>5</sub> ) <sub>3</sub> N	
	Pyridine	C <sub>5</sub> H <sub>5</sub> N	Disagreeable, irritating
	Indole	C <sub>8</sub> H <sub>7</sub> NH	Fecal, nauseating
	Scatole or Skatole	C <sub>9</sub> H <sub>7</sub> NH	Fecal, nauseating
Acids	Acetic (ethanoic)	CH <sub>3</sub> COOH	Disagreeable, irritating
	Butyric (butanoic)	C <sub>3</sub> H <sub>7</sub> COOH	Rancid, sweaty
Aldehydes & ketones	Acetaldehyde	CH <sub>3</sub> CHO	Fruit, apple

**Table 4 – Principle Pathogens of Concern in Biosolids (2,38-48)**

<b>Organism</b>	<b>Disease/Symptoms</b>
<b>Bacteria</b>	
Salmonella sp.	Salmonellosis (food poisoning), typhoid fever
Shigella sp.	Bacillary dysentery
Yersinia sp.	Acute gastroenteritis (including diarrhea, abdominal pain)
Vibrio cholerae	Cholera
Campylobacter jejuni	Gastroenteritis
Escherichia coli	Gastroenteritis (pathogenic strains)
<b>Enteric Viruses</b>	
Hepatitis A virus & E	Infectious hepatitis
Norwalk & Norwalk-like	
Viruses	Epidemic gastroenteritis with severe diarrhea
Rotaviruses	Acute gastroenteritis with severe diarrhea
Enteroviruses	
Polioviruses	Poliomyelitis
Coxsackieviruses	Meningitis, pneumonia, hepatitis, fever, cold-like symptoms, etc.
Echoviruses	Meningitis, encephalitis, fever, cold-like symptoms, diarrhea, etc.
Reovirus	Respiratory infections, gastroenteritis
Astroviruses	Epidemic gastroenteritis
Caliciviruses	Epidemic gastroenteritis
<b>Protozoa</b>	
Cryptosporidium	Gastroenteritis
Entamoeba histolytica	Acute enteritis
Giardia lamblia	Giardiasis (including diarrhea, abdominal cramps, weight loss)
Balantidium coli	Diarrhea and dysentery
Toxoplasma gondii	Toxoplasmosis
<b>Helminth Worms</b>	
Ascaris lumbricoides	Digestive and nutritional disturbances, abdominal pain, vomiting, restlessness
Ascaris suum	May produce symptoms such as coughing, chest pain, and fever
Trichuris trichiura	Abdominal pain, diarrhea, anemia, weight loss
Toxocara canis	Fever, abdominal discomfort, muscle aches, neurological symptoms
Taenia saginata	Nervousness, insomnia, anorexia, abdominal pain, digestive disturbances
Taenia solium	Nervousness, insomnia, anorexia, abdominal pain, digestive disturbances
Necator americanus	Hookworm disease
Hymenolepis nana	Taeniasis

**Table 5 – Pathways of Exposure for Class B Biosolids and associated regulatory controls(2)**

<b>Pathways</b>	<b>Part 503 Required Site Restriction</b>
Skin exposure from handling soil from fields where sewage sludge has been applied	No public access* to application sites until at least 1 year after Class B biosolids application.
Skin exposure from handling soil or food from home gardens where sewage sludge has been applied Inhaling dust**	Class B biosolids may not be applied on home gardens.  No public access to application sites until at least 1 year after Class B biosolids application.
Skin or respiratory exposure from walking through fields where sewage sludge has been applied**	No public access to fields until at least 1 year after Class B biosolids application.
Consumption of crops from fields on which sewage sludge has been applied	Site restrictions which prevent the harvesting of crops until environmental attenuation has taken place.
Consumption of milk or animal products from animals grazed on fields where sewage sludge has been applied.	No animal grazing for 30 days after Class B biosolids have been applied.
Ingestion of water contaminated by runoff from fields where sewage sludge has been applied	Class B biosolids may not be applied within 10 meters of any waters in order to prevent runoff from biosolids amended land from affecting surface water.
Ingestion of inadequately cooked fish from water contaminated by runoff from fields where sewage sludge has been applied	Class B biosolids may not be applied within 10 meters of any waters in order to prevent runoff from biosolids amended land from affecting surface water.
Contact with vectors which have been in contact with sewage sludge	All land applied biosolids must meet one of the Vector Attraction Reduction options (see Chapter 8).

**SURVEY RESULTS:** <http://www.epa.gov/waterscience/biosolids/tncss-tech.pdf> concentration of chemicals in sewage sludge – start on E PAGE 48 OUT OF 88

The 9 pollutants in **bold** are those selected in the December 2003 Biennial Review

\*Metals currently regulated at 40 CFR 503

**IMPORTANT - COMPLETE LIST OF CHEMICALS:**

<http://www.epa.gov/waterscience/biosolids/tncss-overview.html#appA>

**Analytes Included in the TNSSS**

**Analytes Included in the TNSSS, by Analyte Group**

**Analyte Group**

**Analyte**

**Metals**

- Aluminum
- **Manganese**
- Antimony
- **Mercury\***
- **Arsenic\***
- **Molybdenum\***
- **Barium**
- **Nickel\***
- **Beryllium**
- Phosphorus
- Boron
- **Selenium\***
- **Cadmium\***
- **Silver**
- Calcium
- Sodium
- **Chromium\***
- Thallium
- Cobalt
- Tin
- **Copper\***
- Titanium
- Iron
- Vanadium
- **Lead\***
- Yttrium
- Magnesium
- **Zinc\***

**Polycyclic aromatic hydrocarbons (PAHs)**

- Benzo(a)pyrene
- 2-Methylnaphthalene
- **Fluoranthene**

# Analytes Included in the TNSSS, by Analyte Group

Analyte Group	Analyte
	<ul style="list-style-type: none"><li>• Pyrene</li></ul>
Semivolatile organics	<ul style="list-style-type: none"><li>• Bis (2-Ethylhexyl) phthalate</li><li>• 4-Chloroaniline</li></ul>
Inorganic anions	<ul style="list-style-type: none"><li>• Fluoride</li><li>• Water-extractable phosphorus</li><li>• Nitrate</li><li>• Nitrite</li></ul>
Polybrominated diphenyl ethers (PBDEs), including the Tetra, Hexa, Penta, and Deca congeners	<ul style="list-style-type: none"><li>• 2,2',4,4'-TeBDE (BDE-47)</li><li>• 2,2',4,4',5,5'-HxBDE (BDE-153)</li><li>• 2,2',4,4',5-PeBDE (BDE-99)</li><li>• 2,2',3,3',4,4',5,5',6,6'-DeBDE (BDE-209)</li></ul>
Antibiotics and their degradation products, disinfectants, and other antimicrobials	<ul style="list-style-type: none"><li>• Anhydrochlortetracycline</li><li>• Ofloxacin</li><li>• Anhydrotetracycline</li><li>• Ormetoprim</li><li>• Azithromycin</li><li>• Oxacillin</li><li>• Carbadox</li><li>• Oxolinic acid</li><li>• Cefotaxime</li><li>• Oxytetracycline</li><li>• Chlortetracycline</li><li>• Penicillin G</li><li>• Ciprofloxacin</li><li>• Penicillin V</li><li>• Clarithromycin</li><li>• Roxithromycin</li><li>• Clinafloxacin</li><li>• Sarafloxacin</li><li>• Cloxacillin</li><li>• Sulfachloropyridazine</li><li>• Demeclocycline</li><li>• Sulfadiazine</li><li>• Doxycycline</li></ul>

**Analytes Included in the TNSSS, by Analyte Group**

**Analyte Group**

**Analyte**

- Sulfadimethoxine
- Enrofloxacin
- Sulfamerazine
- 4-Epianhydrochlortetracycline
- Sulfamethazine
- 4-Epianhydrotetracycline
- Sulfamethizole
- 4-Epichlortetracycline
- Sulfamethoxazole
- 4-Epioxytetracycline
- Sulfanilamide
- 4-Epitetracycline
- Sulfathiazole
- Erythromycin
- Tetracycline
- Flumequine
- Triclocarban
- Isochlortetracycline
- Triclosan
- Lincomycin
- Trimethoprim
- Lomefloxacin
- Tylosin
- Minocycline
- Virginiamycin
- Norfloxacin

- 1,7-Dimethylxanthine
- Diphenhydramine
- Acetaminophen
- Fluoxetine
- Albuterol
- Gemfibrozil
- Caffeine
- Ibuprofen
- Carbamazepine
- Metformin
- Cimetidine
- Miconazole
- Codeine
- Naproxen
- Cotinine
- Norgestimate

Other drugs

Analytes Included in the TNSSS, by Analyte Group

Analyte Group	Analyte
Steroids	• Dehydronifedipine
	• Ranitidine
	• Digoxigenin
	• Thiabendazole
	• Digoxin
	• Warfarin
	• Diltiazem
	• Campesterol
	• Epi-coprostanol
	• Cholestanol
Hormones	• Ergosterol
	• Cholesterol
	• $\beta$ -Sitosterol
	• Coprostanol
	• $\beta$ -Stigmastanol
	• Desmosterol
	• Stigmasterol
	• Androstenedione
	• Estriol
	• Androsterone
	• Estrone
	• 17 $\alpha$ -Dihydroequilin
	• 17 $\alpha$ -Ethinyl estradiol
	• Equilenin
	• Norethindrone
	• Equilin
	• Norgestrel
	• 17 $\alpha$ -Estradiol
	• Progesterone
	• 17 $\beta$ -Estradiol
	• Testosterone
	• $\beta$ -Estradiol-3-benzoate



## HOUSE BILL 217: Clayton Deannexation/Annexation

2013-2014 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	March 31, 2015
<b>Introduced by:</b>	Rep. Daughtry	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

### ***SUMMARY: House Bill 217:***

- *Annexes a parcel of land of approximately 3.964 acres into the corporate limits of the Town of Clayton.*
- *Deannexes an adjacent parcel of land of approximately 3.964 acres from the corporate limits of the Town of Clayton.*

[As introduced, this bill was identical to S265, as introduced by Sen. Newton, which is currently in Rules and Operations of the Senate.]

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

### **BILL ANALYSIS:**

**Section 1** of the bill annexes a parcel of land of approximately 3.964 acres into the corporate limits of the Town of Clayton.

**Section 2** of the bill deannexes an adjacent parcel of land of approximately 3.964 acres from the corporate limits of the Town of Clayton.

**EFFECTIVE DATE:** This act becomes effective June 30, 2015.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 217\*

Short Title: Clayton Deannexation/Annexation. (Local)

Sponsors: Representative Daughtry (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 12, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO DEANNEX A DESCRIBED PARCEL FROM THE TOWN OF CLAYTON,  
3 AND TO ANNEX A DESCRIBED PARCEL TO THE TOWN OF CLAYTON.

4 The General Assembly of North Carolina enacts:

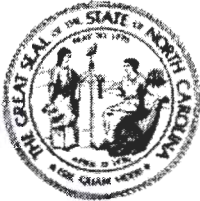
5 **SECTION 1.** The corporate limits of the Town of Clayton are decreased by  
6 deannexing the following described tract: Tract 1, containing 3.964 acres, more or less,  
7 according to a plat prepared by True Line Surveying, P.C., and recorded November 21, 2014,  
8 in Plat Book 80, Page 389, Johnson County Register of Deeds.

9 **SECTION 2.** The corporate limits of the Town of Clayton are increased by  
10 annexing the following described tract: Tract 2, containing 3.964 acres, more or less, according  
11 to a plat prepared by True Line Surveying, P.C., and recorded November 21, 2014, in Plat  
12 Book 80, Page 389, Johnson County Register of Deeds.

13 **SECTION 3.** This act becomes effective June 30, 2015.



\* H 2 1 7 - V - 1 \*



## HOUSE BILL 218: Clayton Annexation

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 1, 2015
<b>Introduced by:</b>	Rep. Daughtry	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	PCS to First Edition H218-CSRW		Committee Counsel

**SUMMARY:** *House Bill 218 (proposed committee substitute) annexes a 489.24 acre parcel, constituting the North Carolina State University Central Crops Research Center, into the Town of Clayton. The bill also contains limitations on the Town's ability to impose land use regulation on the property.*

*The PCS corrects the property description, and adds Sections 2-4.*

[As introduced, this bill was identical to S264, as introduced by Sen. Newton, which is currently in Rules and Operations of the Senate.]

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

### BILL ANALYSIS:

**Section 1** of the bill annexes a parcel of land, approximately 489.24 acres, constituting the North Carolina State University Central Crops Research Center, and adjoining US 70 and NC Railroad rights-of-way, into the corporate limits of the Town of Clayton.

**Section 2** of the bill prohibits the Town from regulating the parcel under Article 19 of Chapter 160A (planning and regulation of development).

**Section 3** restates the existing application of G.S. 106-701 to the parcel, which protects certain agricultural and forestry operations from nuisance claims.

**Section 4** provides that the keeping of swine as part of a research or educational mission on the North Carolina State University Central Crops Research Station tract is exempt from any municipal ordinance governing the keeping of swine.

**EFFECTIVE DATE:** This act becomes effective June 30, 2015.

O. Walker Reagan  
Director



★ H 2 1 8 - S M R W - 1 7 C S R W - 3 - V 2 ★

Research Division  
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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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D

HOUSE BILL 218\*  
PROPOSED COMMITTEE SUBSTITUTE H218-CSRWx-3 [v.4]

4/1/2015 1:39:17 PM

Short Title: Clayton Annexation.

(Local)

Sponsors:

Referred to:

March 12, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO ANNEX CERTAIN DESCRIBED PROPERTY TO THE TOWN OF  
3 CLAYTON.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The corporate limits of the Town of Clayton are increased by  
6 annexing the following described property:

7 All those certain tracts, parcels or pieces of land, commonly known as the North Carolina  
8 State University Central Crops Research Station, lying and being in Johnston County and Wake  
9 County, North Carolina, and being more particularly described as follows:

10 TRACT I: Being the following:

11 Parcel I of Tract I: Being all that certain tract or parcel of land, commonly known as the  
12 Gower tract, containing approximately 261 acres, more or less, as conveyed to the State of  
13 North Carolina in a Deed dated December 14, 1953, and recorded in Book 513, Page 283,  
14 Johnston County Registry, and recorded in Book 4288, Page 661, Wake County Registry.

15 Parcel II of Tract I: Being all that certain tract or parcel of land containing approximately  
16 100 acres, more or less, as conveyed to the State of North Carolina in a Deed dated December  
17 14, 1953, and recorded in Book 513, Page 283, Johnston County Registry, and recorded in  
18 Book 4288, Page 661, Wake County Registry.

19 TRACT II: Being all that certain tract or parcel of land containing approximately 120 acres,  
20 more or less, as conveyed to the State of North Carolina in a Deed dated December 18, 1953,  
21 and recorded in Book 519, Page 467, Johnston County Registry.

22 TRACT III: Being all that certain tract or parcel of land containing approximately 7.59  
23 acres, more or less, as conveyed to the State of North Carolina, North Carolina State College of  
24 Agriculture and Engineering in a Deed dated March 31, 1954, and recorded in Book 521, Page  
25 45 in the Johnston County Registry.

26 TRACT IV: Being all that certain tract or parcel of land containing approximately 0.64  
27 acres, more or less, as conveyed to the State of North Carolina in a Deed dated November 8,  
28 1967, and recorded in Book 665, Page 173 in the Johnston County Registry.

29 TRACT V: Being all that certain tract or parcel of land, as described in the unrecorded  
30 survey plat entitled "Boundary Line Agreement between Jim McLaurin and the State of North  
31 Carolina," prepared by Southwind Surveying and Mapping, Inc., dated February 15, 1994, and  
32 containing approximately 0.01 acres, more or less, as conveyed to the State of North Carolina  
33 in a Deed Establishing Boundary dated March 14, 1995, and recorded in Book 1436, Page 824  
34 in the Johnston County Registry.

35 The above-described tracts contain a total of approximately 489.24 acres, more or less.  
36



1 TOGETHER WITH any right of way of US Highway 70 that adjoins one or more of the  
2 above-described tracts.

3 TOGETHER WITH any right of way of the North Carolina Railroad Company that adjoins  
4 one or more of the above-described tracts.

5 **SECTION 2.** The provisions of Article 19 of Chapter 160A of the General Statutes  
6 shall not apply to the North Carolina State University Central Crops Research Station tract  
7 described in Section 1 of this act.

8 **SECTION 3.** The provisions of G.S. 106-701 shall apply to the North Carolina  
9 State University Central Crops Research Station tract described in Section 1 of this act.

10 **SECTION 4.** The keeping of swine as part of a research or educational mission on  
11 the North Carolina State University Central Crops Research Station tract described in Section 1  
12 of this act shall be exempt from any municipal ordinance governing the keeping of swine.

13 **SECTION 5.** This act becomes effective June 30, 2015.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 218\*

Short Title: Clayton Annexation. (Local)

Sponsors: Representative Daughtry (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 12, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO ANNEX CERTAIN DESCRIBED PROPERTY TO THE TOWN OF  
3 CLAYTON.

4 The General Assembly of North Carolina enacts:

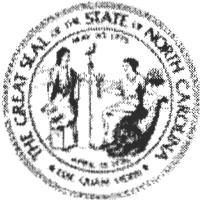
5 **SECTION 1.** The corporate limits of the Town of Clayton are increased by  
6 annexing the following described tract:

7 Containing 446 acres, more or less, and being the North Carolina Department of  
8 Agriculture Central Crop Research Station, and the adjoining right-of-way of US 70 Business  
9 Highway, and the adjoining right-of-way of the North Carolina Railroad.

10 **SECTION 3.** This act becomes effective June 30, 2015.



\* H 2 1 8 - V - 1 \*



# HOUSE BILL 322: Zoning/Recreational Land Req.-Morrisville

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Avila, Adcock, D. Hall  
**Analysis of:** First Edition

**Date:** March 31, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *House Bill 322 authorizes the Town of Morrisville to require developers of multifamily units to provide funds for the acquisition of recreational areas to serve the units, including the purchase of land that may be used to serve more than one multifamily development or residential subdivision within the immediate area.*

[As introduced, this bill was identical to S249, as introduced by Sen. Stein, which is currently in Senate Judiciary II.]

## CURRENT LAW:

G.S. 160A-372 provides that a subdivision ordinance may provide for the provision of funds by a developer to be used by a municipality to acquire recreational areas to serve the residents of the subdivision or development, or more than one subdivision or development, within the immediate area. Funds received by a municipality may be used only for the acquisition or development of recreation, park, or open space sites. Any formula enacted to determine the amount of funds to be provided by a developer shall be based upon the value of the development for property tax purposes. A combination of funds and partial dedication of land may be allowed when the municipality determines that this combination is in the best interests of the area residents.

**BILL ANALYSIS:** House Bill 322 would provide the Town of Morrisville with the same authority to require developers of multifamily units to provide funding for recreational areas to serve residents of the multifamily units and other residents in the immediate area, as is provided in G.S. 160A-372 for subdivision development.

Funds received from developers of multifamily units may be combined with funds received from residential subdivision developers under G.S. 160A-372. The use of the funds is limited to the acquisition or development of recreation, park, or open space sites. Any formula used to determine the amount of funds due shall be based upon a flat fee per unit. The ordinance may allow for a combination of funds and dedication of land, if the town council determines that this is in the best interests of the residents to be served.

**EFFECTIVE DATE:** The act is effective when it becomes law. It applies to the Town of Morrisville only.

**BACKGROUND:** The General Assembly gave this authority to the Town of Cary in 2007 (S.L. 2007-321).

Brad Krehely and Barbara Riley, former staff attorney with the Research Division, contributed substantially to this summary.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 322\*

Short Title: Zoning/Recreational Land Req.-Morrisville. (Local)

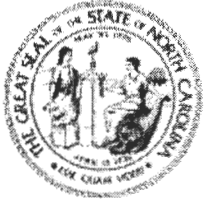
Sponsors: Representatives Avila, Adcock, and D. Hall (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 24, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT GRANTING AUTHORITY TO THE TOWN OF MORRISVILLE TO REQUIRE  
3 DEVELOPERS OF MULTIFAMILY UNITS TO PROVIDE FUNDS FOR  
4 RECREATIONAL LAND TO SERVE MULTIFAMILY DEVELOPMENTS.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.(a)** Section 1 of S.L. 2007-321 reads as rewritten:  
7 "SECTION 1. The ~~town~~ Towns of Cary and Morrisville may, by ordinance, provide that a  
8 developer of multifamily units that are not subject to the subdivision ordinance shall provide  
9 funds to the town whereby the town may acquire recreational land or areas to serve the  
10 multifamily development, including the purchase of land that may be used to serve more than  
11 one multifamily development or residential subdivision within the immediate area. All funds  
12 received by the town pursuant to this section may be combined with funds received from  
13 residential subdivisions under G.S. 160A-372, and shall be used only for the acquisition or  
14 development of recreation, park, or open space sites. Any formula enacted to determine the  
15 amount of funds that are to be provided under this section shall be based on a flat fee per unit.  
16 The ordinance may allow a combination or partial payment of funds and partial dedication of  
17 land when the town council determines that this combination is in the best interests of the  
18 citizens of the area to be served."  
19 **SECTION 1.(b)** Section 2 of S.L. 2007-321 reads as rewritten:  
20 "SECTION 2. This act applies to the ~~town~~ Towns of Cary and Morrisville only."  
21 **SECTION 2.** This act is effective when it becomes law.





## HOUSE BILL 343: Clayton/Extend ETJ Area

2015-2016 General Assembly

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<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 1, 2015
<b>Introduced by:</b>	Rep. Daughtry	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	PCS to First Edition H343-CSRW-5		Committee Counsel

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**SUMMARY:** *House Bill 343 (proposed committee substitute) authorizes the Town of Clayton to extend its ETJ to include six described parcels of property.*

*The proposed committee substitute corrects the property description.*

**CURRENT LAW:** Current law authorizes municipalities to extend their planning and zoning jurisdiction (ETJ) one mile beyond their city limits, *unless* the county is regulating subdivisions, has adopted a zoning ordinance, and is enforcing the State Building Code. If the county has undertaken all three of these activities, then the city *must get approval* of the county commissioners prior to extension of planning and zoning jurisdiction.

**BILL ANALYSIS:** House Bill 343 (PCS) authorizes the Town of Clayton to extend its extraterritorial planning and zoning jurisdiction (ETJ), in order to exercise its powers under Article 19 of Chapter 160A, on six described tracts.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

**HOUSE BILL 343**  
**PROPOSED COMMITTEE SUBSTITUTE H343-CSRW-5 [v.2]**

4/1/2015 3:50:48 PM

Short Title: Clayton/Extend ETJ Area.

(Local)

Sponsors:

Referred to:

March 25, 2015

A BILL TO BE ENTITLED  
AN ACT EXTENDING THE EXTRATERRITORIAL JURISDICTION OF THE TOWN OF  
CLAYTON.

The General Assembly of North Carolina enacts:

**SECTION 1.** In addition to the authority provided in G.S. 160A-360, the Town of Clayton may exercise the powers granted in Article 19 of Chapter 160A of the General Statutes in the following areas:

**First Tract:**

BEING all of that certain tract or parcel of land designated as Tract 1, containing 5.879 acres, according to plat of survey entitled "Boundary survey for Novo Nordisk Biochem, Inc., property of: John A. Wilson, Jr. (Tract 1) and George H. Coats, III and wife, Duba M. Coats (Tract 2-6), Clayton Township, Johnston County, North Carolina" dated May 17, 1995, and updated November 17, 1995, prepared by Michael D. Goodfred, Registered Land Surveyor, of Kenneth Close, Inc., Land Surveying, and recorded in Plat Book 46, Page 431, Johnston County Registry, and being all of that certain tract or parcel of land conveyed to John A. Wilson, Jr., by deed recorded in Book 1102, Page 840, Johnston County Registry.

TOGETHER with all right, title and interest of Grantor in and to the rights-of-way of Southern Railroad and N.C.S.R. 1901 (Powhatan Road).

**Second Tract:**

BEING all of Tract 2 consisting of 0.823 acres as shown on a plat captioned "Novo Nordisk Biochem, Inc." prepared by Kenneth Close, Inc., which is recorded in Plat Book 46, page 431, of the Johnston County Registry, said description therein, being incorporated herein by reference, for a more complete and accurate description.

**Third Tract:**

BEING all of Tract 3 consisting of 3.557 acres as shown on a plat captioned "Novo Nordisk Biochem, Inc." prepared by Kenneth Close, Inc., which is recorded in Plat Book 46, page 431, of the Johnston County Registry, said description therein, being incorporated herein by reference, for a more complete and accurate description.

**Fourth Tract:**

BEING all of Tract 4 consisting of 118.395 acres, including 6.045 acres of tract 4 which is in the right of way of Southern Railroad, as shown on a plat captioned "Novo Nordisk Biochem, Inc." prepared by Kenneth Close, Inc., which is recorded in Plat Book 46, page 431, of the Johnston County Registry, said description therein, being incorporated herein by reference, for a more complete and accurate description.

**Fifth Tract:**



1 BEING all of Tract 5 consisting of 33.884 acres, including 5.547 acres of tract 5 which  
2 is in the right of way of Southern Railroad, as shown on a plat captioned "Novo Nordisk  
3 Biochem, Inc." prepared by Kenneth Close, Inc., which is recorded in Plat Book 46, page 431,  
4 of the Johnston County Registry, said description therein, being incorporated herein by  
5 reference, for a more complete and accurate description.

6 LESS AND EXCEPT all of Tract 5A located in Johnston County, North Carolina,  
7 containing approximately 8.012 acres, as shown on that certain plat entitled "Property of  
8 Johnston County Industrial Development Corporation," prepared by W. Stanton Massengill,  
9 P.L.S., recorded in Plat Book 63, Page 331, Johnston County Registry, to which plat reference  
10 is hereby made for a more particular description of same.

11 **Sixth Tract:**

12 BEING all of Tract 6 consisting of 55.387 acres, exclusive of railroad, as shown on a  
13 plat captioned "Novo Nordisk Biochem, Inc." prepared by Kenneth Close, Inc., which is  
14 recorded in Plat Book 46, page 431, of the Johnston County Registry, said description therein,  
15 being incorporated herein by reference, for a more complete and accurate description. The  
16 southernmost boundary of this tract runs along the northernmost right of way of Southern  
17 Railroad.

18 **SECTION 2.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 343

Short Title: Clayton/Extend ETJ Area. (Local)

Sponsors: Representative Daughtry (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 25, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT EXTENDING THE EXTRATERRITORIAL JURISDICTION OF THE TOWN OF  
3 CLAYTON.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** In addition to the authority provided in G.S. 160A-360, the Town of  
6 Clayton may exercise the powers granted in Article 19 of Chapter 160A of the General Statutes  
7 in the following area:

8 BEING all of Tract 4 consisting of 118.395 acres, including 6.045 acres of Tract 4  
9 which is in the right of way of Southern Railroad, as shown on a plat captioned "Novo Nordisk  
10 Biochem, Inc." prepared by Kenneth Close, Inc., which is recorded in Plat Book 46, page 431,  
11 of the Johnston County Registry, said description therein, being incorporated herein by  
12 reference, for a more complete and accurate description.

13 **SECTION 2.** This act is effective when it becomes law.





## HOUSE BILL 337: Town of Cary/Release Unneeded Easements

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Dollar, Adcock, D. Hall  
**Analysis of:** First Edition

**Date:** March 31, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *House Bill 337 is a local bill that would (1) allow the Town Council to authorize the City Manager or Deputy City Manager to dispose of water or sewer easements as part of an exchange for other water and sewer easements or when the easement is no longer needed by the Town; and (2) exempt the Town from the provisions of Article 12 of Chapter 160A for these dispositions of property.*

[As introduced, this bill was identical to S248, as introduced by Sens. Stein, Barringer, which received a favorable report in Senate State & Local Government on 3/31/15.]

**CURRENT LAW:** City governments generally dispose of real and personal property in accordance with the procedures established by Article 12 of Chapter 160A. Subject to certain limitations, a city can dispose of real property belonging to the city using the following methods:

- Private negotiation and sale
- Advertisement for sealed bids
- Negotiated offer, advertisement, and upset bid
- Public auction
- Exchange

Real property of any value can be exchanged as permitted by G.S. 160A-271, which provides that a city can exchange real property belonging to the city for other real property if the city receives a full and fair consideration in exchange for its property. Property can only be exchanged pursuant to a resolution authorizing the exchange adopted at a regular meeting of the council upon 10 days' public notice.

The use and disposal of city property is generally subject to approval by the city council.

**BILL ANALYSIS:** House Bill 337 would amend the Charter of the Town of Cary to allow the Town Council to authorize the Town Manager or Deputy Town Manager to dispose of water or sewer easements, or similar interests in real property, as part of an exchange for other water and sewer easements or when the easement is no longer needed by the Town.

The bill would also exempt the Town from the general law provisions of Article 12 of Chapter 160A for these dispositions of property.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 337\*

Short Title: Town of Cary/Release Unneeded Easements. (Local)

Sponsors: Representatives Dollar, Adcock, and D. Hall (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 25, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE CHARTER OF THE TOWN OF CARY TO AUTHORIZE THE  
3 TOWN COUNCIL TO DELEGATE TO THE CITY MANAGER THE AUTHORITY TO  
4 DISPOSE OF EASEMENTS THAT ARE NO LONGER NEEDED BY THE TOWN.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** The Charter of the Town of Cary, being S.L. 2005-117, is amended  
7 by adding a new Article to read as follows:

8 "ARTICLE XI. SALE, LEASE, AND DISPOSITION OF PROPERTY.

9 "Section 11.1. Disposition of Certain Property by Town Manager. (a) The Town Council  
10 may authorize the City Manager or Deputy City Manager to dispose of all the following  
11 property interests without obtaining Town Council approval for each disposition:

12 (1) Water or sewer easements, or similar interests in real property, as part of an  
13 exchange for other water and sewer easements or similar interests in  
14 property.

15 (2) Water or sewer easements, or similar interests in real property, when the  
16 easement or similar interest in real property is no longer needed by the  
17 Town.

18 (b) The provisions of Article 12 of Chapter 160A of the General Statutes shall not apply  
19 to the disposition of property under this section."

20 **SECTION 2.** This act is effective when it becomes law.



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE**

HB 322                      Zoning/Recreational Land Req.-Morrisville.  
Draft Number:              None  
Serial Referral:            None  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            Avila

HB 337                      Town of Cary/Release Unneeded Easements.  
Draft Number:              None  
Serial Referral:            None  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            Dollar

**FAVORABLE AND RE-REFERRED**

HB 217                      Clayton Deannexation/Annexation.  
Draft Number:              None  
Serial Referral:            FINANCE  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            Daughtry

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 218                      Clayton Annexation.  
Draft Number:              H218-PCS30215-RWx-3  
Serial Referral:            FINANCE  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            Daughtry

HB 343                      Clayton/Extend ETJ Area.  
Draft Number:              H343-PCS40309-RW-5  
Serial Referral:            FINANCE  
Recommended Referral:   None  
Long Title Amended:      No  
Floor Manager:            Daughtry





TOTAL REPORTED: 5





**House Committee on Local Government  
Thursday, April 16, 2015 at 10:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM on April 16, 2015 in Room 643 of the Legislative Office Building. Representatives Ager, Boles, Brawley, R. Brown, Burr, Cleveland, Davis, Faircloth, Farmer-Butterfield, Fisher, Floyd, Ford, G. Graham, Holley, Jeter, Langdon, Luebke, Pendleton, Ross, Setzer, Szoka, Warren, and Watford attended. Staff members Erika Churchill, Giles Perry, and Kelly Tornow and Committee Assistants Judy Lowe and Kyle Chermak were also in attendance. The Visitor Registration List is attached.

Representative Ted Davis, Jr., Chair, presided and called the meeting to order at 10:05 AM. He introduced the pages Eli Hornback, Rutherford County, sponsored by Representative Hager and Jillian Lewis, Surry County, sponsored by Representative Stevens. He introduced and thanked the Sergeants at Arms Charles Godwin, Dean Marshbourne and Rey Cooke.

The following bills on the Agenda were considered:

**HB 4 Clarify Unmanned Aircraft System Law.** Representative Torbett stated the bill was filed early in the Session and 2 days after it was filed the FAA came out with additional requirements so the bill was pulled back, a 95 page document from the FAA was reviewed and adjustments were made that would parallel the efforts of the Federal Government which the State is required to do. The bill provides the State Chief Information Officer a go/no/go for operational capability with governmental entities until such time that the test is online and people are able to prove their operational skills for flying these unmanned systems. The original licensing language has been removed from the bill as the FAA has noted that they will be providing the licensing. The State will now require a permit so it will know who is operating these systems inside their borders. There was a brief discussion on a few details of the bill. Representative Jeter moved to provide the PCS of HB4 a favorable report, and unfavorable as to the original bill and to refer the bill to the Committee on Judiciary 1. The motion was seconded and passed unanimously.

**HB 492 Rutherford Cty/Rutherford Airport Authority.** Representative Hager stated that this bill comes from a resolution from the Rutherford County Commissioners to move the airport out of the Airport Authority area to something that is sanctioned underneath the County government and has its own accounting as a public enterprise. Representative Fisher asked if everything is clear with the FAA. Representative Hager assumes it is. Representative Fisher also inquired about the funding issues and risks involved. Representative Cleveland moved for a favorable report on HB492 with a referral to Finance. The motion was carried.

**HB 392 Fayetteville Charter/PWC Changes.** There being no objection, the Chairman stated that the PCS was properly before the Committee. Representative Szoka stated the bill would amend the Charter of the City of Fayetteville to make changes related to the membership and operation of the Public Works Commission. The bill brings clarity to the responsibilities and



roles of the City and the PWC. He noted that City Council was split in support of the bill, the mayor and the PWC are unanimously in support of the bill. There is no other known opposition. Representative Pendleton moved for an unfavorable report to the original bill; favorable to the PCS with a referral to Finance. The motion passed unanimously.

**HB 469 Sunset Beach/Parking Meter Proceeds.** Representative Iler explained that this is a local bill for the Town of Sunset Beach which authorizes them to use the proceeds from parking meters on public streets for the same purposes authorized by law for use of proceeds from off-street parking. There was no discussion and Representative Warren moved for an unfavorable report to the original bill with a favorable report on the PCS and re-referral to Finance. The motion passed unanimously.

**HB 478 Brunswick Cty/Navigable Waters.** Representative Iler presented the bill stating it would authorize Brunswick County to regulate navigable water within its boundaries. Representative Floyd moved for a favorable report of HB478 with a re-referral to Transportation. There was no opposition to the bill and it passed unanimously.

**HB 538 Water and Sewer Service Related Changes.** There being no objections, the Chairman stated that the PCS is properly before the Committee. Representative Millis stated that the bill clarifies water and sewer authority powers. There was no discussion on the bill. Representative Cleveland moved for a favorable report to the PCS, unfavorable to the original bill and a re-referral to Environment. The motion passed unanimously.

**HB 530 Local Gov'ts/Inspect Bldgs & Structures.** Representative Brawley stated this bill addresses rental registration ordinances where people have to pay a fee and take on additional responsibilities for law enforcement and be rental property operators. It also reduces inspections to just those that are absolutely necessary. In response to a question from Representative Luebke, Representative Bradley responded that the local government can inspect property when there is reason to believe it is not up to Code, but it cannot inspect every property every year and charge a fee as a method to raise revenue. Following further discussion, the Chairman asked all in favor of the report to stand followed by all those against it to stand. Representative Brawley moved for a favorable report with a serial referral to Regulatory Reform. Calling for the vote, the Chairman declared that the "ayes" have it and the motion passed.

**HB 503 Moore Co. Comm. and Bd. of Ed. Changes.** Representative Boles stated the bill would give the County Commissioners the ability to redistrict their residency districts. There was no discussion. Representative Brawley moved for a favorable report with a re-referral to the Committee on Elections. The motion passed unanimously.

**HB 506 911 Fund Distribution.** Representative Boles explained that the bill is to clarify and amend the procedures and scope of expenses eligible for 911 fund distributions and to study the structure, operations, and functions of the 911 Board. The goal is the redistribution of some of the funds that will help 911 in counties needing to purchase portable radios, mobile radios, etc. A concern of the bill sponsors is that there is not a State-wide 911 system. There is a State Board that controls the money, but not a State standard. A member of the County Commissioners spoke in favor of the bill and Mr. Richard Taylor, Executive Director of the 911 Board stated that the

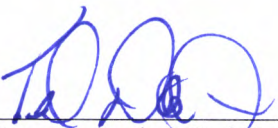



911 fee does pay for pushing the buttons to dispatch. Everything inside the 911 Centers that requires the ability to dispatch is paid for. The left-over money in the Fund each year is used to help 911 Centers to improve their Centers. He further stated that he could not support the bill the way it is now. Representative Setzer moved for a favorable report of HB506 with a re-referral to Finance. The motion was passed.

**HB 128 Referendum for Certain Local Debt.** Due to coming to the end of the scheduled Committee time, Chairman Davis announced that the Committee could not hear the bill at this time.

**HB 542 Modify Sunset Re: Contingent Audits.** The bill was not heard due to the fact that there is a Senate bill dealing with the subject matter that has already come up.

The meeting adjourned at 10:50 AM.

  
\_\_\_\_\_  
Representative Ted Davis, Jr., Chair  
Presiding

  
\_\_\_\_\_  
Judy Lowe, Committee Clerk

Attachments:

- Committee notice
- Agenda
- Committee report
- Bills, with copies of amendments (if any)
- Proposed committee substitutes
- Visitor registration sheets



## **Judy Lowe (Rep. Ted Davis)**

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**From:** Judy Lowe (Rep. Ted Davis)  
**Sent:** Monday, April 13, 2015 04:45 PM  
**To:** Rep. John Torbett; Rep. Michael Speciale; Rep. Marvin Lucas; Rep. Rick Glazier; Rep. Elmer Floyd; Rep. John Szoka; Rep. Frank Iler; Rep. Mike Hager; Rep. Jamie Boles, Jr; Rep. Allen McNeill; Rep. William Brisson; Rep. Tricia Cotham; Rep. Bill Brawley; Rep. Dana Bumgardner; Rep. Chris Millis; Rep. Jason Saine  
**Cc:** Viddia Torbett (Rep. John Torbett); Hazel Speciale (Rep. Michael Speciale); Thelma Utley (Rep. Marvin Lucas); Megan Lewis (Rep. Rick Glazier); Dorothy McLean (Rep. Elmer Floyd); Beverly Slagle (Rep. John Szoka); Carla Farmer (Rep. Frank Iler); Baxter Knight (Rep. Mike Hager); Kerry Guice (Rep. Jamie Boles); Laura Sullivan (Rep. Allen McNeill); Caroline Stirling (Rep. William Brisson); Carol Erichsen (Rep. Tricia Cotham); Lynn Taylor (Rep. Bill Brawley); Margie Penven (Rep. Dana Bumgardner); Vivian Sherrell (Rep. Chris Millis); Laura Puryear (Rep. Jason Saine)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Thursday, April 16, 2015 at 10:00 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

### **NORTH CAROLINA HOUSE OF REPRESENTATIVES COMMITTEE MEETING NOTICE AND BILL SPONSOR NOTIFICATION 2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, April 16, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ted Davis, Jr. will be chairing

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 4	Clarify Unmanned Aircraft System Law.	Representative Torbett
HB 128	Referendum for Certain Local Debt.	Representative Speciale
HB 392	Fayetteville Charter/PWC Changes.	Representative Szoka
		Representative Floyd
		Representative Glazier
		Representative Lucas
HB 469	Sunset Beach/Parking Meter Proceeds.	Representative Iler
HB 478	Brunswick Cty/Navigable Waters.	Representative Iler
HB 492	Rutherford Cty/Rutherford Airport	Representative Hager



HB 503	Authority. Allow Moore Co. Commissioners to Redistrict.	Representative Boles Representative McNeill
HB 506	911 Fund Distribution.	Representative Boles Representative McNeill
HB 530	Local Gov'ts/Inspect Bldgs & Structures.	Representative Brawley Representative Brisson Representative Bumgardner Representative Cotham Representative Millis
HB 538	Clarify Water and Sewer Authority Powers.	
<del>HB 542</del>	Modify Sunset Re: Contingent Audits.	Representative Brawley Representative Hager Representative Szoka Representative Saine

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:36 PM on Monday, April 13, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government**  
**Thursday, April 16, 2015, 10:00 AM**  
**643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 4	Clarify Unmanned Aircraft System Law.	Representative Torbett
HB 128	Referendum for Certain Local Debt.	Representative Speciale
HB 392	Fayetteville Charter/PWC Changes.	Representative Szoka Representative Floyd Representative Glazier Representative Lucas
HB 469	Sunset Beach/Parking Meter Proceeds.	Representative Iler
HB 478	Brunswick Cty/Navigable Waters.	Representative Iler
HB 492	Rutherford Cty/Rutherford Airport Authority.	Representative Hager
HB 503	Allow Moore Co. Commissioners to Redistrict.	Representative Boles
HB 506	911 Fund Distribution.	Representative McNeill
HB 530	Local Gov'ts/Inspect Bldgs & Structures.	Representative Boles Representative McNeill Representative Brawley Representative Brisson Representative Bumgardner Representative Cotham Representative Millis
HB 538	Clarify Water and Sewer Authority Powers.	
HB 542	Modify Sunset Re: Contingent Audits.	Representative Brawley Representative Hager Representative Szoka Representative Saine

**Presentations**

Representative Ted Davis, Jr. Presiding





## HOUSE BILL 4: Clarify Unmanned Aircraft System Law

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Judiciary I	<b>Date:</b>	April 16, 2015
<b>Introduced by:</b>	Rep. Torbett	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	PCS to First Edition H4-CSSA-20		Committee Counsel

**SUMMARY:** *House Bill 4 would clarify that agents or agencies of the State or a political subdivision of the State have the authority to procure and operate unmanned aircraft systems upon approval of the State CIO and would modify the regulation of unmanned aircraft systems to comply with federal guidelines.*

*The PCS adds Sections 3, 4, and 5 to the bill.*

### Section 1

**CURRENT LAW:** Until December 31, 2015, no State or local governmental entity or officer can procure or operate an unmanned aircraft system or disclose personal information about any person acquired through the operation of an unmanned aircraft system unless the State Chief Information Officer (CIO) approves an exception specifically granting disclosure, use, or purchase. Any exceptions to the prohibition must be immediately reported to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.

**BILL ANALYSIS:** Section 1 would clarify and expand the authority of the State CIO to approve or disapprove of the procurement and operation of an unmanned aircraft system by agents or agencies of the State or a political subdivision of the State and the disclosure of personal information acquired through the operation of an unmanned aircraft system by agents or agencies of the State or a political subdivision of the State. The State CIO would be able to consult with the Division of Aviation of the Department of Transportation (Division) when making such decisions. Agents or agencies of the State that receive approval from the State CIO would be able to procure or operate an unmanned aircraft system prior to the implementation of the knowledge and skills test required by G.S. 63-95. Agents or agencies of the State or a political subdivision of the State who submit requests on or after the date of implementation of the knowledge and skills test would be required to have both CIO approval (until December 31, 2015) and pass the knowledge and skills test.

### Section 2

**CURRENT LAW:** Currently an inconsistency exists between one provision that prohibits agents or agencies of the State or a political subdivision of the State from operating an unmanned aircraft system until the knowledge and skills test required by G.S. 63-95 is implemented, and another provision that requires approval by the State CIO for procurement or operation of an unmanned aircraft system by agents or agencies of the State or a political subdivision of the State until December 31, 2015.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 4

Page 2

**BILL ANALYSIS:** Section 2 would resolve the inconsistency by authorizing the State CIO to approve the procurement and operation of unmanned aircraft systems by agents or agencies of the State or a political subdivision of the State before the knowledge and skills test is implemented.

## Section 3

**CURRENT LAW:** The Division is required to develop a knowledge and skills test for operating an unmanned aircraft system and provide for administration of the test.

**BILL ANALYSIS:** Because proposed federal regulations would already require operators of unmanned aircraft systems to pass a knowledge test of federal regulations, Section 3 would clarify that the State test must ensure that the operator of an unmanned aircraft system is knowledgeable of the State statutes and regulations regarding the operation of unmanned aircraft systems.

## Section 4

**CURRENT LAW:** G.S. 63-96 requires a license for the commercial operation of unmanned aircraft systems. To be issued a license, a person must be at least 18 years old, possess a valid drivers license, pass the knowledge test, and satisfy other applicable requirements.

**BILL ANALYSIS:** To align with federal regulations, Section 4 would replace the term "license" with "permit", reduce the age at which a person can receive a permit, and make conforming changes.

## Section 5

**CURRENT LAW:** G.S. 63-96 requires commercial operators to pass the knowledge test before operating an unmanned aircraft system.

**BILL ANALYSIS:** Section 5 would provide that prior to implementation of the knowledge test, any person authorized by the FAA for commercial operation of an unmanned aircraft system in this State is not in violation of G.S. 63-96 as long as he or she applies for a State permit for commercial operation within 60 days of the full implementation of the permitting process and is subsequently issued a State commercial operation permit.

**EFFECTIVE DATE:** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 4  
PROPOSED COMMITTEE SUBSTITUTE H4-CSSA-20 [v.4]

4/15/2015 5:48:37 PM

Short Title: Clarify Unmanned Aircraft System Law.

(Public)

Sponsors:

Referred to:

January 29, 2015

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT AGENTS OR AGENCIES OF THE STATE OR A  
POLITICAL SUBDIVISION OF THE STATE SHALL HAVE AUTHORITY TO  
PROCURE AND OPERATE UNMANNED AIRCRAFT SYSTEMS UPON APPROVAL  
OF THE STATE CHIEF INFORMATION OFFICER, AND TO MODIFY THE  
REGULATION OF UNMANNED AIRCRAFT SYSTEMS TO CONFORM TO FAA  
GUIDELINES.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 7.16(e) of S.L. 2013-360, as amended by Section 7.11(a) of  
S.L. 2014-100, reads as rewritten:

"**SECTION 7.16.(e)** Until December 31, 2015, ~~no State or local governmental entity or officer may procure or operate an unmanned aircraft system or disclose personal information about any person acquired through the operation of an unmanned aircraft system unless the State CIO approves an exception specifically granting disclosure, use, or purchase. Any exceptions to the prohibition in this subsection shall be reported immediately the State CIO shall have the authority to approve or disapprove (i) the procurement or operation of an unmanned aircraft system by agents or agencies of the State or a political subdivision of the State, and (ii) the disclosure of personal information about any person acquired through the operation of an unmanned aircraft system by agents or agencies of the State or a political subdivision of the State. When making a decision under this subsection, the State CIO may consult with the Division of Aviation of the Department of Transportation. The State CIO shall immediately report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division. Division on all decisions made under this subsection. Notwithstanding G.S. 63-95(c), agents or agencies of the State or a political subdivision of the State that receive State CIO approval under this subsection may procure or operate an unmanned aircraft system prior to the implementation of the knowledge test required by G.S. 63-95. In addition to receiving approval from the State CIO under this subsection, agents or agencies of the State or a political subdivision of the State who submit a request on or after the date of implementation of the knowledge test required by G.S. 63-95 shall also be subject to the provisions of that section.~~ The following definitions apply in this section:

- (1) "Unmanned aircraft" means an aircraft that is operated without the possibility of human intervention from within or on the aircraft.
- (2) "Unmanned aircraft system" means an unmanned aircraft and associated elements, including communication links and components that control the unmanned aircraft that are required for the pilot in command to operate safely and efficiently in the national airspace system."



1           **SECTION 2.** Section 34.30(j) of S.L. 2014-100 reads as rewritten:

2           "**SECTION 34.30.(j)** ~~No~~Except as authorized under Section 7.16(e) of S.L. 2013-360, as  
3           amended by Section 7.11(a) of S.L. 2014-100, no operation of unmanned aircraft systems by  
4           agents or agencies of the State, ~~or agents or agencies of State or~~ a political subdivision of the  
5           State, ~~State~~ shall be authorized in this State until the knowledge ~~and skills~~-test required by  
6           G.S. 63-95, as enacted in subsection (g) of this section, has been implemented.

7           No operation of unmanned aircraft systems for commercial purposes shall be authorized in  
8           this State until the FAA has authorized commercial operations and the licensing system  
9           required by G.S. 63-96, as enacted in subsection (g) of this section, has been implemented."

10          **SECTION 3.** G.S. 63-95(b) reads as rewritten:

11          "(b) The Division shall develop a knowledge ~~and skills~~-test for operating an unmanned  
12          aircraft system that complies with all applicable State and federal regulations and shall provide  
13          for administration of the test. The test shall ensure that the operator of an unmanned aircraft  
14          system is knowledgeable of the State statutes and regulations regarding the operation of  
15          unmanned aircraft systems. The Division may permit a person, including an agency of this  
16          State, an agency of a political subdivision of this State, an employer, or a private training  
17          facility, to administer the test developed pursuant to this subsection, provided the test is the  
18          same as that administered by the Division and complies with all applicable State and federal  
19          regulations."

20          **SECTION 4.** G.S. 63-96 reads as rewritten:

21          **§ 63-96. License-Permit required for commercial operation of unmanned aircraft**  
22          **systems.**

23          (a) No person shall operate an unmanned aircraft system, as defined in G.S. 15A-300.1,  
24          in this State for commercial purposes unless the person is in possession of a ~~license-permit~~  
25          issued by the Division valid for the unmanned aircraft system being operated. Application for  
26          such ~~license-permit~~ shall be made in the manner provided by the Division. Unless suspended or  
27          revoked, the ~~license-permit~~ shall be effective for a period to be established by the Division not  
28          exceeding eight years.

29          (b) No person shall be issued a ~~license-permit~~ under this section unless all of the  
30          following apply:

- 31                  (1) The person is at least ~~18-17~~ years of age.  
32                  (2) The person possesses a valid drivers license issued by any state or territory  
33                  of the United States or the District of Columbia.  
34                  (3) The person has passed the knowledge ~~and skills~~-test for operating an  
35                  unmanned aircraft system as prescribed in G.S. 63-95(b).  
36                  (4) The person has satisfied all other applicable requirements of this Article or  
37                  federal regulation.

38          (c) A ~~license-permit~~ to operate an unmanned aircraft system for commercial purposes  
39          shall not be issued to a person while the person's license ~~or permit~~ to operate an unmanned  
40          aircraft system is suspended, revoked, or cancelled in any state.

41          (d) The Division shall develop and administer a program that complies with all  
42          applicable federal regulations to license-issue permits to operators of unmanned aircraft  
43          systems for commercial purposes. The program must include the following components:

- 44                  (1) A system for classifying unmanned aircraft systems based on characteristics  
45                  determined to be appropriate by the Division.  
46                  (2) A fee structure for ~~licenses-permits~~.  
47                  (3) A ~~license-permit~~ application process.  
48                  (4) Technical guidance for complying with program requirements.  
49                  (5) Criteria under which the Division may suspend or revoke a ~~license-permit~~.  
50                  (6) Criteria under which the Division may waive ~~license-permitting~~  
51                  requirements for applicants currently holding a valid license ~~or permit~~ to

- 1                   operate unmanned aircraft systems issued by another state or territory of the  
2                   United States, the District of Columbia, or the United States.
- 3           (7)       A designation of the geographic area within which a ~~licensee-permittee~~ shall  
4                   be authorized to operate an unmanned aircraft system.
- 5           (8)       Requirements pertaining to the collection, use, and retention of data by  
6                   ~~licensees-permittees~~ obtained through the operation of unmanned aircraft  
7                   systems, to be established in consultation with the State Chief Information  
8                   Officer.
- 9           (9)       Requirements for the marking of each unmanned aircraft system operated  
10                   pursuant to a ~~license-permit~~ issued under this section sufficient to ~~permit~~  
11                   allow identification of the owner of the system and the person ~~licensed~~  
12                   issued a permit to operate it.
- 13          (10)      A system for providing agencies that conduct other operations within  
14                   regulated airspace with the identity and contact information of ~~licensees~~  
15                   ~~permittees~~ and the geographic areas within which the ~~licensee-permittee~~ is  
16                   permitted-authorized to operate an unmanned aircraft system.
- 17          (e)       A person who operates an unmanned aircraft system for commercial purposes other  
18                   than as ~~permitted-authorized~~ under this section shall be guilty of a Class 1 misdemeanor.
- 19          (f)       The Division may issue rules and regulations to implement the provisions of this  
20                   section."

21                   **SECTION 5.** Prior to the implementation of the knowledge test and permitting  
22                   process required by G.S. 63-96, any person authorized by the FAA for commercial operation of  
23                   an unmanned aircraft system in this State shall not be in violation of that statute provided that  
24                   they make application for a State permit for commercial operation within 60 days of the full  
25                   implementation of the permitting process and are issued a State commercial operation permit in  
26                   due course.

27                   **SECTION 6.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 4

Short Title: Clarify Unmanned Aircraft System Law.

(Public)

Sponsors: Representative Torbett (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Judiciary I.

January 29, 2015

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT AGENTS OR AGENCIES OF THE STATE OR A  
POLITICAL SUBDIVISION OF THE STATE SHALL HAVE AUTHORITY TO  
PROCURE AND OPERATE UNMANNED AIRCRAFT SYSTEMS UPON APPROVAL  
OF THE STATE CHIEF INFORMATION OFFICER.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 7.16(e) of S.L. 2013-360, as amended by Section 7.11(a) of  
S.L. 2014-100, reads as rewritten:

"**SECTION 7.16.(e)** Until December 31, 2015, ~~no State or local governmental entity or officer may procure or operate an unmanned aircraft system or disclose personal information about any person acquired through the operation of an unmanned aircraft system unless the State CIO approves an exception specifically granting disclosure, use, or purchase. Any exceptions to the prohibition in this subsection shall be reported immediately the State CIO~~ shall have the authority to approve or disapprove (i) the procurement or operation of an unmanned aircraft system by agents or agencies of the State or a political subdivision of the State, and (ii) the disclosure of personal information about any person acquired through the operation of an unmanned aircraft system by agents or agencies of the State or a political subdivision of the State. When making a decision under this subsection, the State CIO may consult with the Division of Aviation of the Department of Transportation. The State CIO shall immediately report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division. ~~Division on all decisions made under this subsection. Notwithstanding G.S. 63-95(c), agents or agencies of the State or a political subdivision of the State that receive State CIO approval under this subsection may procure or operate an unmanned aircraft system prior to the implementation of the knowledge and skills test required by G.S. 63-95. In addition to receiving approval from the State CIO under this subsection, agents or agencies of the State or a political subdivision of the State who submit a request on or after the date of implementation of the knowledge and skills test required by G.S. 63-95 shall also be subject to the provisions of that section.~~ The following definitions apply in this section:

- (1) "Unmanned aircraft" means an aircraft that is operated without the possibility of human intervention from within or on the aircraft.
- (2) "Unmanned aircraft system" means an unmanned aircraft and associated elements, including communication links and components that control the unmanned aircraft that are required for the pilot in command to operate safely and efficiently in the national airspace system."

**SECTION 2.** Section 34.30(j) of S.L. 2014-100 reads as rewritten:



1 "SECTION 34.30.(j) ~~No~~ Except as authorized under Section 7.16(e) of S.L. 2013-360, no  
2 operation of unmanned aircraft systems by agents or agencies of the State, or agents or agencies  
3 of State or a political subdivision of the State, State shall be authorized in this State until the  
4 knowledge and skills test required by G.S. 63-95, as enacted in subsection (g) of this section,  
5 has been implemented.

6 No operation of unmanned aircraft systems for commercial purposes shall be authorized in  
7 this State until the FAA has authorized commercial operations and the licensing system  
8 required by G.S. 63-96, as enacted in subsection (g) of this section, has been implemented."

9 **SECTION 3.** This act is effective when it becomes law.



# HOUSE BILL 128: Referendum for Certain Local Debt

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Finance, if favorable, Elections

**Date:** April 15, 2015

**Introduced by:** Rep. Speciale

**Prepared by:** R. Erika Churchill  
Committee Counsel

**Analysis of:** PCS to First Edition  
H128-CSST-9

**SUMMARY:** *The proposed committee substitute for House Bill 128 would establish a process by which voters of a county or city could petition to require a referendum prior to the county or city obligating the county or city for payment of capital debt exceeding five million dollars.*

**CURRENT LAW:** Voter initiated referendums are not provided for by the North Carolina Constitution, or by general statute.

Capital projects involve acquiring, constructing, and maintaining the facilities and other capital infrastructure needed to perform public services of the county or city. Generally, capital projects have a useful life of multiple years. For financing of capital projects, at least five general methods of borrowing money are available to counties and cities:

- General obligation bonds.
- Revenue bonds.
- Special obligation bonds.
- Project development financing bonds.
- Installment financing.

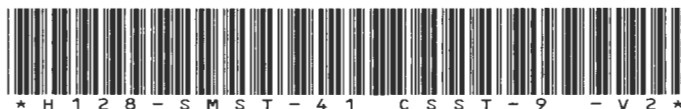
The Local Government Commission (LGC) oversees fiscal oversight for units of local government, including counties and cities, including approval of bond issuances. The LGC also usually sells the bonds on behalf of the unit of government when they are issued. The LGC may also play a significant role in installment financing in certain instances. Additionally, general obligation bonds must be approved by the voters of the unit of government, as they pledge the full faith and credit of the unit of government.

**BILL ANALYSIS:** The PCS would subject any anticipated obligation of more than \$5 million for a capital asset by a county or city to a voter initiated referendum, unless the anticipated obligation is for one of the following reasons:

- To comply with federal law.
- To comply with State law.
- To comply with an order of the court.

Whenever a county or city determines the capital expenditure is needed, the county or city would be required to publish a notice of intent to encumber the funds for at least 30 days prior to finalizing the

O. Walker Reagan  
Director



Research Division  
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# House Bill 128

*Page 2*

encumbrance. During that 30 days, a petition demanding a referendum may be submitted to the clerk to the board. The petition would have to be signed by at least 10% of the registered voters of the county or city, but not by less than 25 voters. The petition must be verified by the county board of elections within 15 working days, unless that time period included an election. If the petition is verified to have sufficient voter signatures, the governing board of the county or city must set a date for a special election to have the referendum on the encumbrance. Special elections may be held only at the following times:

- At the same time as any other State or county general election.
- At the same time as the primary election in any even-numbered year.
- At the same time as any other election requiring all the precincts in the county to be open.
- At the same time as a municipal general election, if the special election is within the jurisdiction of the municipality only.

Upon completion of the election, if a majority of the votes are for the encumbrance, the county or city may enter into the obligation. If a majority of the votes are against the encumbrance, the county or city may not encumber the county or city, and may not initiate the same or a substantially similar project for at least 12 months.

**EFFECTIVE DATE:** Effective July 1, 2015, and applies to capital expenditures entered into on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 128  
PROPOSED COMMITTEE SUBSTITUTE H128-CSST-9 [v.3]

4/15/2015 6:33:31 PM

Short Title: Referendum for Certain Local Debt.

(Public)

Sponsors:

Referred to:

March 4, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE A REFERENDUM ON CERTIFICATES OF PARTICIPATION  
3 AND SIMILAR DEBT.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Article 3 of Chapter 159 is amended by adding a new section to read:  
6 "**§ 159-13.3. Voter approval of capital debt.**

7 (a) If a city, as defined in G.S. 160A-1(2), or a county determines a capital expenditure  
8 in an estimated amount of more than five million dollars (\$5,000,000) is needed for the  
9 construction or acquisition of a capital asset, regardless of the source or sources of funding, that  
10 capital expenditure is subject to a referendum as provided for in this section if no other  
11 referendum is mandated by law.

12 (b) At the time the city or county determines the capital expenditure is needed, the  
13 governing board of the city or county shall publish notice of its intent to encumber the city or  
14 county in a newspaper of general circulation in the unit of local government. The notice shall  
15 describe the proposed capital expenditure, the total amount of the project, any sources of  
16 funding for the project, and the date the city or county intends encumber the city or county.  
17 From the time the notice is published, the city or county may not finalize the encumbrance the  
18 city or county for at least 30 days.

19 (c) At any time prior to the date the city or county published in the notice for voting on  
20 the encumbrance, a petition demanding encumbrance be submitted to the voters may be filed  
21 with the clerk to the board. The clerk shall deliver the petition to the county board of elections  
22 for verification in accordance with subsection (d) of this section. The petition shall be in  
23 writing and shall be signed by ten percent (10%) of the registered voters of the city or county,  
24 but by not less than 25 registered voters. The voter shall sign the petition and also clearly print  
25 that voter's name adjacent to the signature. The petition must also contain the voter's residence  
26 address and date of birth.

27 (b) The petition must be verified by the county board of elections of the county where  
28 the voter is alleged to be registered. The board of elections shall cause to be examined the  
29 signature, shall place a check mark beside the name of each signer who is qualified and  
30 registered to vote in that city or county, and shall attach to the petition a certificate stating the  
31 number of voters registered in that city or county, and the total number of registered voters who  
32 have been verified. The county board of elections shall return the petition to the person who  
33 presented it within 15 working days of receipt. That period of 15 working days shall be tolled  
34 for any period of time that is also either two weeks before or one week after a primary or  
35 election being conducted by the county board of elections.



\* H 1 2 8 - C S S T - 9 - V - 3 \*

(e) Upon receipt of the verified petition, the clerk to the board shall deliver the verified petition to the governing board of the city or county. If the verified petition indicates at least ten percent (10%) or at least 25 registered voters, whichever is greater, have signed the petition, the governing board shall fix a date for the referendum in accordance with G.S. 163-287. The form of the question as stated on the ballot shall be in substantially the following words:

"Shall the [unit name here] be authorized to enter into the [transaction] in an amount not to exceed \$ \_\_\_\_\_ for [briefly describe purpose]?"

☐ YES

☐ NO"

(f) The county board of elections shall certify the results of the referendum in accordance with Chapter 163 of the General Statutes, and shall deliver the certification to the clerk to the board of the city or county. If a majority of the votes are cast for authorizing the capital expenditure, the city or county may encumber the city or county. If a majority of the votes are cast against the capital expenditure, the city or county may not encumber the city or county for the capital asset and may not initiate the same, or a substantially similar, project for at least 12 months.

(g) This section shall not apply to any of the following capital expenditures, regardless of estimated amount:

(1) Capital expenditures to comply with federal law.

(2) Capital expenditures to comply with State law.

(3) Capital expenditures to comply with an order of the court."

**SECTION 8.** This act is effective July 1, 2015, and applies to capital expenditures on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 128

Short Title: Referendum for Certain Local Debt. (Public)

Sponsors: Representative Speciale (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance, if favorable, Elections.

March 4, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE A REFERENDUM ON CERTIFICATES OF PARTICIPATION  
3 AND SIMILAR DEBT.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 160A-20 reads as rewritten:

6 "§ 160A-20. Security interests.

7 ...

8 (i) Voter Approval Requirement. –

9 (1) The governing board of a unit that intends to enter into a contract pursuant to  
10 subsection (a) or (b) of this section must adopt a resolution stating its intent  
11 at least 10 days before executing the contract. The resolution must state the  
12 maximum amount of the proposed contract. Contingent obligations shall be  
13 included in calculating the value of the contract. Several contracts that are all  
14 related to the same undertaking shall be deemed a single contract for  
15 purposes of this subsection. The resolution also must describe the basic  
16 purpose of the contract and state that the contract is a form of debt financing.

17 (2) If Local Government Commission approval of the contract is required by  
18 subsection (e) of this section, a petition demanding that a contract entered  
19 into under subsection (a) or (b) of this section be submitted to the voters may  
20 be filed with the clerk to the board any time prior to the Local Government  
21 Commission's entry of the order approving the application pursuant to  
22 G.S. 159-152. If Local Government Commission approval of the contract is  
23 not required by subsection (e) of this section, the petition must be filed with  
24 the clerk within 10 days of the governing board's adoption of the resolution  
25 stating its intent to enter into the contract pursuant to subsection (a) or (b) of  
26 this section. The petition shall be in writing and shall be signed by a number  
27 of voters of the issuing unit equal to not less than five percent (5%) of the  
28 total number of voters registered to vote in elections of the issuing unit  
29 according to the most recent figures certified by the State Board of  
30 Elections. The residence address of each signer shall be written after the  
31 signature. The clerk shall investigate the sufficiency of the petition and  
32 present it to the governing board, with a certificate stating the results of the  
33 investigation. The governing board, after hearing any taxpayer who may  
34 request to be heard, shall thereupon determine the sufficiency of the petition,  
35 and its determination shall be conclusive.



- (3) If a contract requires approval of the voters, the affirmative vote or a majority of those who vote thereon shall be required.
- (4) The date of a voter referendum on the contract shall be fixed by the governing board, but shall not be more than one year after adoption of the resolution indicating the board's intent to enter into a contract pursuant to subsection (a) or (b) of this section, only on a date permitted by G.S. 163-287. The clerk shall mail or deliver a certified copy of the resolution calling a special referendum to the board of elections that is to conduct it within three days after the resolution is adopted, but failure to observe this requirement shall not in any manner affect the validity of the referendum or contract entered into pursuant thereto. The referendum shall be conducted by the board of elections conducting regular elections of the unit of local government.
- (5) The clerk shall publish a notice of the referendum at least twice. The first publication shall be not less than 14 days and the second publication not less than seven days before the last day on which voters may register for the referendum. The notice shall state the date of the referendum, the maximum amount of the proposed contract, the purpose of the contract, and a statement as to the last day for registration for the referendum under the election laws then in effect.
- (6) The form of the question as stated on the ballot shall be in substantially the following words:  
"Shall the [name of unit of local government] be authorized to enter into a contract pursuant to G.S. 160A-20(a) or (b) and incur debt in the maximum amount of \$ \_\_\_\_\_ plus interest for [briefly stating the purpose] be approved?  
☐ YES  
☐ NO"
- (7) The board of elections shall canvass the referendum and certify the results to the governing board. The governing board shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended:  
"Any action or proceeding challenging the regularity or validity of this referendum must be begun within 30 days after [date of publication].  
\_\_\_\_\_  
[Title of governing board]"  
The statement of results shall be filed in the clerk's office and inserted in the minutes of the board."

SECTION 2. G.S. 159-85 reads as rewritten:

"§ 159-85. **Application to Commission for approval of revenue bond issue; preliminary conference; acceptance of ~~application~~; application; voter approval requirement.**

(a) Neither the State nor a municipality may issue revenue bonds under this Article unless the issue is approved by the Commission. The State Treasurer or the governing board of the issuing municipality or its duly authorized agent, as the case may be, shall file an application for Commission approval of the issue with the secretary of the Commission. If the issuing municipality is a regional public transportation authority, the application must be accompanied by a resolution of the special tax board of that authority approving of the application. The application shall state such facts and have attached to it such documents concerning the proposed revenue bonds and the financial condition of the State or the issuing municipality, as the case may be, and its utilities and enterprises as the secretary may require. The Commission may prescribe the form of the application. At the time of application to the

Commission, the governing body shall publish a public notice of the application in a newspaper of general circulation in the unit of local government.

...

(e) A petition demanding that the revenue bond order be submitted to the voters may be filed with the clerk to the board at any time before the Commission enters its order approving or denying the application pursuant to G.S. 159-87. The petition shall be in writing and shall be signed by a number of voters of the issuing unit equal to not less than five percent (5%) of the total number of voters registered to vote in elections of the issuing unit according to the most recent figures certified by the State Board of Elections. The residence address of each signer shall be written after the signature. The clerk shall investigate the sufficiency of the petition and present it to the governing board, with a certificate stating the results of the investigation. The governing board, after hearing any taxpayer who may request to be heard, shall thereupon determine the sufficiency of the petition, and its determination shall be conclusive.

(f) If a bond order is to take effect upon approval of the voters, the affirmative vote or a majority of those who vote thereon shall be required. The date of a bond referendum shall be fixed by the governing board, but shall not be more than one year after adoption of the bond order, only on a date permitted by G.S. 163-287. The clerk shall mail or deliver a certified copy of the resolution calling a special referendum to the board of elections that is to conduct it within three days after the resolution is adopted, but failure to observe this requirement shall not in any manner affect the validity of the referendum or bonds issued pursuant thereto. The bond referendum shall be conducted by the board of elections conducting regular elections of the unit of local government.

(g) The clerk shall publish a notice of the referendum at least twice. The first publication shall be not less than 14 days and the second publication not less than seven days before the last day on which voters may register for the referendum. The notice shall state the date of the referendum, the maximum amount of the proposed bonds, the purpose of the bonds, and a statement as to the last day for registration for the referendum under the election laws then in effect.

(h) The form of the question as stated on the ballot shall be in substantially the following words:

"Shall the order authorizing \$ \_\_\_\_\_ revenue bonds plus interest [briefly stating the purpose] be approved?

☐ YES

☐ NO"

(i) The board of elections shall canvass the referendum and certify the results to the governing board. The governing board shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended:

"Any action or proceeding challenging the regularity or validity of this referendum must be begun within 30 days after [date of publication].

\_\_\_\_\_  
[Title of governing board]"

The statement of results shall be filed in the clerk's office and inserted in the minutes of the board."

SECTION 3. G.S. 159-104 reads as rewritten:

"§ 159-104. Application to Commission for approval of project development financing debt instrument issue; preliminary conference; acceptance of ~~application-application; voter approval requirement.~~

(a) A unit of local government may not issue project development financing debt instruments under this Article unless the issue is approved by the Local Government Commission. The governing body of the issuing unit shall file with the secretary of the

1 Commission an application for Commission approval of the issue. At the time of application,  
2 the governing body shall publish a public notice of the application in a newspaper of general  
3 circulation in the unit of local government. The application shall include any statements of facts  
4 and documents concerning the proposed debt instruments, development financing district, and  
5 development financing plan, and the financial condition of the unit, required by the secretary.  
6 The Commission may prescribe the form of the application.

7 Before accepting the application, the secretary may require the governing body or its  
8 representatives to attend a preliminary conference in order to discuss informally the proposed  
9 issue, district, and plan and the timing of the steps to be taken in issuing the debt instruments.  
10 The development financing plan need not be adopted by the governing body at the time it files  
11 the application with the secretary. However, before the Commission may enter its order  
12 approving the debt instruments, the governing body must adopt the plan and make the findings  
13 described in G.S. 159-105(b)(1) and (5).

14 After an application in proper form and order has been filed, and after a preliminary  
15 conference if one is required, the secretary shall notify the unit in writing that the application  
16 has been filed and accepted for submission to the Commission. The secretary's statement is  
17 conclusive evidence that the unit has complied with this section."

18 (b) A petition demanding that the project development financing be submitted to the  
19 voters may be filed with the clerk to the board at any time before the Commission enters its  
20 order approving or denying the application pursuant to G.S. 159-106. The petition shall be in  
21 writing and shall be signed by a number of voters of the issuing unit equal to not less than five  
22 percent (5%) of the total number of voters registered to vote in elections of the issuing unit  
23 according to the most recent figures certified by the State Board of Elections. The residence  
24 address of each signer shall be written after the signature. The clerk shall investigate the  
25 sufficiency of the petition and present it to the governing board, with a certificate stating the  
26 results of the investigation. The governing board, after hearing any taxpayer who may request  
27 to be heard, shall thereupon determine the sufficiency of the petition, and its determination  
28 shall be conclusive.

29 (c) If a project development financing requires approval of the voters, the affirmative  
30 vote or a majority of those who vote thereon shall be required. The date of a referendum shall  
31 be fixed by the governing board, but shall not be more than one year after adoption of the  
32 project development financing plan, only on a date permitted by G.S. 163-287. The clerk shall  
33 mail or deliver a certified copy of the resolution calling a special referendum to the board of  
34 elections that is to conduct it within three days after the resolution is adopted, but failure to  
35 observe this requirement shall not in any manner affect the validity of the referendum or debt  
36 instruments issued pursuant thereto. The referendum shall be conducted by the board of  
37 elections conducting regular elections of the unit of local government.

38 (d) The clerk shall publish a notice of the referendum at least twice. The first  
39 publication shall be not less than 14 days and the second publication not less than seven days  
40 before the last day on which voters may register for the referendum. The notice shall state the  
41 date of the referendum, the maximum amount of the proposed debt instruments, the purpose of  
42 the debt instruments, and a statement as to the last day for registration for the referendum under  
43 the election laws then in effect.

44 (e) The form of the question as stated on the ballot shall be in substantially the  
45 following words:

46 "Shall the [unit name here] be authorized to borrow \$\_\_\_\_\_ plus instrument by issuing  
47 project development financing debt instruments for [briefly state purpose]?"

48 ☐ YES

49 ☐ NO"

50 (f) The board of elections shall canvass the referendum and certify the results to the  
51 governing board. The governing board shall then certify and declare the result of the

1 referendum and shall publish a statement of the result once, with the following statement  
2 appended:

3 "Any action or proceeding challenging the regularity or validity of this referendum must be  
4 begun within 30 days after [date of publication].

5  
6 [Title of governing board]"

7 The statement of results shall be filed in the clerk's office and inserted in the minutes of the  
8 board."

9 SECTION 4. G.S. 159I-30 reads as rewritten:

10 "§ 159I-30. Additional powers of units of local government; issuance of special obligation  
11 bonds and notes.

12 ...

13 (i) Local Government Commission Approval. – No bonds or notes may be issued by a  
14 unit of local government under this section unless the issuance is approved and the bonds or  
15 notes are sold by the Local Government Commission as provided in this section and the  
16 applicable provisions of this Chapter. The unit shall file with the Secretary of the Local  
17 Government Commission an application requesting approval of the issuance of the bonds or  
18 notes, which application shall contain such information and shall have attached to it such  
19 documents concerning the proposed financing as the Secretary of the Local Government  
20 Commission may require. The Commission may prescribe the form of the application. Before  
21 the Secretary accepts the application, the Secretary may require the governing body of the unit  
22 or its representatives to attend a preliminary conference, at which time the Secretary or the  
23 deputies of the Secretary may informally discuss the proposed issue and the timing of the steps  
24 taken in issuing the special obligation bonds or notes. At the time of application to the  
25 Commission, the governing body shall publish a public notice of the application in a newspaper  
26 of general circulation in the unit of local government.

27 In determining whether a proposed bond or note issue should be approved, the Local  
28 Government Commission may consider, to the extent applicable as shall be determined by the  
29 Local Government Commission, the criteria set forth in G.S. 159-52 and G.S. 159-86, as either  
30 may be amended from time to time, as well as the effect of the proposed financing upon any  
31 scheduled or proposed sale of obligations by the State or by any of its agencies or departments  
32 or by any unit of local government in the State. The Local Government Commission shall  
33 approve the issuance of the bonds or notes if, upon the information and evidence it receives, it  
34 finds and determines that the proposed financing will satisfy such criteria and will effect the  
35 purposes of this section and the applicable provisions of this Chapter. An approval of an issue  
36 shall not be regarded as an approval of the legality of the issue in any respect. A decision by the  
37 Local Government Commission denying an application is final.

38 Upon the filing with the Local Government Commission of a written request of the unit  
39 requesting that its bonds or notes be sold, the bonds or notes may be sold by the Local  
40 Government Commission in such manner, either at public or private sale, and for such price or  
41 prices as the Local Government Commission shall determine to be in the best interests of the  
42 unit and to effect the purposes of this section and the applicable provisions of this Chapter, if  
43 the sale is approved by the unit.

44 (i1) (1) A petition demanding that the special obligation bond order be submitted to  
45 the voters may be filed with the clerk to the board at any time before the  
46 Commission enters its order approving or denying the application pursuant  
47 to G.S. 159I-30(i). The petition shall be in writing and shall be signed by a  
48 number of voters of the issuing unit equal to not less than five percent (5%)  
49 of the total number of voters registered to vote in elections of the issuing unit  
50 according to the most recent figures certified by the State Board of  
51 Elections. The residence address of each signer shall be written after the

1 signature. The clerk shall investigate the sufficiency of the petition and  
2 present it to the governing board, with a certificate stating the results of the  
3 investigation. The governing board, after hearing any taxpayer who may  
4 request to be heard, shall thereupon determine the sufficiency of the petition,  
5 and its determination shall be conclusive.

6 (2) If a special obligation bond order requires approval of the voters, the  
7 affirmative vote or a majority of those who vote thereon shall be required.  
8 The date of a bond referendum shall be fixed by the governing board, but  
9 shall not be more than one year after adoption of the bond order, only on a  
10 date permitted by G.S. 163-287. The clerk shall mail or deliver a certified  
11 copy of the resolution calling a special referendum to the board of elections  
12 that is to conduct it within three days after the resolution is adopted, but  
13 failure to observe this requirement shall not in any manner affect the validity  
14 of the referendum or bonds issued pursuant thereto. The bond referendum  
15 shall be conducted by the board of elections conducting regular elections of  
16 the unit of local government.

17 (3) The clerk shall publish a notice of the referendum at least twice. The first  
18 publication shall be not less than 14 days and the second publication not less  
19 than seven days before the last day on which voters may register for the  
20 referendum. The notice shall state the date of the referendum, the maximum  
21 amount of the proposed bonds, the purpose of the bonds, and a statement as  
22 to the last day for registration for the referendum under the election laws  
23 then in effect.

24 (4) The form of the question as stated on the ballot shall be in substantially the  
25 following words:  
26 "Shall the [unit name here] be authorized to borrow \$ \_\_\_\_\_ plus instrument  
27 by issuing special obligation bonds for [briefly state purpose]?"  
28 [ ] YES  
29 [ ] NO"

30 (5) The board of elections shall canvass the referendum and certify the results to  
31 the governing board. The governing board shall then certify and declare the  
32 result of the referendum and shall publish a statement of the result once, with  
33 the following statement appended:  
34 "Any action or proceeding challenging the regularity or validity of this  
35 referendum must be begun within 30 days after [date of publication].

36 [Title of governing board]"  
37 The statement of results shall be filed in the clerk's office and inserted in the  
38 minutes of the board.

39  
40 ...."

41 SECTION 5. G.S. 159-60 reads as rewritten:

42 "§ 159-60. Petition for referendum on bond issue.

43 A petition demanding that a bond order be submitted to the voters may be filed with the  
44 clerk within 30 days after the date of publication of the bond order as introduced. The petition  
45 shall be in writing, and shall be signed by a number of voters of the issuing unit equal to not  
46 less than ~~ten~~ five percent (~~10%~~) (5%) of the total number of voters registered to vote in elections  
47 of the issuing unit according to the most recent figures certified by the State Board of Elections.  
48 The residence address of each signer shall be written after his signature. The petition need not  
49 contain the text of the order to which it refers, and need not be all on one sheet.

50 The clerk shall investigate the sufficiency of the petition and present it to the governing  
51 board, with a certificate stating the results of his investigation. The governing board, after

1 hearing any taxpayer who may request to be heard, shall thereupon determine the sufficiency of  
2 the petition, and its determination shall be conclusive.

3 ~~This section does not apply to bonds issued pursuant to G.S. 159-48(a)(1), (2), (3), or (5)."~~

4 SECTION 6. G.S. 159-148 reads as rewritten:

5 "§ 159-148. Contracts subject to Article; ~~exceptions~~exceptions; voter approval  
6 requirement.

7 ...

8 (c) If a contract, agreement, memorandum of understanding, and any other transaction  
9 having the force and effect of a contract is subject to Commission approval, at the time of  
10 application to the Commission, the governing body of the unit of local government shall  
11 publish a public notice of the application in a newspaper of general circulation in the unit of  
12 local government.

13 (d) (1) A petition demanding that the contract, agreement, memorandum of  
14 understanding, or other transaction having the force and effect of a contract  
15 subject to Commission approval be submitted to the voters may be filed with  
16 the clerk to the board at any time before the Commission enters its order  
17 approving or denying the application pursuant to G.S. 159-152. The petition  
18 shall be in writing and shall be signed by a number of voters of the issuing  
19 unit equal to not less than five percent (5%) of the total number of voters  
20 registered to vote in elections of the issuing unit according to the most recent  
21 figures certified by the State Board of Elections. The residence address of  
22 each signer shall be written after the signature. The clerk shall investigate  
23 the sufficiency of the petition and present it to the governing board, with a  
24 certificate stating the results of the investigation. The governing board, after  
25 hearing any taxpayer who may request to be heard, shall thereupon  
26 determine the sufficiency of the petition, and its determination shall be  
27 conclusive.

28 (2) If a contract, agreement, memorandum of understanding, or other transaction  
29 having the force and effect of a contract subject to Commission approval  
30 requires approval of the voters, the affirmative vote or a majority of those  
31 who vote thereon shall be required. The date of a referendum shall be fixed  
32 by the governing board, but shall not be more than one year after the original  
33 date of submission of the application to the Commission for approval, only  
34 on a date permitted by G.S. 163-287. The clerk shall mail or deliver a  
35 certified copy of the resolution calling a special referendum to the board of  
36 elections that is to conduct it within three days after the resolution is  
37 adopted, but failure to observe this requirement shall not in any manner  
38 affect the validity of the referendum or contract, agreement, memorandum of  
39 understanding, or other transaction having the force and effect of a contract  
40 subject to Commission approval entered into pursuant thereto. The  
41 referendum shall be conducted by the board of elections conducting regular  
42 elections of the unit of local government.

43 (3) The clerk shall publish a notice of the referendum at least twice. The first  
44 publication shall be not less than 14 days and the second publication not less  
45 than seven days before the last day on which voters may register for the  
46 referendum. The notice shall state the date of the referendum, the maximum  
47 amount of the proposed contract, agreement, memorandum of  
48 understanding, or other transaction having the force and effect of a contract  
49 subject to Commission approval, the purpose of the contract, agreement,  
50 memorandum of understanding, or other transaction having the force and  
51 effect of a contract subject to Commission approval, and a statement as to

- 1 the last day for registration for the referendum under the election laws then  
2 in effect.
- 3 (4) The form of the question as stated on the ballot shall be in substantially the  
4 following words:  
5 "Shall the [unit name here] be authorized to enter into the [contract,  
6 agreement, memorandum of understanding, or other transaction having the  
7 force and effect of a contract subject to Commission approval] in an amount  
8 to not exceed \$ \_\_\_\_\_ for [briefly describe purpose]?  
9 [ ] YES  
10 [ ] NO"
- 11 (5) The board of elections shall canvass the referendum and certify the results to  
12 the governing board. The governing board shall then certify and declare the  
13 result of the referendum and shall publish a statement of the result once, with  
14 the following statement appended:  
15 "Any action or proceeding challenging the regularity or validity of this  
16 referendum must be begun within 30 days after [date of publication].  
17 \_\_\_\_\_  
18 [Title of governing board]"  
19 The statement of results shall be filed in the clerk's office and inserted in the  
20 minutes of the board."

## SECTION 7. G.S. 159-153

21  
22 "§ 159-153. Approval of other financing ~~arrangements~~arrangements; voter approval  
23 requirement.

- 24 ...
- 25 (g) If a transaction specified in subsection (a) of this section, and undertaken by a unit  
26 of local government, is subject to Commission approval, at the time of application to the  
27 Commission, the governing body of the unit of local government, shall publish a public notice  
28 of the application in a newspaper of general circulation in the unit of local government.
- 29 (h) (1) A petition demanding that the contract, agreement, memorandum of  
30 understanding, or other transaction having the force and effect of a contract  
31 subject to Commission approval be submitted to the voters may be filed with  
32 the clerk to the board at any time before the Commission enters its order  
33 approving or denying the application pursuant to this section. The petition  
34 shall be in writing and shall be signed by a number of voters of the issuing  
35 unit equal to not less than five percent (5%) of the total number of voters  
36 registered to vote in elections of the issuing unit according to the most recent  
37 figures certified by the State Board of Elections. The residence address of  
38 each signer shall be written after the signature. The clerk shall investigate  
39 the sufficiency of the petition and present it to the governing board, with a  
40 certificate stating the results of the investigation. The governing board, after  
41 hearing any taxpayer who may request to be heard, shall thereupon  
42 determine the sufficiency of the petition, and its determination shall be  
43 conclusive.
- 44 (2) If a transaction specified in subsection (a) of this section, and undertaken by  
45 a unit of local government, requires approval of the voters, the affirmative  
46 vote or a majority of those who vote thereon shall be required. The date of a  
47 referendum shall be fixed by the governing board, but shall not be more than  
48 one year after the original date of submission of the application to the  
49 Commission for approval, only on a date permitted by G.S. 163-287. The  
50 clerk shall mail or deliver a certified copy of the resolution calling a special  
51 referendum to the board of elections that is to conduct it within three days

1 after the resolution is adopted, but failure to observe this requirement shall  
2 not in any manner affect the validity of the referendum or the transaction  
3 undertaken pursuant thereto. The referendum shall be conducted by the  
4 board of elections conducting regular elections of the unit of local  
5 government.

6 (3) The clerk shall publish a notice of the referendum at least twice. The first  
7 publication shall be not less than 14 days and the second publication not less  
8 than seven days before the last day on which voters may register for the  
9 referendum. The notice shall state the date of the referendum, the maximum  
10 amount of the proposed transaction, the purpose of the transaction, and a  
11 statement as to the last day for registration for the referendum under the  
12 election laws then in effect.

13 (4) The form of the question as stated on the ballot shall be in substantially the  
14 following words:

15 "Shall the [unit name here] be authorized to enter into the [transaction] in an  
16 amount not to exceed \$ \_\_\_\_\_ for [briefly describe purpose]?"

17 [ ] YES

18 [ ] NO"

19 (5) The board of elections shall canvass the referendum and certify the results to  
20 the governing board. The governing board shall then certify and declare the  
21 result of the referendum and shall publish a statement of the result once, with  
22 the following statement appended:

23 "Any action or proceeding challenging the regularity or validity of this  
24 referendum must be begun within 30 days after [date of publication].

25 \_\_\_\_\_  
26 [Title of governing board]"

27 The statement of results shall be filed in the clerk's office and inserted in the  
28 minutes of the board."

29 **SECTION 8.** This act is effective when it becomes law.





## HOUSE BILL 392: Fayetteville Charter/PWC Changes

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 16, 2015
<b>Introduced by:</b>	Reps. Szoka, Floyd, Glazier, Lucas	<b>Prepared by:</b>	Kelly Tornow Committee Counsel
<b>Analysis of:</b>	PCS to First Edition H392-CSTH-10		

**SUMMARY:** *The PCS for House Bill 392 would amend the Charter of the City of Fayetteville to make changes related to the membership and operation of the Public Works Commission.*

**CURRENT LAW:** The Public Works Commission of the City of Fayetteville (Commission) was created by the General Assembly in 1905 and its provisions are contained in Chapter VI of the Charter of the City of Fayetteville.

The Commission is composed of four members who serve staggered four-year terms. Members are elected by the Fayetteville City Council.

The Commission has the full charge and control over the supervision and management of the electric utility plant, water and sewer services, and collects all rents and profits accruing from those services. The Commission also has control of and supervises the construction, repairing, alteration, or enlargement of the electric light plant, the waterworks plant, and the sewerage plant, with authority to make all necessary contracts related to those plants, except that expenditures and contracts over \$10,000 must have approval from the City Council. The Commission also fixes the rates for water, sewer, and electricity and is authorized to extend its electric, water, and sewer systems anywhere in Cumberland County and to sell those services anywhere in the County.

The Commission's budget must receive approval from the City Council under general law.

**BILL ANALYSIS:** House Bill 392 would repeal the current provisions related to the Public Works Commission and would establish a new Chapter VIA within the City Charter. The bill would do the following:

- Increase the number of members on the Commission appointed by the Council from four to five, and add a member of the City Council as an additional ex-officio member designated by the Mayor.
- Clarify that the Commission is a public authority and is free from the jurisdiction, direction, or control of City officers and employees and of the City Council.
- Clarify the powers and duties of the Commission.
- Remove the requirement that the budget must be approved by the City Council.
- Enact finance provisions, including provisions for cash reserves, remittances to the City, revenue bonds, and special assessments.

**EFFECTIVE DATE:** This act becomes effective July 1, 2015.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 392  
PROPOSED COMMITTEE SUBSTITUTE H392-CSTH-10 [v.4]

4/15/2015 8:00:16 PM

Short Title: Fayetteville Charter/PWC Changes.

(Local)

Sponsors:

Referred to:

March 31, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE CHARTER OF THE CITY OF FAYETTEVILLE TO MAKE  
3 CHANGES RELATED TO THE MEMBERSHIP AND OPERATION OF THE PUBLIC  
4 WORKS COMMISSION.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Chapter VI of the Charter of the City of Fayetteville, being Chapter  
7 557 of the 1979 Session Laws, as amended by Chapter 756 of the 1981 Session Laws, S.L.  
8 1998-61, and S.L. 2008-103 is repealed.

9 SECTION 2. The Charter of the City of Fayetteville, being Chapter 557 of the  
10 1979 Session Laws, as amended, is amended by adding a new Chapter to read as follows:

11 "Chapter VIA. Public Works Commission.

12 "§ 6A.1. Commission continued; election and term of members; vacancy. (a) A  
13 Commission of the City of Fayetteville to be known as the "Fayetteville Public Works  
14 Commission" (hereinafter "Commission") as heretofore created, established, and now existing,  
15 is hereby continued and the number of members shall increase, effective October 1, 2015, to  
16 five. The terms of office of each member shall be four years, and the terms shall expire four  
17 years from the date on which the appointment was originally made, provided that a member  
18 shall continue to serve until a successor is appointed. A new appointment shall be made in  
19 September of 2015, and it shall be for a term of four years. As each appointment expires, the  
20 City Council shall, at its regular meeting in September of each year, elect a member of the  
21 Commission for a term of four years to replace the expiring member. In addition, the Mayor  
22 shall annually designate a member of the City Council to serve on the Commission as an ex-  
23 officio, nonvoting member.

24 (b) No member of the Commission may serve more than two consecutive terms unless  
25 the City Council, by a two-thirds vote, increases the number of consecutive terms allowed.  
26 Except for the ex-officio designee appointed by the Mayor, no person shall be eligible for  
27 appointment to the Commission who is an elected official of the City of Fayetteville or an  
28 employee of the City or the Commission. If a member resigns, dies, or otherwise becomes  
29 incapable of performing his or her duties, the City Council shall appoint a person to fill the  
30 remainder of the term. The five members appointed to the Commission by the City Council and  
31 the Mayor's ex-officio designee shall constitute the entire Fayetteville Public Works  
32 Commission.

33 "§ 6A.2. Qualifications of Commissioners. The members of the Commission shall be  
34 residents of the City of Fayetteville at the time of their initial appointment and shall be persons  
35 of recognized ability and good business judgment and standing who, in the opinion of the City  
36 Council, can and will perform their official duties (i) in accordance with prudent management



1 and sound financial principles, (ii) in the manner provided for in this Chapter, and (iii) to the  
2 best interest of the City. If it is determined that a member of the Commission is no longer a  
3 resident of the City, that seat shall immediately become vacant, and a successor shall be  
4 appointed in accordance with Section 6.A1(b).

5 "§ 6A.3. Organization; chair, vice-chair, secretary, and treasurer. The members of the  
6 Commission shall meet as soon after their appointment as possible and shall elect out of their  
7 number a chair, vice-chair, secretary, and treasurer, each of whom shall be a different person.  
8 The duties of each shall be as prescribed by the Commission from time to time but shall not be  
9 inconsistent with the provisions of this Chapter. Each member of the Commission, including  
10 the chair, but not the ex-officio City Council member, shall be entitled to vote on any question  
11 before the Commission.

12 "§ 6A.4. Bonds of members of the Commission. Each voting member of the Commission  
13 shall give bond to the City in the following amounts: the sum of fifty thousand dollars  
14 (\$50,000) in the case of the treasurer, and twenty-five thousand dollars (\$25,000) for all other  
15 members. All bonds required by this section shall be filed with the City Clerk. The provisions  
16 of Article 72 of Chapter 58 of the General Statutes shall apply to bonds given under this  
17 section.

18 "§ 6A.5. Compensation. The members of the Commission shall receive a salary as set by  
19 the City Council on an annual basis. Beginning July 1, 2016, using 2015 as a base, the salary  
20 set by the City Council shall be adjusted annually by the rate of change in the Consumer Price  
21 Index as reported by the Bureau of Labor Statistics of the United States Department of Labor.

22 "§ 6A.6. Neglect of duty by member. A member of the Commission may be removed from  
23 office by a two-thirds vote of the City Council if the member:

- 24 (1) Willfully neglects or fails to perform any duty required by the provisions of  
25 this Chapter, any rule or regulation adopted by the Commission, or any  
26 existing or future Bond Order or other financing instrument providing for  
27 debt of the City payable from revenues of the utility system managed by the  
28 Commission (hereinafter "Financing Documents").
- 29 (2) Fails to comply with an attendance policy adopted by the City Council that  
30 is applicable to all other City boards and commissions.
- 31 (3) Is convicted of a felony.
- 32 (4) Is convicted of a misdemeanor involving moral turpitude, misrepresentation,  
33 or fraud.

34 "§ 6A.7. Powers and duties of Commission. The powers and duties of the Commission are  
35 as provided in this Chapter, including:

- 36 (1) In general. – Insofar as management, control, and operation of the electric  
37 utility plant, waterworks, sewerage, and any other utility the Commission is  
38 authorized to undertake under this Chapter, the Commission is a separate  
39 and independent public authority within the meaning of G.S. 159-7(b)(10),  
40 and the provisions of this Chapter shall be liberally construed to accomplish  
41 this intent and purpose. Except as expressly provided in this Chapter and in  
42 any Financing Documents, the Commission shall be free from the  
43 jurisdiction, direction, or control of City officers and employees and of the  
44 City Council.
- 45 (2) Policy matters. – The Commission shall have full charge and control over  
46 policy matters related to and the general supervision and management of all  
47 utilities under its management and control. The Commission may, from time  
48 to time, establish, alter, or amend its bylaws, rules, and regulations in a  
49 manner not inconsistent with the provisions of this Chapter, any Financing  
50 Documents, or the laws of the State of North Carolina for the purpose of  
51 managing and operating the utilities under its management and control.

(3) Rates. – The Commission is hereby fully authorized and empowered to fix all rates, rents for electricity, water, sewage, and all other utilities and public property under its management and control, subject to the limitations fixed in any franchise heretofore granted or which may hereafter be granted for the same. All rates and rents shall be established upon the terms and conditions the Commission deems in the best interest of the City and the customers of the Commission, shall be in compliance with any Financing Documents, and shall be expected to be sufficient to fund cash reserves required by Section 6A.15 and allow for remittances to the City required by Section 6A.16. The Commission shall collect all rates, rents, and profits accruing from the utilities under its management and control and shall make all disbursements on account of the same.

(4) Supervision of utility plants. – The Commission shall have charge of and control over and shall supervise the construction, repairing, alteration, or enlargement of the electric plant, waterworks plant, sewerage plant, any other utility plant the Commission is authorized to operate, and all utility facilities and projects, with power and authority to make all necessary contracts relating to the same, including the purchase of all necessary sites, machinery, supplies, and other property, and the employment of necessary labor and other help in the construction, repairing, alteration, or enlargement.

(5) Management of utility property. – The Commission is hereby fully authorized and empowered to (i) make all necessary contracts in the management of the utilities and pertaining to such property under its management and control and (ii) employ and discharge all necessary superintendents, clerks, accountants, laborers, and other help in the management; to prescribe the duties and fix the salaries of each; and to require such bonds of each as the Commission may deem proper to the successful management of the property. Such contracts may include agreements for the bulk sale or purchase of power, water, or capacity.

"§ 6A.8. Delegation of authority to officers or employees; appointment of general manager.

(a) The Commission may delegate authority to officers or employees of the Commission as it deems necessary or convenient for the operation of the utilities authorized in this Chapter. However, the Commission shall not delegate the authority to approve budgets or set rates.

(b) The Commission shall appoint and employ a general manager who shall be qualified by training and experience to supervise and manage the day-to-day operation of the utilities authorized in this Chapter. The general manager shall serve under the direction and control of the Commission and at the pleasure of the Commission, which shall fix the general manager's salary. The Commission may delegate to the general manager the following powers and duties:

(1) To determine the number of employees necessary for the operation of the utilities and to establish their duties and compensation.

(2) To control the construction and repairs of utility facilities.

(3) To prepare plans and specifications, accept bids, and execute contracts, according to standards established by the Commission.

(4) To execute and enforce all rules, regulations, programs, plans, and decisions made or adopted by the Commission.

(5) To prepare and submit to the Commission periodic reports on the Commission's compliance with relevant local, State, and federal laws.

(6) To employ a chief financial officer who may be given the authority to handle the day-to-day financial operations of the Commission, including billings and receiving payment for services provided by the Commission. All moneys accruing from the charges for utility services or rental of utility

1 facilities shall be deposited in the appropriate Commission enterprise fund  
2 and the chief financial officer shall keep an account of the same.

3 (7) To designate an employee to serve as Clerk to the Commission. The Clerk  
4 shall, among other things, record the minutes, including all actions taken, at  
5 official meetings of the Commission and maintain the official records of the  
6 Commission.

7 "§ 6A.9 Title to property; acquisition and disposal of property. The title to all plants,  
8 property, and equipment used and necessary for operating the utility systems under the  
9 management and control of the Commission shall be and remain in the name of the City of  
10 Fayetteville. Nothing in this Chapter shall be construed as conferring upon the Commission any  
11 power or authority to convey title to, sell, lease, or otherwise dispose of any utilities, plants,  
12 property, or equipment held in the name of the City of Fayetteville, but under the Commission's  
13 management and control, unless the transaction is approved by the City Council by resolution  
14 and is in compliance with any Financing Documents.

15 "§ 6A.10. Sale of utility services. The Commission is hereby authorized and empowered to  
16 extend its electric system, water system, sewerage system, and any other utility service system  
17 authorized in this Chapter and to sell electricity, water, sewer service, and any other authorized  
18 utility service in any geographical area permitted in G.S. 160A-312 or other State law. The City  
19 Council shall not directly or indirectly require any individual, group, or developer to request  
20 annexation of its property by the City in order to receive utility service from a utility under the  
21 management and control of the Commission. The Commission may adopt schedules of rents,  
22 rates, fees, charges, and penalties that vary according to classes of service, and different  
23 schedules may be adopted for services provided outside the corporate limits of the City.

24 "§ 6A.11. Billing electric utility customers. The Commission shall provide electric power  
25 for street lighting on all City streets and thoroughfares that are served by the Commission's  
26 electric utility service and shall bill the appropriate electric utility customer for the same,  
27 except the City of Fayetteville. The Commission shall not be responsible for providing street  
28 lighting on City streets and thoroughfares that are not served by the Commission's electric  
29 utility service.

30 "§ 6A.12. Budget. The Commission is a public authority as defined in G.S. 159-7(10) and  
31 therefore shall prepare a budget as provided in Article 3 of Subchapter III of Chapter 159 of the  
32 General Statutes and shall publish the budget in the manner provided for in G.S. 159-12.  
33 Approval of the budget by the City Council is not required.

34 "§ 6A.13. Records and accounts. The Commission shall keep full and accurate minutes of  
35 all official meetings held as provided in G.S. 143-318.10 and shall exercise fiscal control  
36 related to all matters, including establishing and maintaining an accounting system and  
37 designating an official depository as provided in Part 3 of Article 3 of Subchapter III of Chapter  
38 159 of the General Statutes.

39 "§ 6A.14. Receipts and disbursements. All funds handled by the Commission shall be paid  
40 over to the treasurer thereof, and all disbursements by the Commission shall only be made by  
41 order upon the treasurer, signed by the secretary, and countersigned by the chair thereof. All  
42 orders shall state for what object the same is drawn, and a record shall be kept of all such  
43 orders.

44 "§ 6A.15. Cash reserves. Subject to the provisions in any Financing Documents, in each  
45 fiscal year, the Commission shall maintain in the Electric Fund, the Water/Wastewater Fund,  
46 and any other utility fund established pursuant to this Chapter, sufficient cash reserves to cover  
47 not less than 90 days' operating expenses, capital outlay, and debt service on outstanding  
48 revenue bonds or notes, as shown by the budget ordinance, but shall set a target for cash  
49 reserves to cover not less than 120 days or as otherwise required by any Financing Documents.

50 "§ 6A.16. Remittances to City. Beginning July 1, 2015, and each year thereafter, the  
51 Commission shall, each month, if funds are available without violating the provisions of any

1 Financing Documents, remit to the City one-twelfth (1/12th) of an annual amount equal to  
2 5.20% of the gross retail metered sales, less any taxes, of all utility services, except water and  
3 sewer services, provided to residential, commercial, and industrial customers of the  
4 Commission as reported on the Statement of Revenues, Expenses, and Changes in Net Position  
5 of the Commission's most recent audited financial statement. Metered sales to the City and  
6 Commission shall be excluded from the calculation. There shall be no additional cash  
7 contributions or transfers from the Commission to the City unless the following conditions are  
8 met: (i) the Mayor declares a state of emergency under the authority granted in  
9 G.S. 160A-19.22(a); and (ii) the Commission and City Council agree on the amount of the cash  
10 contribution or transfer. No transfer of funds from the Commission to the City shall exceed the  
11 amount authorized in G.S. 159-13(14).

12 "§ 6A.17. Audit of books; access to financial records. At the end of each fiscal year, the  
13 books, accounts, and records of the Commission shall be audited by a certified public  
14 accountant or an accountant certified by the Local Government Commission as provided in  
15 G.S. 159-34. The City Council shall select the auditor, and the auditor shall report directly to  
16 the City Council. Upon giving reasonable notice, the City Council shall have full access to the  
17 books, accounts, and records of the Commission.

18 "§ 6A.18. Quarterly and annual reports. (a) The Commission shall, on a quarterly basis,  
19 provide to the City Council a report on its activities and the utilities under its management and  
20 control. The City Council shall collaborate with the Commission to determine the form and  
21 content of the quarterly report.

22 (b) The Commission shall, at the end of each fiscal year, publish in the manner  
23 provided for in G.S. 159-12 a complete report which shall include all financial operations of the  
24 Commission during the year and any other items, facts, and information determined by the City  
25 Council to be in the public interest. The City Council shall collaborate with the Commission to  
26 determine the form and content of the annual report.

27 "§ 6A.19. Revenue bonds. The City Council shall have the sole authority to issue revenue  
28 bonds pursuant to the provisions of Article 5 of Subchapter IV of Chapter 159 of the General  
29 Statutes for the purpose of providing funds for the construction, repairing, alteration,  
30 enlargement, extension, or acquisition of any utility, building, or other property under the  
31 Commission's management and control. However, if the revenue bonds are to be payable in  
32 whole or in part from the revenues of a utility under the management and control of the  
33 Commission, the City Council and Commission shall, by majority vote of each entity, prior to  
34 the issuance of the revenue bonds, agree on the capital costs of the project and the amount of  
35 the bonds. The term "capital costs" is as defined in G.S. 159-48(h). In addition, the City  
36 Council must approve by majority vote the incurring of debt or other financing of the utilities  
37 that involves the pledging or securing of the revenues, utilities, plant, property, or equipment to  
38 which it holds title pursuant to Section 6A.9. The proceeds from the sale of any revenue bonds  
39 or from the issuance of other debt referenced in the preceding sentence shall be paid over to the  
40 treasurer of the Commission as agent for the city, who shall disburse the same as provided in  
41 this Chapter and in compliance with the requirements of any Financing Documents.

42 "§ 6A.20. Contracts. All contracts, purchases, leases, or agreements made by or on behalf of  
43 the Commission shall be in accordance with the laws of the State of North Carolina. Any  
44 contract undertaken by the Commission that requires the estimated expenditure of funds in the  
45 amounts provided for in G.S. 143-129 shall be approved by at least three members of the  
46 Commission. The Commission may enter into binding contracts and agreements with the City.  
47 The Commission may financially support local initiatives, such as economic development,  
48 which may enhance or support the provision and growth of utility services if approved by at  
49 least three (3) members of the Commission.

50 "§ 6A.21. Services provided by Commission to City. The Commission shall pay for  
51 services received from the City, and the City shall pay for any services received from the

Commission, and the payments shall be accounted for as provided by this Chapter, general law, or guidelines established by the Local Government Commission. The services shall only be provided by the City or Commission if they can be performed at or below prevailing market rates. If the services cannot be provided at or below prevailing market rates, the City or Commission shall provide its own services or contract with a third party to provide the services.

"§ 6A.22. Special assessments. The City Council, by a vote of two thirds, may impose a special assessment for any purpose related to the provision of utility services against benefitted property as provided in Article 10 of Chapter 160A of the General Statutes. The assessment amount and terms shall be agreed upon by both the City Council and the Commission.

"§ 6A.23. Retirement System. The Commission may participate in the North Carolina Local Governmental Employees' Retirement System.

"§ 6A.24. Investment authority. In addition to the authority granted in G.S. 159-30, the Commission may invest and reinvest any of the Commission's employee benefit funds held in trust, risk reserve funds, and capital reserves, as designated from time to time by the Commission, in one or more of the types of securities or other investments authorized by State law for the State Treasurer in G.S. 147-69.2(b)(1)-(6) and (8)."

**SECTION 3.** Notwithstanding the provisions of Section 1 of this act, the current members of the Public Works Commission of the City of Fayetteville, being Lynne Greene, Michael G. Lallier, Darsweil Rogers, and Wade R. Fowler, Jr., may continue to serve on the Commission until their successor is appointed in September of 2015, 2016, 2017, and 2018, respectively.

**SECTION 4.** The procedures of the Charter do not purport to contain all acts necessary to carry the power, duty, function, privilege or immunity into execution, and therefore the charter procedure shall be supplemented by the general law procedure; but in case of conflict or inconsistency between the two procedures, the Charter procedures shall control, pursuant to G.S. 160A-3(b).

**SECTION 5.** Nothing herein is intended to contravene any provision of any Financing Documents, and therefore, to the extent required for compliance with the express provisions of such Financing Documents:

(1) The actions of the Commission authorized pursuant to the terms of this new Chapter VIA of the Charter of the City of Fayetteville shall be deemed to be caused by actions of the City;

(2) No provisions of these amendments to the Charter shall be interpreted or applied to change the ownership or status of any revenues, plant, property or equipment pledged as security for any outstanding indebtedness, and any such revenues, plant, property, and equipment shall remain so pledged;

(3) The budget process, the handling of records and accounts, receipts and disbursements, maintenance of cash reserves, remittances of funds to the City, and payment of bond proceeds as set forth in Sections 6A-12 thru 6A-16 and 6A-19 of the Charter amendments shall be subject to the terms of any Financing Documents; and

(4) Nothing herein shall be deemed to limit, impair, or alter the rights vested to bondholders or creditors under any Financing Documents.

**SECTION 6.** This act becomes effective July 1, 2015.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 392.

Short Title: Fayetteville Charter/PWC Changes. (Local)

Sponsors: Representatives Szoka, Floyd, Glazier, and Lucas (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 31, 2015

A BILL TO BE ENTITLED  
AN ACT AMENDING THE CHARTER OF THE CITY OF FAYETTEVILLE TO MAKE  
CHANGES RELATED TO THE MEMBERSHIP AND OPERATION OF THE PUBLIC  
WORKS COMMISSION.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter VI of the Charter of the City of Fayetteville, being Chapter 557 of the 1979 Session Laws, as amended by Chapter 756 of the 1981 Session Laws, S.L. 1998-61, and S.L. 2008-103 is repealed.

**SECTION 2.** The Charter of the City of Fayetteville, being Chapter 557 of the 1979 Session Laws, as amended, is amended by adding a new Chapter to read as follows:

"Chapter VIA. Public Works Commission.

"§ 6A.1. Commission continued; election and term of members; vacancy. (a) A Commission of the City of Fayetteville to be known as the "Fayetteville Public Works Commission" (hereinafter "Commission") as heretofore created, established, and now existing, is hereby continued and the number of members shall increase, effective October 1, 2015, to five. The terms of office of each member shall be four years, and the terms shall expire on the date which the appointment was originally made. A new appointment shall be made in September of 2015, and it shall be for a term of four years. As each appointment expires, the City Council shall, at its regular meeting in September of each year, elect a member of the Commission for a term of four years to replace the expiring member.

(b) No member of the Commission may serve more than two consecutive terms unless the City Council, by a two-thirds vote, increases the number of consecutive terms allowed. No person shall be eligible for appointment to the Commission who is an elected official of the City of Fayetteville or an employee of the City or the Commission. However, the Mayor shall annually designate a member of the City Council to serve on the Commission as an ex officio, nonvoting member. If a member resigns, dies, or otherwise becomes incapable of performing his or her duties, the City Council shall appoint a person to fill the remainder of the term. The five members appointed to the Commission by the City Council shall constitute the entire Fayetteville Public Works Commission.

"§ 6A.2. Qualifications of Commissioners. The members of the Commission shall be residents of the City of Fayetteville and shall be persons of recognized ability and good business judgment and standing who, in the opinion of the City Council, can and will perform their official duties (i) in accordance with prudent management and sound financial principles, (ii) in the manner provided for in this Chapter, and (iii) to the best interest of the City.



1       "§ 6A.3. Organization; chair, vice-chair, secretary, and treasurer. The members of the  
2       Commission shall meet as soon after their election as possible and shall elect out of their  
3       number a chair, vice-chair, secretary, and treasurer, each of whom shall be a different person.  
4       The duties of each shall be as prescribed by the Commission from time to time but shall not be  
5       inconsistent with the provisions of this Chapter. Each member of the Commission, including  
6       the chair, but not the ex officio City Council member, shall be entitled to vote on any question  
7       before the Commission.

8       "§ 6A.4. Bonds of members of the Commission. Each voting member of the Commission  
9       shall give bond to the City in the following amounts: the sum of fifty thousand dollars  
10       (\$50,000) in the case of the treasurer, and twenty-five thousand dollars (\$25,000) for all other  
11       members. All bonds required by this section shall be filed with the City Clerk. The provisions  
12       of Article 72 of Chapter 58 of the General Statutes shall apply to bonds given under this  
13       section.

14       "§ 6A.5. Compensation. The members of the Commission shall receive a salary as set by  
15       the City Council on an annual basis. Beginning July 1, 2016, using 2015 as a base, the salary  
16       set by the City Council shall be adjusted annually by the rate of change in the Consumer Price  
17       Index as reported by the Bureau of Labor Statistics of the United States Department of Labor.

18       "§ 6A.6. Neglect of duty by member. A member of the Commission may be removed from  
19       office by a two-thirds vote of the City Council if the member:

- 20           (1)       Is not a resident of the City of Fayetteville as required by Section 6A.2 of  
21                    this Chapter.
- 22           (2)       Willfully neglects or fails to perform any duty required by the provisions of  
23                    this Chapter or any rule or regulation adopted by the Commission.
- 24           (3)       Fails to comply with an attendance policy adopted by the City Council that  
25                    is applicable to all other City boards and commissions.
- 26           (4)       Is convicted of a felony.
- 27           (5)       Is convicted of a misdemeanor involving moral turpitude, misrepresentation,  
28                    or fraud.

29       "§ 6A.7. Powers and duties of Commission. The powers and duties of the Commission are  
30       as provided in this Chapter, including:

- 31           (1)       In general. – Insofar as management, control, and operation of the electric  
32                    utility plant, waterworks, sewerage, and any other utility the Commission is  
33                    authorized to undertake under this Chapter, the Commission is a separate  
34                    and independent unit of government, and the provisions of this Chapter shall  
35                    be liberally construed to accomplish this intent and purpose. Except as  
36                    expressly provided in this Chapter, the Commission shall be free from the  
37                    jurisdiction, direction, or control of City officers and employees and of the  
38                    City Council.
- 39           (2)       Policy matters. – The Commission shall have full charge and control over  
40                    policy matters related to and the general supervision and management of all  
41                    utilities under its management and control. The Commission may, from time  
42                    to time, establish, alter, or amend its bylaws, rules, and regulations in a  
43                    manner not inconsistent with the provisions of this Chapter or the laws of the  
44                    State of North Carolina for the purpose of managing and operating the  
45                    utilities under its management and control.
- 46           (3)       Rates. – The Commission is hereby fully authorized and empowered to fix  
47                    all rates, rents for electricity, water, sewage, and all other utilities and public  
48                    property under its management and control, subject to the limitations fixed  
49                    in any franchise heretofore granted or which may hereafter be granted for the  
50                    same. All rates and rents shall be established upon the terms and conditions  
51                    the Commission deems in the best interest of the City and the customers of

the Commission. The Commission shall collect all rates, rents, and profits accruing from the utilities under its management and control and shall make all disbursements on account of the same.

(4) Supervision of utility plants. – The Commission shall have charge of and control over and shall supervise the construction, repairing, alteration, or enlargement of the electric plant, waterworks plant, sewerage plant, any other utility plant the Commission is authorized to operate, and all utility assets, with power and authority to make all necessary contracts relating to the same, including the purchase of all necessary sites, machinery, supplies, and other property, and the employment of necessary labor and other help in the construction, repairing, alteration, or enlargement.

(5) Management of utility property. – The Commission is hereby fully authorized and empowered to (i) make all necessary contracts in the property management of the utilities and other property under its management and control and (ii) employ and discharge all necessary superintendents, clerks, accountants, laborers, and other help in the management; to prescribe the duties and fix the salaries of each; and to require such bonds of each as the Commission may deem proper to the successful management of the property.

"§ 6A.8. Delegation of authority to officers or employees; appointment of general manager. (a) The Commission may delegate authority to officers or employees of the Commission as it deems necessary or convenient for the operation of the utilities authorized in this Chapter. However, the Commission shall not delegate the authority to approve budgets or set rates.

(b) The Commission shall appoint and employ a general manager who shall be qualified by training and experience to supervise and manage the day-to-day operation of the utilities authorized in this Chapter. The general manager shall serve under the direction and control of the Commission and at the pleasure of the Commission, which shall fix the general manager's salary. The Commission may delegate to the general manager the following powers and duties:

- (1) To determine the number of employees necessary for the operation of the utilities and to establish their duties and compensation.
- (2) To control the construction and repairs of utility facilities.
- (3) To prepare plans and specifications, accept bids, and execute contracts, according to standards established by the Commission.
- (4) To execute and enforce all rules, regulations, programs, plans, and decisions made or adopted by the Commission.
- (5) To prepare and submit to the Commission periodic reports on the Commission's compliance with relevant local, State, and federal laws.
- (6) To employ a chief financial officer who may be given the authority to handle the day-to-day financial operations of the Commission, including billings and receiving payment for services provided by the Commission. All moneys accruing from the charges for utility services or rental of utility facilities shall be deposited in the appropriate Commission enterprise fund and the chief financial officer shall keep an account of the same.
- (7) To designate an employee to serve as Clerk to the Commission. The Clerk shall, among other things, record the minutes, including all actions taken, at official meetings of the Commission and maintain the official records of the Commission.

"§ 6A.9 Title to property; acquisition and disposal of property. The title to all property under the management and control of the Commission shall be and remain in the name of the City of Fayetteville. Nothing in this Chapter shall be construed as conferring upon the Commission any power or authority to convey title to, sell, lease, or otherwise dispose of any

1 utilities, buildings, or other real property held in the name of the City of Fayetteville, but under  
2 the Commission's management and control, unless the transaction is approved by the City  
3 Council by resolution.

4 "§ 6A.10. Sale of utility services. The Commission is hereby authorized and empowered to  
5 extend its electric system, water system, sewerage system, and any other utility service system  
6 authorized in this Chapter and to sell electricity, water, sewer service, and any other authorized  
7 utility service in any geographical area permitted in G.S. 160A-312. The City Council shall not  
8 directly or indirectly require any individual, group, or developer to request annexation of its  
9 property by the City in order to receive utility service from a utility under the management and  
10 control of the Commission. The Commission may adopt schedules of rents, rates, fees, charges,  
11 and penalties that vary according to classes of service, and different schedules may be adopted  
12 for services provided outside the corporate limits of the City.

13 "§ 6A.11. Billing electric utility customers. The Commission shall provide electric power  
14 for street lighting on all City streets and thoroughfares that are served by the Commission's  
15 electric utility service and shall bill the appropriate electric utility customer for the same,  
16 except the City of Fayetteville. The Commission shall not be responsible for providing street  
17 lighting on City streets and thoroughfares that are not served by the Commission's electric  
18 utility service.

19 "§ 6A.12. Budget. The Commission is a public authority as defined in G.S. 159-7(10) and  
20 therefore shall prepare a budget as provided in Article 3 of Subchapter III of Chapter 159 of the  
21 General Statutes and shall publish the budget in the manner provided for in G.S. 159-12.

22 "§ 6A.13. Records and accounts. The Commission shall keep full and accurate minutes of  
23 all official meetings held as provided in G.S. 143-318.10 and shall exercise fiscal control  
24 related to all matters, including establishing and maintaining an accounting system and  
25 designating an official depository as provided in Part 3 of Article 3 of Subchapter III of Chapter  
26 159 of the General Statutes.

27 "§ 6A.14. Receipts and disbursements. All funds handled by the Commission shall be paid  
28 over to the treasurer thereof, and all disbursements by the Commission shall only be made by  
29 order upon the treasurer, signed by the secretary, and countersigned by the chair thereof. All  
30 orders shall state for what object the same is drawn, and a record shall be kept of all such  
31 orders.

32 "§ 6A.15. Cash reserves. In each fiscal year, the Commission shall maintain in the Electric  
33 Fund, the Water/Wastewater Fund, and any other utility fund established pursuant to this  
34 Chapter, sufficient cash reserves to cover not less than 90 days' operating expenses, capital  
35 outlay, and debt service on outstanding revenue bonds or notes, as shown by the budget  
36 ordinance, but shall set a target for cash reserves to cover not less than 120 days.

37 "§ 6A.16. Remittances to City. Beginning July 1, 2015, the Commission shall, within 45  
38 days of the financial close of each month, remit to the City of Fayetteville five percent (5%) of  
39 the gross retail sales, less any taxes, of all utility services, except water and sewer services,  
40 provided to residential, commercial, and industrial customers of the Commission. There shall  
41 be no additional cash contributions or transfers from the Commission to the City unless the  
42 following conditions are met: (i) the Mayor declares a state of emergency under the authority  
43 granted in G.S. 160A-19.22(a); and (ii) the Commission and City Council agree on the amount  
44 of the cash contribution or transfer. No transfer of funds from the Commission to the City shall  
45 exceed the amount authorized in G.S. 159-13(14).

46 "§ 6A.17. Audit of books; access to financial records. At the end of each fiscal year, the  
47 books, accounts, and records of the Commission shall be audited by a certified public  
48 accountant or an accountant certified by the Local Government Commission as provided in  
49 G.S. 159-34. The City Council shall select the auditor, and the auditor shall report directly to  
50 the City Council. Upon giving reasonable notice, the City Council shall have full access to the  
51 books, accounts, and records of the Commission.

1       "§ 6A.18. Quarterly and annual reports. (a) The Commission shall, on a quarterly basis,  
2 provide to the City Council a report on its activities and the utilities under its management and  
3 control. The City Council shall collaborate with the Commission to determine the form and  
4 content of the quarterly report.

5       (b) The Commission shall, at the end of each fiscal year, publish in the manner  
6 provided for in G.S. 159-12 a complete report which shall include all financial operations of the  
7 Commission during the year and any other items, facts, and information determined by the City  
8 Council to be in the public interest. The City Council shall collaborate with the Commission to  
9 determine the form and content of the annual report.

10       "§ 6A.19. Revenue bonds. The City Council shall have the sole authority to issue revenue  
11 bonds pursuant to the provisions of Article 5 of Subchapter IV of Chapter 159 of the General  
12 Statutes for the purpose of providing funds for the construction, repairing, alteration,  
13 enlargement, extension, or acquisition of any utility, building, or other property under the  
14 Commission's management and control. However, if the revenue bonds are to be payable in  
15 whole or in part from the revenues of a utility under the management and control of the  
16 Commission, the City Council and Commission shall, by majority vote of each entity, prior to  
17 the issuance of the revenue bonds, agree on the capital costs of the project, the amount of the  
18 bonds, and the amount of interest that will be paid on the bonds. The term "capital costs" is as  
19 defined in G.S. 159-48(h). The proceeds from the sale of any revenue bonds shall be paid over  
20 to the treasurer of the Commission, who shall disburse the same as provided in this Chapter.

21       "§ 6A.20. Contracts. All contracts, purchases, leases, or agreements made by or on behalf of  
22 the Commission shall be in accordance with the laws of the State of North Carolina. Any  
23 contract undertaken by the Commission that requires the estimated expenditure of funds in the  
24 amounts provided for in G.S. 143-129 shall be approved by at least three members of the  
25 Commission. The Commission may enter into binding contracts and agreements with the City.

26       "§ 6A.21. Services provided by Commission to City. The Commission shall pay for  
27 services received from the City, and the City shall pay for any services received from the  
28 Commission, and the payments shall be accounted for as provided by this Chapter, general law,  
29 or guidelines established by the Local Government Commission. The services shall only be  
30 provided by the City or Commission if they can be performed at or below prevailing market  
31 rates. If the services cannot be provided at or below prevailing market rates, the City or  
32 Commission shall provide its own services or contract with a third party to provide the services.

33       "§ 6A.22. Special assessments. The City Council shall have the sole authority to make  
34 special assessments against benefitted property as provided in Article 10 of Chapter 160A of  
35 the General Statutes. However, at least 10 days prior to adopting a preliminary resolution  
36 outlining the proposed special assessment under G.S. 160A-223, the City Council shall notify  
37 the Commission of its intent to make special assessments for any purpose related to the  
38 provision of utility services within the Commission's management and control. The  
39 Commission may, in its discretion, provide comment and information to the City Council  
40 related to the proposed special assessments, but they shall not be binding on the City Council.

41       "§ 6A.23. Retirement System. The Commission may participate in the North Carolina Local  
42 Governmental Employees' Retirement System.

43       "§ 6A.24. Investment authority. In addition to the authority granted in G.S. 159-30, the  
44 Commission may invest and reinvest any of the Commission's employee benefit funds held in  
45 trust, risk reserve funds, and capital reserves, as designated from time to time by the  
46 Commission, in one or more of the types of securities or other investments authorized by State  
47 law for the State Treasurer in G.S. 147-69.2(b)(1)-(6) and (8)."

48       **SECTION 3.** Notwithstanding the provisions of Section 1 of this act, the current  
49 members of the Public Works Commission of the City of Fayetteville, being Lynne Green,  
50 Mike Lallier, Darsweil Rogers, and Wade R. Fowler, Jr., may continue to serve on the

1 Commission until their successor is appointed in September of 2015, 2016, 2017, and 2018,  
2 respectively.

3 **SECTION 4.** This act becomes effective July 1, 2015.



## HOUSE BILL 469: Sunset Beach/Parking Meter Proceeds

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 15, 2015
<b>Introduced by:</b>	Rep. Iler	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 469 authorizes the Town of Sunset Beach to use the proceeds from parking meters on public streets for the same purposes authorized by law for use of proceeds from off-street parking.*

**CURRENT LAW:** Under current law, G.S. 160A-301(a), proceeds from on-street parking meters can only be used to defray the cost of enforcing and administering traffic and parking ordinances and regulations. Current G.S. 160A-301(b) provides that proceeds from off-street parking facilities may be pledged to amortize bonds issued to finance such facilities, or used for any other public purpose.

**BILL ANALYSIS:** House Bill 469 amends the Chapter of the Town of Sunset Beach to authorize use of proceeds from on-street parking for the same purposes as proceeds from off-street parking.

This change will allow the Town of Sunset Beach to use on-street parking meter proceeds to amortize bonds issued to finance parking facilities, or for any other public purpose.

**EFFECTIVE DATE:** This act is effective when it becomes law.

### BACKGROUND:

- Similar local acts have been enacted for the following municipalities: Atlantic Beach, Beaufort Carolina Beach, Kure Beach, Wilmington, and Wrightsville Beach. S.L. 1998-86; S.L. 2011-79.
- In addition, the municipalities of Durham, Chapel Hill, and Raleigh have been authorized to use the proceeds from on-street parking for operating their parking programs or to provide parking facilities. S.L. 2009-164, S.L. 2014-34.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 469

Short Title: Sunset Beach/Parking Meter Proceeds. (Local)

Sponsors: Representative Iler (Primary Sponsor).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE CHARTER OF THE TOWN OF SUNSET BEACH TO ALLOW  
3 THE TOWN TO USE PROCEEDS FROM ON-STREET PARKING METERS IN THE  
4 SAME MANNER IN WHICH PROCEEDS FROM OFF-STREET PARKING  
5 FACILITIES ARE USED.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The Charter of the Town of Sunset Beach, being Chapter 93 of the  
8 1963 Session Laws, as amended by Chapter 362 of the 1965 Session Laws and Chapter 832 of  
9 the 1973 Session Laws, is amended by adding a new section to read as follows:

10 "Sec. 6A. Notwithstanding the provisions of G.S. 160A-301(a), the Town may use the  
11 proceeds from parking meters on public streets in the same manner in which proceeds from  
12 off-street parking facilities are permitted under G.S. 160A-301(b)."

13 **SECTION 2.** This act is effective when it becomes law.







## HOUSE BILL 478: Brunswick Cty/Navigable Waters

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Transportation	<b>Date:</b>	April 15, 2015
<b>Introduced by:</b>	Rep. Iler	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 478 authorizes Brunswick County to regulate by ordinance the operation of boats and vessels in navigable waters within the County's jurisdictional boundaries.*

**CURRENT LAW:** Operation of boats and vessels in navigable waters in the State is generally subject to regulation by the North Carolina Wildlife Commission, the U.S. Coast Guard, or the U.S. Army Corps of Engineers, depending on the location.

**BILL ANALYSIS:** House Bill 478:

- authorizes Brunswick County to adopt and enforce ordinances for the navigable waters within the County's jurisdictional boundaries that relate to the operation of boats and vessels
- provides that if any rules or regulations of the North Carolina Wildlife Commission, the U.S. Coast Guard, or the U.S. Army Corps of Engineers expressly conflict with ordinances adopted by the County under the authority granted by this act, then the State or federal rule or regulation shall prevail over the County ordinance to the extent of the conflict.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Similar legislation was enacted for the Town of Beaufort (S.L. 1981-710).

O. Walker Reagan  
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 478

Short Title: Brunswick Cty/Navigable Waters. (Local)

Sponsors: Representative Iler (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Transportation.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING BRUNSWICK COUNTY TO REGULATE NAVIGABLE  
3 WATERS WITHIN ITS BOUNDARIES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The Board of Commissioners of Brunswick County may adopt and  
6 enforce ordinances for the navigable waters within the County's jurisdictional boundaries which  
7 (i) relate to the operation of boats and vessels, including restrictions concerning the types of  
8 activities conducted on the navigable waters within the jurisdictional limits of the County; (ii)  
9 restrict the anchoring of boats and vessels as to location; and (iii) generally, regulate the  
10 anchoring of vessels within its navigable waters. The Board may make all reasonable rules and  
11 regulations as it deems necessary for the safe and proper use of the navigable waters within the  
12 jurisdictional limits of the County for the occupants of boats and vessels, swimmers, fishermen,  
13 and others using the navigable waters and may provide for enforcement of ordinances adopted  
14 by the County under this act in accordance with G.S. 153A-123.

15 **SECTION 2.** If any rules or regulations of the North Carolina Wildlife  
16 Commission, the U.S. Coast Guard, or the U.S. Army Corps of Engineers expressly conflict  
17 with ordinances adopted by the County under the authority granted by this act, then the State or  
18 federal rule or regulation shall prevail over the County ordinance to the extent of the conflict.

19 **SECTION 3.** Brunswick County may appropriate funds to carry out the power and  
20 authority granted by this act.

21 **SECTION 4.** If any part or parts of this act shall be held to be unconstitutional, the  
22 unconstitutionality shall not affect the validity of the remaining parts of this act.

23 **SECTION 5.** This act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 492

Short Title: Rutherford Cty/Rutherford Airport Authority. (Local)

Sponsors: Representative Hager (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING THE RUTHERFORD COUNTY BOARD OF COMMISSIONERS  
3 TO TERMINATE AND DISSOLVE THE RUTHERFORD AIRPORT AUTHORITY  
4 AND TO OPERATE THE RUTHERFORD COUNTY AIRPORT AS A PUBLIC  
5 ENTERPRISE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The Board of Commissioners of Rutherford County (hereinafter  
8 "Board") may, in its discretion, terminate and dissolve the Rutherford Airport Authority  
9 (hereinafter "Authority"). It is the intent of this act to enable, but not require, the termination  
10 and dissolution of the Authority.

11 **SECTION 2.** If the Board terminates and dissolves the Authority as authorized by  
12 Section 1 of this act, the Board may order the Authority to do all of the following:

13 (1) To transfer to Rutherford County all real and personal property owned by the  
14 Authority. Upon the order of the Board to do so, the Authority shall execute  
15 any deeds, bills of sale, and any other necessary documents to effect the  
16 transfer of ownership to the County. Notwithstanding the provisions of this  
17 section, the ownership of all real and personal property shall automatically  
18 be deemed transferred to the County on the effective date of the termination  
19 and dissolution of the Authority.

20 (2) To assign to the County within a certain time period all executory contracts  
21 to which the Authority is a party. Notwithstanding the provisions of this  
22 section, all the executory contracts and the rights and obligations thereunder  
23 shall be deemed assigned to the County on the effective date of the  
24 termination and dissolution of the Authority.

25 **SECTION 3.** If the Board terminates and dissolves the Authority as authorized by  
26 Section 1 of this act, the following local acts are repealed: Chapter 335 of the 1971 Session  
27 Laws, Section 10 of Chapter 955 of the 1989 Session Laws, S.L. 2005-105, and S.L. 2013-181.

28 **SECTION 4.** If the Board terminates and dissolves the Authority as authorized by  
29 Section 1 of this act, the County may operate the Rutherford County Airport as a public  
30 enterprise under G.S. 153A-274.

31 **SECTION 5.** This act is effective when it becomes law.







## HOUSE BILL 492: Rutherford Cty/Rutherford Airport Authority

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 15, 2015
<b>Introduced by:</b>	Rep. Hager	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 492 authorizes the Rutherford County Board of Commissioners to dissolve the Rutherford Airport Authority.*

**CURRENT LAW:** The Rutherford Airport Authority was authorized by the General Assembly in 1971.

**BILL ANALYSIS:** House Bill 492 authorizes the Board of Commissioners of Rutherford County to dissolve the Rutherford Airport Authority, transfer its property to the County, assign the Authority's contracts to the County, and operate the airport as a county public enterprise.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Legislation authorizing a county or city to dissolve an airport authority has previously been enacted for:

- City of Gastonia Airport Authority S.L. 1993-646.
- Macon and Jackson Counties S.L. 2005-219.

O. Walker Reagan  
Director



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## HOUSE BILL 503: Allow Moore Co. Commissioners to Redistrict

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Elections	<b>Date:</b>	April 16, 2015
<b>Introduced by:</b>	Reps. Boles, McNeill	<b>Prepared by:</b>	Kelly Tornow Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 503 would allow the Moore County Board of Commissioners to redistrict their residency districts.*

**CURRENT LAW:** The Moore County Board of Commissioners is composed of five members who serve staggered four-year terms. Members are elected from residency districts, meaning that each member resides in and represents a district but is elected at-large.

If a county is divided into *electoral districts*, G.S. 153A-23 allows the board of county commissioners to redefine the electoral districts if the board finds that there is substantial inequality of population among the districts. However, once *residency district* boundaries are established, boards of county commissioners are not authorized by statute to redefine those districts. Any redrawing of residency district boundaries for county commissioner districts requires local act by the General Assembly.

**BILL ANALYSIS:** House Bill 503 is a local act that would allow the Moore County Board of Commissioners to redefine the residency districts by resolution if the board finds that the current districts negatively impact compactness, contiguity, or respect for political subdivisions or communities of interest.

**EFFECTIVE DATE:** This act applies to Moore County only, and is effective when it becomes law.

O. Walker Reagan  
Director



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 503

Short Title: Allow Moore Co. Commissioners to Redistrict. (Local)

Sponsors: Representatives Boles and McNeill (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Elections.

April 2, 2015

A BILL TO BE ENTITLED  
AN ACT TO ALLOW THE MOORE COUNTY BOARD OF COMMISSIONERS TO  
REDISTRICT THEIR RESIDENCY DISTRICTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 153A-22.1, as enacted by Chapter 215 of the 1995 Session Laws, and as rewritten by S.L. 1998-175 and S.L. 2011-126, is amended by adding a new subsection to read:

**"§ 153A-22.1. Redefining residency district boundaries.**

...

(b1) If a county is divided into residency districts, the board of county commissioners may find as a fact whether the residency districts negatively impact compactness, contiguity, or respect for political subdivisions or communities of interest among the districts. If the board finds there is substantial negative impact among the districts, it may, by resolution, redefine the residency districts to address the identified negative impact.

...."

**SECTION 2.** This act applies to Moore County only.

**SECTION 3.** This act is effective when it becomes law.







## HOUSE BILL 506: 911 Fund Distribution

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 16, 2015
<b>Introduced by:</b>	Reps. Boles, McNeill	<b>Prepared by:</b>	Kelly Tornow Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 506 would (1) provide for an appeal of a distribution denial by the 911 Board, (2) expand the scope of eligible expenses for 911 Fund distributions, and (3) require the Legislative Research Commission to study the structure, operations, and functions of the 911 Board.*

**CURRENT LAW:** Article 3 of Chapter 62A provides for the statewide 911 system.

G.S. 62A-46(a) authorizes the 911 Board to determine the monthly distributions to eligible public safety answering points (PSAPs). The distribution amount is based on a formula adopted by the Board. The Board must notify each PSAP of the estimated distributions by December 31<sup>st</sup> of each year, and notify each PSAP of the actual amount of distributions by June 1 of each year.

- **Base amount formula:** The Board must establish a formula to determine each PSAP's base amount. The formula must consider certain information including population, area served, and cost history.
- **Additional distributions:** The Board may increase the distribution to a PSAP above its base amount if the PSAP receives less than its eligible costs in any fiscal year. The Board may not distribute less than the base amount.
- **Reconsideration:** The Board must provide a procedure for a PSAP to request a reconsideration of its distribution or eligible expenses.
- **Carry forward:** A PSAP may carry forward distributions for eligible expenditures for capital outlay, capital improvements, or equipment replacement. If more than 20% of the average yearly amount distributed to the PSAP in the prior two years is carried forward, the Board may use the amount to lower the PSAP's annual distributions.

G.S. 62A-46(c) provides that distributions from the 911 Fund can be used for dispatch equipment located exclusively within the building where the PSAP or backup PSAP is located, excluding the costs of base station transmitters, towers, microwave links and antennae used to dispatch emergency call information from the PSAP.

**BILL ANALYSIS:** Section 1 of the bill would require any decision by the 911 Board denying a distribution for expenses incurred by a PSAP to be in writing and include the reason for the denial, a statement notifying the PSAP of the right to appeal or request reconsideration of the denial, and information about the procedure for filing an appeal or requesting reconsideration of the denial.

Section 1 would also allow PSAPs to use funds for base station transmitters, towers, microwave links, antennae, and all other transmission equipment located on or otherwise attached to any tower used to dispatch emergency call information from the PSAP.

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Director



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# House Bill 506

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Section 2 would require the Legislative Research Commission to study the structure, operations, and functions of the 911 Board and report its findings to the Joint Legislative Commission on Governmental Operations no later than January 31, 2015.

**EFFECTIVE DATE:** This act becomes effective July 1, 2015.

**BACKGROUND:** Prior to 2007, North Carolina local government entities collected a 911 service charge from subscribers of local telephone providers, and the Wireless 911 Board collected a monthly service charge from subscribers of wireless providers. In 2007, the local 911 service charge was eliminated, and a new statewide administrative system was adopted for collection and distribution of the 911 service charge.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 506

Short Title: 911 Fund Distribution.

(Public)

Sponsors: Representatives Boles and McNeill (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

A BILL TO BE ENTITLED  
AN ACT TO CLARIFY AND AMEND THE PROCEDURES AND SCOPE OF EXPENSES  
ELIGIBLE FOR 911 FUND DISTRIBUTIONS AND TO STUDY THE STRUCTURE,  
OPERATIONS, AND FUNCTIONS OF THE 911 BOARD.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 62A-46 reads as rewritten:

**"§ 62A-46. Fund distribution to PSAPs.**

(a) Monthly Distribution. – The 911 Board must make monthly distributions to primary PSAPs from the amount allocated to the 911 Fund for PSAPs. A PSAP is not eligible for a distribution under this section unless it complies with the requirements of this Article, provides enhanced 911 service, and received distributions from the 911 Board in the 2008-2009 fiscal year. The Board may reduce, suspend, or terminate distributions under this subsection if a PSAP does not comply with the requirements of this Article. The Board must comply with all of the following:

...  
(4) Additional distributions. – In the first quarter of the Board's fiscal year, the Board must determine whether payments to PSAPs during the preceding fiscal year exceeded or were less than the eligible costs incurred by each PSAP during the fiscal year. If a PSAP receives less than its eligible costs in any fiscal year, the Board may increase a PSAP's distribution in the following fiscal year above the base amount as determined by the formula to meet the estimated eligible costs of the PSAP as determined by the Board. The Board may not distribute less than the base amount to each PSAP except as provided in subsection (b1) of this section. The Board must provide a procedure for a PSAP to request a reconsideration of its distribution or eligible expenses.

(5) Appeal of distribution denial. – A decision by the Board to deny a distribution for expenses incurred by a PSAP shall be in writing and must include the following elements:

- a. The reason for the denial.
- b. A statement notifying the PSAP of the right to appeal or request reconsideration of the denial.
- c. Information about the procedure for filing an appeal or requesting reconsideration of the denial.



(c) Use of Funds. – A PSAP that receives a distribution from the 911 Fund may not use the amount received to pay for the lease or purchase of real estate, cosmetic remodeling of emergency dispatch centers, hiring or compensating telecommunicators, or the purchase of mobile communications vehicles, ambulances, fire engines, or other emergency vehicles. Distributions received by a PSAP may be used only to pay for the following:

(1) The lease, purchase, or maintenance of:

- a. Emergency telephone equipment, including necessary computer hardware, software, and database provisioning.
- b. Addressing.
- c. Telecommunicator furniture.
- d. Dispatch equipment located exclusively within a building where a PSAP or back-up PSAP is located, ~~excluding the costs of base station transmitters, towers, microwave links, and antennae used to dispatch emergency call information from the PSAP or back-up PSAP located.~~
- e. Base station transmitters, towers, microwave links, antennae, and all other transmission equipment located on or otherwise attached to any tower used to dispatch emergency call information from the PSAP.

...."

**SECTION 2.(a)** The Legislative Research Commission shall study the structure, operations, and functions of the 911 Board. The study shall include the following issues:

- (1) The composition of the 911 Board and appropriate placement of the 911 Board within State government.
- (2) The development of operating standards for Public Safety Answering Points (PSAPs), including standards for the content and delivery of training and certification for telecommunicators assigned to PSAPs.
- (3) The administration of the 911 Fund.
- (4) Any other issues the Commission finds relevant to the structure, operations, and functions of the 911 Board.

**SECTION 2.(b)** The Commission shall report its findings and any recommendations for statutory or administrative changes to the Joint Legislative Commission on Governmental Operations no later than January 31, 2015.

**SECTION 3.** This act becomes effective July 1, 2015.



# HOUSE BILL 530: Local Gov'ts/Inspect Bldgs & Structures

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Regulatory Reform	<b>Date:</b>	April 15, 2015
<b>Introduced by:</b>	Reps. Brawley, Brisson, Bumgardner, Cotham	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 530 makes changes to the law governing county and city inspection of residential structures.*

**CURRENT LAW:** Under current law, (G.S.153A-364 and G.S.160A-424) county or city inspection departments are authorized to make periodic inspections of residential structures in the following circumstances:

- When there is reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or unlawful conditions may exist in a residential building or structure.
- In a county or city designated target area with a plan for improvements.

In addition, current law:

- prohibits counties and cities from requiring a permit to lease or rent residential property, unless the units that have a history violations of housing ordinances or codes, or crime or disorder problems.
- authorizes counties and cities to levy a fee for residential property registration only for those rental units with 2 or more violations of housing ordinances or codes within a 12 month period, or in the top 10% of properties with crime or disorder problems.

**BILL ANALYSIS:** House Bill 530 amends county and city authority to inspect residential structures to provide that:

- revises the authority for residential "periodic inspections" to "inspections".
- changes the definition of reasonable cause for inspection to properties with 7 verified violations of housing codes or ordinances within a rolling 12-month period.
- in conducting residential inspections, the inspection department shall not discriminate between owner-occupied and tenant-occupied buildings.
- in conducting residential inspections as part of a targeted effort in a designated area, the inspections must be in response to blighted or potentially blighted conditions, and limits the total targeted areas to one square mile or 5% of the county, whichever is greater.
- registration of rental property is prohibited, except for individual rental units with more than three verified violations in a 12-month period, or property identified in the top 4% of property with crime and disorder problems.

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Director



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# House Bill 530

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- provides that the general prohibition on any requirement for a residential rental property permit, other than for those units with specified and verified code or crime problems, also includes a prohibition of a registration requirement.
- limits registration fee requirements to individual units: limits registration fees to \$500, prohibits posting of registration requirements, prohibits making violation of a registration requirement a criminal offense; prohibits requiring any owner or manager of rental property to submit to an inspection before receiving any utility service provided by the county or city.
- defines "verified violation" to mean all violations in a unit in a 72 hour period, and violations uncorrected in a 30 period after receipt of written notice, and that initiation of summary ejectment constitutes a correction of a violation.
- provides that if a property is identified by the county or city as being in the top (4%) of properties with crime or disorder problems, the county or city shall notify the landlord and allow the landlord an opportunity to correct the issue.
- provides that the county sheriff's department or city police, as applicable, shall assist the landlord in addressing any criminal activity. If the county sheriff or city police, as applicable, does not cooperate in evicting a tenant, the tenant's behavior or activity shall not be counted as a crime or disorder problem.
- provides that if the county or city takes action against an individual rental unit, the owner of the individual rental unit may appeal the decision to the housing appeals board, or the planning board, or if neither is created, the county or city manager, as applicable.

**EFFECTIVE DATE:** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 530\*

Short Title: Local Gov'ts/Inspect Bldgs & Structures. (Public)

Sponsors: Representatives Brawley, Brisson, Bumgardner, and Cotham (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Regulatory Reform.

April 2, 2015

A BILL TO BE ENTITLED

AN ACT REVISING THE CONDITIONS UNDER WHICH COUNTIES AND CITIES MAY  
INSPECT BUILDINGS OR STRUCTURES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 153A-364 reads as rewritten:

**"§ 153A-364. ~~Periodic inspections~~ Inspections for hazardous or unlawful conditions.**

(a) The inspection department may make ~~periodic~~ inspections, subject to the board of commissioners' directions, for unsafe, unsanitary, or otherwise hazardous and unlawful conditions in buildings or structures within its territorial jurisdiction. Except as provided in subsection (b) of this section, the inspection department may make ~~periodic~~ inspections only when there is reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or unlawful conditions may exist in a residential building or structure. For purposes of this section, the term "reasonable cause" means any of the following: (i) the ~~landlord or owner~~ property has a history of more than ~~two~~ seven verified violations of the housing ordinances or codes within a rolling 12-month period; (ii) there has been a complaint that substandard conditions exist within the building or there has been a request that the building be inspected; (iii) the inspection department has actual knowledge of an unsafe condition within the building; or (iv) violations of the local ordinances or codes are visible from the outside of the property. In conducting inspections authorized under this section, the inspection department shall not discriminate between single-family and multifamily ~~buildings~~ buildings or between owner-occupied and tenant-occupied buildings. In exercising these powers, each member of the inspection department has a right, upon presentation of proper credentials, to enter on any premises within the territorial jurisdiction of the department at any reasonable hour for the purposes of inspection or other enforcement action. Nothing in this section shall be construed to prohibit periodic inspections in accordance with State fire prevention code or as otherwise required by State law.

(b) A county may require ~~periodic~~ inspections as part of a targeted effort to respond to blighted or potentially blighted conditions within a geographic area that has been designated by the county commissioners. However, the total aggregate of targeted areas in the county at any one time shall not be greater than one square mile or five percent (5%) of the area within the county, whichever is greater. A targeted area designated by the county shall reflect the county's stated neighborhood revitalization strategy and shall consist of property that meets the definition of a "blighted area" or "blighted parcel" as those terms are defined in G.S. 160A-503(2) and G.S. 160A-503(2a), respectively, except that for purposes of this



subsubsection the planning commission is not required to make a determination as to the property. The county shall ~~not discriminate in its selection of areas or housing types to be targeted and shall~~ (i) provide notice to all owners and residents of properties in the affected area about the ~~periodic~~ inspections plan and information regarding a public hearing regarding the plan; (ii) hold a public hearing regarding the plan; and (iii) establish a plan to address the ability of low-income residential property owners to comply with minimum housing code standards. A residential building or structure that is subject to periodic inspections by the North Carolina Housing Finance Agency (hereinafter "Agency") shall not be subject to ~~periodic~~ inspections under this subsection if the Agency has issued a finding that the building or structure is in compliance with federal standards established by the United States Department of Housing and Urban Development to assess the physical condition of residential property. The owner or manager of a residential building or structure subject to periodic inspections by the Agency shall, within 10 days of receipt, submit to the inspection department a copy of the Compliance Results Letter issued by the Agency showing that the residential building or structure is in compliance with federal housing inspection standards. If the owner or manager fails to submit a copy of the Compliance Results Letter as provided in this subsection, the residential building or structure shall be subject to ~~periodic~~ inspections as provided in this subsection until the Compliance Results Letter is submitted to the inspection department.

(c) In no event may a county do any of the following: (i) adopt or enforce any ordinance that would require any owner or manager of rental property to obtain any permit or permission from the county to lease or rent residential real ~~property, property~~ or to register ~~rental property~~ with the county, except for those individual rental units that have either more than ~~three~~ seven verified violations of housing ordinances or codes in a rolling 12-month period or two or more verified violations in a rolling 30-day period, or upon the property being identified within the top ~~10%~~ four percent (4%) of properties with crime or disorder problems as set forth in a local ordinance; (ii) require that an owner or manager of residential rental property enroll or participate in any governmental program as a condition of obtaining a certificate of ~~occupancy~~; or (iii) ~~except as provided in subsection (d) of this section, occupancy;~~ (iii) levy a special fee or tax on residential rental property that is not also levied against other commercial and residential properties, unless expressly authorized by general law or applicable only to an individual rental unit or property described in clause (i) of this subsection and the fee does not exceed five hundred dollars (\$500.00) in any 12-month period in which the unit or property is found to have verified violations; (iv) require proof of registration under clause (i) of this subsection, when applicable, be posted in the business office, common area, or other conspicuous place; (v) provide that any violation of a rental registration ordinance is punishable as a criminal offense; or (vi) require any owner or manager of rental property to submit to an inspection before receiving any utility service provided by the city. For purposes of this section, the term "verified violation" means all of the following:

(1) The aggregate of all violations of housing ordinances or codes found in an individual rental unit of residential real property during a 72-hour period.

(2) Any violations that have not been corrected by the owner or manager within 30 days of receipt of written notice from the county of the violations. If the housing ordinance or code provides that any form of prohibited tenant behavior constitutes a violation by the owner or manager of the rental property, it shall be deemed a correction of the tenant-related violation if the owner or manager, within 30 days of receipt of written notice of the tenant-related violation, brings a summary ejectment action to have the tenant evicted.

(d) ~~A county may levy a fee for residential rental property registration under subsection (c) of this section for those rental units which have been found with more than two verified violations of housing ordinances or codes within the previous 12 months or upon the property~~

being identified within the top 10% of properties with crime or disorder problems as set forth in a local ordinance. The fee shall be an amount that covers the cost of operating a residential registration program and shall not be used to supplant revenue in other areas. Counties using registration programs that charge registration fees for all residential rental properties as of June 1, 2011, may continue levying a fee on all residential rental properties as follows:

- (1) For properties with 20 or more residential rental units, the fee shall be no more than fifty dollars (\$50.00) per year.
- (2) For properties with fewer than 20 but more than three residential rental units, the fee shall be no more than twenty five dollars (\$25.00) per year.
- (3) For properties with three or fewer residential rental units, the fee shall be no more than fifteen dollars (\$15.00) per year.

(e) If a property is identified by the county as being in the top four percent (4%) of properties with crime or disorder problems, the county shall notify the landlord of any crimes, disorders, or other violations that will be counted against the property to allow the landlord an opportunity to attempt to correct the problems. In addition, the county and the county sheriff's department shall assist the landlord in addressing any criminal activity, including testifying in court in a summary ejectment action or other matter to aid in evicting a tenant who has been charged with a crime. If the county or the county sheriff's department does not cooperate in evicting a tenant, the tenant's behavior or activity at issue shall not be counted as a crime or disorder problem as set forth in the local ordinance, and the property may not be included in the top four percent (4%) of properties as a result of that tenant's behavior or activity.

(f) If the county takes action against an individual rental unit under this section, the owner of the individual rental unit may appeal the decision to the housing appeals board, if created under G.S. 160A-446, or the planning board, if created under G.S. 153A-321, or if neither is created, the county manager or the county manager's designee. The board or manager shall fix a reasonable time for hearing appeals, shall give due notice to the owner of the individual rental unit, and shall render a decision within a reasonable time. The owner may appear in person or by agent or attorney. The board or manager may reverse or affirm the action, wholly or partly, or may modify the action appealed from, and may make any decision and order that in the opinion of the board or manager ought to be made in the matter."

SECTION 2. G.S. 160A-424 reads as rewritten:

**"§ 160A-424. Periodic inspections. Inspections for hazardous or unlawful conditions.**

(a) The inspection department may make ~~periodic~~ inspections, subject to the council's directions, for unsafe, unsanitary, or otherwise hazardous and unlawful conditions in buildings or structures within its territorial jurisdiction. Except as provided in subsection (b) of this section, the inspection department may make ~~periodic~~ inspections only when there is reasonable cause to believe that unsafe, unsanitary, or otherwise hazardous or unlawful conditions may exist in a residential building or structure. For purposes of this section, the term "reasonable cause" means any of the following: (i) the ~~landlord or owner~~ property has a history of more than ~~two~~ seven verified violations of the housing ordinances or codes within a rolling 12-month period; (ii) there has been a complaint that substandard conditions exist within the building or there has been a request that the building be inspected; (iii) the inspection department has actual knowledge of an unsafe condition within the building; or (iv) violations of the local ordinances or codes are visible from the outside of the property. In conducting inspections authorized under this section, the inspection department shall not discriminate between single-family and multifamily ~~buildings~~ buildings or between owner-occupied and tenant-occupied buildings. In exercising this power, members of the department shall have a right to enter on any premises within the jurisdiction of the department at all reasonable hours for the purposes of inspection or other enforcement action, upon presentation of proper credentials. Nothing in this section shall be construed to prohibit periodic inspections in accordance with State fire prevention code or as otherwise required by State law.

(b) A city may require ~~periodic~~ inspections as part of a targeted effort to respond to blighted or potentially blighted conditions within a geographic area that has been designated by the city council. However, the total aggregate of targeted areas in the city at any one time shall not be greater than one square mile or five percent (5%) of the area within the city, whichever is greater. A targeted area designated by the city shall reflect the city's stated neighborhood revitalization strategy and shall consist of property that meets the definition of a "blighted area" or "blighted parcel" as those terms are defined in G.S. 160A-503(2) and G.S. 160A-503(2a), respectively, except that for purposes of this subsection the planning commission is not required to make a determination as to the property. The municipality shall not discriminate in its selection of areas or housing types to be targeted and city shall (i) provide notice to all owners and residents of properties in the affected area about the ~~periodic~~ inspections plan and information regarding a public hearing regarding the plan; (ii) hold a public hearing regarding the plan; and (iii) establish a plan to address the ability of low-income residential property owners to comply with minimum housing code standards. A residential building or structure that is subject to periodic inspections by the North Carolina Housing Finance Agency (hereinafter "Agency") shall not be subject to ~~periodic~~ inspections under this subsection if the Agency has issued a finding that the building or structure is in compliance with federal standards established by the United States Department of Housing and Urban Development to assess the physical condition of residential property. The owner or manager of a residential building or structure subject to periodic inspections by the Agency shall, within 10 days of receipt, submit to the inspection department a copy of the Compliance Results Letter issued by the Agency showing that the residential building or structure is in compliance with federal housing inspection standards. If the owner or manager fails to submit a copy of the Compliance Results Letter as provided in this subsection, the residential building or structure shall be subject to ~~periodic~~ inspections as provided in this subsection until the Compliance Results Letter is submitted to the inspection department.

(c) In no event may a city do any of the following: (i) adopt or enforce any ordinance that would require any owner or manager of rental property to obtain any permit or permission from the city to lease or rent residential real ~~property, property~~ or to register rental property with the city, except for those properties-individual rental units that have either more than three seven verified violations in a rolling 12-month period or two or more verified violations in a rolling 30-day period, or upon the property being identified within the top 10%-four percent (4%) of properties with crime or disorder problems as set forth in a local ordinance; (ii) require that an owner or manager of residential rental property enroll or participate in any governmental program as a condition of obtaining a certificate of occupancy; ~~or (iii) except as provided in subsection (d) of this section, (iii) levy a special fee or tax on residential rental property that is not also levied against other commercial and residential properties, properties, unless expressly authorized by general law or applicable only to an individual rental unit or property described in subdivision (i) of this subsection and the fee does not exceed five hundred dollars (\$500.00) in any 12-month period in which the unit or property is found to have verified violations;~~ (iv) require proof of registration under clause (i) of this subsection, when applicable, be posted in the business office, common area, or other conspicuous place; (v) provide that any violation of a rental registration ordinance is punishable as a criminal offense; ~~or (vi) require any owner or manager of rental property to submit to an inspection before receiving any utility service provided by the county. For purposes of this section, the term "verified violation" means all of the following:~~

- (1) The aggregate of all violations of housing ordinances or codes found in an individual rental unit of residential real property during a 72-hour period.
- (2) Any violations that have not been corrected by the owner or manager within 30 days of receipt of written notice from the city of the violations. If the housing ordinance or code provides that any form of prohibited tenant

1 behavior constitutes a violation by the owner or manager of the rental  
2 property, it shall be deemed a correction of the tenant-related violation if the  
3 owner or manager, within 30 days of receipt of written notice of the  
4 tenant-related violation, brings a summary ejectment action to have the  
5 tenant evicted.

6 (d) ~~A city may levy a fee for residential rental property registration under subsection (c)~~  
7 ~~of this section for those rental units which have been found with more than two verified~~  
8 ~~violations of local ordinances within the previous 12 months or upon the property being~~  
9 ~~identified within the top 10% of properties with crime or disorder problems as set forth in a~~  
10 ~~local ordinance. The fee shall be an amount that covers the cost of operating a residential~~  
11 ~~registration program and shall not be used to supplant revenue in other areas. Cities using~~  
12 ~~registration programs that charge registration fees for all residential rental properties as of June~~  
13 ~~1, 2011, may continue levying a fee on all residential rental properties as follows:~~

- 14 (1) ~~For properties with 20 or more residential rental units, the fee shall be no~~  
15 ~~more than fifty dollars (\$50.00) per year.~~  
16 (2) ~~For properties with fewer than 20 but more than three residential rental units,~~  
17 ~~the fee shall be no more than twenty-five dollars (\$25.00) per year.~~  
18 (3) ~~For properties with three or fewer residential rental units, the fee shall be no~~  
19 ~~more than fifteen dollars (\$15.00) per year.~~

20 (e) If a property is identified by the city as being in the top four percent (4%) of  
21 properties with crime or disorder problems, the city shall notify the landlord of any crimes,  
22 disorders, or other violations that will be counted against the property to allow the landlord an  
23 opportunity to attempt to correct the problems. In addition, the city and the city's police  
24 department or, if the city has no police department, the county sheriff's department shall assist  
25 the landlord in addressing any criminal activity, including testifying in court in a summary  
26 ejectment action or other matter to aid in evicting a tenant who has been charged with a crime.  
27 If the city, the city's police department, or where applicable the county sheriff's department,  
28 does not cooperate in evicting a tenant, the tenant's behavior or activity at issue shall not be  
29 counted as a crime or disorder problem as set forth in the local ordinance, and the property may  
30 not be included in the top four percent (4%) of properties as a result of that tenant's behavior or  
31 activity.

32 (f) If the city takes action against an individual rental unit under this section, the owner  
33 of the individual rental unit may appeal the decision to the housing appeals board, if created  
34 under G.S. 160A-446, or the planning board, if created under G.S. 160A-361, or if neither is  
35 created, the city manager or the city manager's designee. The board or manager shall fix a  
36 reasonable time for hearing appeals, shall give due notice to the owner of the individual rental  
37 unit, and shall render a decision within a reasonable time. The owner may appear in person or  
38 by agent or attorney. The board or manager may reverse or affirm the action, wholly or partly,  
39 or may modify the action appealed from, and may make any decision and order that in the  
40 opinion of the board or manager ought to be made in the matter."

41 **SECTION 3.** This act is effective when it becomes law.





# HOUSE BILL 538: Clarify Water and Sewer Authority Powers

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Environment	<b>Date:</b>	April 15, 2015
<b>Introduced by:</b>	Rep. Millis	<b>Prepared by:</b>	R. Erika Churchill
<b>Analysis of:</b>	PCS to First Edition H538-CSMH-2		Committee Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 538 would specifically authorize water and sewer authorities created under Article 1 of Chapter 162A to:*

- *Adopt ordinances concerning the regulation and control of water systems owned by the authority.*
- *Enter into reimbursement agreements with property owners for design and construction of infrastructure.*
- *Offer and pay rewards up to \$5,000 for information leading to conviction of persons who willfully deface, damage, or destroy, or commits acts of vandalism or larceny of, authority property.*

**CURRENT LAW:** There are several different mechanisms a county and city can use to address water and sewer concerns. One such mechanism is the creation of a water and sewer authority. One or more counties, cities, sanitary districts, or any other political subdivision may create water and sewer authorities. The governing body of each political subdivision must adopt a resolution stating its intent to organize an authority. The resolution must be adopted after a public hearing is held on the issue and notice of the public hearing must be published. A political subdivision can withdraw from an authority at any time prior to the creation of any obligations by the authority.

Generally upon creation, each of the entities has a governing board appointed by the units of local government involved in the operation of the system, with specific authority to set rates and fees, power to sue and be sued, and authority to contract in the name of the entity, amongst other powers and duties. Additionally, water and sewer authority may issue revenue bonds; impose rates, fees, and charges; and levy special assessments.

## BILL ANALYSIS:

**Section 1** would authorize a water and sewer authority to adopt an ordinance concerning the regulation and control of a water system owned or operated by the authority.

**Section 2** would add two new powers and duties for water and sewer authorities as follows:

- To enter into reimbursements agreements with a property owner or private developer, in accordance with an ordinance setting out procedures for such actions adopted by the authority, for the design and construction of infrastructure that is included on the authority's capital improvement plan and serves the property owner or private developer. Such agreements are not

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 538

Page 2

subject to the public contracting provisions, except that the property owner or private developer shall solicit sealed bids or informal bids, if the authority would have had to do so for the project.

- Offer and pay a reward not to exceed \$5,000 for information leading to the arrest and conviction of any person who willfully defaces, damages, or destroys authority property, or any person who commits an act of vandalism or larceny of authority property.

**EFFECTIVE DATE:** Effective when it becomes law.

*H538-SMST-42(CSMH-2) v3*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 538  
PROPOSED COMMITTEE SUBSTITUTE H538-CSMH-2 [v.1]

4/7/2015 12:22:46 PM

Short Title: Clarify Water and Sewer Authority Powers.

(Public)

Sponsors:

Referred to:

April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND AND CLARIFY THE POWERS OF WATER AND SEWER  
3 AUTHORITIES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 162A-6(a)(14c) reads as rewritten:

6 "(14c) To adopt ordinances concerning any of the following:

- 7 a. ~~to regulate~~ The regulation and control of the discharge of sewage or  
8 stormwater into any sewerage system owned or operated by the  
9 ~~authority, authority.~~  
10 b. The regulation and control of a water system owned or operated by  
11 the authority.  
12 c. ~~to adopt ordinances concerning stormwater~~ Stormwater management  
13 programs designed to protect water quality by controlling the level of  
14 pollutants in and the quantity and flow of ~~stormwater, stormwater.~~  
15 d. ~~and to adopt ordinances to regulate~~ The regulation and control of  
16 structural and natural stormwater and drainage systems of all types.

17 Prior to the adoption of any such ordinance or any amendment to any  
18 such ordinance, the authority shall first pass a declaration of intent to adopt  
19 such ordinance or amendment. The declaration of intent shall describe the  
20 ordinance which it is proposed that the authority adopt. The declaration of  
21 intent shall be submitted to each governing body for review and comment.  
22 The authority shall consider any comment or suggestions offered by any  
23 governing body with respect to the proposed ordinance or amendment.  
24 Thereafter, the authority shall be authorized to adopt such ordinance or  
25 amendment to it at any time after 60 days following the submission of the  
26 declaration of intent to each governing body."

27 **SECTION 2.** G.S. 162A-6(a) is amended by adding two new subdivisions to read:

28 "(17) To enter into reimbursement agreements with private developers and  
29 property owners for the design and construction of infrastructure that is  
30 included on the authority's capital improvement plan and serves the  
31 developer or property owner. An authority shall enact ordinances setting  
32 forth procedures and terms under which such agreements may be approved.  
33 An authority may provide for such reimbursements to be paid from any  
34 lawful source. Reimbursement agreements authorized by this paragraph shall  
35 not be subject to Article 8 of Chapter 143 of the General Statutes, except as  
36 provided by this subsection. A developer or property owner who is party to a



1                    reimbursement agreement authorized under this paragraph shall solicit bids  
2                    in accordance with Article 8 of Chapter 143 of the General Statutes when  
3                    awarding contracts for work that would have required competitive bidding if  
4                    the contract had been awarded by the authority. For the purpose of this  
5                    subdivision, infrastructure includes, without limitation, water mains, sanitary  
6                    sewer lines, lift stations, water pump stations, stormwater lines, and other  
7                    associated facilities.

8                    (18) To offer and pay rewards in an amount not exceeding five thousand dollars  
9                    (\$5,000) for information leading to the arrest and conviction of any person  
10                   who willfully defaces, damages or destroys, or commits acts of vandalism or  
11                   larceny of any authority property. The amount necessary to pay said rewards  
12                   shall be an item in the current expense budget of the authority."

13                   **SECTION 3.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 538

Short Title: Clarify Water and Sewer Authority Powers. (Public)

Sponsors: Representative Millis (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Environment.

April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND AND CLARIFY THE POWERS OF WATER AND SEWER  
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12 c. ~~to adopt ordinances concerning stormwater~~ Stormwater management  
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34 lawful source. Reimbursement agreements authorized by this paragraph shall  
35 not be subject to Article 8 of Chapter 143 of the General Statutes, except as



provided by this subsection. A developer or property owner who is party to a reimbursement agreement authorized under this paragraph shall solicit bids in accordance with Article 8 of Chapter 143 of the General Statutes when awarding contracts for work that would have required competitive bidding if the contract had been awarded by the authority. For the purpose of this subdivision, infrastructure includes, without limitation, water mains, sanitary sewer lines, lift stations, water pump stations, stormwater lines, and other associated facilities.

(18) To offer and pay rewards in an amount not exceeding five hundred dollars (\$500.00) for information leading to the arrest and conviction of any person who willfully defaces, damages or destroys, or commits acts of vandalism or larceny of any authority property. The amount necessary to pay said rewards shall be an item in the current expense budget of the authority."

**SECTION 3.** This act is effective when it becomes law.

**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE AND RE-REFERRED**

**HB 469**

Sunset Beach/Parking Meter Proceeds.

Draft Number: None

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Iler

**HB 478**

Brunswick Cty/Navigable Waters.

Draft Number: None

**Serial Referral: TRANSPORTATION**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Iler

**HB 492**

Rutherford Cty/Rutherford Airport Authority.

Draft Number: None

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Hager

**HB 503**

Allow Moore Co. Commissioners to Redistrict.

Draft Number: None

**Serial Referral: ELECTIONS**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Boles

**HB 506**

911 Fund Distribution.

Draft Number: None

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Boles



\* C M R 1 7 5 - V - 1 \*



HB 530

Local Govts/Inspect Bldgs &amp; Structures.

Draft Number: None

**Serial Referral: REGULATORY REFORM**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Brawley

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 4

Clarify Unmanned Aircraft System Law.

Draft Number: H4-PCS10342-SA-20

**Serial Referral: JUDICIARY I**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Torbett

HB 392

Fayetteville Charter/PWC Changes.

Draft Number: H392-PCS40408-TH-10

**Serial Referral: FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Szoka

HB 538

Clarify Water and Sewer Authority Powers.

Draft Number: H538-PCS40407-MH-2

**Serial Referral: ENVIRONMENT**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Millis

TOTAL REPORTED: 9



\* C M R 1 7 5 - V - 1 \*



## VISITOR REGISTRATION SHEET

House Committee on Local Government

4/16/2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Reston Jones	NCIDOT
Stephen Korman	CCS
Deborah Craig Ray	Durham County Govt
Mike Lallier	Fayetteville PWC
Rick Zechin	WM
Cassandra Skinner	NCEC
Johnna Reese	NCEC
Alan Mill.	KLG
Colleen Kocharels	AANE
Jim Mihall	MEOS
Scott Palmer	NCAF



## VISITOR REGISTRATION SHEET

House Committee on Local Government

4/16/2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Andy Chase	KMA
Dave Fautin	City of Charlotte
Greg Gaskins	State Treasurer
Cheryl Lawrence	ETC
Josh Ehrlich	JDA
Andy Walsh	MWC
Rose Williams	SA
Theresa Allen	NCLM
Erin Wynia	NCLM
Caroline Daly	DEHP



# VISITOR REGISTRATION SHEET

House Committee on Local Government

4/16/2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Starves	Treasurer
Joel Coak	NSS
Blair Ferguson	P.W.C. of City of Fayetteville
Jon Carr	NC Rural Water Assn
Philip T. Day	PSG
Dan Miskew	PSG
Joe McCall	McCluskey Consulting
James	Mix
Bruce	Wm.
Douglas McCreesh	NCSBA
Tony McEwen	City of Wilmington



# VISITOR REGISTRATION SHEET

House Committee on Local Government

4/16/2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Wendy Kelly	Focus Media
Amanda Harker	TSS
Henry Jones	Jordan Price
STEVEN WEBB	NEHA
Jonathan Binkley	Binkley & Assoc
Chris McClure	Brooks Pierce
Natalie Engle	Charlotte Chamber



## VISITOR REGISTRATION SHEET

House Committee on Local Government

4/16/2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

JACKSON STANLEY	CCJ
John W. Sasser	WV-12
Betsy Bailey	CAGC
<del>Alexander M. Miller</del>	
GERRY WHITE	Melison Mullins
Julie White	NCMMC
Elizabeth Biss	Brooks Pierce
RICHARD TAYLOR	NC 911 BOARD
TINA BONE	NC 911 BOARD
Stephanie Hancock	SC 10
Jon Gomes	NC STATE IN GAT



## VISITOR REGISTRATION SHEET

House Committee on Local Government

4/16/2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jim Johnson	BSA
Trey Johnson	AT&T
Jimmy Robinson	TWC
Erin Jones	TWC
Sarah Hardin	CTL
Steve Bremer	CTL
RaKayla	Kayla Lee Firm
Kelli Kline	Duke Energy
Theresa	Theresa
Laurie O'neill	LACC
Sarah Bales	Brubaker & Assoc.



**Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Tuesday, April 21, 2015 04:08 PM  
**To:** Rep. Michael Speciale; Rep. Justin Burr; Rep. Elmer Floyd; Rep. Bill Brawley; Rep. Paul Stam; Rep. Larry Yarborough; Rep. Mark Brody; Rep. John Ager; Rep. Chuck McGrady; Rep. Jonathan Jordan; Rep. Howard Hunter III; Sen. Tommy Tucker  
**Cc:** Hazel Speciale (Rep. Michael Speciale); Dina Long (Rep. Justin Burr); Dorothy McLean (Rep. Elmer Floyd); Lynn Taylor (Rep. Bill Brawley); Anne Murtha (Rep. Paul Stam); Leslie Murray (Rep. Larry Yarborough); Neva Helms (Rep. Mark Brody); Meredith Graf (Rep. John Ager); Laura Bone (Rep. Chuck McGrady); Kevin King (Rep. Jonathan Jordan); Brenda Bennett (Rep. Howard Hunter III); Joseph Stansbury (Sen. Tommy Tucker)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Thursday, April 23, 2015 at 10:00 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, April 23, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Carl Ford Presiding.

**Please note that the Committee will hold its next meeting on Monday, April 27. More information to follow.**

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 128	Referendum for Certain Local Debt.	Representative Speciale
HB 527	Municipal Elect'n/Even-Numbered Yrs/Stanny Co.	Representative Burr
HB 613	Clarify Political Sign Ordinance Authority.	Representative Brawley
HB 739	Repeal Business License Fees.	Representative Floyd
HB 761	Charter School Capital Funds.	Representative Brawley
		Representative Yarborough
		Representative Stam
HB 799	Zoning/Changes to Hist. Preserv. Procedures.	Representative Brody
		Representative Ager



HB 875 Restrict Municipal Eminent Domain.

Representative Jordan  
Representative McGrady  
Representative Hunter  
Senator Tucker

SB 5 Union County Local Act.

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:07 PM on Tuesday, April 21, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government**  
**Thursday, April 23, 2015, 10:00 AM**  
**643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

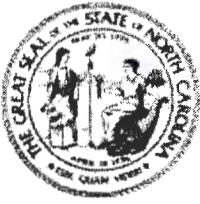
<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 128	Referendum for Certain Local Debt.	Representative Speciale
HB 527	Omnibus Local Act.	Representative Burr
HB 613	Clarify Signs on Highways and Roads.	Representative Brawley
		Representative Floyd
HB 739	Repeal Business License Fees.	Representative Brawley
HB 761	Charter School Capital Funds.	Representative Yarborough
		Representative Stam
HB 799	Zoning/Changes to Hist. Preserv. Procedures.	Representative Brody
HB 875	Restrict Municipal Eminent Domain.	Representative Ager
		Representative Jordan
		Representative McGrady
		Representative Hunter
SB 5	Union County Local Act.	Senator Tucker

**Presentations**

**Other Business**

**Adjournment**





# HOUSE BILL 128: Referendum for Certain Local Debt

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance, if favorable, Elections	<b>Date:</b>	April 15, 2015
<b>Introduced by:</b>	Rep. Speciale	<b>Prepared by:</b>	R. Erika Churchill
<b>Analysis of:</b>	PCS to First Edition H128-CSST-9		Committee Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 128 would establish a process by which voters of a county or city could petition to require a referendum prior to the county or city obligating the county or city for payment of capital debt exceeding five million dollars.*

**CURRENT LAW:** Voter initiated referendums are not provided for by the North Carolina Constitution, or by general statute.

Capital projects involve acquiring, constructing, and maintaining the facilities and other capital infrastructure needed to perform public services of the county or city. Generally, capital projects have a useful life of multiple years. For financing of capital projects, at least five general methods of borrowing money are available to counties and cities:

- General obligation bonds.
- Revenue bonds.
- Special obligation bonds.
- Project development financing bonds.
- Installment financing.

The Local Government Commission (LGC) oversees fiscal oversight for units of local government, including counties and cities, including approval of bond issuances. The LGC also usually sells the bonds on behalf of the unit of government when they are issued. The LGC may also play a significant role in installment financing in certain instances. Additionally, general obligation bonds must be approved by the voters of the unit of government, as they pledge the full faith and credit of the unit of government.

**BILL ANALYSIS:** The PCS would subject any anticipated obligation of more than \$5 million for the acquisition, erection, construction, alteration or repair of any buildings or land by a county or city to a voter initiated referendum, unless the anticipated obligation is for one of the following reasons:

- To comply with federal law.
- To comply with State law.
- To comply with an order of the court.
- For a water or wastewater system.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 128

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Whenever a county or city determines the capital expenditure is needed, the county or city would be required to publish a notice of intent to encumber the funds for at least 30 days prior to finalizing the encumbrance. During that 30 days, a petition demanding a referendum may be submitted to the clerk to the board. The petition would have to be signed by at least 10% of the registered voters of the county or city, but not by less than 25 voters. The petition must be verified by the county board of elections within 15 working days, unless that time period included an election. If the petition is verified to have sufficient voter signatures, the governing board of the county or city must set a date for a special election to have the referendum on the encumbrance. Special elections may be held only at the following times:

- At the same time as any other State or county general election.
- At the same time as the primary election in any even-numbered year.
- At the same time as any other election requiring all the precincts in the county to be open.
- At the same time as a municipal general election, if the special election is within the jurisdiction of the municipality only.

Upon completion of the election, if a majority of the votes are for the encumbrance, the county or city may enter into the obligation. If a majority of the votes are against the encumbrance, the county or city may not encumber the county or city, and may not initiate the same or a substantially similar project for at least 12 months.

**EFFECTIVE DATE:** Effective July 1, 2015, and applies to capital expenditures entered into on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 128  
PROPOSED COMMITTEE SUBSTITUTE H128-CSST-9 [v.5]

4/21/2015 10:41:48 PM

Short Title: Referendum for Certain Local Debt.

(Public)

Sponsors:

Referred to:

March 4, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE A REFERENDUM ON CERTIFICATES OF PARTICIPATION  
AND SIMILAR DEBT.

The General Assembly of North Carolina enacts:

SECTION 1. Article 3 of Chapter 159 is amended by adding a new section to read:

**"§ 159-13.3. Voter approval of capital debt.**

(a) If a city, as defined in G.S. 160A-1(2), or a county determines a capital expenditure in an estimated amount of more than five million dollars (\$5,000,000) is needed for the for the acquisition, erection, construction, alteration or repair of any buildings or land, regardless of the source or sources of funding, that capital expenditure is subject to a referendum as provided for in this section if no other referendum is mandated by law.

(b) At the time the city or county determines the capital expenditure is needed, the governing board of the city or county shall publish notice of its intent to encumber the city or county in a newspaper of general circulation in the unit of local government. The notice shall describe the proposed capital expenditure, the total amount of the project, any sources of funding for the project, and the date the city or county intends to encumber the city or county. From the time the notice is published, the city or county may not finalize the encumbrance for at least 30 days.

(c) At any time prior to the date the city or county published in the notice for voting on the encumbrance, a petition demanding the encumbrance be submitted to the voters may be filed with the clerk to the board. The clerk shall deliver the petition to the county board of elections for verification in accordance with subsection (d) of this section. The petition shall be in writing and shall be signed by ten percent (10%) of the registered voters of the city or county, but by not less than 25 registered voters. The voter shall sign the petition and also clearly print that voter's name adjacent to the signature. The petition must also contain the voter's residence address and date of birth.

(b) The petition must be verified by the county board of elections of the county where the voter is alleged to be registered. The board of elections shall cause to be examined the signature, shall place a check mark beside the name of each signer who is qualified and registered to vote in that city or county, and shall attach to the petition a certificate stating the number of voters registered in that city or county, and the total number of registered voters who have been verified. The county board of elections shall return the petition to the person who presented it within 15 working days of receipt. That period of 15 working days shall be tolled for any period of time that is also either two weeks before or one week after a primary or election being conducted by the county board of elections.



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(e) Upon receipt of the verified petition, the clerk to the board shall deliver the verified petition to the governing board of the city or county. If the verified petition indicates at least ten percent (10%) or at least 25 registered voters, whichever is greater, have signed the petition, the governing board shall fix a date for the referendum in accordance with G.S. 163-287. The form of the question as stated on the ballot shall be in substantially the following words:

"Shall the [unit name here] be authorized to enter into the [transaction] in an amount not to exceed \$ \_\_\_\_\_ for [briefly describe purpose]?"

☐ YES

☐ NO"

(f) The county board of elections shall certify the results of the referendum in accordance with Chapter 163 of the General Statutes, and shall deliver the certification to the clerk to the board of the city or county. If a majority of the votes are cast for authorizing the capital expenditure, the city or county may encumber the city or county. If a majority of the votes are cast against the capital expenditure, the city or county may not encumber the city or county for the capital asset and may not initiate the same, or a substantially similar, project for at least 12 months.

(g) This section shall not apply to any of the following capital expenditures, regardless of estimated amount:

(1) Capital expenditures to comply with federal law.

(2) Capital expenditures to comply with State law.

(3) Capital expenditures to comply with an order of the court.

(4) Capital expenditures for water or wastewater systems."

**SECTION 8.** This act is effective July 1, 2015, and applies to capital expenditures on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 128

Short Title: Referendum for Certain Local Debt. (Public)

Sponsors: Representative Speciale (Primary Sponsor).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance, if favorable, Elections.

March 4, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE A REFERENDUM ON CERTIFICATES OF PARTICIPATION  
3 AND SIMILAR DEBT.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 160A-20 reads as rewritten:  
6 "§ 160A-20. Security interests.

7 ...  
8 (i) Voter Approval Requirement. –

- 9 (1) The governing board of a unit that intends to enter into a contract pursuant to  
10 subsection (a) or (b) of this section must adopt a resolution stating its intent  
11 at least 10 days before executing the contract. The resolution must state the  
12 maximum amount of the proposed contract. Contingent obligations shall be  
13 included in calculating the value of the contract. Several contracts that are all  
14 related to the same undertaking shall be deemed a single contract for  
15 purposes of this subsection. The resolution also must describe the basic  
16 purpose of the contract and state that the contract is a form of debt financing.  
17 (2) If Local Government Commission approval of the contract is required by  
18 subsection (e) of this section, a petition demanding that a contract entered  
19 into under subsection (a) or (b) of this section be submitted to the voters may  
20 be filed with the clerk to the board any time prior to the Local Government  
21 Commission's entry of the order approving the application pursuant to  
22 G.S. 159-152. If Local Government Commission approval of the contract is  
23 not required by subsection (e) of this section, the petition must be filed with  
24 the clerk within 10 days of the governing board's adoption of the resolution  
25 stating its intent to enter into the contract pursuant to subsection (a) or (b) of  
26 this section. The petition shall be in writing and shall be signed by a number  
27 of voters of the issuing unit equal to not less than five percent (5%) of the  
28 total number of voters registered to vote in elections of the issuing unit  
29 according to the most recent figures certified by the State Board of  
30 Elections. The residence address of each signer shall be written after the  
31 signature. The clerk shall investigate the sufficiency of the petition and  
32 present it to the governing board, with a certificate stating the results of the  
33 investigation. The governing board, after hearing any taxpayer who may  
34 request to be heard, shall thereupon determine the sufficiency of the petition,  
35 and its determination shall be conclusive.



- (3) If a contract requires approval of the voters, the affirmative vote or a majority of those who vote thereon shall be required.
- (4) The date of a voter referendum on the contract shall be fixed by the governing board, but shall not be more than one year after adoption of the resolution indicating the board's intent to enter into a contract pursuant to subsection (a) or (b) of this section, only on a date permitted by G.S. 163-287. The clerk shall mail or deliver a certified copy of the resolution calling a special referendum to the board of elections that is to conduct it within three days after the resolution is adopted, but failure to observe this requirement shall not in any manner affect the validity of the referendum or contract entered into pursuant thereto. The referendum shall be conducted by the board of elections conducting regular elections of the unit of local government.
- (5) The clerk shall publish a notice of the referendum at least twice. The first publication shall be not less than 14 days and the second publication not less than seven days before the last day on which voters may register for the referendum. The notice shall state the date of the referendum, the maximum amount of the proposed contract, the purpose of the contract, and a statement as to the last day for registration for the referendum under the election laws then in effect.
- (6) The form of the question as stated on the ballot shall be in substantially the following words:  
"Shall the [name of unit of local government] be authorized to enter into a contract pursuant to G.S. 160A-20(a) or (b) and incur debt in the maximum amount of \$ \_\_\_\_\_ plus interest for [briefly stating the purpose] be approved?  
[ ] YES  
[ ] NO"
- (7) The board of elections shall canvass the referendum and certify the results to the governing board. The governing board shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended:  
"Any action or proceeding challenging the regularity or validity of this referendum must be begun within 30 days after [date of publication].  
\_\_\_\_\_  
[Title of governing board]"  
The statement of results shall be filed in the clerk's office and inserted in the minutes of the board."

SECTION 2. G.S. 159-85 reads as rewritten:

"§ 159-85. **Application to Commission for approval of revenue bond issue; preliminary conference; acceptance of ~~application~~; application; voter approval requirement.**

(a) Neither the State nor a municipality may issue revenue bonds under this Article unless the issue is approved by the Commission. The State Treasurer or the governing board of the issuing municipality or its duly authorized agent, as the case may be, shall file an application for Commission approval of the issue with the secretary of the Commission. If the issuing municipality is a regional public transportation authority, the application must be accompanied by a resolution of the special tax board of that authority approving of the application. The application shall state such facts and have attached to it such documents concerning the proposed revenue bonds and the financial condition of the State or the issuing municipality, as the case may be, and its utilities and enterprises as the secretary may require. The Commission may prescribe the form of the application. At the time of application to the

Commission, the governing body shall publish a public notice of the application in a newspaper of general circulation in the unit of local government.

...

(e) A petition demanding that the revenue bond order be submitted to the voters may be filed with the clerk to the board at any time before the Commission enters its order approving or denying the application pursuant to G.S. 159-87. The petition shall be in writing and shall be signed by a number of voters of the issuing unit equal to not less than five percent (5%) of the total number of voters registered to vote in elections of the issuing unit according to the most recent figures certified by the State Board of Elections. The residence address of each signer shall be written after the signature. The clerk shall investigate the sufficiency of the petition and present it to the governing board, with a certificate stating the results of the investigation. The governing board, after hearing any taxpayer who may request to be heard, shall thereupon determine the sufficiency of the petition, and its determination shall be conclusive.

(f) If a bond order is to take effect upon approval of the voters, the affirmative vote or a majority of those who vote thereon shall be required. The date of a bond referendum shall be fixed by the governing board, but shall not be more than one year after adoption of the bond order, only on a date permitted by G.S. 163-287. The clerk shall mail or deliver a certified copy of the resolution calling a special referendum to the board of elections that is to conduct it within three days after the resolution is adopted, but failure to observe this requirement shall not in any manner affect the validity of the referendum or bonds issued pursuant thereto. The bond referendum shall be conducted by the board of elections conducting regular elections of the unit of local government.

(g) The clerk shall publish a notice of the referendum at least twice. The first publication shall be not less than 14 days and the second publication not less than seven days before the last day on which voters may register for the referendum. The notice shall state the date of the referendum, the maximum amount of the proposed bonds, the purpose of the bonds, and a statement as to the last day for registration for the referendum under the election laws then in effect.

(h) The form of the question as stated on the ballot shall be in substantially the following words:

"Shall the order authorizing \$ \_\_\_\_\_ revenue bonds plus interest [briefly stating the purpose] be approved?

☐ YES

☐ NO"

(i) The board of elections shall canvass the referendum and certify the results to the governing board. The governing board shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended:

"Any action or proceeding challenging the regularity or validity of this referendum must be begun within 30 days after [date of publication].

[Title of governing board]"

The statement of results shall be filed in the clerk's office and inserted in the minutes of the board."

SECTION 3. G.S. 159-104 reads as rewritten:

"§ 159-104. Application to Commission for approval of project development financing debt instrument issue; preliminary conference; acceptance of application; voter approval requirement.

(a) A unit of local government may not issue project development financing debt instruments under this Article unless the issue is approved by the Local Government Commission. The governing body of the issuing unit shall file with the secretary of the

1 Commission an application for Commission approval of the issue. At the time of application,  
2 the governing body shall publish a public notice of the application in a newspaper of general  
3 circulation in the unit of local government. The application shall include any statements of facts  
4 and documents concerning the proposed debt instruments, development financing district, and  
5 development financing plan, and the financial condition of the unit, required by the secretary.  
6 The Commission may prescribe the form of the application.

7 Before accepting the application, the secretary may require the governing body or its  
8 representatives to attend a preliminary conference in order to discuss informally the proposed  
9 issue, district, and plan and the timing of the steps to be taken in issuing the debt instruments.  
10 The development financing plan need not be adopted by the governing body at the time it files  
11 the application with the secretary. However, before the Commission may enter its order  
12 approving the debt instruments, the governing body must adopt the plan and make the findings  
13 described in G.S. 159-105(b)(1) and (5).

14 After an application in proper form and order has been filed, and after a preliminary  
15 conference if one is required, the secretary shall notify the unit in writing that the application  
16 has been filed and accepted for submission to the Commission. The secretary's statement is  
17 conclusive evidence that the unit has complied with this section."

18 (b) A petition demanding that the project development financing be submitted to the  
19 voters may be filed with the clerk to the board at any time before the Commission enters its  
20 order approving or denying the application pursuant to G.S. 159-106. The petition shall be in  
21 writing and shall be signed by a number of voters of the issuing unit equal to not less than five  
22 percent (5%) of the total number of voters registered to vote in elections of the issuing unit  
23 according to the most recent figures certified by the State Board of Elections. The residence  
24 address of each signer shall be written after the signature. The clerk shall investigate the  
25 sufficiency of the petition and present it to the governing board, with a certificate stating the  
26 results of the investigation. The governing board, after hearing any taxpayer who may request  
27 to be heard, shall thereupon determine the sufficiency of the petition, and its determination  
28 shall be conclusive.

29 (c) If a project development financing requires approval of the voters, the affirmative  
30 vote or a majority of those who vote thereon shall be required. The date of a referendum shall  
31 be fixed by the governing board, but shall not be more than one year after adoption of the  
32 project development financing plan, only on a date permitted by G.S. 163-287. The clerk shall  
33 mail or deliver a certified copy of the resolution calling a special referendum to the board of  
34 elections that is to conduct it within three days after the resolution is adopted, but failure to  
35 observe this requirement shall not in any manner affect the validity of the referendum or debt  
36 instruments issued pursuant thereto. The referendum shall be conducted by the board of  
37 elections conducting regular elections of the unit of local government.

38 (d) The clerk shall publish a notice of the referendum at least twice. The first  
39 publication shall be not less than 14 days and the second publication not less than seven days  
40 before the last day on which voters may register for the referendum. The notice shall state the  
41 date of the referendum, the maximum amount of the proposed debt instruments, the purpose of  
42 the debt instruments, and a statement as to the last day for registration for the referendum under  
43 the election laws then in effect.

44 (e) The form of the question as stated on the ballot shall be in substantially the  
45 following words:

46 "Shall the [unit name here] be authorized to borrow \$ \_\_\_\_\_ plus instrument by issuing  
47 project development financing debt instruments for [briefly state purpose]?"

48 [ ] YES

49 [ ] NO"

50 (f) The board of elections shall canvass the referendum and certify the results to the  
51 governing board. The governing board shall then certify and declare the result of the

1 referendum and shall publish a statement of the result once, with the following statement  
2 appended:

3 "Any action or proceeding challenging the regularity or validity of this referendum must be  
4 begun within 30 days after [date of publication].

5  
6 [Title of governing board]"

7 The statement of results shall be filed in the clerk's office and inserted in the minutes of the  
8 board."

9 SECTION 4. G.S. 159I-30 reads as rewritten:

10 **"§ 159I-30. Additional powers of units of local government; issuance of special obligation**  
11 **bonds and notes.**

12 ...

13 (i) Local Government Commission Approval. – No bonds or notes may be issued by a  
14 unit of local government under this section unless the issuance is approved and the bonds or  
15 notes are sold by the Local Government Commission as provided in this section and the  
16 applicable provisions of this Chapter. The unit shall file with the Secretary of the Local  
17 Government Commission an application requesting approval of the issuance of the bonds or  
18 notes, which application shall contain such information and shall have attached to it such  
19 documents concerning the proposed financing as the Secretary of the Local Government  
20 Commission may require. The Commission may prescribe the form of the application. Before  
21 the Secretary accepts the application, the Secretary may require the governing body of the unit  
22 or its representatives to attend a preliminary conference, at which time the Secretary or the  
23 deputies of the Secretary may informally discuss the proposed issue and the timing of the steps  
24 taken in issuing the special obligation bonds or notes. At the time of application to the  
25 Commission, the governing body shall publish a public notice of the application in a newspaper  
26 of general circulation in the unit of local government.

27 In determining whether a proposed bond or note issue should be approved, the Local  
28 Government Commission may consider, to the extent applicable as shall be determined by the  
29 Local Government Commission, the criteria set forth in G.S. 159-52 and G.S. 159-86, as either  
30 may be amended from time to time, as well as the effect of the proposed financing upon any  
31 scheduled or proposed sale of obligations by the State or by any of its agencies or departments  
32 or by any unit of local government in the State. The Local Government Commission shall  
33 approve the issuance of the bonds or notes if, upon the information and evidence it receives, it  
34 finds and determines that the proposed financing will satisfy such criteria and will effect the  
35 purposes of this section and the applicable provisions of this Chapter. An approval of an issue  
36 shall not be regarded as an approval of the legality of the issue in any respect. A decision by the  
37 Local Government Commission denying an application is final.

38 Upon the filing with the Local Government Commission of a written request of the unit  
39 requesting that its bonds or notes be sold, the bonds or notes may be sold by the Local  
40 Government Commission in such manner, either at public or private sale, and for such price or  
41 prices as the Local Government Commission shall determine to be in the best interests of the  
42 unit and to effect the purposes of this section and the applicable provisions of this Chapter, if  
43 the sale is approved by the unit.

44 (i1) (1) A petition demanding that the special obligation bond order be submitted to  
45 the voters may be filed with the clerk to the board at any time before the  
46 Commission enters its order approving or denying the application pursuant  
47 to G.S. 159I-30(i). The petition shall be in writing and shall be signed by a  
48 number of voters of the issuing unit equal to not less than five percent (5%)  
49 of the total number of voters registered to vote in elections of the issuing unit  
50 according to the most recent figures certified by the State Board of  
51 Elections. The residence address of each signer shall be written after the

signature. The clerk shall investigate the sufficiency of the petition and present it to the governing board, with a certificate stating the results of the investigation. The governing board, after hearing any taxpayer who may request to be heard, shall thereupon determine the sufficiency of the petition, and its determination shall be conclusive.

(2) If a special obligation bond order requires approval of the voters, the affirmative vote or a majority of those who vote thereon shall be required. The date of a bond referendum shall be fixed by the governing board, but shall not be more than one year after adoption of the bond order, only on a date permitted by G.S. 163-287. The clerk shall mail or deliver a certified copy of the resolution calling a special referendum to the board of elections that is to conduct it within three days after the resolution is adopted, but failure to observe this requirement shall not in any manner affect the validity of the referendum or bonds issued pursuant thereto. The bond referendum shall be conducted by the board of elections conducting regular elections of the unit of local government.

(3) The clerk shall publish a notice of the referendum at least twice. The first publication shall be not less than 14 days and the second publication not less than seven days before the last day on which voters may register for the referendum. The notice shall state the date of the referendum, the maximum amount of the proposed bonds, the purpose of the bonds, and a statement as to the last day for registration for the referendum under the election laws then in effect.

(4) The form of the question as stated on the ballot shall be in substantially the following words:  
"Shall the [unit name here] be authorized to borrow \$ \_\_\_\_\_ plus instrument by issuing special obligation bonds for [briefly state purpose]?  
☐ YES  
☐ NO"

(5) The board of elections shall canvass the referendum and certify the results to the governing board. The governing board shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended:  
"Any action or proceeding challenging the regularity or validity of this referendum must be begun within 30 days after [date of publication].

[Title of governing board]"

The statement of results shall be filed in the clerk's office and inserted in the minutes of the board.

...."

SECTION 5. G.S. 159-60 reads as rewritten:

**"§ 159-60. Petition for referendum on bond issue.**

A petition demanding that a bond order be submitted to the voters may be filed with the clerk within 30 days after the date of publication of the bond order as introduced. The petition shall be in writing, and shall be signed by a number of voters of the issuing unit equal to not less than ~~ten~~ five percent ~~(10%)~~ (5%) of the total number of voters registered to vote in elections of the issuing unit according to the most recent figures certified by the State Board of Elections. The residence address of each signer shall be written after his signature. The petition need not contain the text of the order to which it refers, and need not be all on one sheet.

The clerk shall investigate the sufficiency of the petition and present it to the governing board, with a certificate stating the results of his investigation. The governing board, after

1 hearing any taxpayer who may request to be heard, shall thereupon determine the sufficiency of  
2 the petition, and its determination shall be conclusive.

3 ~~This section does not apply to bonds issued pursuant to G.S. 159-48(a)(1), (2), (3), or (5)."~~

4 SECTION 6. G.S. 159-148 reads as rewritten:

5 "§ 159-148. Contracts subject to Article; ~~exceptions~~exceptions; voter approval  
6 requirement.

7 ...

8 (c) If a contract, agreement, memorandum of understanding, and any other transaction  
9 having the force and effect of a contract is subject to Commission approval, at the time of  
10 application to the Commission, the governing body of the unit of local government shall  
11 publish a public notice of the application in a newspaper of general circulation in the unit of  
12 local government.

13 (d) (1) A petition demanding that the contract, agreement, memorandum of  
14 understanding, or other transaction having the force and effect of a contract  
15 subject to Commission approval be submitted to the voters may be filed with  
16 the clerk to the board at any time before the Commission enters its order  
17 approving or denying the application pursuant to G.S. 159-152. The petition  
18 shall be in writing and shall be signed by a number of voters of the issuing  
19 unit equal to not less than five percent (5%) of the total number of voters  
20 registered to vote in elections of the issuing unit according to the most recent  
21 figures certified by the State Board of Elections. The residence address of  
22 each signer shall be written after the signature. The clerk shall investigate  
23 the sufficiency of the petition and present it to the governing board, with a  
24 certificate stating the results of the investigation. The governing board, after  
25 hearing any taxpayer who may request to be heard, shall thereupon  
26 determine the sufficiency of the petition, and its determination shall be  
27 conclusive.

28 (2) If a contract, agreement, memorandum of understanding, or other transaction  
29 having the force and effect of a contract subject to Commission approval  
30 requires approval of the voters, the affirmative vote or a majority of those  
31 who vote thereon shall be required. The date of a referendum shall be fixed  
32 by the governing board, but shall not be more than one year after the original  
33 date of submission of the application to the Commission for approval, only  
34 on a date permitted by G.S. 163-287. The clerk shall mail or deliver a  
35 certified copy of the resolution calling a special referendum to the board of  
36 elections that is to conduct it within three days after the resolution is  
37 adopted, but failure to observe this requirement shall not in any manner  
38 affect the validity of the referendum or contract, agreement, memorandum of  
39 understanding, or other transaction having the force and effect of a contract  
40 subject to Commission approval entered into pursuant thereto. The  
41 referendum shall be conducted by the board of elections conducting regular  
42 elections of the unit of local government.

43 (3) The clerk shall publish a notice of the referendum at least twice. The first  
44 publication shall be not less than 14 days and the second publication not less  
45 than seven days before the last day on which voters may register for the  
46 referendum. The notice shall state the date of the referendum, the maximum  
47 amount of the proposed contract, agreement, memorandum of  
48 understanding, or other transaction having the force and effect of a contract  
49 subject to Commission approval, the purpose of the contract, agreement,  
50 memorandum of understanding, or other transaction having the force and  
51 effect of a contract subject to Commission approval, and a statement as to

the last day for registration for the referendum under the election laws then in effect.

- (4) The form of the question as stated on the ballot shall be in substantially the following words:

"Shall the [unit name here] be authorized to enter into the [contract, agreement, memorandum of understanding, or other transaction having the force and effect of a contract subject to Commission approval] in an amount to not exceed \$ \_\_\_\_\_ for [briefly describe purpose]?"

☐ YES

☐ NO"

- (5) The board of elections shall canvass the referendum and certify the results to the governing board. The governing board shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended:

"Any action or proceeding challenging the regularity or validity of this referendum must be begun within 30 days after [date of publication]."

\_\_\_\_\_  
[Title of governing board]"

The statement of results shall be filed in the clerk's office and inserted in the minutes of the board."

#### SECTION 7. G.S. 159-153

#### "§ 159-153. Approval of other financing ~~arrangements~~arrangements; voter approval requirement.

...

(g) If a transaction specified in subsection (a) of this section, and undertaken by a unit of local government, is subject to Commission approval, at the time of application to the Commission, the governing body of the unit of local government, shall publish a public notice of the application in a newspaper of general circulation in the unit of local government.

- (h) (1) A petition demanding that the contract, agreement, memorandum of understanding, or other transaction having the force and effect of a contract subject to Commission approval be submitted to the voters may be filed with the clerk to the board at any time before the Commission enters its order approving or denying the application pursuant to this section. The petition shall be in writing and shall be signed by a number of voters of the issuing unit equal to not less than five percent (5%) of the total number of voters registered to vote in elections of the issuing unit according to the most recent figures certified by the State Board of Elections. The residence address of each signer shall be written after the signature. The clerk shall investigate the sufficiency of the petition and present it to the governing board, with a certificate stating the results of the investigation. The governing board, after hearing any taxpayer who may request to be heard, shall thereupon determine the sufficiency of the petition, and its determination shall be conclusive.

- (2) If a transaction specified in subsection (a) of this section, and undertaken by a unit of local government, requires approval of the voters, the affirmative vote or a majority of those who vote thereon shall be required. The date of a referendum shall be fixed by the governing board, but shall not be more than one year after the original date of submission of the application to the Commission for approval, only on a date permitted by G.S. 163-287. The clerk shall mail or deliver a certified copy of the resolution calling a special referendum to the board of elections that is to conduct it within three days

after the resolution is adopted, but failure to observe this requirement shall not in any manner affect the validity of the referendum or the transaction undertaken pursuant thereto. The referendum shall be conducted by the board of elections conducting regular elections of the unit of local government.

(3) The clerk shall publish a notice of the referendum at least twice. The first publication shall be not less than 14 days and the second publication not less than seven days before the last day on which voters may register for the referendum. The notice shall state the date of the referendum, the maximum amount of the proposed transaction, the purpose of the transaction, and a statement as to the last day for registration for the referendum under the election laws then in effect.

(4) The form of the question as stated on the ballot shall be in substantially the following words:

"Shall the [unit name here] be authorized to enter into the [transaction] in an amount not to exceed \$ \_\_\_\_\_ for [briefly describe purpose]?"

☐ YES

☐ NO"

(5) The board of elections shall canvass the referendum and certify the results to the governing board. The governing board shall then certify and declare the result of the referendum and shall publish a statement of the result once, with the following statement appended:

"Any action or proceeding challenging the regularity or validity of this referendum must be begun within 30 days after [date of publication].

\_\_\_\_\_  
[Title of governing board]"

The statement of results shall be filed in the clerk's office and inserted in the minutes of the board."

**SECTION 8.** This act is effective when it becomes law.





## HOUSE BILL 527: Municipal Elect'n/Even-Numbered Yrs/Stanly Co

2015-2016 General Assembly

<b>Committee:</b>	Local Government, if favorable, Elections, if favorable, Rules, Calendar, and Operations of the House	<b>Date:</b>	April 23, 2015
<b>Introduced by:</b>	Rep. Burr	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	PCS to First Edition H527-CSTH		Committee Counsel

**SUMMARY:** *House Bill 527 would change the date of regular municipal elections in the municipalities of Stanly County from odd-numbered years to even-numbered years.*

### Section 1 – City of Albemarle

**CURRENT LAW:** Regular municipal elections for the Mayor and City Council are held in odd-numbered years. The Mayor serves a two-year term, and seven Council members serve staggered four-year terms. Three members are at-large and four members are elected from electoral districts.

**BILL ANALYSIS:** In 2017, the Mayor would serve a three-year term and would subsequently be elected in 2020 and every two years thereafter. In 2015, four Council members would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. In 2017, three City Council members would serve a five-year term and would subsequently be elected in 2022 and every four years thereafter.

### Section 2 – Town of Badin

**CURRENT LAW:** Regular municipal elections for the Town Council are held in odd-numbered years. The Badin Town Council has five members who serve staggered 4-year terms. Two members are elected from residency districts and three are elected at-large. The Town Council elects a Mayor from among its members, and the Mayor serves a two-year term.

**BILL ANALYSIS:** In 2015, two members would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The three members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term. In 2015, the Mayor would serve a three year term and would subsequently be elected in 2018 and every two years thereafter.

### Section 3 – Town of Locust

**CURRENT LAW:** Regular municipal elections for the Town Council and Mayor are held in odd-numbered years. The Mayor serves a two-year term, and seven Council members are elected at-large and serve four-year staggered terms.

**BILL ANALYSIS:** The Mayor elected in 2015 would serve a three-year term and would subsequently be elected in 2018 and every two years thereafter. In 2015, four Council members would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The three members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

### Section 4 – Village of Misenheimer

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Director



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# House Bill 527

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**CURRENT LAW:** Regular municipal elections for the Village Council are held in odd-numbered years. The Council has five members who are elected at-large and serve staggered four-year terms. The Village Council elects a Mayor from among its members, and the Mayor serves a four-year term.

**BILL ANALYSIS:** In 2015, two members would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The three members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

## Section 5 – Town of New London

**CURRENT LAW:** Regular municipal elections for the Town Commissioners and Mayor are held in odd-numbered years. The Board has five members who are elected at-large and serve staggered four-year terms. The Mayor also serves a four-year term.

**BILL ANALYSIS:** The Mayor elected in 2015 would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. In 2015, three commissioners would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The two members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

## Section 6 – Town of Norwood

**CURRENT LAW:** Regular municipal elections for the Town Commissioners and Mayor are held in odd-numbered years. The Board has five members who are elected at-large and serve staggered four-year terms. The Mayor also serves a four-year term.

**BILL ANALYSIS:** The Mayor elected in 2015 would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. In 2015, three commissioners would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The two commissioners whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

## Section 7 – Town of Oakboro

**CURRENT LAW:** Regular municipal elections for the Town Board and Mayor are held in odd-numbered years. The Board has five members who are elected at-large and serve staggered four-year terms. The Mayor serves a two-year term.

**BILL ANALYSIS:** The Mayor elected in 2015 would serve a three-year term and would subsequently be elected in 2018 and every two years thereafter. In 2015, three members of the Board would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The two members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

## Section 8 – Town of Red Cross

**CURRENT LAW:** Regular municipal elections for the Town Council and Mayor are held in odd-numbered years. The Council has four members who are elected at-large and serve staggered four-year terms. The Mayor also serves a four-year term.

**BILL ANALYSIS:** The Mayor elected in 2015 would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. In 2015, two Council members would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The two members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

## Section 9 – Town of Richfield

**CURRENT LAW:** Regular municipal elections for the Town Board of Commissioners and Mayor are held in odd-numbered years. The Board has five members who are elected at-large and serve staggered four-year terms. The Mayor also serves a four-year term.

# House Bill 527

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**BILL ANALYSIS:** The Mayor elected in 2015 would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. In 2015, three Board members would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The two members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

## Section 10 – Town of Stanfield

**CURRENT LAW:** Regular municipal elections for the Town Board of Commissioners and Mayor are held in odd-numbered years. The Board has five members who are elected at-large and serve staggered four-year terms. The Mayor also serves a four-year term.

**BILL ANALYSIS:** The Mayor elected in 2015 would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. In 2015, three Board members would serve a five-year term and would subsequently be elected in 2020 and every four years thereafter. The two members whose terms expire in 2017 would continue to serve until 2018 and their successors would be elected to serve a four-year term.

**EFFECTIVE DATE:** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 527  
PROPOSED COMMITTEE SUBSTITUTE H527-CSTH-15 [v.2]

4/22/2015 8:56:39 PM

Short Title: Municipal Elect'n/Even-Numbered Yrs/Stanly Co.

(Local)

Sponsors:

Referred to:

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THAT REGULAR MUNICIPAL ELECTIONS IN THE  
3 MUNICIPALITIES OF STANLY COUNTY SHALL BE HELD IN EVEN-NUMBERED  
4 YEARS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** Section 3.1 of the Charter of the City of Albemarle, being Chapter  
7 259 of the Session Laws of 1979, as amended by Ordinance 95-18 adopted by the City Council,  
8 reads as rewritten:

9 "Section 3.1. Regular Municipal Elections; Conduct and Method of Election. Regular  
10 municipal elections for Mayor shall be held in the City in ~~1979-2015~~, and every two years  
11 ~~thereafter and thereafter~~, except that the Mayor elected in 2017 shall serve a term of three years.  
12 The City Council shall consist of seven members, each residing in and elected from districts,  
13 who shall be elected for a term of four years in the manner provided by Section 3.2 of this  
14 Charter. Elections shall be conducted in accordance with the uniform municipal election laws  
15 of North Carolina. The Mayor and members of the City Council shall be elected according to  
16 the partisan primary and elections method for statewide office as provided in ~~G.S. 163-291~~.G.S.  
17 163-1."

18 **SECTION 1.(b)** Section 3.2 of the Charter of the City of Albemarle, being Chapter  
19 259 of the Session Laws of 1979, as amended by Chapter 881 of the 1987 Session Laws and  
20 Ordinance 95-18 adopted by the City Council, reads as rewritten:

21 "Section 3.2. Election of Mayor and Council Members. At the regular municipal election in  
22 ~~1991-2015~~ and every two years thereafter, there shall be elected a Mayor, except as provided in  
23 Section 3.1 of this Charter.

24 ~~At the regular municipal election to be held in 1995, members of the City Council shall be~~  
25 ~~nominated and elected as follows. The member of Council from District 1 and the member of~~  
26 ~~Council from District 3 shall be nominated and elected by and from the qualified voters of the~~  
27 ~~electoral district to serve for a four year term. The member of Council from District 2 and the~~  
28 ~~member of Council from District 4 shall be nominated and elected by and from the qualified~~  
29 ~~voters of the electoral district to serve for a two year term. Three members of Council shall be~~  
30 ~~nominated and elected at large by and from the qualified voters of the City. The two at large~~  
31 ~~members of Council receiving the highest number of votes in the regular municipal election~~  
32 ~~shall be elected to serve for a four year term. The at large member of Council receiving the next~~  
33 ~~highest number of votes in the regular municipal election shall be elected to serve for a two~~  
34 ~~year term.~~

35 At the regular municipal election held in 1997, and every four years thereafter, the member  
36 of Council from District 2, the member of Council from District 4, and the member of Council



1 elected at large in the 1995 regular municipal election to serve a two year term shall be  
2 nominated and elected to serve a four year term.

3 At the regular municipal election held in 1999 and every four years thereafter, the member  
4 of Council from District 1, the member of Council from District 3, and the two members of  
5 Council elected at large in the 1995 regular municipal election to serve a four year term shall be  
6 nominated and elected to serve for a four year term.

7 At the regular municipal election to be held in 2015, the members of Council from Districts  
8 1 and 3, and the two at-large members elected in 2011, shall each serve a term of five years. In  
9 2020 and every four years thereafter, the members of Council from Districts 1 and 3, and the  
10 two at-large members elected in 2015, shall each serve a term of four years.

11 At the regular municipal election to be held in 2017, the members of Council from Districts  
12 2 and 4, and the one at-large member elected in 2013, shall each serve a term of five years. In  
13 2022 and every four years thereafter, the members of Council from Districts 2 and 4, and the  
14 two at-large members elected in 2017, shall each serve a term of four years."

15 **SECTION 2.** Chapter III of the Charter of the Town of Badin, being Chapter 894  
16 of the Session Laws of 1989, reads as rewritten:

17 **"CHAPTER III.**  
18 **"GOVERNING BODY.**

19 ...  
20 "Sec. 3.3. Term of office of Council members. ~~The initial members of the Council shall be~~  
21 ~~elected in 1990 at the same time as the general election for county officers, and the procedure~~  
22 ~~shall be as generally provided for election of municipal officers in an odd numbered year,~~  
23 ~~except that the filing period shall open as soon as the results of the incorporation referendum~~  
24 ~~are certified, and shall end at 12:00 noon on the third Friday after that date. The initial district~~  
25 ~~members are elected for three year terms, their successors shall be elected in 1993 and~~  
26 ~~quadrennially thereafter for four year terms. In 1990, the at large candidate receiving the~~  
27 ~~highest number of votes is elected to a three year term, and the two at large candidates~~  
28 ~~receiving the next highest numbers of votes are elected to one year terms. In 1991 and~~  
29 ~~quadrennially thereafter, two at large members are elected for four year terms. In 1993 and~~  
30 ~~quadrennially thereafter, one at large member is elected for a four year term. Initial town~~  
31 ~~officers shall take office on the Monday following the canvassing of the returns of their~~  
32 ~~election, at a time and place designated by any three of them.~~In 2015, the two at-large members  
33 shall serve for terms of five years and their successors shall serve terms of four years. Each of  
34 the resident district members and the at-large members whose terms expire in 2017 shall  
35 continue to serve until 2018 and their successors shall be elected to serve terms of four years.  
36 Regular municipal elections shall be held in each even-numbered year thereafter in accordance  
37 with Chapter IV of this Charter.

38 "Sec. 3.4. Selection of Mayor: term of office. The members of the Town Council shall,  
39 from among their members, elect the Mayor at their organizational meeting to serve a two-year  
40 term, except that the Mayor elected in ~~1990-2015~~ shall serve a ~~one year~~ three-year term."

41 **SECTION 3.(a)** Article III of the Charter of the Town of Locust, being Chapter  
42 246 of the Session Laws of 1973, as amended by Chapter 41 of the 1977 Session Laws, reads  
43 as rewritten:

44 "...  
45 "Sec. 3.2. Mayor and Mayor Pro Tempore. The Mayor shall be a resident and qualified  
46 voter of the City of Locust and shall be elected by the qualified voters of the City of Locust,  
47 and he shall hold office for two (2) ~~years-years,~~ except that the mayor elected in 2015 shall  
48 serve a term of three years, but the Mayor's successors shall serve terms of two years. In the  
49 case of a vacancy in the office of Mayor, the City Council shall by appointment fill the vacancy  
50 for the unexpired term. The Mayor shall be the official head of the City government and shall  
51 preside at all meetings of the City Council. When there is an equal division upon any question,

or in the appointment of officers, by the Council, the Mayor shall determine the matter by his vote, and shall vote in no other case. The Mayor shall exercise such powers and perform such duties as are or may be conferred upon him by the general laws of North Carolina, by this Charter, and by the ordinances of the City. The City Council shall choose one of its number to act as Mayor Pro Tempore, and he shall perform the duties of the Mayor in the Mayor's absence or disability. The Mayor Pro Tempore as such shall have no fixed term of office, but shall serve in such capacity at the pleasure of the remaining members of the Council."

"Sec. 3.3. Composition of City Council. Beginning with the election to be held on November ~~8, 1977~~, 3, 2015, the City Council shall consist of seven (7) members to be elected by and from the qualified voters of the city voting at large in the manner provided by Article IV.

...."

**SECTION 3.(b)** Section 4.1 of the Charter of the Town of Locust, being Chapter 246 of the Session Laws of 1973, as amended by Chapter 41 of the 1977 Session Laws, reads as rewritten:

"Sec. 4.1. Regular Municipal Elections. Regular municipal elections shall be held on the Tuesday after the first Monday in November of each ~~odd-numbered year which began in 1973~~ even-numbered year shall begin with elections held in 2015, as provided in this section. In the regular election in ~~1977~~ 2015, ~~there shall be elected three (3) councilmen. The three (3) candidates receiving the highest number of votes shall be elected for terms of four (4) years. In the regular election of 1979, there shall be elected four (4) councilmen, and the four (4) candidates receiving the highest number of votes shall be elected for four (4) years.~~ four members shall be elected for terms of five years and the three members whose terms expire in 2017 shall continue to serve until 2018. Thereafter as the terms of members expire, their successors shall be elected for terms of four (4) years."

**SECTION 4.(a)** Section 3.3 of the Charter of the Village of Misenheimer, being Chapter 268 of the Session Laws of 2003, as amended by Chapter 19 of the 2004 Session Laws, reads as rewritten:

"Section 3.3. Manner of Electing Village Council; Term of Office. The qualified voters of the entire Village shall elect the members of the Village Council, and, except as provided in this section, they shall serve four-year terms. In ~~2005, the three candidates receiving the highest numbers of votes shall be elected to four-year terms, and the two candidates receiving the next highest numbers of votes shall be elected to two-year terms.~~ 2015, two members shall be elected for five-year terms and the three members whose terms expire in 2017 shall continue to serve until 2018. In 2007, 2020, and quadrennially thereafter, two members shall be elected to four-year terms. In 2009, 2018, and quadrennially thereafter, three members shall be elected to four-year terms."

**SECTION 4.(b)** Section 3.4 of the Charter of the Village of Misenheimer, being Chapter 268 of the Session Laws of 2003, reads as rewritten:

"Section 3.4. **Manner of Electing Mayor; Term of Office; Duties.** At the organizational meeting following each municipal election, the Village Council shall elect one of its members as Mayor, and the Mayor shall serve at the pleasure of the Village ~~Council~~ Council, provided that, the Mayor elected in 2015 shall serve pursuant to the manner provided in Section 3.3 of this Charter. The Mayor shall be the official head of Village government and shall preside at all meetings of the Village Council. The Mayor shall exercise such powers and duties as conferred by the general laws of this State and this Charter and as directed by the Village Council. In the case of a vacancy in the office of Mayor, the remaining members of the Village Council shall choose from their membership a person to serve as Mayor for the unexpired term."

**SECTION 5.** Section 3 of the Charter of the Town of New London, being Chapter 91 of the Private Laws of 1907, as amended by Chapter 131 of the 2001 Session Laws, reads as rewritten:

1 "Sec. 3. The officers of the town shall consist of a mayor and five commissioners, and they  
2 shall be elected to four-year terms by the qualified voters of the entire town, except as provided  
3 otherwise in this section. ~~In 2001, and quadrennially thereafter, a mayor shall be elected to a~~  
4 ~~four-year term. In 2001, for the position of commissioner, the two persons receiving the highest~~  
5 ~~numbers of votes shall be elected to four-year terms and the three persons receiving the next~~  
6 ~~highest numbers of votes shall be elected to two-year terms.~~ 2015, the mayor shall be elected to  
7 serve a term of five-years, but the Mayor's successors shall serve four-year terms. In 2015,  
8 three commissioners shall be elected for five-year terms and the two commissioners whose  
9 terms expire in 2017 shall continue to serve until 2018. In 2003,2020, and quadrennially  
10 thereafter, three persons shall be elected to four-year terms. In 2005,2018, and quadrennially  
11 thereafter, two persons shall be elected to four-year terms."

12 **SECTION 6.** Section 12 of the Charter of the Town of Norwood, being Chapter  
13 212 of the Private Laws of 1905, as amended by Chapter 15 of the Session Laws of 2001, reads  
14 as rewritten:

15 "Sec. 12. The Commissioners and Mayor shall be elected to four-year terms by the  
16 qualified voters of the entire Town, except as provided otherwise in this section. ~~In 2001, and~~  
17 ~~quadrennially thereafter, a Mayor shall be elected to a four-year term. In 2001, for the position~~  
18 ~~of Commissioner, the two persons receiving the highest numbers of votes shall be elected to~~  
19 ~~four-year terms and the three persons receiving the next highest numbers of votes shall be~~  
20 ~~elected to two-year terms.~~ 2015, the Mayor shall be elected to serve a term of five years, but the  
21 Mayor's successors shall serve four-year terms. In 2015, three commissioners shall be elected  
22 for five-year terms and the two commissioners whose terms expire in 2017 shall continue to  
23 serve until 2018. In 2003,2020, and quadrennially thereafter, three persons shall be elected to  
24 four-year terms. In 2005,2018, and quadrennially thereafter, two persons shall be elected to  
25 four-year terms."

26 **SECTION 7.** Section 15 of the Charter of the Town of Oakboro, being Chapter 51  
27 of the Private Laws of 1915, as amended by ordinance adopted by the Town Board, reads as  
28 rewritten:

29 "Sec. 15. That the Mayor of the town of Oakboro shall hold office for the term of two years  
30 and until its successor is elected and ~~qualified.~~ qualified, except that in 2015, the Mayor elected  
31 shall serve a term of three years, but the Mayor's successors shall serve terms of two years. At  
32 the regular municipal election held in 2009, the three members of the Board elected who have  
33 the highest total of votes shall serve for a four-year term. Those members of the Board who  
34 have the lowest total number of votes shall serve for a two-year term. At the regular election  
35 held in 2011, and every four years thereafter, members of the Board who were elected for two-  
36 year terms in the election of 2009, shall be elected to serve for a four-year term. In 2015, three  
37 members of the Board shall be elected for five-year terms and the two members whose terms  
38 expire in 2017 shall continue to serve until 2018. In 2020, and quadrennially thereafter, three  
39 persons shall be elected to four-year terms. In 2018, and quadrennially thereafter, two persons  
40 shall be elected to four-year terms. That in the absence of any officer of the town, or during  
41 sickness of any of the officers, the commissioners may appoint a man to fill the office during  
42 his absence or during his inability, and no longer. If the absence be caused by resignation, the  
43 board may appoint an officer to fill the unexpired term."

44 **SECTION 8.** Article III of the Charter of the Town of Red Cross, being Chapter 56  
45 of the Session Laws of 2002, reads as rewritten:

46 "ARTICLE III. GOVERNING BODY.

47 ...

48 "Section 3.3. **Manner of Electing Town Council; Term of Office.** The qualified voters of  
49 the entire Town shall elect the members of the Town Council and, except as provided in this  
50 section, they shall be elected to four-year terms. ~~In 2003, the two candidates receiving the~~  
51 ~~highest number of votes shall be elected to four-year terms and the two candidates receiving the~~

1 ~~next highest number of votes shall be elected to two-year terms.~~ 2015, two members shall be  
2 elected for five-year terms and the two members whose terms expire in 2017 shall continue to  
3 serve until 2018. In 2005, 2018, and biennially thereafter, two members shall be elected to  
4 four-year terms.

5 "Section 3.4. **Manner of Electing Mayor; Term of Office; Duties.** The qualified voters  
6 of the entire Town shall elect the Mayor. In 2015, the Mayor shall be elected to serve a term of  
7 five years. In 2003, 2020, and quadrennially thereafter, the Mayor shall be elected for a term of  
8 four years.

9 ...."

10 **SECTION 9.(a)** Section 3 of the Charter of the Town of Richfield, being Chapter  
11 204 of the Private Laws of 1915, as amended by Chapter 1066 of the 1953 Session Laws,  
12 Chapter 527 of the 1961 Session Laws, and by resolution adopted by the Town Board of  
13 Commissioners, reads as rewritten:

14 "Section 3. That the officers of said town shall consist of a mayor and five commissioners,  
15 to be elected ~~for staggered 4 year terms, and a marshal and secretary and treasurer, to be~~  
16 ~~appointed every two years by the commissioners.~~ quadrennially for staggered four-year terms,  
17 except as provided in Section 4 of this Charter."

18 **SECTION 9.(b)** Section 4 of the Charter of the Town of Richfield, being Chapter  
19 204 of the Private Laws of 1915, as amended by Chapter 1066 of the 1953 Session Laws, and  
20 Chapter 527 of the 1961 Session Laws, reads as rewritten:

21 "Section 4. ~~That there shall be a convention held in said town for the purpose of electing a~~  
22 ~~mayor and five commissioners. The said convention shall be called on the first Tuesday after~~  
23 ~~the first Monday in May, 1915, and every two years thereafter. The mayor and five~~  
24 ~~commissioners shall be elected to four-year terms by the qualified voters of the entire Town,~~  
25 except as otherwise provided in this section. In 2015, the Mayor shall be elected to serve a term  
26 of five years. In 2020, and quadrennially thereafter, the mayor shall be elected to a four-year  
27 term. In 2015, five commissioners shall be elected for five-year terms. In 2020, and  
28 quadrennially thereafter, the five commissioners shall be elected to four-year terms. Notice of  
29 said convention election shall be posted at four public places within said town at least thirty  
30 days prior to the holding of the convention and all citizens residing within the corporate limits  
31 of said town who are qualified voters in Stanly County and who have resided in said town for a  
32 period of ninety (90) days before said convention shall be allowed to vote."

33 **SECTION 9.(c)** Section 15 of the Charter of the Town of Richfield, being Chapter  
34 204 of the Private Laws of 1915, as amended by Chapter 1066 of the 1953 Session Laws, reads  
35 as rewritten:

36 "Section 15. That the officers elected in said town at any ~~convention election~~ shall hold  
37 office for the term of four years and until their successors are elected and qualified, and that  
38 during the absence of any officer of the town or the sickness of any officer or officers, the  
39 commissioners may appoint a man to fill the vacancy during his or their absence, or during his  
40 or their inability to fill the same, and no longer. If the absence be caused by resignation, the  
41 board of commissioners shall appoint an officer to fill said vacancy or unexpired term."

42 **SECTION 10.** Section 3 of the Charter of the Town of Stanfield, being Chapter  
43 1210 of the Session Laws of 1955, as amended by Chapter 485 of the 1957 Session Laws and  
44 Ordinance 2009-3 adopted by the Town Commissioners, reads as rewritten:

45 "Sec. 3. MUNICIPAL GOVERNMENT. That the government of the Town of Stanfield  
46 shall be vested in a mayor and a board of five commissioners and such other officers as may be  
47 provided for in the Municipal Incorporation Act of North Carolina. The mayor and board of  
48 commissioners shall be quadrennially elected by the qualified voters of the town, shall provided  
49 that in 2015, the Mayor shall serve a term of five years, but the Mayor's successors shall serve  
50 terms of four years. At the regular municipal election to be held in 2009, the mayor and two  
51 members of the Board elected who have the highest total of votes shall serve for a four-year

1 term. The three members of the Board who have the lowest total number of votes shall serve  
2 for a two-year term. At the regular municipal election held in 2011, and every four years  
3 thereafter, members of the board who were elected for two-year terms in the election of 2009  
4 shall be elected to serve for a four-year term. In 2015, three members of the Board shall be  
5 elected for five-year terms and the two members whose terms expire in 2017 shall continue to  
6 serve until 2018. In 2020, and quadrennially thereafter, three persons shall be elected to four-  
7 year terms. In 2018, and quadrennially thereafter, two persons shall be elected to four-year  
8 terms. The mayor and board of commissioners shall take such oaths of office as provided by  
9 law, law and shall have such rights, powers, duties and responsibilities as provided in ~~Article 2~~  
10 ~~of Chapter 160-160A~~ of the General Statutes of North Carolina relating to municipal officers."

11 **SECTION 11.** Notwithstanding any other provision of law to the contrary and  
12 except as otherwise provided by federal law, municipal elections held pursuant to this act may  
13 be combined on the same official ballot as other ballot items for elections held at the same time.

14 **SECTION 12.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 527

Short Title: Municipal Elect'n/Even-Numbered Yrs/Stnly Co. (Local)

Sponsors: Representative Burr (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Elections, if favorable, Rules, Calendar, and Operations of the House.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THAT REGULAR MUNICIPAL ELECTIONS IN THE  
3 MUNICIPALITIES OF STANLY COUNTY SHALL BE HELD IN EVEN-NUMBERED  
4 YEARS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.(a)** Section 3.1 of the Charter of the City of Albemarle, being Chapter  
7 259 of the Session Laws of 1979, reads as rewritten:

8 "Section 3.1. Regular Municipal Elections; Conduct and Method of Election. Regular  
9 municipal elections shall be held in the City in 1979-2015, and every four years ~~thereafter~~  
10 ~~and thereafter~~, except that the Mayor elected in 2015 shall serve a term of five years, but the  
11 Mayor's successors shall serve terms of four years, and the members of the city council elected  
12 in 2015 shall serve terms of five years, but the members' successors shall serve terms of four  
13 years. The elections shall be conducted in accordance with the uniform municipal election laws  
14 of North Carolina. The Mayor and members of the City Council shall be elected according to  
15 the partisan primary and elections method as provided in G.S. 163-291."

16 **SECTION 1.(b)** Section 3.2 of the Charter of the City of Albemarle, being Chapter  
17 259 of the Session Laws of 1979, as amended by Chapter 881 of the 1987 Session Laws, reads  
18 as rewritten:

19 "Section 3.2. Election of Mayor and Council Members. At the regular municipal election in  
20 1991-2015 and quadrennially thereafter, there shall be elected a Mayor and seven City Council  
21 members, members, except as provided in Section 3.1 of this Charter. Each candidate for a  
22 district seat must reside in the district for which election is sought."

23 **SECTION 2.** Chapter III of the Charter of the Town of Badin, being Chapter 894  
24 of the Session Laws of 1989, reads as rewritten:

25 "CHAPTER III.  
26 "GOVERNING BODY.

27 ...

28 "Sec. 3.3. Term of office of Council members. ~~The initial members of the Council shall be~~  
29 ~~elected in 1990 at the same time as the general election for county officers, and the procedure~~  
30 ~~shall be as generally provided for election of municipal officers in an odd numbered year,~~  
31 ~~except that the filing period shall open as soon as the results of the incorporation referendum~~  
32 ~~are certified, and shall end at 12:00 noon on the third Friday after that date. The initial district~~  
33 ~~members are elected for three year terms, their successors shall be elected in 1993 and~~  
34 ~~quadrennially thereafter for four year terms. In 1990, the at large candidate receiving the~~



1 highest number of votes is elected to a three-year term, and the two at-large candidates  
2 receiving the next highest numbers of votes are elected to one-year terms. In 1991 and  
3 quadrennially thereafter, two at-large members are elected for four-year terms. In 1993 and  
4 quadrennially thereafter, one at-large member is elected for a four-year term. Initial town  
5 officers shall take office on the Monday following the canvassing of the returns of their  
6 election, at a time and place designated by any three of them. In 2015, the two at-large members  
7 shall serve for terms of five years and their successors shall serve terms of four years. Each of  
8 the resident district members and the at-large members whose terms expire in 2017 shall  
9 continue to serve until 2018 and their successors shall be elected to serve terms of four years.  
10 Regular municipal elections shall be held in each even-numbered year thereafter in accordance  
11 with Chapter IV of this Charter.

12 "Sec. 3.4. Selection of Mayor: term of office. The members of the Town Council shall,  
13 from among their members, elect the Mayor at their organizational meeting to serve a two-year  
14 term, except that the Mayor elected in 1990-2015 shall serve a one-year three-year term."

15 **SECTION 3.(a)** Article III of the Charter of the Town of Locust, being Chapter  
16 246 of the Session Laws of 1973, as amended by Chapter 41 of the 1977 Session Laws, reads  
17 as rewritten:

18 "..."

19 "Sec. 3.2. Mayor and Mayor Pro Tempore. The Mayor shall be a resident and qualified  
20 voter of the City of Locust and shall be elected by the qualified voters of the City of Locust,  
21 and he shall hold office for two (2) years, except that the mayor elected in 2015 shall  
22 serve a term of three years, but the Mayor's successors shall serve terms of two years. In the  
23 case of a vacancy in the office of Mayor, the City Council shall by appointment fill the vacancy  
24 for the unexpired term. The Mayor shall be the official head of the City government and shall  
25 preside at all meetings of the City Council. When there is an equal division upon any question,  
26 or in the appointment of officers, by the Council, the Mayor shall determine the matter by his  
27 vote, and shall vote in no other case. The Mayor shall exercise such powers and perform such  
28 duties as are or may be conferred upon him by the general laws of North Carolina, by this  
29 Charter, and by the ordinances of the City. The City Council shall choose one of its number to  
30 act as Mayor Pro Tempore, and he shall perform the duties of the Mayor in the Mayor's absence  
31 or disability. The Mayor Pro Tempore as such shall have no fixed term of office, but shall serve  
32 in such capacity at the pleasure of the remaining members of the Council."

33 "Sec. 3.3. Composition of City Council. Beginning with the election to be held on  
34 November 8, 1977, 3, 2015, the City Council shall consist of seven (7) members to be elected  
35 by and from the qualified voters of the city voting at large in the manner provided by Article  
36 IV.

37 ...."

38 **SECTION 3.(b)** Section 4.1 of the Charter of the Town of Locust, being Chapter  
39 246 of the Session Laws of 1973, as amended by Chapter 41 of the 1977 Session Laws, reads  
40 as rewritten:

41 "Sec. 4.1. Regular Municipal Elections. Regular municipal elections shall be held on the  
42 Tuesday after the first Monday in November of each odd-numbered year which began in  
43 1973-even-numbered year shall begin with elections held in 2015, as provided in this section.  
44 In the regular election in 1977-2015, there shall be elected three (3) councilmen. The three (3)  
45 candidates receiving the highest number of votes shall be elected for terms of four (4) years. In  
46 the regular election of 1979, there shall be elected four (4) councilmen, and the four (4)  
47 candidates receiving the highest number of votes shall be elected for four (4) years. four  
48 members shall be elected for terms of five years and the three members whose terms expire in  
49 2017 shall continue to serve until 2018. Thereafter as the terms of members expire, their  
50 successors shall be elected for terms of four (4) years."

1           **SECTION 4.(a)** Section 3.3 of the Charter of the Village of Misenheimer, being  
2 Chapter 268 of the Session Laws of 2003, as amended by Chapter 19 of the 2004 Session  
3 Laws, reads as rewritten:

4           "Section 3.3. Manner of Electing Village Council; Term of Office. The qualified voters of  
5 the entire Village shall elect the members of the Village Council, and, except as provided in  
6 this section, they shall serve four-year terms. In ~~2005, the three candidates receiving the highest~~  
7 ~~numbers of votes shall be elected to four-year terms, and the two candidates receiving the next~~  
8 ~~highest numbers of votes shall be elected to two-year terms.~~ 2015, two members shall be elected  
9 for five-year terms and the three members whose terms expire in 2017 shall continue to serve  
10 until 2018. In ~~2007, 2020,~~ and quadrennially thereafter, two members shall be elected to  
11 four-year terms. In ~~2009, 2018,~~ and quadrennially thereafter, three members shall be elected to  
12 four-year terms."

13           **SECTION 4.(b)** Section 3.4 of the Charter of the Village of Misenheimer, being  
14 Chapter 268 of the Session Laws of 2003, reads as rewritten:

15           "Section 3.4. **Manner of Electing Mayor; Term of Office; Duties.** At the organizational  
16 meeting following each municipal election, the Village Council shall elect one of its members  
17 as Mayor, and the Mayor shall serve at the pleasure of the Village ~~Council.~~ Council, provided  
18 that, the Mayor elected in 2015 shall serve pursuant to the manner provided in Section 3.3 of  
19 this Charter. The Mayor shall be the official head of Village government and shall preside at all  
20 meetings of the Village Council. The Mayor shall exercise such powers and duties as conferred  
21 by the general laws of this State and this Charter and as directed by the Village Council. In the  
22 case of a vacancy in the office of Mayor, the remaining members of the Village Council shall  
23 choose from their membership a person to serve as Mayor for the unexpired term."

24           **SECTION 5.** Section 3 of the Charter of the Town of New London, being Chapter  
25 91 of the Private Laws of 1907, as amended by Chapter 131 of the 2001 Session Laws, reads as  
26 rewritten:

27           "Sec. 3. The officers of the town shall consist of a mayor and five commissioners, and they  
28 shall be elected to four-year terms by the qualified voters of the entire town, except as provided  
29 otherwise in this section. In ~~2001, and quadrennially thereafter, a mayor shall be elected to a~~  
30 ~~four-year term. In 2001, for the position of commissioner, the two persons receiving the highest~~  
31 ~~numbers of votes shall be elected to four-year terms and the three persons receiving the next~~  
32 ~~highest numbers of votes shall be elected to two-year terms.~~ 2015, the mayor shall be elected to  
33 serve a term of five-years, but the Mayor's successors shall serve four-year terms. In 2015,  
34 three commissioners shall be elected for five-year terms and the two commissioners whose  
35 terms expire in 2017 shall continue to serve until 2018. In ~~2003, 2020,~~ and quadrennially  
36 thereafter, three persons shall be elected to four-year terms. In ~~2005, 2018,~~ and quadrennially  
37 thereafter, two persons shall be elected to four-year terms."

38           **SECTION 6.** Section 12 of the Charter of the Town of Norwood, being Chapter  
39 212 of the Private Laws of 1905, as amended by Chapter 15 of the Session Laws of 2001, reads  
40 as rewritten:

41           "Sec. 12. The Commissioners and Mayor shall be elected to four-year terms by the  
42 qualified voters of the entire Town, except as provided otherwise in this section. In ~~2001, and~~  
43 ~~quadrennially thereafter, a Mayor shall be elected to a four-year term. In 2001, for the position~~  
44 ~~of Commissioner, the two persons receiving the highest numbers of votes shall be elected to~~  
45 ~~four-year terms and the three persons receiving the next highest numbers of votes shall be~~  
46 ~~elected to two-year terms.~~ 2015, the Mayor shall be elected to serve a term of five years, but the  
47 Mayor's successors shall serve four-year terms. In 2015, three commissioners shall be elected  
48 for five-year terms and the two commissioners whose terms expire in 2017 shall continue to  
49 serve until 2018. In ~~2003, 2020,~~ and quadrennially thereafter, three persons shall be elected to  
50 four-year terms. In ~~2005, 2018,~~ and quadrennially thereafter, two persons shall be elected to  
51 four-year terms."

1       **SECTION 7.** Section 15 of the Charter of the Town of Oakboro, being Chapter 51  
2 of the Private Laws of 1915, reads as rewritten:

3       "Sec. 15. That all officers elected at any election in the town of Oakboro shall hold office  
4 for the term of two years and until their successors are elected and ~~qualified-qualified~~, except  
5 that in 2015, the Mayor elected shall serve a term of three years, but the Mayor's successors  
6 shall serve terms of two years. In 2015, commissioners shall be elected for terms of five years,  
7 but the commissioners' successors shall serve terms of two years. That in the absence of any  
8 officer of the town, or during sickness of any of the officers, the commissioners may appoint a  
9 man to fill the office during his absence or during his inability, and no longer. If the absence be  
10 caused by resignation, the board may appoint an officer to fill the unexpired term."

11       **SECTION 8.** Article III of the Charter of the Town of Red Cross, being Chapter 56  
12 of the Session Laws of 2002, reads as rewritten:

13               "ARTICLE III. GOVERNING BODY.

14       ...

15       "Section 3.3. **Manner of Electing Town Council; Term of Office.** The qualified voters of  
16 the entire Town shall elect the members of the Town Council and, except as provided in this  
17 section, they shall be elected to four-year terms. In 2003, ~~the two candidates receiving the~~  
18 ~~highest number of votes shall be elected to four year terms and the two candidates receiving the~~  
19 ~~next highest number of votes shall be elected to two year terms.~~ 2015, two members shall be  
20 elected for five-year terms and the two members whose terms expire in 2017 shall continue to  
21 serve until 2018. In ~~2005,~~ 2018, and biennially thereafter, two members shall be elected to  
22 four-year terms.

23       "Section 3.4. **Manner of Electing Mayor; Term of Office; Duties.** The qualified voters  
24 of the entire Town shall elect the Mayor. In 2015, the Mayor shall be elected to serve a term of  
25 five years. In ~~2003,~~ 2020, and quadrennially thereafter, the Mayor shall be elected for a term of  
26 four years.

27       ...."

28       **SECTION 9.(a)** Section 3 of the Charter of the Town of Richfield, being Chapter  
29 204 of the Private Laws of 1915, as amended by Chapter 1066 of the 1953 Session Laws, and  
30 Chapter 527 of the 1961 Session Laws, reads as rewritten:

31       "Section 3. That the officers of said town shall consist of a mayor and five commissioners,  
32 to be elected ~~every two years, and a marshal and secretary and treasurer, to be appointed every~~  
33 ~~two years by the commissioners.~~ biennially."

34       **SECTION 9.(b)** Section 4 of the Charter of the Town of Richfield, being Chapter  
35 204 of the Private Laws of 1915, as amended by Chapter 1066 of the 1953 Session Laws, and  
36 Chapter 527 of the 1961 Session Laws, reads as rewritten:

37       "Section 4. ~~That there shall be a convention held in said town for the purpose of electing a~~  
38 ~~mayor and five commissioners. The said convention shall be called on the first Tuesday after~~  
39 ~~the first Monday in May, 1915, and every two years thereafter. The mayor and five~~  
40 ~~commissioners shall be elected to two-year terms by the qualified voters of the entire Town,~~  
41 except as otherwise provided in this section. In 2015, the Mayor shall be elected to serve a term  
42 of three years. In 2018, and biennially thereafter, the mayor shall be elected to a two-year term.  
43 In 2015, five commissioners shall be elected for three-year terms. In 2018, and biennially  
44 thereafter, the five commissioners shall be elected to two-year terms. Notice of said ~~convention~~  
45 election shall be posted at four public places within said town at least thirty days prior to the  
46 holding of the convention and all citizens residing within the corporate limits of said town who  
47 are qualified voters in Stanly County and who have resided in said town for a period of ninety  
48 (90) days before said convention shall be allowed to vote."

49       **SECTION 9.(c)** Section 15 of the Charter of the Town of Richfield, being Chapter  
50 204 of the Private Laws of 1915, as amended by Chapter 1066 of the 1953 Session Laws, reads  
51 as rewritten:

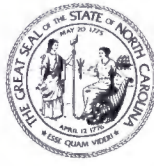
1 "Section 15. That the officers elected in said town at any ~~convention~~ election shall hold  
2 office for the term of two years and until their successors are elected and qualified, and that  
3 during the absence of any officer of the town or the sickness of any officer or officers, the  
4 commissioners may appoint a man to fill the vacancy during his or their absence, or during his  
5 or their inability to fill the same, and no longer. If the absence be caused by resignation, the  
6 board of commissioners shall appoint an officer to fill said vacancy or unexpired term."

7 **SECTION 10.** Section 3 of the Charter of the Town of Stanfield, being Chapter  
8 1210 of the Session Laws of 1955, as amended by Chapter 485 of the 1957 Session Laws, reads  
9 as rewritten:

10 "Sec. 3. MUNICIPAL GOVERNMENT. That the government of the Town of Stanfield  
11 shall be vested in a mayor and a board of five commissioners and such other officers as may be  
12 provided for in the Municipal Incorporation Act of North Carolina. The mayor and board of  
13 commissioners shall be biennially elected by the qualified voters of the town, ~~shall~~ provided  
14 that in 2015, the Mayor shall serve a term of three years, but the Mayor's successors shall serve  
15 terms of two years. In 2015, five commissioners shall be elected for terms of five years, but  
16 their successors shall serve terms of two years. The mayor and board of commissioners shall  
17 take such oaths of office as provided by law, law and shall have such rights, powers, duties and  
18 responsibilities as provided in Article 2 of Chapter 160-160A of the General Statutes of North  
19 Carolina relating to municipal officers."

20 **SECTION 11.** Notwithstanding any other provision of law to the contrary and  
21 except as otherwise provided by federal law, municipal elections held pursuant to this act may  
22 be combined on the same official ballot as other ballot items for elections held at the same time.

23 **SECTION 12.** This act is effective when it becomes law.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 527

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H527-ATH-16 [v.3]

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2015

Representative Burr

1 moves to amend the bill on page 1, line 11, by deleting "2017" and substituting "2015";

2  
3 and on page 2, lines 7-14, by deleting those lines and substituting the following:

4 "In 2015, the four members elected shall serve terms of five years and their successors shall  
5 serve terms of four years. The three members whose terms expire in 2017 shall continue to  
6 serve until 2018, and their successors shall serve terms of four years.";

7  
8 and on page 3, line 18, by rewriting the line to read:

9 "1973-even-numbered year except as provided in this section.";

10  
11 and on page 5, lines 14-17, by rewriting the lines to read:

12 ""Section 3. That the officers of said town shall consist of a mayor and five commissioners,  
13 to be elected ~~for staggered 4 year terms , and a marshal and secretary and treasurer, to be~~  
14 appointed every two years by the commissioners, as provided in Section 4 of this Charter."";

15  
16 and on page 5, lines 23-28, by rewriting those lines to read:

17 "~~the first Monday in May, 1915, and every two years thereafter.~~The Mayor whose term expires  
18 in 2017 shall continue to serve until 2018. In 2018 and quadrennially thereafter, the Mayor  
19 shall be elected for a term of four years. In 2015, the three members elected shall serve terms of  
20 five years and their successors shall serve terms of four years. The two members whose terms  
21 expire in 2017 shall continue to serve until 2018 and their successors shall serve terms of four  
22 years. Notice of."

SIGNED

  
Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

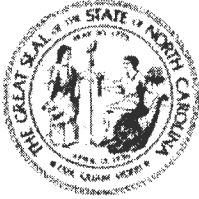
FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



\* H 5 2 7 - A T H - 1 6 - V - 3 \*





# HOUSE BILL 613: Clarify Political Sign Ordinance Authority

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Elections	<b>Date:</b>	April 23, 2015
<b>Introduced by:</b>	Reps. Brawley, Floyd	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 613 would authorize a municipality to enforce State law concerning the placement of political signs in the right-of-way of those portions of the State Highway System that are located within the municipality, and would allow a municipality to remove political signs that are in violation of G.S. 136-32.*

**CURRENT LAW:** G.S. 136-32(f) allows a city, by ordinance, to prohibit or regulate the placement of political signs on rights-of-way of streets located within the corporate limits of a municipality and maintained by the municipality.

If a city does not have such an ordinance, the provisions of G.S. 136-32 for placement of signs in the right-of-way of the State highway system apply. G.S. 136-32 allows persons to place political signs in the right-of-way of the State highway system during the period beginning on the 30th day before the beginning date of one-stop early voting and ending on the 10th day after the primary or election day. A permittee must obtain permission from the property owner fronting the right-of-way where a sign would be erected. Signs must be placed according to the following requirements:

- No sign can be in the right-of-way of a fully controlled access highway.
- No sign can be closer than 3 feet from the edge of the pavement of the road.
- No sign can obstruct motorist visibility at an intersection.
- No sign can be higher than 42 inches above the edge of the pavement of the road.
- No sign can be larger than 864 square inches.
- No sign can obscure or replace another sign.

It is a Class 3 misdemeanor for a person to steal, deface, vandalize, or unlawfully remove a lawfully placed political sign.

**BILL ANALYSIS:** House Bill 613 would clarify that municipalities are authorized to enforce the provisions of G.S. 136-32 on rights-of-way of streets located within the corporate limits of a municipality and maintained by the municipality, and authorizes municipalities to enforce the provisions of G.S. 136-32 on the rights-of-way of the portions of the State Highway System located within the municipality. The bill also would allow municipalities to remove any signs that do not comply with the law.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

\* H 6 1 3 - S M T H - 4 9 E 1 - V 2 \*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 613

Short Title: Clarify Political Sign Ordinance Authority. (Public)

Sponsors: Representative Brawley (Primary Sponsor).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Elections.

April 13, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT A MUNICIPALITY IS AUTHORIZED TO ENFORCE  
3 STATE LAW CONCERNING PLACEMENT OF POLITICAL SIGNS ON THE STATE  
4 HIGHWAY SYSTEM WITHIN THE CORPORATE LIMITS OF THE MUNICIPALITY.

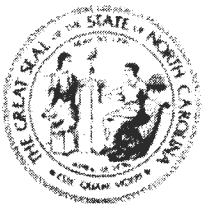
5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 136-32(f) reads as rewritten:

7 "(f) Application Within Municipalities. – Pursuant to Article 8 of Chapter 160A of the  
8 General Statutes, a city may by ordinance prohibit or regulate the placement of political signs  
9 on rights-of-way of streets located within the corporate limits of a municipality and maintained  
10 by the municipality. In the absence of an ordinance prohibiting or regulating the placement of  
11 political signs on the rights-of-way of streets located within a municipality and maintained by  
12 the municipality, the provisions of subsections (b) through (e) of this section shall apply. A  
13 municipality is authorized to enforce the provisions of subsections (b) through (e) of this  
14 section on rights-of-way of streets located within the corporate limits of a municipality and  
15 maintained by the municipality and on the rights-of-way of those portions of the State Highway  
16 System that are located within the municipality. A municipality is authorized to remove any  
17 signs that violate the provisions of subsections (b) through (e) of this section."

18 **SECTION 2.** This act is effective when it becomes law.





## HOUSE BILL 739: Repeal Business License Fees

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 22, 2015
<b>Introduced by:</b>	Rep. Brawley	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 739 repeals the authority of a municipality to charge a fee for regulation and licensing of occupations, businesses, trades, professions, and forms of amusement or entertainment under G.S. 160A-194.*

**CURRENT LAW:** Current G.S. 160A-194 grants municipalities the authority to "regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience." This law also grants the authority to examine license applicants and charge a regulatory fee, which must be reasonable and not exceed the costs of the regulatory activity.<sup>1</sup>

**BILL ANALYSIS:** House Bill 739 repeals the authority of a municipality to charge a fee for regulation and licensing of occupations, businesses, trades, professions, and forms of amusement or entertainment under G.S. 160A-194.

**EFFECTIVE DATE:** This act is effective when it becomes law.

<sup>1</sup> Homebuilders Ass'n of Charlotte v. City of Charlotte, 336 N.C. 37 (1994)

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

\* H 7 3 9 - S M R W - 5 6 E 1 - V 3 \*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 739

Short Title: Repeal Business License Fees. (Public)

Sponsors: Representative Brawley (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO ELIMINATE THE CHARGING OF FEES FOR REGULATING AND  
LICENSING.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-194 reads as rewritten:

**"§ 160A-194. Regulating and licensing businesses, trades, etc.**

(a) A city may by ordinance, subject to the general law of the State, regulate and license occupations, businesses, trades, professions, and forms of amusement or entertainment and prohibit those that may be inimical to the public health, welfare, safety, order, or convenience. In licensing trades, occupations, and professions, the city may, consistent with the general law of the State, require applicants for licenses to be ~~examined and charge a reasonable fee therefor.~~ examined.

(b) Nothing in this section shall authorize a city to examine or license a person holding a license issued by an occupational licensing board of this State as to the profession or trade that he has been licensed to practice or pursue by the State.

(c) Nothing in this section shall authorize a city to regulate and license digital dispatching services for prearranged transportation services for hire."

**SECTION 2.** This act is effective when it becomes law.



\* H 7 3 9 - V - 1 \*



# HOUSE BILL 761: Charter School Capital Funds

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Education - K-12	<b>Date:</b>	April 22, 2015
<b>Introduced by:</b>	Reps. Yarborough, Stam	<b>Prepared by:</b>	R. Erika Churchill
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 761 would authorize counties to use the taxing authority of the county to provide capital funds for charter schools.*

**CURRENT LAW:** Part 6A of Article 16 of Chapter 115C establishes charter schools and provides that the State Board of Education (SBE) is the entity that oversees charter schools in the State by granting, monitoring, and revoking charters. Currently, any person, group of persons, or nonprofit corporation may apply for a charter to establish a charter school or to convert an existing public school to a charter school. Application is made to the State Board of Education, who makes final decisions as to approval or denial by August 15th of each year. The initial charter may be granted for a period of up to 10 years, with renewals for subsequent periods of 10 years each.

G.S. 115C-218.105 provides for allocation of State and local funds for charter schools. State funds are allocated to charter schools in an amount equal to the average per pupil allocation for average daily membership from the local school administrative unit in which the charter school is located for each child attending the charter schools. Additional amounts are provided by the State for children with disabilities and children with limited English proficiency. Local school administrative units transfer to the charter school an amount equal to the per pupil share of the local current expense fund for a student who resides in the unit but attends the charter school.

Charter schools are prohibited from receiving State monies for obtaining any interest in real property or mobile classroom units other than leases. Charter schools often operate on property owned by a separate entity because the charter school is not authorized to enter into a mortgage to buy land. For example, a charter school may lease a building that is owned by an affiliated nonprofit entity. The affiliated entity would have the authority to buy land and mortgage the land to finance the purchase.

**BILL ANALYSIS:** The bill would authorize counties to levy property taxes for the purpose of providing capital funds for charter schools. The county could, but would not be required to, appropriate funds to a charter school, or non-profit organization supporting a charter school, for any of the following uses:

- The acquisition of real property for school purposes, including school sites, playgrounds, and athletic fields.
- The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, and gymnasiums.
- The acquisition or replacement of furniture and furnishings, instructional apparatus, and similar items of furnishings and equipment.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

\* H 7 6 1 - S M S T - 5 8 E 1 - V 3 \*

# House Bill 761

*Page 2*

If the charter school uses the funds from the county to acquire or improve property, a promissory note to the county for the amount of the money used, secured by a deed of trust on the land, must be executed. The county may opt to subordinate their lien in order to facilitate the acquisition or improvement. The county must cancel the deed of trust if the charter school repays the money.

If the charter school dissolves, any capital funds provided by the county, and all net assets purchased or improved with the capital funds, are the deemed the property of the county. If multiple counties allocated capital funds, the property is divided proportionately. It is unclear if the county would be responsible for any other debt attached to the property, as the county would be deemed the owner.

**EFFECTIVE DATE:** Effective when it becomes law, and applies beginning with the 2015-16 fiscal year.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 761

Short Title: Charter School Capital Funds.

(Public)

Sponsors: Representatives Yarborough and Stam (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Education - K-12.

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE A COUNTY TO PROVIDE CAPITAL FUNDS TO A CHARTER  
SCHOOL SUBJECT TO RETURN OF THOSE FUNDS UPON DISSOLUTION OF THE  
SCHOOL.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115C-218.100(b) reads as rewritten:

"(b) Distribution of Assets. – Upon dissolution of a charter school, all net assets of the charter school purchased with public funds shall be deemed the property of the local school administrative unit in which the charter school is ~~located~~ located, except that capital funds provided to a charter school by one or more counties pursuant to G.S. 115C-218.105(b1) and all net assets purchased or improved with the capital funds, up to the total amount of the funds provided, shall be deemed the property of the county or counties providing the funding and, if applicable, divided between the counties in proportion to the funds provided."

**SECTION 2.** G.S. 115C-218.105 reads as rewritten:

**"§ 115C-218.105. State and local funds for a charter school.**

...

(b1) Counties may provide funds to charter schools or nonprofit organizations supporting charter schools by direct appropriation as set forth in G.S. 153A-457. These funds shall be used only for the following purposes:

- (1) The acquisition of real property for school purposes, including, but not limited to, school sites, playgrounds, and athletic fields.
- (2) The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including, but not limited to, buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, and gymnasiums.
- (3) The acquisition or replacement of furniture and furnishings, instructional apparatus, and similar items of furnishings and equipment.

(b2) If a charter school uses funds provided in subsection (b1) of this section to acquire or improve property, the amount provided by the county must be evidenced by a promissory note and secured by a deed of trust on the property acquired or improved by the funds. The county may subordinate the deed of trust to other liens to facilitate the acquisition or improvement of the property secured by the deed of trust. In the event that a charter school repays the county in the amount of the capital funds provided, the county shall, for the property acquired or improved by the funds, execute and file a deed of release or other documentation of



1 satisfaction showing the charter school repaid the county in the amount of the capital funds  
2 provided.

3 ...."

4 **SECTION 3.** G.S. 153A-149(c) reads as rewritten:

5 "(c) Each county may levy property taxes for one or more of the purposes listed in this  
6 subsection up to a combined rate of one dollar and fifty cents (\$1.50) on the one hundred  
7 dollars (\$100.00) appraised value of property subject to taxation. Authorized purposes subject  
8 to the rate limitation are:

9 ...

10 (8a) Charter Schools. – To provide capital funds for charter schools as authorized  
11 by G.S. 153A-457.

12 ...."

13 **SECTION 4.** Chapter 153A of the General Statutes is amended by a new section to  
14 read:

15 "**§ 153A-457. Charter schools.**

16 Each county is authorized to appropriate funds and lease real property to schools chartered  
17 under Article 14A of Chapter 115C of the General Statutes. Counties may provide funds only  
18 for the purposes set forth in G.S. 115C-218.105(b1)."

19 **SECTION 5.** This act is effective when it becomes law and applies beginning with  
20 the 2015-2016 fiscal year.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 761

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H761-AST-47 [v.1]

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2015

Representative \_\_\_\_\_

- 1 moves to amend the bill on page 1, lines 12-13 by rewriting those lines to read:  
2  
3 "provided, must be repaid to the county or counties holding a lien in accordance with  
4 G.S. 115C-218.105 if the county or counties so request.".

SIGNED George B. Orendar  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



\* H 7 6 1 - A S T - 4 7 - V - 1 \*





# HOUSE BILL 799: Zoning/Changes to Hist. Preserv. Procedures

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Judiciary II	<b>Date:</b>	April 22, 2015
<b>Introduced by:</b>	Reps. Brody, Ager	<b>Prepared by:</b>	R. Erika Churchill Committee Counsel
<b>Analysis of:</b>	PCS to First Edition H799-CSST-31		

**SUMMARY:** *The proposed committee substitute would establish an arbitration process for appeals of local historic preservation commissions, establish a renovation report to be prepared at the request of property owners or potential buyers, and make other changes to the procedures of local historic preservation commissions.*

**CURRENT LAW:** Part 3C of Article 19 of Chapter 160A authorizes counties and cities to safeguard the heritage of the city or county by preserving any district or landmark therein that embodies important elements of its culture, history, architectural history, or prehistory and to promote the use and conservation of such district or landmark for the education, pleasure and enrichment of the residents of the city or county and the State as a whole. G.S. 160A-400.1. Historic commissions may be established for those purposes.

**Establishment.** – A historic commission established by a county or city must have at least three members, with terms of no more than four years. Members must reside within the zoning jurisdiction of the local government, which includes the extraterritorial jurisdiction for cities. A majority of members must have "demonstrated special interest, experience, or education in history, architecture, archaeology, or related fields." When needed, the commission may appoint advisory bodies and committees.

Alternatively, the governing board may choose a different structure for the commission. A local government may establish separate preservation commissions for districts and landmarks, may designate the planning commission or community appearance commission as the preservation commission, or may establish a joint commission with a city (or cities) and county. When the planning commission or community appearance commission serves as the preservation commission, it must still include at least three members with the demonstrated experience in related fields.

The governing board may authorize a historic commission to carry out any of the following activities within the local government's zoning jurisdiction:

- Inventory historic and significant properties.
- Recommend historic designations (and revocations) for districts and landmarks.
- Negotiate for, acquire and sell property to promote preservation.
- Restore and operate historic properties.
- Conduct educational programs.
- Cooperate and contract with State, federal, and local governments.
- Recommend preservation elements of the local comprehensive plan.
- Review and act on certificates of appropriateness.

**Certificates of Appropriateness.**— After a historic district or landmark is established, a landowner may not alter the exterior portions of historic properties without obtaining a certificate of appropriateness (COA) from the preservation commission. COA's are required for any erection,

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 799

Page 2

alteration, restoration, move, or demolition of an exterior feature of a structure; but do not regulate use. Structures include buildings, masonry walls, fences, light fixtures, steps and pavement, and other appurtenant features. Above ground utilities and outdoor advertising signs require a COA as well. Exterior features are defined to include, among other things, architectural style, size and scale of buildings, and types and styles of doors and windows. The local governing board, in its discretion, may define exterior features also to include historic signs, color, and significant landscape, archaeological, and natural features of the area.

Generally, COA's are not required for any of the following:

- Changes to the interior features of a building
- Ordinary maintenance or repair that does not change the material or appearance
- Changes required for public safety and certified by the building inspector.

Before a preservation commission may issue or deny any COA, the commission must adopt both (i) principles and guidelines for construction and alterations and (ii) rules of procedure. A preservation commission may not deny a certificate except to prevent a project "which would be incongruous with the special character of the landmark or district." G.S. 160A-400.9(a).

The commission must act upon applications for COA's within a reasonable time, not more than 180 days from the date of the application. A COA for relocation or demolition of a historic property may be delayed up to 365 days—depending on the circumstances—for the commission to negotiate for preservation of the building or site.

## **BILL ANALYSIS:**

**Section 1.** Would delete the authority for a county or city to opt for a community appearance board to function as the historic commission.

**Section 2.** Would specify that the historic preservation commission's authority to enter private lands with the consent of the owner or occupant, while solely in the performance of official duties and only at reasonable times, is limited to the preparation of renovation reports or other reports to aid in the review of a COA, examination or survey.

**Section 3.** Would do all of the following:

- Specify that the historic preservation commission failed to act upon a completed application for a COA within 180 days, the COA must be issued.
- Prohibit a member of the Board of Adjustment from voting on an appealed matter from the historic preservation commission, if that Board of Adjustment member also sits on the historic preservation commission.
- Establishes an option for binding arbitration in lieu of appealing to the Superior Court.

**Section 4.** Would create a new responsibility for the historic preservation commission, requiring the commission to prepare a renovation report upon the request of any owner or potential buyer of a property located in a historic district or a property designated as a landmark. The renovation report would identify all of the exterior features of the structure, reference the applicable principles and guidelines of the commission, and provide a list of appropriate materials for alteration or restoration of those exterior features. The renovation report would be valid for one year, transferrable, and must be considered by the commission during a review for a COA.

**EFFECTIVE DATE:** October 1, 2015, and applies to applications for certificates of appropriateness submitted on or after that date.

# House Bill 799

*Page 3*

Adam Lovelady with the UNC School of Government substantially contributed to this summary.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 799  
PROPOSED COMMITTEE SUBSTITUTE H799-CSST-31 [v.1]

4/22/2015 5:46:27 PM

Short Title: Zoning/Changes to Hist. Preserv. Procedures.

(Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO CREATE AN ARBITRATION PROCESS TO APPEAL DECISIONS OF THE  
BOARD OF ADJUSTMENT ON APPEALS FROM THE HISTORIC PRESERVATION  
COMMISSION, AND TO CREATE A PROCESS FOR THE COMMISSION TO ISSUE  
INFORMATIONAL REPORTS TO POTENTIAL PURCHASERS OF HISTORIC  
PROPERTIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-400.7 reads as rewritten:

**"§ 160A-400.7. Historic Preservation Commission.**

Before it may designate one or more landmarks or historic districts, a municipality shall establish or designate a historic preservation commission. The municipal governing board shall determine the number of the members of the commission, which shall be at least three, and the length of their terms, which shall be no greater than four years. A majority of the members of such a commission shall have demonstrated special interest, experience, or education in history, architecture, archaeology, or related fields. All the members shall reside within the territorial jurisdiction of the municipality as established pursuant to G.S. 160A-360. The commission may appoint advisory bodies and committees as appropriate.

In lieu of establishing a historic preservation commission, a municipality may designate as its historic preservation commission, (i) a separate historic districts commission or a separate historic landmarks commission established pursuant to this Part to deal only with historic districts or landmarks ~~respectively~~ respectively or (ii) a planning board established pursuant to this Article, ~~or (iii) a community appearance commission established pursuant to Part 7 of this Article.~~ Article. In order for a commission or board other than the preservation commission to be designated, at least three of its members shall have demonstrated special interest, experience, or education in history, architecture, or related fields. At the discretion of the municipality the ordinance may also provide that the preservation commission may exercise within a historic district any or all of the powers of a planning board or a community appearance commission.

A county and one or more cities in the county may establish or designate a joint preservation commission. If a joint commission is established or designated, the county and cities involved shall determine the residence requirements of members of the joint preservation commission."

**SECTION 2.** G.S. 160A-400.8 reads as rewritten:

**"§ 160A-400.8. Powers of the Historic Preservation Commission.**

A preservation commission established pursuant to this Part may, within the zoning jurisdiction of the municipality:



\* H 7 9 9 - C S S T - 3 1 - V - 1 \*

- (1) Undertake an inventory of properties of historical, prehistorical, architectural, and/or cultural significance;
- (2) Recommend to the municipal governing board areas to be designated by ordinance as "Historic Districts"; and individual structures, buildings, sites, areas, or objects to be designated by ordinance as "Landmarks";
- (3) Acquire by any lawful means the fee or any lesser included interest, including options to purchase, to properties within established districts or to any such properties designated as landmarks, to hold, manage, preserve, restore and improve the same, and to exchange or dispose of the property by public or private sale, lease or otherwise, subject to covenants or other legally binding restrictions which will secure appropriate rights of public access and promote the preservation of the property;
- (4) Restore, preserve and operate historic properties;
- (5) Recommend to the governing board that designation of any area as a historic district or part thereof, or designation of any building, structure, site, area, or object as a landmark, be revoked or removed for cause;
- (6) Conduct an educational program with respect to historic properties and districts within its jurisdiction;
- (7) Cooperate with the State, federal, and local governments in pursuance of the purposes of this Part. The governing board or the commission when authorized by the governing board may contract with the State, or the United States of America, or any agency of either, or with any other organization provided the terms are not inconsistent with State or federal law;
- (8) Enter, solely in performance of its official duties and only at reasonable times, upon private lands for ~~examination-preparation of a renovation report~~ or other report to aid in review of a certificate of appropriateness application, examination, or survey thereof. However, no member, employee or agent of the commission may enter any private building or structure without the express consent of the owner or occupant thereof;
- (9) Prepare and recommend the official adoption of a preservation element as part of the municipality's comprehensive plan;
- (10) Review and act upon proposals for alterations, demolitions, or new construction within historic districts, or for the alteration or demolition of designated landmarks, pursuant to this Part; and
- (11) Negotiate at any time with the owner of a building, structure, site, area, or object for its acquisition or its preservation, when such action is reasonably necessary or appropriate."

**SECTION 3.** G.S. 160A-400.9 reads as rewritten:

**"§ 160A-400.9. Certificate of appropriateness required.**

...

(d) All applications for certificates of appropriateness shall be reviewed and acted upon within a reasonable time, not to exceed 180 days from the date the completed application for a certificate of appropriateness is filed, as defined by the ordinance or the commission's rules of procedure. If a completed application is not acted upon within the 180-day period, the commission shall issue the certificate of appropriateness. As part of its review procedure, the commission may view the premises and seek the advice of the Division of Archives and History or such other expert advice as it may deem necessary under the circumstances.

(e) An appeal may be taken to the Board of Adjustment from the commission's action in granting or denying any certificate, which appeals (i) may be taken by any aggrieved party, (ii) shall be taken within times prescribed by the preservation commission by general rule, and (iii) shall be in the nature of certiorari. A member of the Board of Adjustment shall not vote on a

1 matter under appeal pursuant to this subsection if that member is also a member of the  
2 commission or its equivalent. Any appeal from the Board of Adjustment's decision in any such  
3 case shall be heard by the superior court of the county in which the municipality is located.

4 (e1) Notwithstanding subsection (e) of this section, in lieu of an appeal to superior court,  
5 the party appealing the decision of the Board of Adjustment may submit the dispute to binding  
6 arbitration. The appealing party shall provide written notice to the Board of Adjustment within  
7 30 days of the decision. Unless a different method of arbitration is agreed upon by the parties, a  
8 single arbitrator shall be chosen by the parties, and the appealing party may choose to  
9 consolidate all disputed issues into a single claim. The cost of the arbitration proceeding shall  
10 be borne equally by the parties. The American Arbitration Association rules shall apply to the  
11 arbitration unless the parties agree otherwise. The arbitrator shall consider, at a minimum, the  
12 entire record of proceedings with the commission and the Board of Adjustment, the degree to  
13 which the decision deviates from the rules of procedure and principles and guidelines of the  
14 commission pursuant to G.S. 160A-400.6, and the good faith of the parties. In any subsequent  
15 action to enforce the arbitrator's decision, the prevailing party shall be entitled to reasonable  
16 attorneys' fees and court costs.

17 (f) All of the provisions of this Part are hereby made applicable to construction,  
18 alteration, moving and demolition by the State of North Carolina, its political subdivisions,  
19 agencies and instrumentalities, provided however they shall not apply to interiors of buildings  
20 or structures owned by the State of North Carolina. The State and its agencies shall have a right  
21 of appeal to the North Carolina Historical Commission or any successor agency assuming its  
22 responsibilities under G.S. 121-12(a) from any decision of a local preservation commission.  
23 The commission shall render its decision within 30 days from the date that the notice of appeal  
24 by the State is received by it. The current edition of the Secretary of the Interior's Standards for  
25 Rehabilitation and Guidelines for Rehabilitating Historic Buildings shall be the sole principles  
26 and guidelines used in reviewing applications of the State for certificates of appropriateness.  
27 The decision of the commission shall be final and binding upon both the State and the  
28 preservation commission."

29 **SECTION 4.** Part 3C of Article 19 of Chapter 160A of the General Statutes is  
30 amended by adding a new section to read:

31 **"§ 160A-400.16. Renovation report by Historic Preservation Commission.**

32 (a) For the purposes of this section, the term "renovation report" is defined as an  
33 informational report issued by a historic preservation commission or its designee that includes,  
34 at a minimum, all of the following:

- 35 (1) An identification and listing of all exterior features as defined in  
36 G.S. 160A-400.9 for particular buildings or structures (i) located on a  
37 particular parcel situated within a historic district or (ii) designated as a  
38 historic landmark.
- 39 (2) A reference to all applicable sections of locally adopted principles and  
40 guidelines not inconsistent with this Part and relevant to alteration or  
41 restoration of the exterior features identified and listed pursuant to  
42 subdivision (1) of this subsection.
- 43 (3) A listing of materials or substitute materials appropriate for use in alteration  
44 or restoration of the exterior features identified and listed pursuant to  
45 subdivision (1) of this subsection.

46 A renovation report shall not include stand-alone new construction, demolition, or the  
47 moving of a structure on the subject parcel.

48 (b) An owner, or a potential purchaser with the owner's consent, may request a  
49 renovation report from the commission. In preparing the report, the commission shall examine  
50 the parcel or structure in collaboration with the requesting party and shall prepare and issue the  
51 report within 60 days of request. The commission may contract with a third party to prepare the

1 report and may establish and charge a reasonable fee to the party requesting the report, not to  
2 exceed the actual cost of preparing the renovation report.

3 (c) A renovation report issued by the commission pursuant to this section shall be valid  
4 for a period of one year after issuance and is fully transferrable. A completed renovation report  
5 shall be considered by the commission and its administrative staff during review for a  
6 certificate of appropriateness, including for minor works, issued pursuant to this Part for the  
7 parcel or structure for which the renovation report was prepared."

8 **SECTION 5.** This act becomes effective October 1, 2015, and applies to  
9 applications for certificates of appropriateness submitted on or safter that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 799

Short Title: Zoning/Changes to Hist. Preserv. Procedures. (Public)

Sponsors: Representatives Brody and Ager (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Judiciary II.

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO CREATE AN ARBITRATION PROCESS TO APPEAL DECISIONS OF THE  
BOARD OF ADJUSTMENT ON APPEALS FROM THE HISTORIC PRESERVATION  
COMMISSION, TO SHORTEN THE TIME PERIOD FOR DECISIONS OF THE  
HISTORIC PRESERVATION COMMISSION UPON SUBMISSION OF AN  
APPLICATION FOR A CERTIFICATE OF APPROPRIATENESS, AND TO CREATE A  
PROCESS FOR THE COMMISSION TO ISSUE INFORMATIONAL REPORTS TO  
POTENTIAL PURCHASERS OF HISTORIC PROPERTIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-400.7 reads as rewritten:

**"§ 160A-400.7. Historic Preservation Commission.**

Before it may designate one or more landmarks or historic districts, a municipality shall establish or designate a historic preservation commission. The municipal governing board shall determine the number of the members of the commission, which shall be at least three, and the length of their terms, which shall be no greater than four years. A majority of the members of such a commission shall have demonstrated special interest, experience, or education in history, architecture, archaeology, or related fields. All the members shall reside within the territorial jurisdiction of the municipality as established pursuant to G.S. 160A-360. The commission may appoint advisory bodies and committees as appropriate.

In lieu of establishing a historic preservation commission, a municipality may designate as its historic preservation commission, (i) a separate historic districts commission or a separate historic landmarks commission established pursuant to this Part to deal only with historic districts or landmarks ~~respectively~~ respectively or (ii) a planning board established pursuant to this ~~Article~~, or (iii) ~~a community appearance commission established pursuant to Part 7 of this Article.~~ Article. In order for a commission or board other than the preservation commission to be designated, at least three of its members shall have demonstrated special interest, experience, or education in history, architecture, or related fields. At the discretion of the municipality the ordinance may also provide that the preservation commission may exercise within a historic district any or all of the powers of a planning board or a community appearance commission.

A county and one or more cities in the county may establish or designate a joint preservation commission. If a joint commission is established or designated, the county and cities involved shall determine the residence requirements of members of the joint preservation commission."

**SECTION 2.** G.S. 160A-400.8 reads as rewritten:



**"§ 160A-400.8. Powers of the Historic Preservation Commission.**

A preservation commission established pursuant to this Part may, within the zoning jurisdiction of the municipality:

- (1) Undertake an inventory of properties of historical, prehistorical, architectural, and/or cultural significance;
- (2) Recommend to the municipal governing board areas to be designated by ordinance as "Historic Districts"; and individual structures, buildings, sites, areas, or objects to be designated by ordinance as "Landmarks";
- (3) Acquire by any lawful means the fee or any lesser included interest, including options to purchase, to properties within established districts or to any such properties designated as landmarks, to hold, manage, preserve, restore and improve the same, and to exchange or dispose of the property by public or private sale, lease or otherwise, subject to covenants or other legally binding restrictions which will secure appropriate rights of public access and promote the preservation of the property;
- (4) Restore, preserve and operate historic properties;
- (5) Recommend to the governing board that designation of any area as a historic district or part thereof, or designation of any building, structure, site, area, or object as a landmark, be revoked or removed for cause;
- (6) Conduct an educational program with respect to historic properties and districts within its jurisdiction;
- (7) Cooperate with the State, federal, and local governments in pursuance of the purposes of this Part. The governing board or the commission when authorized by the governing board may contract with the State, or the United States of America, or any agency of either, or with any other organization provided the terms are not inconsistent with State or federal law;
- (8) Enter, with the consent of the owner, solely in performance of its official duties and only at reasonable times, upon private lands for ~~examination~~ preparation of a renovation report or other report to aid in review of a certificate of appropriateness application, examination, or survey thereof. However, no member, employee or agent of the commission may enter any private building or structure without the express consent of the owner or occupant thereof;
- (9) Prepare and recommend the official adoption of a preservation element as part of the municipality's comprehensive plan;
- (10) Review and act upon proposals for alterations, demolitions, or new construction within historic districts, or for the alteration or demolition of designated landmarks, pursuant to this Part; and
- (11) Negotiate at any time with the owner of a building, structure, site, area, or object for its acquisition or its preservation, when such action is reasonably necessary or appropriate."

**SECTION 3.** G.S. 160A-400.9 reads as rewritten:

**"§ 160A-400.9. Certificate of appropriateness required.**

...

(d) All applications for certificates of appropriateness shall be reviewed and acted upon within a reasonable time, not to exceed ~~180~~ 120 days from the date the application for a certificate of appropriateness is filed, as defined by the ordinance or the commission's rules of procedure. If an application is not acted upon within the 120-day period, the commission shall issue the certificate of appropriateness. As part of its review procedure, the commission may view the premises and seek the advice of the Division of Archives and History or such other expert advice as it may deem necessary under the circumstances.

(e) An appeal may be taken to the Board of Adjustment from the commission's action in granting or denying any certificate, which appeals (i) may be taken by any aggrieved party, (ii) shall be taken within times prescribed by the preservation commission by general rule, and (iii) shall be in the nature of certiorari. A member of the Board of Adjustment shall not vote on a matter under appeal pursuant to this subsection if that member is also a member of the commission or its equivalent. Any appeal from the Board of Adjustment's decision in any such case shall be heard by the superior court of the county in which the municipality is located.

(e1) Notwithstanding subsection (e) of this section, in lieu of an appeal to superior court, the party appealing the decision of the Board of Adjustment may submit the dispute to binding arbitration. The appealing party shall provide written notice to the Board of Adjustment within 30 days of the decision. Unless a different method of arbitration is agreed upon by the parties, a single arbitrator shall be chosen by the parties, and the appealing party may choose to consolidate all disputed issues into a single claim. The cost of the arbitration proceeding shall be borne equally by the parties. The American Arbitration Association rules shall apply to the arbitration unless the parties agree otherwise. The arbitrator shall consider, at a minimum, the entire record of proceedings with the commission and the Board of Adjustment, the degree to which the decision deviates from the rules of procedure and principles and guidelines of the commission pursuant to G.S. 160A-400.6, and the good faith of the parties. In any subsequent action to enforce the arbitrator's decision, the prevailing party shall be entitled to reasonable attorneys' fees and court costs.

(f) All of the provisions of this Part are hereby made applicable to construction, alteration, moving and demolition by the State of North Carolina, its political subdivisions, agencies and instrumentalities, provided however they shall not apply to interiors of buildings or structures owned by the State of North Carolina. The State and its agencies shall have a right of appeal to the North Carolina Historical Commission or any successor agency assuming its responsibilities under G.S. 121-12(a) from any decision of a local preservation commission. The commission shall render its decision within 30 days from the date that the notice of appeal by the State is received by it. The current edition of the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings shall be the sole principles and guidelines used in reviewing applications of the State for certificates of appropriateness. The decision of the commission shall be final and binding upon both the State and the preservation commission."

**SECTION 4.** G.S. 160A-400.14 reads as rewritten:

**"§ 160A-400.14. Delay in demolition of landmarks and buildings within historic district.**

(a) An application for a certificate of appropriateness authorizing the relocation, demolition or destruction of a designated landmark or a building, structure or site within the district may not be denied except as provided in subsection (c). However, the effective date of such a certificate may be delayed for a period of up to ~~365~~270 days from the date of approval. The maximum period of delay authorized by this section shall be reduced by the commission where it finds that the owner would suffer extreme hardship or be permanently deprived of all beneficial use of or return from such property by virtue of the delay. During such period the preservation commission shall negotiate with the owner and with any other parties in an effort to find a means of preserving the building or site. If the preservation commission finds that a building or site within a district has no special significance or value toward maintaining the character of the district, it shall waive all or part of such period and authorize earlier demolition, or removal.

If the commission or planning board has voted to recommend designation of a property as a landmark or designation of an area as a district, and final designation has not been made by the local governing board, the demolition or destruction of any building, site, or structure located on the property of the proposed landmark or in the proposed district may be delayed by the

1 commission or planning board for a period of up to ~~180~~ 60 days or until the local governing  
2 board takes final action on the designation, whichever occurs first.

3 (b) The governing board of any municipality may enact an ordinance to prevent the  
4 demolition by neglect of any designated landmark or any building or structure within an  
5 established historic district. Such ordinance shall provide appropriate safeguards to protect  
6 property owners from undue economic hardship.

7 (c) An application for a certificate of appropriateness authorizing the demolition or  
8 destruction of a building, site, or structure determined by the State Historic Preservation Officer  
9 as having statewide significance as defined in the criteria of the National Register of Historic  
10 Places may be denied except where the commission finds that the owner would suffer extreme  
11 hardship or be permanently deprived of all beneficial use or return by virtue of the denial.

12 ...."

13 **SECTION 5.** Part 3C of Article 19 of Chapter 160A of the General Statutes is  
14 amended by adding a new section to read:

15 **"§ 160A-400.16. Renovation report by Historic Preservation Commission.**

16 (a) For the purposes of this section, the term "renovation report" is defined as an  
17 informational report issued by a historic preservation commission or its designee that includes,  
18 at a minimum, all of the following:

19 (1) An identification and listing of all exterior features as defined in  
20 G.S. 160A-400.9 for particular buildings or structures (i) located on a  
21 particular parcel situated within a historic district or (ii) designated as a  
22 historic landmark.

23 (2) A reference to all applicable sections of locally adopted principles and  
24 guidelines not inconsistent with this Part and relevant to alteration or  
25 restoration of the exterior features identified and listed pursuant to  
26 subdivision (1) of this subsection.

27 (3) A listing of materials or substitute materials appropriate for use in alteration  
28 or restoration of the exterior features identified and listed pursuant to  
29 subdivision (1) of this subsection.

30 A renovation report shall not include stand-alone new construction, demolition or the  
31 moving of a structure on the subject parcel.

32 (b) An owner or a potential purchaser with the owner's consent may request a  
33 renovation report from the commission. In preparing the report, the commission shall examine  
34 the parcel or structure in collaboration with the requesting party and shall prepare and issue the  
35 report within 60 days of request. The commission may contract with a third party to prepare the  
36 report and may establish and charge a reasonable fee to the party requesting the report, not to  
37 exceed the actual cost of preparing the renovation report.

38 (c) A renovation report issued by the commission pursuant to this section shall be valid  
39 for a period of one year after issuance and is fully transferrable. A completed renovation report  
40 shall be considered by the commission and its administrative staff during review for a  
41 certificate of appropriateness, including for minor works, issued pursuant to this Part for the  
42 parcel or structure for which the renovation report was prepared."

43 **SECTION 6.** This act becomes effective October 1, 2015, and applies to  
44 applications for certificates of appropriateness submitted on or after that date.





## HOUSE BILL 875: Restrict Municipal Eminent Domain

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Judiciary II	<b>Date:</b>	April 22, 2015
<b>Introduced by:</b>	Reps. Jordan, McGrady, Hunter	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	PCS to First Edition H875-CSRW-18		

**SUMMARY:** *House Bill 875 requires County Board of Commissioners approval before any other local government can condemn real property located outside the corporate limits of that local government.*

**CURRENT LAW:** Under current law, a municipality or other unit of local government must obtain the approval of the county board of commissioners before it can condemn land *located outside of the county* where the municipality or other local government is wholly or primarily located, and located outside of that municipality or other local government. This law currently applies in 85 counties. G.S. 153A-15.

### BILL ANALYSIS:

In **Section 1**, House Bill adds a **new G.S. 153A-14.5**, to require that a municipality or other unit of local government must obtain the approval of the county board of commissioners before it can condemn land located *in the same county* where the municipality or other local government is wholly or primarily located, and also located outside of that municipality or other local government.

Consent of the county board means a majority vote of all the members of the board on a resolution. In addition, prior inclusion of the real property subject to condemnation in a county board-approved urban growth zone or county board-approved ETJ area shall constitute consent.

In **Section 2**, House Bill 875 **amends current G.S. 153-15** to make it **apply to all counties**, so that any municipality or other unit of local government must obtain the approval of the county board of commissioners before it can condemn land located *outside of the county* where the municipality or other local government is wholly or primarily located, and also located outside of that municipality or other local government.

**EFFECTIVE DATE:** July 1, 2015, and applies to condemnations on or after that date.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

\* H 8 7 5 - S M R W - 5 5 C S R W - 1 8 - V 2 \*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 875  
PROPOSED COMMITTEE SUBSTITUTE H875-CSRW-18 [v.4]

4/22/2015 8:16:02 PM

Short Title: Restrict Municipal Eminent Domain.

(Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE CONSENT OF THE COUNTY BOARD OF COMMISSIONERS WHERE PROPERTY IS LOCATED BEFORE ANY MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL GOVERNMENT ACQUIRES BY CONDEMNATION ANY REAL PROPERTY LOCATED IN THE SAME COUNTY AND OUTSIDE THE MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL GOVERNMENT; AND TO REQUIRE CONSENT OF THE COUNTY BOARD OF COMMISSIONERS WHERE PROPERTY IS LOCATED BEFORE ANY MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL GOVERNMENT ACQUIRES BY CONDEMNATION ANY REAL PROPERTY LOCATED IN ANOTHER COUNTY FROM THE MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL GOVERNMENT AND OUTSIDE THE MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL GOVERNMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 153A of the General Statutes is amended by adding a new section to read:

**"§ 153A-14.5. Consent of board of commissioners necessary before land outside a unit of local government, but within the county where that unit of local government is located, may be condemned by that unit of local government.**

(a) Notwithstanding the provisions of Chapter 40A of the General Statutes or any other general law or local act conferring the power of eminent domain, before final judgment may be entered in any action of condemnation initiated by a city or town, special district, or other unit of local government, whereby the condemnor seeks to acquire property located in the county where the condemnor is located, but outside the corporate limits of the condemnor, the condemnor shall furnish proof that the county board of commissioners of the county where the land is located has consented by resolution, by majority vote of all members of the Board, to the taking.

(b) In addition to the procedure specified in subsection (a) of this section, the following shall indicate proof that the county board of commissioners of the county where the city or town, special district, or other unit of local government is initiating an action of condemnation has consented to the taking, as required by subsection (a) of this section, with no further approval of the county board of county commissioners required:



(1) The real property subject to the condemnation action is located in a designated urban growth area or zone of the condemning entity that was approved by a prior action of the county board of commissioners.

(2) The real property subject to the condemnation is located in an extraterritorial jurisdiction area, as defined in G.S. 160A-360, of the condemning entity that was approved by a prior action of the county board of county commissioners.

(c) This section does not apply as to any condemnation of real property by a city or town, special district, or other unit of local government where the property to be condemned is within the corporate limits of that city or town, special district, or other unit of local government.

SECTION 2. G.S. 153A-15 reads as rewritten:

**"§ 153A-15. Consent of board of commissioners necessary ~~in certain counties~~ before land may be condemned or acquired by a unit of local government outside the county.**

(a) Notwithstanding the provisions of Chapter 40A of the General Statutes or any other general law or local act conferring the power of eminent domain, before final judgment may be entered in any action of condemnation initiated by a county, city or town, special district, or other unit of local government which is located wholly or primarily outside another county, whereby the condemnor seeks to acquire property located in the other county, the condemnor shall furnish proof that the county board of commissioners of the county where the land is located has consented to the taking.

(b) Notwithstanding the provisions of G.S. 153A-158, 160A-240.1, 130A-55, or any other general law or local act conferring the power to acquire real property, before any county, city or town, special district, or other unit of local government which is located wholly or primarily outside another county acquires any real property located in the other county by exchange, purchase or lease, it must have the approval of the county board of commissioners of the county where the land is located.

~~(c) This section applies to Alamance, Alleghany, Anson, Ashe, Bertie, Bladen, Brunswick, Burke, Buncombe, Cabarrus, Caldwell, Camden, Carteret, Caswell, Catawba, Chatham, Cherokee, Clay, Cleveland, Columbus, Craven, Cumberland, Currituck, Davidson, Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Gaston, Graham, Granville, Greene, Guilford, Halifax, Harnett, Haywood, Henderson, Hoke, Iredell, Jackson, Johnston, Jones, Lee, Lenoir, Lincoln, Macon, Madison, Martin, McDowell, Mecklenburg, Montgomery, Nash, New Hanover, Northampton, Onslow, Orange, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Polk, Richmond, Robeson, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Surry, Swain, Transylvania, Union, Vance, Wake, Warren, Watauga, Wayne, Wilkes, and Yancey Counties only.~~

(d) This section does not apply as to any condemnation or acquisition of real property or an interest in real property by a city where the property to be condemned or acquired is within the corporate limits of that city."

SECTION 2. This act becomes effective July 1, 2015, and applies to condemnations on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 875

Short Title: Restrict Municipal Eminent Domain.

(Public)

Sponsors: Representatives Jordan, McGrady, and Hunter (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Judiciary II.

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE CONSENT OF THE COUNTY BOARD OF COMMISSIONERS  
BEFORE ANY CITY, TOWN, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL  
GOVERNMENT ACQUIRES BY CONDEMNATION, EXCHANGE, PURCHASE, OR  
LEASE ANY REAL PROPERTY LOCATED IN THAT COUNTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 153A-15 reads as rewritten:

**"§ 153A-15. Consent of board of commissioners necessary ~~in certain counties before land~~  
may be condemned or acquired by a unit of local government inside or outside  
the county.**

(a) Notwithstanding the provisions of Chapter 40A of the General Statutes or any other  
general law or local act conferring the power of eminent domain, before final judgment may be  
entered in any action of condemnation initiated by a county, city or town, special district, or  
other unit of local government which is located wholly or primarily outside another county,  
whereby the condemnor seeks to acquire property located in the other county, the condemnor  
shall furnish proof that the county board of commissioners of the county where the land is  
located has consented to the taking.

(a1) Notwithstanding any other provision of law, before final judgment may be entered  
in any action of condemnation initiated by a city or town, special district, or other unit of local  
government, whereby the condemnor seeks to acquire property within the county where the  
condemnor is located, the condemnor shall furnish proof that the county board of  
commissioners of the county where the land is located has consented to the taking.

(b) Notwithstanding the provisions of G.S. 153A-158, 160A-240.1, 130A-55, or any  
other general law or local act conferring the power to acquire real property, before any county,  
city or town, special district, or other unit of local government ~~which is located wholly or  
primarily outside another county~~ acquires any real property ~~located in the other county~~ pursuant  
to subsection (a) of this section by exchange, purchase or lease, it must have the approval of the  
county board of commissioners of the county where the land is located.

(b1) Notwithstanding any other provision of law, before any city or town, special district,  
or other unit of local government acquires by exchange, purchase, or lease any real property  
located in the county where the city or town, special district, or other unit of local government  
is located, it must have the approval of the county board of commissioners of the county where  
the land is located.

(c) This section applies to Alamance, Alleghany, Anson, Ashe, Bertie, Bladen,  
Brunswick, Burke, Buncombe, Cabarrus, Caldwell, Camden, Carteret, Caswell, Catawba,

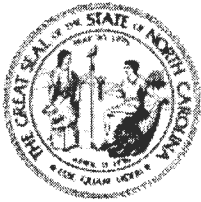


1 Chatham, Cherokee, Clay, Cleveland, Columbus, Craven, Cumberland, Currituck, Davidson,  
2 Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Gaston, Graham, Granville, Greene,  
3 Guilford, Halifax, Harnett, Haywood, Henderson, Hoke, Iredell, Jackson, Johnston, Jones, Lee,  
4 Lenoir, Lincoln, Macon, Madison, Martin, McDowell, Mecklenburg, Montgomery, Nash, New  
5 Hanover, Northampton, Onslow, Orange, Pamlico, Pasquotank, Pender, Perquimans, Person,  
6 Pitt, Polk, Richmond, Robeson, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly,  
7 Stokes, Surry, Swain, Transylvania, Union, Vance, Wake, Warren, Watauga, Wayne, Wilkes,  
8 and Yancey Counties only; all counties in the State.

9 (d) This section does not apply as to any condemnation or acquisition of real property  
10 or an interest in real property by a city where the property to be condemned or acquired is  
11 within the corporate limits of that city."

12 **SECTION 2.** This act becomes effective July 1, 2015, and applies to  
13 condemnations, exchanges, purchases, or leases on or after that date.





## SENATE BILL 5: Union County Local Act

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Tucker  
**Analysis of:** First Edition

**Date:** April 19, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *Senate Bill 5 would allow the Union County Board of Commissioners to determine the amounts to be appropriated to the Union County Board of Education for the 2015-16 fiscal year; and allow the Union County Board of Education to initiate the statutory dispute resolution process if that Board determines it is necessary.*

**CURRENT LAW:** Each local board of education is required to operate under an annual balanced budget resolution. A budget resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. G.S. 115C-425. Generally, local boards of education do not have taxing authority. Instead, local appropriations for current expense and capital are made by the board of county commissioners. The local board of education is required to submit its requested budget to the county commissioners no later than May 15th of each year. The county commissioners are to adopt a budget ordinance, setting the tax rate for the county, on or before July 1st of each year. The budget ordinance adopted by the county commissioners is to address appropriations local current expenses and capital outlays for the local board of education.

G.S. 115C-426 requires local school administrative units to maintain at least the following funds:

- **Local current expense fund.** Include appropriations sufficient for the current operating expense of the public school system in conformity with the educational goals and policies of the State and the local board of education, within the financial resources and consistent with the fiscal policies of the board of county commissioners.
- **Capital outlay fund.** Includes appropriations for:
  - The acquisition of real property for school purposes, including school sites, playgrounds, athletic fields, administrative headquarters, and garages.
  - The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, gymnasiums, administrative offices, storage, and vehicle maintenance.
    - The cost of acquiring or constructing a new building, or reconstructing, enlarging, or renovating an existing building, and includes:
      - Cost of all real property and interests in real property.
      - All plants, works, appurtenances, structures, facilities, furnishings, machinery, and equipment necessary or useful in connection therewith.
      - Financing charges
      - Cost of plans, specifications, studies, reports, and surveys.
      - Legal expenses
      - All other costs necessary or incidental to the construction, reconstruction, enlargement, or renovation.



# Senate Bill 5

Page 2

- The acquisition or replacement of furniture and furnishings, instructional apparatus, data-processing equipment, business machines, and similar items of furnishings and equipment.
- The acquisition of school buses as additions to the fleet.
- The acquisition of activity buses and other motor vehicles.
- Such other objects of expenditure as may be assigned to the capital outlay fund by the uniform budget format.

Within the capital outlay fund, no contract for the purchase of a site may be executed, nor any funds expended, without the approval of the board of county commissioners as to the amount to be spent for the site. If there is a disagreement between a board of education and a board of county commissioners as to the amount to be spent for the site, the procedure provided in G.S. 115C-431 (see below) is to be used to settle the disagreement, as far as it is applicable.

If there is a dispute over the amount appropriated, G.S. 115C-431 governs the procedure for resolution of that dispute. If the dispute is unresolved after a joint board meeting, the parties must start mediation. If the mediation is unsuccessful, an action may be filed in superior court and will be given precedence over other business of the court. The court must find the facts as to the amount of money necessary to maintain a system of free public schools and the amount of money needed from the county to make up the total. The issues of fact may be tried by a jury and the issue submitted to the jury would be "what amount of money is needed from sources under the control of the board of county commissioners to maintain a system of free public schools." When the facts have been found, the court must enter judgment ordering the board of county commissioners to appropriate a sum to the local school administrative unit and to levy property taxes that may be necessary to make up the sum when added to other available revenues.

The local board of education is required to adopt a budget resolution after the board of county commissioners makes its appropriation, or after the dispute resolution process set out in G.S. 115C-431 (described above) has concluded.

For Union County, S.L. 2014-8 and 2014-9 amended this general process and specifically did all of the following:

1. Prohibited the Union County Board of Education from initiating litigation over the sufficiency of the local appropriation to the local current expense fund, the capital outlay fund, or both for the 2014-15 and 2015-16 fiscal years.
2. Set the amount the Union County Board of Commissioners would appropriate for current expense and capital outlay for those two fiscal years:
  - **Current expenses:**
    - 2014-15: at least \$87,097,884
    - 2015-16: at least \$87,097,884 plus inflation equal to most recent CPI-U index and any increase in ADM
  - **Capital outlay:**
    - 2014-15: at least \$19,531,582
    - 2015-16: at least \$19,786,024

# Senate Bill 5

Page 3

3. Required the Union County Board of Commissioners and the Union County Board of Education to engage in joint, multi-year planning for capital expenses of the Union County Schools.

**BILL ANALYSIS:** Senate Bill 5 would repeal the specific appropriation amounts by the Union County Board of Commissioners to the Union County Board of Education for the 2015-16 fiscal year. The bill would also permit the Union County Board of Education to initiate the dispute resolution process set out in the G.S. 115C-431, if so determined by the Union County Board of Education.

**EFFECTIVE DATE:** Effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 5

Short Title: Union County Local Act. (Local)

Sponsors: Senator Tucker (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

February 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REPEAL S.L. 2014-8, AS AMENDED BY S.L. 2014-9, AS IT APPLIES TO  
3 UNION COUNTY.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** Section 1(a) of S.L. 2014-8, as amended by S.L. 2014-9, is repealed.  
6 **SECTION 2.** G.S. 115C-429(b)(2), as enacted by S.L. 2014-8, as amended by S.L.  
7 2014-9, is repealed.  
8 **SECTION 3.** This act applies only to Union County.  
9 **SECTION 4.** This act is effective when it becomes law.



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NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair

Representative Carl Ford, Co-Chair

FAVORABLE

SB 5 Union County Local Act.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Arp

FAVORABLE AND RE-REFERRED

HB 613 Clarify Political Sign Ordinance Authority.  
Draft Number: None  
**Serial Referral: ELECTIONS**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Brawley

HB 739 Repeal Business License Fees.  
Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Brawley

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED

HB 527 Municipal Electn/Even-Numbered Yrs/Stany Co.  
Draft Number: H527-PCS30349-TH-15  
**Serial Referral: ELECTIONS**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Burr

UNFAVORABLE

HB 128 Referendum for Certain Local Debt.  
Draft Number: None  
Serial Referral: ~~Finance~~  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Speciale



\* C M R 2 4 4 - V - 1 \*



TOTAL REPORTED: 5





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 799

Zoning/Changes to Hist. Preserv. Procedures.

Draft Number: H799-PCS40429-ST-31

**Serial Referral:** **JUDICIARY II**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Brody

TOTAL REPORTED: 1



★ C M R 2 5 O - V - 1 ★



# VISITOR REGISTRATION SHEET

Local Government

4.23.2014

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

<del>Joe Stanbury</del>	<del>National Handicapped</del>
Joe Stanbury	Sen. Tucker's office
Amanda Pappas	JDA
Rick Zedler	WVA
Michelle Frazier	MFS
Tony Adams	Adams and Assoc.
Connie Webb	ECNC
Jim Doherty	BSA
Patricia Butler	NCDPI



# VISITOR REGISTRATION SHEET

Local Government

4.23.2014

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Angie Gil	NORMA
Norma Robinson	NORMA
Zexi Morgan	NORMA
Kelli Kline	Duke Energy
Amanda Hbrake	TSS
Isabel Vala-Garcia	NCAZ
Kelsey Covert	NSS
Richard Stevens	SL
Jan Carr	NCHIA
Austin Pruitt	Pearkinson Law
Julio White	NCHMC



## VISITOR REGISTRATION SHEET

Local Government

4.23.2014

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

CHRIS DILLON	WAKE
John McCallan	MF + S
Charles Hickman	Beaufort County Citizens for Better Government
Velma Hickman	Beaufort County Citizens for Better Government
Donna A. Lay	Beaufort Co. 27889 P.O. Box 2732 - Washington NC
William R. Leary	P.O. Box 33, Chocowinity, NC 27817
Bruce Mildwurf	NCSBA
Seanne Womier	NCSBA
John H. S.	Mc P. S. C.
Zane Stilwell	NCSBA
M. Sullivan D. Talman	MUX LLC



## VISITOR REGISTRATION SHEET

Local Government

4.23.2014

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Betsy Bailey	CAGC
Lee Temple	NC PCSA
Bradley McKinnon	Schwartz : Sloan PLLC
Katherine Jare	NCA SA
David Heinen	NC Center for Nonprofits
Robin Kerdall	NC DPI
Miss Bailey	ElectriCiter
John Hord	MTS
Matthew Jenkins	DCR
Keith Coltrain	Wall Temple
Andy Chase	KMA



# VISITOR REGISTRATION SHEET

Local Government

4.23.2014

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Mike Smallwood	SOG
PAUL J. NORCROSS	ALCOA POINT NC
Rob Clary	NCSP
Rosewill	NCLM
Erin Wynia	NCLM
Dave Fenton	City of Charlotte
Laurie Mitchell	NC Dept of Cultural Resources
A.M. BARTOS	" (accompanying OCR <sup>leaves</sup> <sub>union</sub> )
Storner	Treasurer
St. Skinner	NCACC
Johanna Reese	NCACC



# VISITOR REGISTRATION SHEET

Local Government

4.23.2014

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Douglas Holbrook

NC SBA



**House Committee on Local Government**  
**Monday, April 27, 2015 at 3:00 PM**  
**Room 421 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 3:00 PM on April 27, 2015 in Room 421 of the Legislative Office Building. Representatives Ager, Boles, Brawley, Burr, Cleveland, Davis, Fisher, Floyd, Ford, G. Graham, Holley, Jeter, Langdon, Luebke, Ross, Setzer, Szoka, Warren, and Watford attended. Also in attendance were staff members Erika Churchill, Giles Perry and Kelly Tornow and committee assistants Judy Lowe and Kyle Chermak. A visitor registration list is attached as is the Committee agenda.

Representative Ted Davis, Jr. presided and called the meeting to order at 3:00 P.M. He welcomed the Sergeants at Arms Bill Bass and Mark Cone and thanked them for what they do for the General Assembly. There were no pages assigned to the Committee.

The following bills were considered:

**HB 512 Amend/Clarify Back-Up PSAP Requirements.** Representative Susan Martin explained that the bill came at the request of Pitt Count local government. They were concerned about having to spend too much money to satisfy the laws that were implemented. The language in the bill is mutually agreeable by the 911 Department and the County to move forward with the intent of the legislation without undue cost. Representative Jeter moved for a favorable report. The motion was passed with a unanimous vote.

**HB 346 Counties/Public Trust Areas.** Representative Steinburg explained the need for the bill which is to allow counties to deal with nuisance property (including abandoned property) that may be on the beaches in Currituck, Dare and Hyde. Hyde, Currituck and Camden are the only three counties that do not have any incorporated townships. There being no comments or questions from the Committee or the public, Chairman Davis recognized Representative Floyd who moved for a favorable report. The motion carried unanimously.

**HB 386 Hope Mills/Spring Lake/Satellite Annexations.** Representative Szoka explained that the bill exempts the Town of Hope Mills in Cumberland County from the 10% area cap on voluntary satellite annexation. There is an amendment that adds "the Towns of Hope Mills and Spring Lake". Representative Floyd moved for approval of the amendment. It passed unanimously. Representative Floyd moved to incorporate the amendment into a favorable PCS, unfavorable to the original bill and re-refer to Finance. The motion passed unanimously.

**HB 415 Fontana Dam/Establish Electric Power Board.** Representative West stated that this bill will amend the Town of Fontana Dam's charter to allow them to create an Electric Power Board. It will manage the distribution of the power line in the Town and look after all the power matters. There being no further discussion, Representative Warren moved for a favorable report. The motion passed unanimously.



**HB 836 Election Modifications.** Chairman Davis stated that, hearing no objections, the PCS was properly before the Committee. Representative Robinson explained that the bill contains some regulatory reform, consistent with State law, for local governments. Following discussion on details of the bill, Representative Warren moved for a favorable report on the committee substitute, unfavorable to the original bill. The motion passed unanimously.

**HB 141 Stormwater/Flood Control Activities.** Representative Jeter noted that this is exactly the same bill as HB573 from the 2013 Session. That bill gave counties that exceeded a certain population the ability to fund stormwater pollution controller's responses in adverse conditions at their cost with homeowner consent when it was needed and cost prohibitive for the homeowner. The bill is the exact same language but now it increases it to include the seven municipalities within Mecklenburg County. The Chairman called on Representative Luebke to present his amendment, as technically corrected by the staff. The amendment passed unanimously. Representative Brawley moved to pass HB141 as amended. The bill passed and will receive a favorable report.

**HB 544 County Sign Ordinance in Municipal Parks.** Chairman Davis asked if there was a replacement PCS. Representative Brawley stated that the PCS was not distributed in accordance with the rules so it would require the permission of the Committee to even consider whether or not the PCS should be passed out. He further stated that the PCS was actually a correction that staff suggested to properly achieve what the sponsors were trying to do. Chairman Davis called for a vote on whether or not the Committee can visit the PCS. There was a unanimous voice vote that the PCS was properly before the Committee. Representative Brawley explained that the bill addresses city's rights to require that if a county forces the city to put up a sign on city property, it must look like a sign the city puts up. It is permissive if the county wants to provide a sign and the city wants to put it up, they can. Representative Warren moved for a favorable committee substitute, unfavorable to the original bill. The motion was carried unanimously.

**HB 591 Cities/Public Trust Areas.** Chairman Davis announced that the PCS was properly before the Committee. Representative Tine stated the bill deals with houses that are in the public trust area. As the water comes up and the beach is lost, it actually becomes State property to the high tide line. This results in having some houses which are in the State area which the bill is trying to remove. The bill is much less broad than what was originally asked for. Representative Jeter moved for a favorable report on the PCS, unfavorable to the original bill. The motion passed.

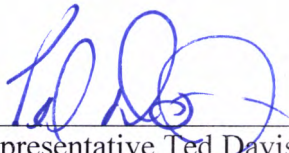
**HB 730 County Provide 911 Dispatch Services.** Representative Saine stated that HB 730 would prohibit a county from billing a city for services that have been paid by the city's constituents to the county's property taxes for 911 dispatch services, if the governing body of the city adopts a resolution requesting the dispatch services. It prohibits double taxation. Representative Warren moved for a favorable report. The motion passed unanimously.

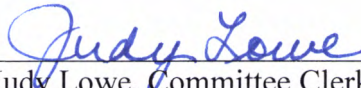
**HB 875 Restrict Municipal Eminent Domain.** Chairman Davis reminded the members that discussion on this bill was started at the last meeting. It was not completed due to time constraints; therefore, it was continued until this meeting. He stated that the PCS is the one that was ruled properly before the Committee before. Representative Jordan explained that the bill



started out broader and has now been narrowed to two basic issues. Current law says that if a municipality or the unit of local government wants to condemn property that is in a county outside of its own county, it has to ask for approval from the county commissioners of that other county. The two changes the bill makes in this law are to balance it out so that if the local government wants to condemn within the county that they are located, they also need to get approval from the county commissioners if it is outside of their town boundaries or their urban growth area. The other change is to make the first law apply to all 100 counties, not just 85. Following several questions, Representative Setzer had an amendment which would require prior authorization of the General Assembly for any county condemnation action. The amendment was approved by a vote of 7 to 5. Representative Cleveland moved for a favorable report on the PCS, as amended, unfavorable to the original bill with a referral to Judiciary II. The motion was defeated; therefore, the bill will not receive a favorable report.

Having no further business to come before the Committee, the meeting adjourned at 3:43 PM.

  
\_\_\_\_\_  
Representative Ted Davis, Jr. Presiding

  
\_\_\_\_\_  
Judy Lowe, Committee Clerk

**Attachments**

- Committee notice
- Agenda
- Committee report
- Copies of bills with amendments (if any)
- Proposed committee substitutes
- Visitor registration sheets



## Judy Lowe (Rep. Ted Davis)

---

**From:** Judy Lowe (Rep. Ted Davis)  
**Sent:** Thursday, April 23, 2015 03:26 PM  
**To:** Rep. Tricia Cotham; Rep. Carla Cunningham; Rep. Charles Jeter; Rep. John Bradford; Rep. Bob Steinburg; Rep. John Szoka; Rep. Roger West; Rep. Jason Saine; Rep. Brian Brown; Rep. Susan Martin; Rep. Craig Horn; Rep. Bill Brawley; Rep. Paul Tine; Rep. John Fraley; Rep. Dan Bishop; Rep. George Robinson; Rep. Chuck McGrady; Rep. Jonathan Jordan; Rep. Howard Hunter III  
**Cc:** Carol Erichsen (Rep. Tricia Cotham); Sherrie Burnette (Rep. Carla Cunningham); Brittany Eller (Rep. Charles Jeter); Anita Spence (Rep. John Bradford); Bethany Hudson (Rep. Bob Steinburg); Beverly Slagle (Rep. John Szoka); Linda C. Johnson (Rep. Roger West); Laura Puryear (Rep. Jason Saine); Theresa Lopez (Rep. Brian Brown); Lynn R Taylor (Rep. Susan Martin); Lynn Taylor (Rep. Bill Brawley); Katy Kingsbury (Rep. Paul Tine); Carol Wakely (Rep. John Fraley); David Larson (Rep. Dan Bishop); Aspen Coons (Rep. George Robinson); Laura Bone (Rep. Chuck McGrady); Kevin King (Rep. Jonathan Jordan); Brenda Bennett (Rep. Howard Hunter III)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Monday, April 27, 2015 at 3:00 PM  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

### NORTH CAROLINA HOUSE OF REPRESENTATIVES COMMITTEE MEETING NOTICE AND BILL SPONSOR NOTIFICATION 2015-2016 SESSION

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Monday, April 27, 2015  
**TIME:** 3:00 PM  
**LOCATION:** 421 LOB  
**COMMENTS:** Representative Davis will be chairing

The following bills will be considered:

BILL NO.	SHORT TITLE	SPONSOR
HB 141	Stormwater/Flood Control Activities.	Representative Jeter Representative Cotham Representative Cunningham Representative Bradford
HB 346	Counties/Public Trust Areas.	Representative Steinburg
HB 386	Town of Hope Mills/Satellite Annexations.	Representative Szoka
HB 415	Fontana Dam/Establish Electric Power	Representative West



HB 512	Board. Amend/Clarify Back-Up PSAP Requirements.	Representative S. Martin Representative Steinburg Representative Saine Representative B. Brown
HB 544	County Sign Ordinance in Municipal Parks.	Representative Brawley Representative Horn Representative Jeter
HB 591	Cities/Public Trust Areas.	Representative Tine
HB 730	County Provide 911 Dispatch Services.	Representative Saine
HB 836	Local Government Regulatory Reform.	Representative Robinson Representative Bishop Representative Fraley
HB 875	Restrict Municipal Eminent Domain.	Representative Jordan Representative McGrady Representative Hunter

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 3:11 PM on Thursday, April 23, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)

100

100

100

100

**House Committee on Local Government**  
**Monday, April 27, 2015, 3:00 PM**  
**421 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 141	Stormwater/Flood Control Activities.	Representative Jeter Representative Cotham Representative Cunningham Representative Bradford Representative Steinburg Representative Szoka
HB 346	Counties/Public Trust Areas.	
HB 386	Town of Hope Mills/Satellite Annexations.	
HB 415	Fontana Dam/Establish Electric Power Board.	Representative West
HB 512	Amend/Clarify Back-Up PSAP Requirements.	Representative S. Martin Representative Steinburg Representative Saine Representative B. Brown Representative Brawley Representative Horn Representative Jeter Representative Tine
HB 544	County Sign Ordinance in Municipal Parks.	Representative Saine Representative Robinson Representative Bishop Representative Fraley Representative Jordan Representative McGrady Representative Hunter
HB 591	Cities/Public Trust Areas.	
HB 730	County Provide 911 Dispatch Services.	
HB 836	Local Government Regulatory Reform.	
HB 875	Restrict Municipal Eminent Domain.	

**Other Business**

**Adjournment**





## HOUSE BILL 141: Stormwater/Flood Control Activities

2015-2016 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	April 23, 2015
<b>Introduced by:</b>	Reps. Jeter, Cotham, Cunningham, Bradford	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 141 would authorize certain cities to undertake activities through their stormwater management programs to implement flood reduction techniques that result in improvements to private property.*

**BILL ANALYSIS:** House Bill 141 would authorize a city to engage in any of the following activities under its stormwater management program:

- Purchase property for the purpose of demolishing flood prone buildings.
- Implement flood damage reduction techniques that result in improvements to private property, including:
  - Elevating structures or their associated components.
  - Demolishing flood prone structures.
  - Retrofitting flood prone structures.

A city may only engage in these activities as provided in a policy document approved by the city council. The policy document must, at a minimum, provide that:

- The private property owner's written consent must be obtained prior to the implementation of flood reduction improvements on the owner's property.
- The city has determined that improving the stormwater system is not practically feasible or cost effective and the authorized activities will provide savings to the stormwater fund.
- The improvements to the private property are the minimum necessary to achieve the stormwater benefit.
- The funding provided by the city, above a certain amount, to the property owner or expended upon improvements to the property shall be reimbursed to the city if the property is sold within five years of the completion of the flood reduction improvement project.
- The minimum financial contribution the private property owner must make to the flood reduction improvement project.

**EFFECTIVE DATE AND APPLICABILITY:** House Bill 141 would become effective when it becomes law and would apply only to cities in a county which meets the following criteria: (i) the county has a population of 910,000 or greater according to the most recent annual population estimates certified by the State Budget Officer and (ii) the county has at least one city with a population of 500,000 or greater according to the most recent annual population estimates certified by the State Budget Officer.

*Jeff Hudson, counsel to the House Environment Committee, substantially contributed to this summary.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 141

Short Title: Stormwater/Flood Control Activities. (Public)

Sponsors: Representatives Jeter, Cotham, Cunningham, and Bradford (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Environment, if favorable, Local Government.

March 4, 2015

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE CITIES TO UNDERTAKE ACTIVITIES WITHIN THEIR  
STORMWATER MANAGEMENT PROGRAMS TO IMPLEMENT FLOOD  
REDUCTION TECHNIQUES THAT RESULT IN IMPROVEMENTS TO PRIVATE  
PROPERTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 16 of Chapter 160A of the General Statutes is amended by  
adding a new section to read as follows:

**"§ 160A-311.1. Flood control activities under stormwater management programs.**

(a) Findings. – The General Assembly finds that it is in the best interest of the residents  
of North Carolina to promote and fund the implementation of stormwater management  
programs to control and manage water quantity and flow in order to reduce the chances of loss  
of life and damage to property due to flooding. The General Assembly also finds that a city has  
an integral role in furthering this public purpose by promoting and funding implementation of  
stormwater management programs within the city's territorial jurisdiction to reduce reliance on  
emergency response services, to reduce negative financial impacts on the community and the  
public from flooding, including the cost of public infrastructure repairs, to decrease the number  
of flood-prone homes and businesses, to increase infiltration of stormwater into the ground, and  
to reduce pollutants from entering the streams.

(b) Scope. – For purposes of operating a public enterprise under this Article, a city is  
authorized to do any of the following activities within its stormwater management program:

- (1) Purchase property for the purpose of demolishing flood-prone buildings.
- (2) Implement flood damage reduction techniques that result in improvements to  
private property in accordance with subsection (c) of this section, to include:
  - a. Elevating structures or their associated components.
  - b. Demolishing flood-prone structures.
  - c. Retrofitting flood-prone structures.

(c) Policy Document. – A city may engage in the activities listed in subdivision (b)(2)  
of this section only under the circumstances contained in a policy document approved by the  
city council. The policy document shall, at a minimum, establish, and may elaborate on, the  
following:

- (1) The private property owner's written consent must be obtained prior to the  
implementation of flood reduction improvements on the owner's property.



\* H 1 4 1 - V - 1 \*

1           (2)   The city has determined that improving the stormwater system is not  
2               practically feasible or cost-effective, and the activities listed in subdivision  
3               (b)(2) of this section provide savings to the stormwater fund.

4           (3)   The improvements to the private property are the minimum necessary to  
5               accomplish the stormwater benefit.

6           (4)   The funding provided by the city, above a certain amount, to the property  
7               owner or expended upon improvements to the property shall be reimbursed  
8               to the city if the property is sold within five years of the completion of the  
9               flood reduction improvement project. The amount of reimbursement due to  
10              the city may be calculated as the difference between the established  
11              premitigation fair market value and the sale price of the property, not to  
12              exceed the total funding provided by the city.

13          (5)   The minimum financial contribution the private property owner must make  
14               to the flood reduction improvement project.

15          (d)   Advisory Committee. – An existing stormwater advisory committee established by  
16               the city council, and having specific charges, duties, and representation as set forth by the city  
17               council, must review and approve projects that implement flood damage reduction techniques  
18               under subdivision (b)(2) of this section. The committee shall submit an annual report to the city  
19               council for its review.

20          (e)   Application. – This section applies only to cities in a county which meets the  
21               following criteria: (i) the county has a population of 910,000 or greater according to the most  
22               recent annual population estimates certified by the State Budget Officer and (ii) the county has  
23               at least one city with a population of 500,000 or greater according to the most recent annual  
24               population estimates certified by the State Budget Officer."

25          **SECTION 2.** This act is effective when it becomes law.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 141

H141-ASB-11 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2015

Representative Luebke

- 1 moves to amend the bill on page 2, line 21,  
2 by deleting "910,000" and substituting "275,000" and  
3  
4 on page 21, line 23,  
5 be deleting "500,000" and substituting "225,000".

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



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## HOUSE BILL 346: Counties/Public Trust Areas

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Steinburg  
**Analysis of:** First Edition

**Date:** April 24, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 346 authorizes counties to adopt ordinances to abate unreasonable restrictions of the public's right to use ocean beaches.*

**CURRENT LAW:** In 2013, the General Assembly enacted G.S. 160A-205, which authorizes *cities* to adopt ordinances to abate unreasonable restrictions of the public's right to use ocean beaches. This statute authorizes a city to regulate, restrict, or prohibit the placement, maintenance, location or use of equipment, personal property, or debris on the State's ocean beaches.<sup>1</sup>

**BILL ANALYSIS:** House Bill 346 authorizes *counties* to adopt ordinances to abate unreasonable restrictions of the public's right to use ocean beaches.

The bill authorizes a *county* by ordinance to regulate, restrict, or prohibit the placement, maintenance, location or use of equipment, personal property, or debris on the State's ocean beaches.

The bill does not apply to the removal of permanent residential or commercial structures from the State's ocean beaches.

**EFFECTIVE DATE:** This act is effective when it becomes law.

<sup>1</sup> This statute was enacted following the decision in *Town of Nags Head v. Cherry*, 219 N.C.App. 66 (2012)

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 346

Short Title: Counties/Public Trust Areas. (Public)

Sponsors: Representative Steinburg (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

March 26, 2015

A BILL TO BE ENTITLED  
AN ACT TO CLARIFY THAT COUNTIES MAY ENFORCE ORDINANCES WITHIN THE  
STATE'S PUBLIC TRUST AREAS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 6 of Chapter 153A of the General Statutes is amended by adding a new section to read as follows:

**"§ 153A-145.3. Counties enforce ordinances within public trust areas.**

(a) Notwithstanding the provisions of G.S. 113-131 or any other provision of law, a county may, by ordinance, define, prohibit, regulate, or abate acts, omissions, or conditions upon the State's ocean beaches and prevent or abate any unreasonable restriction of the public's rights to use the State's ocean beaches. In addition, a county may, in the interest of promoting the health, safety, and welfare of the public, regulate, restrict, or prohibit the placement, maintenance, location, or use of equipment, personal property, or debris upon the State's ocean beaches. A county may enforce any ordinance adopted pursuant to this section or any other provision of law upon the State's ocean beaches located within the county's jurisdictional boundaries to the same extent that a county may enforce ordinances within the county's jurisdictional boundaries. A county may enforce an ordinance adopted pursuant to this section by any remedy provided for in G.S. 153A-123. For purposes of this section, the term "ocean beaches" has the same meaning as in G.S. 77-20(e).

(b) Nothing in this section shall be construed to (i) limit the authority of the State or any State agency to regulate the State's ocean beaches as authorized by G.S. 113-131, or common law as interpreted and applied by the courts of this State; (ii) limit any other authority granted to counties by the State to regulate the State's ocean beaches; (iii) deny the existence of the authority recognized in this section prior to the date this section becomes effective; (iv) impair the right of the people of this State to the customary free use and enjoyment of the State's ocean beaches, which rights remain reserved to the people of this State as provided in G.S. 77-20(d); (v) change or modify the riparian, littoral, or other ownership rights of owners of property bounded by the Atlantic Ocean; or (vi) apply to the removal of permanent residential or commercial structures and appurtenances thereto from the State's ocean beaches."

**SECTION 2.** G.S. 113-131 reads as rewritten:

**"§ 113-131. Resources belong to public; stewardship of conservation agencies; grant and delegation of powers; injunctive relief.**

(a) The marine and estuarine and wildlife resources of the State belong to the people of the State as a whole. The Department and the Wildlife Resources Commission are charged with stewardship of these resources.



(b) The following powers are hereby granted to the Department and the Wildlife Resources Commission and may be delegated to the Fisheries Director and the Executive Director:

- (1) Comment on and object to permit applications submitted to State agencies which may affect the public trust resources in the land and water areas subject to their respective management duties so as to conserve and protect the public trust rights in such land and water areas;
- (2) Investigate alleged encroachments upon, usurpations of, or other actions in violation of the public trust rights of the people of the State; and
- (3) Initiate contested case proceedings under Chapter 150B for review of permit decisions by State agencies which will adversely affect the public trust rights of the people of the State or initiate civil actions to remove or restrain any unlawful or unauthorized encroachment upon, usurpation of, or any other violation of the public trust rights of the people of the State or legal rights of access to such public trust areas.

(c) Whenever there exists reasonable cause to believe that any person or other legal entity has unlawfully encroached upon, usurped, or otherwise violated the public trust rights of the people of the State or legal rights of access to such public trust areas, a civil action may be instituted by the responsible agency for injunctive relief to restrain the violation and for a mandatory preliminary injunction to restore the resources to an undisturbed condition. The action shall be brought in the superior court of the county in which the violation occurred. The institution of an action for injunctive relief under this section shall not relieve any party to such proceeding from any civil or criminal penalty otherwise prescribed for the violation.

(d) The Attorney General shall act as the attorney for the agencies and shall initiate actions in the name of and at the request of the Department or the Wildlife Resources Commission.

(e) In this section, the term "public trust resources" means land and water areas, both public and private, subject to public trust rights as that term is defined in G.S. 1-45.1.

(f) Notwithstanding the provisions of this section, a county or city may adopt and enforce ordinances as provided in ~~G.S. 160A-205~~ G.S. 153A-145.3 or G.S. 160A-205, respectively."

**SECTION 3.** This act is effective when it becomes law.



## HOUSE BILL 386: Town of Hope Mills/Satellite Annexations

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	April 24, 2015
<b>Introduced by:</b>	Rep. Szoka	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 386 exempts the Town of Hope Mills from the 10% area cap on voluntary satellite annexation.*

**CURRENT LAW:** G.S. 160A-58.1 governs voluntary municipal annexation of noncontiguous property, also known as voluntary *satellite* annexation. If all property owners in a satellite area petition a municipality for voluntary annexation of the noncontiguous property, the municipality may annex the property, if the following 5 requirements are met:

1. The nearest point on the proposed satellite corporate limits must be not more than 3 miles from the primary corporate limits of the annexing city.
2. No point on the proposed satellite corporate limits may be closer to the primary corporate limits of another city than to the primary corporate limits of the annexing city.
3. The area must be so situated that the annexing city will be able to provide the same services within the proposed satellite corporate limits that it provides within its primary corporate limits.
4. If the area proposed for annexation, or any portion thereof, is a subdivision as defined in G.S. 160A-376, all of the subdivision must be included.
5. The area within the proposed satellite corporate limits, when added to the area within all other satellite corporate limits, may not exceed 10% of the area within the primary corporate limits of the annexing city.

**BILL ANALYSIS:** House Bill 386 adds the Town of Hope Mills to the list of municipalities exempted from the 10% area cap on voluntary satellite annexation.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



\* H 3 8 6 - S M R W - 5 9 E 1 - V 1 \*

Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 386

Short Title: Town of Hope Mills/Satellite Annexations. (Local)

Sponsors: Representative Szoka (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 31, 2015

A BILL TO BE ENTITLED  
AN ACT REMOVING CERTAIN RESTRICTIONS ON SATELLITE ANNEXATIONS FOR  
THE TOWN OF HOPE MILLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** S.L. 1997-151 as it applies to the Town of Hope Mills is repealed.

**SECTION 2.** G.S. 160A-58.1 reads as rewritten:

**"§ 160A-58.1. Petition for annexation; standards.**

...  
(b) A noncontiguous area proposed for annexation must meet all of the following standards:

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

This subdivision does not apply to the Cities of Belmont, Claremont, Concord, Conover, Durham, Elizabeth City, Gastonia, Greenville, Hickory, Kannapolis, Locust, Marion, Mount Airy, Mount Holly, New Bern, Newton, Oxford, Randleman, Roanoke Rapids, Rockingham, Sanford, Salisbury, Southport, Statesville, and Washington and the Towns of Ahoskie, Angier, Apex, Ayden, Benson, Bladenboro, Bridgeton, Burgaw, Calabash, Catawba, Clayton, Columbia, Columbus, Cramerton, Creswell, Dallas, Dobson, Four Oaks, Fuquay-Varina, Garner, Godwin, Granite Quarry, Green Level, Grimesland, Harrisburg, Holly Ridge, Holly Springs, Hookerton, Hope Mills, Huntersville, Jamestown, Kenansville, Kenly, Knightdale, Landis, Leland, Lillington, Louisburg, Maggie Valley, Maiden, Mayodan, Maysville, Middlesex, Midland, Mocksville, Morrisville, Mount Pleasant, Nashville, Oak Island, Ocean Isle Beach, Pembroke, Pine Level, Princeton, Ranlo, Richlands, Rolesville, Rutherfordton, Shallotte, Smithfield, Spencer, Stem, Stovall, Surf City, Swansboro, Taylorsville, Troutman, Troy, Wallace, Warsaw, Watha, Waynesville, Weldon, Wendell, Windsor, Yadkinville, and Zebulon.

...."

**SECTION 3.** This act is effective when it becomes law.



\* H 3 8 6 - V - 1 \*





NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 386

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H386-ARW-8 [v.2]

Page 1 of 1

Amends Title [YES]  
First Edition

Date \_\_\_\_\_, 2015

Representative \_\_\_\_\_

- 1 moves to amend the bill
- 2 on page 1, line 3, by rewriting that line to read:
- 3 "THE TOWNS OF HOPE MILLS AND SPRING LAKE."; and
- 4
- 5 on page 1, line 28,
- 6 by adding at the end of that line the following: "Spring Lake".
- 7
- 8

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



★ H 3 8 6 - A R W - 8 - V - 2 ★





## HOUSE BILL 415: Fontana Dam/Establish Electric Power Board

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. West  
**Analysis of:** First Edition

**Date:** April 27, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *House Bill 415 would amend the Town of Fontana Dam's charter to authorize the Town Council to establish an Electric Power Board to manage and control the Town's electric public enterprise service.*

**CURRENT LAW:** The Town of Fontana Dam was incorporated in 2011 and its charter was enacted by S.L. 2011-110. The governing body of the Town consists of a Mayor and four Town Council members who are elected at large for two-year terms.

**BILL ANALYSIS:** House Bill 415 would establish the Town of Fontana Dam Electric Power Board, consisting of five members appointed by the Town Council. Members of the Power Board would serve four-year staggered terms. The Power Board would have full control and complete jurisdiction over the management, operation, maintenance, and improvement of the electric utility system. The Power Board's powers and duties would include the following:

- Keeping the funds, books, and accounts of the electric utility system separate and apart from all other funds, books, and accounts of the Town or any departments of the Town.
- Making and filing financial statements with the Town Council twice per year.
- Exercising fiscal control related to all matters, including establishing and maintaining an accounting system and designating an official depository.
- Making and enforcing all necessary and desirable rules and regulations for the efficient use, operation, and management of the system.
- Extending its electrical system and selling electricity in any area permitted for public enterprises by general law.
- Fixing rates to be charged for services rendered by the system.
- Issuing revenue bonds for the acquisition, construction, improvement, or expansion of the electric system.
- Entering into contracts, leases, and agreements in conducting the business and operations of the system.
- Exercising the right of eminent domain for the purpose of acquiring any property necessary or useful in exercising its power and authority.

The Power Board would be established only if the Fontana Village Resort approves the transfer of the electric power grid under its ownership and control to the Town of Fontana Dam and the Town Council approves the operation of an electric utility system.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 415

Short Title: Fontana Dam/Establish Electric Power Board. (Local)

Sponsors: Representative West (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

April 1, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE CHARTER OF THE TOWN OF FONTANA DAM TO  
3 AUTHORIZE THE TOWN COUNCIL TO ESTABLISH AN ELECTRIC POWER  
4 BOARD TO MANAGE AND CONTROL THE TOWN'S ELECTRIC PUBLIC  
5 ENTERPRISE SERVICE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The Charter of the Town of Fontana Dam, being Chapter 110 of the  
8 2011 Session Laws, is amended by adding a new Article to read as follows:

9 "ARTICLE VIII. Electric Power Board.

10 "Section 8.1. Power Board Created. (a) For the purpose of providing electric power  
11 generation, transmission, and distribution systems as authorized in Article 16 of Chapter 160A  
12 of the General Statutes, there is hereby established an Electric Power Board for the Town of  
13 Fontana Dam, to be known and designated as "The Town of Fontana Dam Electric Power  
14 Board," hereinafter referred to as the "Power Board." The Power Board shall consist of five  
15 members, who shall be appointed by the Town Council. At least two of the members shall be  
16 residents of the Town, and all of the members shall be residents of Graham County. The  
17 members shall serve staggered terms of four years each and shall be eligible for successive  
18 terms. If a member resigns, dies, or otherwise becomes incapable of performing his or her  
19 duties, the Town Council shall appoint a person to fill the remainder of the term. A member of  
20 the Town Council shall be eligible to serve as a member of the Power Board.

21 (b) In order to stagger the terms as provided in subsection (a) of this Section, the initial  
22 Power Board members shall be appointed as follows: (i) two to serve for a term of four years,  
23 (ii) two for a term of three years, and (iii) one for a term of two years. Upon the expiration of  
24 the terms of the initial Power Board members, each member shall be appointed for a term of  
25 four years and shall serve until his or her successor is appointed.

26 "Section 8.2. Independent Control. The Power Board, acting by itself or through its duly  
27 authorized officers and employees, shall have and maintain full control and complete  
28 jurisdiction over the management, operation, maintenance, and improvement of the electric  
29 utility system and may do any and all acts and things that are necessary, convenient, or  
30 desirable to the exercise of the control and jurisdiction and to the establishment, preservation,  
31 and promotion of an orderly, economic, and businesslike administration of the system. Except  
32 as expressly provided in this Article, the system shall be free from the jurisdiction, direction, or  
33 control of Town officers, Town employees, and the Town Council.

34 "Section 8.3. Organization; Meetings. (a) The members of the Power Board shall meet as  
35 soon after their appointment as possible and shall elect out of their number a chair and



1 secretary, each of whom shall be a different person. However, the Power Board may employ  
2 someone who is not a member to serve as secretary and may, in its discretion, elect a member  
3 to serve as vice-chair. The duties of each officer shall be as prescribed by the Power Board  
4 from time to time and shall be consistent with the provisions of this Article. Each member of  
5 the Power Board shall be entitled to vote on any question before the Power Board.

6 (b) The Power Board shall hold at least one public meeting every other month and as  
7 many special meetings as may be necessary or convenient at a time and place to be determined  
8 by the Power Board. The presence of three members of the Power Board shall constitute a  
9 quorum. The Power Board shall keep a written record of all regular and special meetings.

10 "Section 8.4. **Compensation.** The members of the Power Board shall each receive  
11 compensation from the funds under its control in a sum fixed by the Power Board in its annual  
12 budget.

13 "Section 8.5. **Surety Bonds.** The Power Board may, in its discretion, and in an amount it  
14 deems necessary, require surety bonds from any system officer or employee. Premiums for the  
15 bonds shall be paid out of the funds of the system.

16 "Section 8.6. **Duties.** The Power Board shall do the following:

17 (1) Keep the funds, books, and accounts of the electric utility system separate  
18 and apart from all other funds, books, and accounts of the Town or any of  
19 the departments of the Town. All funds handled by the Power Board shall be  
20 paid over to the finance officer of the Power Board. The funds of the system,  
21 including revenues from the operation thereof, shall be deposited in the  
22 name of the Power Board. The funds shall be disbursed only on voucher  
23 signed by the chair or general manager of the system issued pursuant to  
24 resolution or order of the Power Board, a certified copy of which shall be  
25 filed in the office of the finance officer of the Power Board.

26 (2) At the end of each fiscal year, cause the funds, books, and accounts of the  
27 Power Board to be audited by a certified public accountant or an accountant  
28 certified by the Local Government Commission as provided in G.S. 159-34.  
29 The Town Council shall select the auditor and the auditor shall report  
30 directly to the Town Council. Upon giving reasonable notice, the Town  
31 Council shall have full access to the books, accounts, and records of the  
32 Power Board.

33 (3) Make and file with the Town Council on the first day of January and the first  
34 day of July of each year a financial statement showing the financial  
35 operations of the system during the preceding six months and the financial  
36 condition of the system.

37 (4) Exercise fiscal control related to all matters, including establishing and  
38 maintaining an accounting system and designating an official depository, as  
39 provided in Part 3 of Article 3 of Subchapter III of Chapter 159 of the  
40 General Statutes.

41 (5) Make and enforce all necessary and desirable rules and regulations for the  
42 efficient use, operation, and management of the system.

43 "Section 8.7. **Employment of Personnel.** The Power Board shall have the power to employ  
44 and fix the duties and compensation of its officers and employees as it deems necessary or  
45 convenient for the operation of the system. The Power Board may employ a general manager  
46 who shall be qualified by training and experience to supervise and manage the day-to-day  
47 operation of the electric utility system. The general manager shall serve under the direction and  
48 control of the Power Board and at the pleasure of the Power Board. The Power Board may  
49 delegate to the general manager, among other things, the following powers and duties:

50 (1) To determine the number of employees necessary for the operation of the  
51 electric utility system and to establish their duties and compensation.

- (2) To control the construction and repairs of utility facilities.
- (3) To execute and enforce all rules, regulations, programs, plans, and decisions made or adopted by the Power Board.
- (4) To prepare plans and specifications, accept bids, and execute contracts, according to standards established by the Power Board.
- (5) To employ a finance officer who may be given the authority to handle the day-to-day financial operations of the Power Board, including billings and receiving payment for services provided by the Power Board. The finance officer shall conduct his or her duties as provided in Chapter 159 of the General Statutes.

"Section 8.8. **Sale of Electricity.** The Power Board is hereby authorized and empowered to extend its electric system and to sell electricity in any area permitted in G.S. 160A-312.

"Section 8.9. **Rates.** The Power Board shall fix rates to be charged for services rendered by the system. The rates shall be fair, reasonable, and uniform for all customers in the same class, but different rate schedules may be applied to different classes of customers, as determined by the Power Board.

"Section 8.10. **Revenue Bonds.** The Power Board is hereby authorized to provide for the issuance of revenue bonds for the acquisition, construction, improvement, or expansion of the electric system from time to time in the manner provided for in this section. The bonds shall be issued by the Town Council pursuant to Article 5 of Subchapter IV of Chapter 159 of the General Statutes, shall be issued in the amounts and at the times, and shall bear the maturity dates as the Power Board shall direct. It shall be the duty of the Town Council to provide for the issuance of the bonds pursuant to general law as directed by the Power Board. However, the Town Council shall not be required to issue any bonds under this section without its approval if the bonds to be issued are payable out of the Town's general revenue. It is the intention of this section that the Power Board be empowered to direct the issuance of bonds under this section only when the bonds are to be payable solely from the revenues of the electric system.

"Section 8.11. **Contracts, Negotiations, and Grants.** (a) The Power Board may enter into leases, contracts, and agreements as it deems necessary or desirable in conducting the business and operations of the system so long as they are in accordance with the general laws of the State of North Carolina. The authority given the Power Board by this section shall not be construed to mean that the Power Board has the authority to sell, lease, or otherwise dispose of all or a major part of the system, unless the transaction is approved by the Town Council by ordinance.

(b) The Power Board may apply for, accept, receive, and dispense funds or grants made available to it by the State or any of its agencies or political subdivisions, the United States, or any private entity.

"Section 8.12. **Eminent Domain.** The Power Board may exercise the right of eminent domain on behalf of and in the name of the Town of Fontana Dam for the purpose of acquiring any property, real, personal, or mixed, necessary or useful in exercising the power and authority conferred in this Article. The title to all property acquired by the Power Board either by contract or condemnation shall be taken in the name of the Town of Fontana Dam."

**SECTION 2.** Section 1 of this act becomes effective only if both of the following acts occur: (i) the Fontana Village Resort approves the transfer of the electric power grid under its ownership and control to the Town of Fontana Dam and (ii) the Town Council of the Town of Fontana Dam, in its discretion and by majority vote, approves the operation of an electric utility system as provided in Section 1 of this act. If both of these acts do not occur, Section 1 of this act shall have no force and effect.

**SECTION 3.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 415

Short Title: Fontana Dam/Establish Electric Power Board. (Local)

Sponsors: Representative West (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

April 1, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND THE CHARTER OF THE TOWN OF FONTANA DAM TO  
3 AUTHORIZE THE TOWN COUNCIL TO ESTABLISH AN ELECTRIC POWER  
4 BOARD TO MANAGE AND CONTROL THE TOWN'S ELECTRIC PUBLIC  
5 ENTERPRISE SERVICE.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** The Charter of the Town of Fontana Dam, being Chapter 110 of the  
8 2011 Session Laws, is amended by adding a new Article to read as follows:

9 "ARTICLE VIII. Electric Power Board.

10 "Section 8.1. Power Board Created. (a) For the purpose of providing electric power  
11 generation, transmission, and distribution systems as authorized in Article 16 of Chapter 160A  
12 of the General Statutes, there is hereby established an Electric Power Board for the Town of  
13 Fontana Dam, to be known and designated as "The Town of Fontana Dam Electric Power  
14 Board," hereinafter referred to as the "Power Board." The Power Board shall consist of five  
15 members, who shall be appointed by the Town Council. At least two of the members shall be  
16 residents of the Town, and all of the members shall be residents of Graham County. The  
17 members shall serve staggered terms of four years each and shall be eligible for successive  
18 terms. If a member resigns, dies, or otherwise becomes incapable of performing his or her  
19 duties, the Town Council shall appoint a person to fill the remainder of the term. A member of  
20 the Town Council shall be eligible to serve as a member of the Power Board.

21 (b) In order to stagger the terms as provided in subsection (a) of this Section, the initial  
22 Power Board members shall be appointed as follows: (i) two to serve for a term of four years,  
23 (ii) two for a term of three years, and (iii) one for a term of two years. Upon the expiration of  
24 the terms of the initial Power Board members, each member shall be appointed for a term of  
25 four years and shall serve until his or her successor is appointed.

26 "Section 8.2. Independent Control. The Power Board, acting by itself or through its duly  
27 authorized officers and employees, shall have and maintain full control and complete  
28 jurisdiction over the management, operation, maintenance, and improvement of the electric  
29 utility system and may do any and all acts and things that are necessary, convenient, or  
30 desirable to the exercise of the control and jurisdiction and to the establishment, preservation,  
31 and promotion of an orderly, economic, and businesslike administration of the system. Except  
32 as expressly provided in this Article, the system shall be free from the jurisdiction, direction, or  
33 control of Town officers, Town employees, and the Town Council.

34 "Section 8.3. Organization; Meetings. (a) The members of the Power Board shall meet as  
35 soon after their appointment as possible and shall elect out of their number a chair and



1 secretary, each of whom shall be a different person. However, the Power Board may employ  
2 someone who is not a member to serve as secretary and may, in its discretion, elect a member  
3 to serve as vice-chair. The duties of each officer shall be as prescribed by the Power Board  
4 from time to time and shall be consistent with the provisions of this Article. Each member of  
5 the Power Board shall be entitled to vote on any question before the Power Board.

6 (b) The Power Board shall hold at least one public meeting every other month and as  
7 many special meetings as may be necessary or convenient at a time and place to be determined  
8 by the Power Board. The presence of three members of the Power Board shall constitute a  
9 quorum. The Power Board shall keep a written record of all regular and special meetings.

10 "Section 8.4. **Compensation.** The members of the Power Board shall each receive  
11 compensation from the funds under its control in a sum fixed by the Power Board in its annual  
12 budget.

13 "Section 8.5. **Surety Bonds.** The Power Board may, in its discretion, and in an amount it  
14 deems necessary, require surety bonds from any system officer or employee. Premiums for the  
15 bonds shall be paid out of the funds of the system.

16 "Section 8.6. **Duties.** The Power Board shall do the following:

17 (1) Keep the funds, books, and accounts of the electric utility system separate  
18 and apart from all other funds, books, and accounts of the Town or any of  
19 the departments of the Town. All funds handled by the Power Board shall be  
20 paid over to the finance officer of the Power Board. The funds of the system,  
21 including revenues from the operation thereof, shall be deposited in the  
22 name of the Power Board. The funds shall be disbursed only on voucher  
23 signed by the chair or general manager of the system issued pursuant to  
24 resolution or order of the Power Board, a certified copy of which shall be  
25 filed in the office of the finance officer of the Power Board.

26 (2) At the end of each fiscal year, cause the funds, books, and accounts of the  
27 Power Board to be audited by a certified public accountant or an accountant  
28 certified by the Local Government Commission as provided in G.S. 159-34.  
29 The Town Council shall select the auditor and the auditor shall report  
30 directly to the Town Council. Upon giving reasonable notice, the Town  
31 Council shall have full access to the books, accounts, and records of the  
32 Power Board.

33 (3) Make and file with the Town Council on the first day of January and the first  
34 day of July of each year a financial statement showing the financial  
35 operations of the system during the preceding six months and the financial  
36 condition of the system.

37 (4) Exercise fiscal control related to all matters, including establishing and  
38 maintaining an accounting system and designating an official depository, as  
39 provided in Part 3 of Article 3 of Subchapter III of Chapter 159 of the  
40 General Statutes.

41 (5) Make and enforce all necessary and desirable rules and regulations for the  
42 efficient use, operation, and management of the system.

43 "Section 8.7. **Employment of Personnel.** The Power Board shall have the power to employ  
44 and fix the duties and compensation of its officers and employees as it deems necessary or  
45 convenient for the operation of the system. The Power Board may employ a general manager  
46 who shall be qualified by training and experience to supervise and manage the day-to-day  
47 operation of the electric utility system. The general manager shall serve under the direction and  
48 control of the Power Board and at the pleasure of the Power Board. The Power Board may  
49 delegate to the general manager, among other things, the following powers and duties:

50 (1) To determine the number of employees necessary for the operation of the  
51 electric utility system and to establish their duties and compensation.

- (2) To control the construction and repairs of utility facilities.
- (3) To execute and enforce all rules, regulations, programs, plans, and decisions made or adopted by the Power Board.
- (4) To prepare plans and specifications, accept bids, and execute contracts, according to standards established by the Power Board.
- (5) To employ a finance officer who may be given the authority to handle the day-to-day financial operations of the Power Board, including billings and receiving payment for services provided by the Power Board. The finance officer shall conduct his or her duties as provided in Chapter 159 of the General Statutes.

"Section 8.8. **Sale of Electricity.** The Power Board is hereby authorized and empowered to extend its electric system and to sell electricity in any area permitted in G.S. 160A-312.

"Section 8.9. **Rates.** The Power Board shall fix rates to be charged for services rendered by the system. The rates shall be fair, reasonable, and uniform for all customers in the same class, but different rate schedules may be applied to different classes of customers, as determined by the Power Board.

"Section 8.10. **Revenue Bonds.** The Power Board is hereby authorized to provide for the issuance of revenue bonds for the acquisition, construction, improvement, or expansion of the electric system from time to time in the manner provided for in this section. The bonds shall be issued by the Town Council pursuant to Article 5 of Subchapter IV of Chapter 159 of the General Statutes, shall be issued in the amounts and at the times, and shall bear the maturity dates as the Power Board shall direct. It shall be the duty of the Town Council to provide for the issuance of the bonds pursuant to general law as directed by the Power Board. However, the Town Council shall not be required to issue any bonds under this section without its approval if the bonds to be issued are payable out of the Town's general revenue. It is the intention of this section that the Power Board be empowered to direct the issuance of bonds under this section only when the bonds are to be payable solely from the revenues of the electric system.

"Section 8.11. **Contracts, Negotiations, and Grants.** (a) The Power Board may enter into leases, contracts, and agreements as it deems necessary or desirable in conducting the business and operations of the system so long as they are in accordance with the general laws of the State of North Carolina. The authority given the Power Board by this section shall not be construed to mean that the Power Board has the authority to sell, lease, or otherwise dispose of all or a major part of the system, unless the transaction is approved by the Town Council by ordinance.

(b) The Power Board may apply for, accept, receive, and dispense funds or grants made available to it by the State or any of its agencies or political subdivisions, the United States, or any private entity.

"Section 8.12. **Eminent Domain.** The Power Board may exercise the right of eminent domain on behalf of and in the name of the Town of Fontana Dam for the purpose of acquiring any property, real, personal, or mixed, necessary or useful in exercising the power and authority conferred in this Article. The title to all property acquired by the Power Board either by contract or condemnation shall be taken in the name of the Town of Fontana Dam."

**SECTION 2.** Section 1 of this act becomes effective only if both of the following acts occur: (i) the Fontana Village Resort approves the transfer of the electric power grid under its ownership and control to the Town of Fontana Dam and (ii) the Town Council of the Town of Fontana Dam, in its discretion and by majority vote, approves the operation of an electric utility system as provided in Section 1 of this act. If both of these acts do not occur, Section 1 of this act shall have no force and effect.

**SECTION 3.** This act is effective when it becomes law.





## HOUSE BILL 512: Amend/Clarify Back-Up PSAP Requirements

2015-2016 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	April 27, 2015
<b>Introduced by:</b>	Reps. S. Martin, Steinburg, Saine, B. Brown	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 512 would: (1) delay implementation of back-up PSAP requirements, and (2) require the 911 Board to investigate alternatives for facilitation of uniform procurement and pricing of 911 eligible expenses through bulk purchasing and other means.*

**CURRENT LAW:** The 911 Board distributes 911 fees to "public safety answering points" (PSAPs). Each PSAP is the public safety agency that receives incoming 911 calls and dispatches public safety agencies in response. The distributions from 911 fees may only be used for certain eligible purchases by the PSAP.

Session Law 2014-66 requires each PSAP to plan for 911 call-taking in the event the primary PSAP cannot process calls. PSAPs are authorized to use distributions from the 911 Fund to pay for dispatch equipment at a back-up PSAP. As of July 1, 2016, PSAPs will not be eligible for distributions from the 911 Fund if the PSAP does not have a back-up PSAP.

**BILL ANALYSIS:** House Bill 512 would delay implementation of back-up PSAP requirements by providing that by July 1, 2016, a PSAP must have a plan for 911 call-taking in the event 911 calls cannot be received and processed in the primary PSAP, or must have made substantial progress toward implementation of the plan and means.

House Bill 512 would also require the 911 Board to investigate alternatives for facilitation of uniform procurement and pricing of 911 eligible expenses through bulk purchasing and other means and report its findings and requests for legislative action to the Joint Legislative Oversight Committee on Information Technology by May 1, 2016.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 512

Short Title: Amend/Clarify Back-Up PSAP Requirements. (Public)

Sponsors: Representatives S. Martin, Steinburg, Saine, and B. Brown (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO DELAY IMPLEMENTATION OF BACK-UP PSAP REQUIREMENTS, TO  
3 DEFINE UNIFORM STANDARDS FOR BACK-UP PSAPS, AND DEVELOP A  
4 MASTER PURCHASING LIST FOR 911 SYSTEM ELIGIBLE EXPENSES.

5 Whereas, Session Law 2014-66 amended Article 3 of Chapter 62A of the North  
6 Carolina General Statutes to require development of a back-up PSAP when calls cannot be  
7 completed by the primary PSAP; and

8 Whereas, the changes in Session Law 2014-66 are applicable to 911 fund  
9 distributions made on or after July 1, 2016; and

10 Whereas, many counties in North Carolina are unable to fully implement a back-up  
11 PSAP by July 1, 2016; and

12 Whereas, counties would save cost and increase efficiency by partnering under a  
13 standard model for a back-up PSAP developed by the 911 Board; and

14 Whereas, the assistance of the 911 Board in facilitating group procurement pricing  
15 for eligible 911 expense items would save money and eliminate price disparities between larger  
16 and smaller jurisdictions; Now, therefore,

17 The General Assembly of North Carolina enacts:

18 **SECTION 1.** G.S. 62A-46(e)(4a) reads as rewritten:

19 "(4a) ~~A-By July 1, 2016, a PSAP must have a plan and means for 911 call-taking~~  
20 ~~in the event 911 calls cannot be received and processed in the primary~~  
21 ~~PSAP-PSAP, or have made substantial progress toward implementation of~~  
22 ~~the plan and means.~~ The plan must identify the alternative capability of  
23 taking the redirected 911 calls. This subdivision does not require a PSAP to  
24 construct an alternative facility to serve as a back-up PSAP."

25 **SECTION 2.** The 911 Board shall investigate alternatives for facilitation of  
26 uniform procurement and pricing of 911 eligible expenses through bulk purchasing and other  
27 means. No later than May 1, 2016, the Board shall report its findings, including any requests  
28 for legislative action, to the Joint Legislative Oversight Committee on Information Technology.

29 **SECTION 3.** This act is effective when it becomes law.







# HOUSE BILL 544: County Sign Ordinance in Municipal Parks

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Brawley, Horn, Jeter  
**Analysis of:** First Edition

**Date:** April 27, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *House Bill 544 would require that signs and notices posted in city parks pursuant to a county nonsmoking ordinance must adhere to any sign ordinances adopted by the city in which the park is located.*

**CURRENT LAW:** G.S. 130A-498 authorizes local governments to adopt and enforce ordinances, board of health rules, and policies restricting or prohibiting smoking that are more restrictive than State law and that apply in local government buildings, on local government grounds, in local vehicles, or in public places. A rule or policy adopted by a local board of health must be approved by an ordinance adopted by the Board of County Commissioners of the county to which the rule applies. A county ordinance adopted under this section is subject to G.S. 153A-122, which provides that the governing board of a city may by resolution permit a county ordinance to be applicable within the city.

**BILL ANALYSIS:** House Bill 544 would require that signs and notices posted in city-owned public parks pursuant to a county ordinance prohibiting or restricting smoking must conform with any sign ordinances adopted by the city.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



\* H 5 4 4 - S M T H - 5 6 E 1 - V 1 \*

Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 544  
PROPOSED COMMITTEE SUBSTITUTE H544-CSTH-16 [v.2]

4/27/2015 12:25:57 PM

Short Title: County Sign Ordinance in Municipal Parks.

(Public)

Sponsors:

Referred to:

April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE SIGNS POSTED IN MUNICIPAL PARKS TO CONFORM TO  
3 MUNICIPAL SIGN ORDINANCES.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 153A-122 reads as rewritten:

6 "§ 153A-122. Territorial jurisdiction of county ordinances.

7 (a) Except as otherwise provided in this Article, the board of commissioners may make  
8 any ordinance adopted pursuant to this Article applicable to any part of the county not within a  
9 city.

10 (b) ~~In addition, the~~The governing board of a city may by resolution permit a county  
11 ordinance adopted pursuant to this Article to be applicable within the city. In the resolution  
12 permitting the county ordinance to be applicable within the city, the governing board of the city  
13 may specify that any signage required by the county ordinance be in compliance with city  
14 ordinances. The city may by resolution withdraw its permission to such an ordinance. If it does  
15 so, the city shall give written notice to the county of its withdrawal of permission; 30 days after  
16 the day the county receives this notice the county ordinance ceases to be applicable within the  
17 city."

18 SECTION 2. This act is effective when it becomes law.



\* H 5 4 4 - C S T H - 1 6 - V - 2 \*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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1

HOUSE BILL 544

Short Title: County Sign Ordinance in Municipal Parks. (Public)

Sponsors: Representatives Brawley, Horn, and Jeter (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

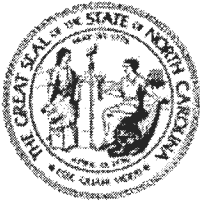
April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REQUIRE SIGNS POSTED IN MUNICIPAL PARKS TO CONFORM TO  
3 MUNICIPAL SIGN ORDINANCES.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** G.S. 130A-498 is amended by adding a new subsection to read:  
6 "(f) The posting of signs and notices in municipally owned public parks pursuant to this  
7 Part shall conform with any sign ordinances adopted by the municipality."  
8 **SECTION 2.** This act is effective when it becomes law.



\* H 5 4 4 - V - 1 \*





## HOUSE BILL 591: Cities/Public Trust Areas

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Tine  
**Analysis of:** PCS to First Edition  
H591-CSRW-19

**Date:** April 24, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *House Bill 591 (proposed committee substitute) authorizes cities to regulate, restrict, or prohibit the placement, maintenance, location or use of structures that are uninhabitable and without water and sewer service for more than 60 days on the State's ocean beaches.*

*The proposed committee substitute clarifies when the 60 day period ends, and requires notification to the owner of record by certified mail.*

**CURRENT LAW:** In 2013, the General Assembly enacted G.S. 160A-205, which authorizes cities to adopt ordinances to abate unreasonable restrictions of the public's right to use ocean beaches. This statute authorizes a city to regulate, restrict, or prohibit the placement, maintenance, location or use of equipment, personal property, or debris on the State's ocean beaches.<sup>1</sup>

**BILL ANALYSIS:** House Bill 591 (proposed committee substitute) amends G.S. 160A-205 to:

- authorize a city to regulate, restrict, or prohibit the placement, maintenance, location or use of structures that are uninhabitable and without water and sewer service for more than 60 days on the State's ocean beaches.
- require the city to make the determination that the structure has been uninhabitable and without water and sewer service for more than 60 days, and then notify the owner of record by certified mail.

**EFFECTIVE DATE:** This act is effective when it becomes law.

<sup>1</sup> This statute was enacted following the decision in *Town of Nags Head v. Cherry*, 219 N.C.App. 66 (2012)

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 591  
PROPOSED COMMITTEE SUBSTITUTE H591-CSRW-19 [v.1]

4/24/2015 2:27:33 PM

Short Title: Cities/Public Trust Areas.

(Public)

Sponsors:

Referred to:

April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING CITIES TO REGULATE CERTAIN STRUCTURES THAT  
3 UNREASONABLY RESTRICT THE PUBLIC'S RIGHTS TO USE THE STATE'S  
4 OCEAN BEACHES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 160A-205 reads as rewritten:

7 **"§ 160A-205. Cities enforce ordinances within public trust areas.**

8 (a) Notwithstanding the provisions of G.S. 113-131 or any other provision of law, a city  
9 may, by ordinance, define, prohibit, regulate, or abate acts, omissions, or conditions upon the  
10 State's ocean beaches and prevent or abate any unreasonable restriction of the public's rights to  
11 use the State's ocean beaches. In addition, a city may, in the interest of promoting the health,  
12 safety, and welfare of the public, regulate, restrict, or prohibit the placement, maintenance,  
13 location, or use of structures that are uninhabitable and without water and sewer services for  
14 more than 60 days, as determined by the city with notice provided to the owner of record of the  
15 determination by certified mail at the time of the determination, equipment, personal property,  
16 or debris upon the State's ocean beaches. A city may enforce any ordinance adopted pursuant to  
17 this section or any other provision of law upon the State's ocean beaches located within or  
18 adjacent to the city's jurisdictional boundaries to the same extent that a city may enforce  
19 ordinances within the city's jurisdictional boundaries. A city may enforce an ordinance adopted  
20 pursuant to this section by any remedy provided for in G.S. 160A-175. For purposes of this  
21 section, the term "ocean beaches" has the same meaning as in G.S. 77-20(e).

22 (b) Nothing in this section shall be construed to (i) limit the authority of the State or any  
23 State agency to regulate the State's ocean beaches as authorized by G.S. 113-131, or common  
24 law as interpreted and applied by the courts of this State; (ii) limit any other authority granted  
25 to cities by the State to regulate the State's ocean beaches; (iii) deny the existence of the  
26 authority recognized in this section prior to the date this section becomes effective; (iv) impair  
27 the right of the people of this State to the customary free use and enjoyment of the State's ocean  
28 beaches, which rights remain reserved to the people of this State as provided in G.S. 77-20(d);  
29 (v) change or modify the riparian, littoral, or other ownership rights of owners of property  
30 bounded by the Atlantic Ocean; or (vi) apply to the removal of permanent residential or  
31 commercial structures and appurtenances thereto from the State's ocean ~~beaches~~ beaches,  
32 except as provided in subsection (a) of this section."

33 **SECTION 2.** This act is effective when it becomes law.





GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 591

Short Title: Cities/Public Trust Areas. (Public)

Sponsors: Representative Tine (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING CITIES TO REGULATE CERTAIN STRUCTURES THAT  
3 UNREASONABLY RESTRICT THE PUBLIC'S RIGHTS TO USE THE STATE'S  
4 OCEAN BEACHES.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 160A-205 reads as rewritten:

7 "§ 160A-205. Cities enforce ordinances within public trust areas.

8 (a) Notwithstanding the provisions of G.S. 113-131 or any other provision of law, a city  
9 may, by ordinance, define, prohibit, regulate, or abate acts, omissions, or conditions upon the  
10 State's ocean beaches and prevent or abate any unreasonable restriction of the public's rights to  
11 use the State's ocean beaches. In addition, a city may, in the interest of promoting the health,  
12 safety, and welfare of the public, regulate, restrict, or prohibit the placement, maintenance,  
13 location, or use of structures that are uninhabitable and without water and sewer services for  
14 more than 60 days, equipment, personal property, or debris upon the State's ocean beaches. A  
15 city may enforce any ordinance adopted pursuant to this section or any other provision of law  
16 upon the State's ocean beaches located within or adjacent to the city's jurisdictional boundaries  
17 to the same extent that a city may enforce ordinances within the city's jurisdictional boundaries.  
18 A city may enforce an ordinance adopted pursuant to this section by any remedy provided for  
19 in G.S. 160A-175. For purposes of this section, the term "ocean beaches" has the same meaning  
20 as in G.S. 77-20(e).

21 (b) Nothing in this section shall be construed to (i) limit the authority of the State or any  
22 State agency to regulate the State's ocean beaches as authorized by G.S. 113-131, or common  
23 law as interpreted and applied by the courts of this State; (ii) limit any other authority granted  
24 to cities by the State to regulate the State's ocean beaches; (iii) deny the existence of the  
25 authority recognized in this section prior to the date this section becomes effective; (iv) impair  
26 the right of the people of this State to the customary free use and enjoyment of the State's ocean  
27 beaches, which rights remain reserved to the people of this State as provided in G.S. 77-20(d);  
28 (v) change or modify the riparian, littoral, or other ownership rights of owners of property  
29 bounded by the Atlantic Ocean; or (vi) apply to the removal of permanent residential or  
30 commercial structures and appurtenances thereto from the State's ocean ~~beaches~~beaches,  
31 except as provided in subsection (a) of this section.

32 SECTION 2. This act is effective when it becomes law.



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## HOUSE BILL 730: County Provide 911 Dispatch Services

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Saine  
**Analysis of:** First Edition

**Date:** April 27, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *House Bill 730 would prohibit a county from billing a city for services that have been paid by the city's constituents though the county's property taxes for 911 dispatch services, if the governing body of the city adopts a resolution requesting the dispatch services.*

**CURRENT LAW:** Article 3 of Chapter 62A provides for the statewide 911 system.

G.S. 62A-46(a) authorizes the 911 Board to determine the monthly distributions to eligible public safety answering points (PSAPs). The distribution amount is based on a formula adopted by the Board. G.S. 62A-46(c) provides that distributions from the 911 Fund can be used for *dispatch equipment* located exclusively within the building where the PSAP or backup PSAP is located, excluding the costs of base station transmitters, towers, microwave links and antennae used to dispatch emergency call information from the PSAP.

911 *dispatch services* are not authorized to be paid from the 911 Fund, and counties and cities fund those services through other taxes.

**BILL ANALYSIS:** House Bill 730 would provide that if a county operates a 911 PSAP that is funded, in whole or in part, by county ad valorem taxes, the county must provide 911 dispatch services without additional charge to any city located within the county's jurisdictional limits, if the governing body of the city adopts a resolution requesting the dispatch services.

**EFFECTIVE DATE:** This act becomes effective July 1, 2015.

O. Walker Reagan  
Director



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Research Division  
(919) 733-2578

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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 730

Short Title: County Provide 911 Dispatch Services. (Public)

Sponsors: Representative Saine (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government.

April 15, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROHIBIT THE DOUBLE TAXATION OF CITY RESIDENTS FOR 911  
3 DISPATCH SERVICES.

4 Whereas, property owners in the State's cities pay both city and county ad valorem  
5 taxes; and

6 Whereas, these property owners should receive the benefit of their county taxes; and

7 Whereas, the property taxes paid by city residents should be considered adequate  
8 compensation for the provision of county dispatch services within the city; Now, therefore,  
9 The General Assembly of North Carolina enacts:

10 SECTION 1. Article 23 of Chapter 153A of the General Statutes is amended by  
11 adding a new section to read as follows:

12 "**§ 153A-457. 911 dispatch services.**

13 If a county operates a 911 public safety answering point that is funded, in whole or in part,  
14 by county ad valorem taxes, the county shall provide 911 dispatch services without additional  
15 charge to any city located within the county's jurisdictional limits if the governing body of the  
16 city adopts a resolution requesting the dispatch services."

17 SECTION 2. This act becomes effective July 1, 2015.



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# HOUSE BILL 836: Local Government Regulatory Reform

2015-2016 General Assembly

<b>Committee:</b>	House Serial Referral To Regulatory Reform	<b>Date:</b>	April 26, 2015
	Stricken		
<b>Introduced by:</b>	Reps. Robinson, Bishop, Fraley	<b>Prepared by:</b>	R. Erika Churchill
<b>Analysis of:</b>	PCS to First Edition		Committee Counsel
	H836-CSST-34		

**SUMMARY:** *The proposed committee substitute would make various changes to the law related to counties and cities.*

## CURRENT LAW & BILL ANALYSIS:

**Section 1.** Cities have the authority to permanently close a street or alley. Generally, on the closing of a street or alley by a city, the title to the area is conclusively presumed to be vested in those persons owning lots or parcels of land adjacent to the street or alley, and the title of such adjoining landowners, for the width of the abutting land owned by them, is extended to the centerline of the street or alley. However, the city may reserve a right, title, and interest in any improvements or easements within a closed street. Section 1 of the PCS would clarify the retention of that right, title or interest to specifically state that the easement may include utility, drainage, pedestrian, landscaping, conservation, or other easements considered by the city to be in the public interest.

**Section 2.** Every person who is advertising or offering for sale a stock of goods, wares or merchandise under the description of closing-out sale, or a sale of goods, wares or merchandise damaged by fire, smoke, water or otherwise, or a distress sale unless must obtain a license to conduct such sale from the clerk of the city or town in which the person proposes to conduct the sale. If the sale is in the unincorporated area, then the license is issued by the officer designated by the Board of County Commissioners in that county. The PCS would repeal the requirement for license to conduct such a sale.

**Section 3.** Each county board of elections, by 10:00 a.m. on Election Day, must submit, by regular US Postal mail, one copy of the list of executed absentee ballots, either as a countywide list or a separate list for each precinct, to the State Board of Elections. The PCS would authorize the lists to be submitted electronically in a manner approved by the State Board of Elections.

**Section 4.** North Carolina currently uses two types of electronic voting systems, optical scan machines and direct record electronic machines. Optical scan machines tabulate paper ballots that have been hand-marked by the voter. Direct record electronic (DRE) touchscreen voting machines allow voters to mark and submit their votes electronically and do not produce paper ballots. Effective January 1, 2018, S.L. 2013-381, requires that all voting systems must generate an individual paper ballot marked by the voter. New technology in voting systems would allow for a touchscreen selection of choices by a voter shown all the options for that race, with a printed ballot of only that voter's choices. The PCS would amend the current statutes governing contents of official ballots to allow for the potential use of the new technology, if those voting systems are certified by the State Board of Elections for purchase by the counties to be used in North Carolina elections.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 836

Page 2

**Section 5.** Currently, obligations incurred by a local government subject to the Local Government Budget and Fiscal Control Act accounted for in a fund included in the budget ordinance may not be incurred unless the budget ordinance includes an appropriation authorizing the obligation and an unencumbered balance remains sufficient to pay in the current fiscal year for that amount. For written contracts, each must be certified by the finance officer, or a duly appointed deputy finance officer, to that affect, and is often called a "preaudit" certification. The PCS would update that statutory requirement to reflect advances in technology that allow for credit cards, gas cards, procurement cards, and other means of remitting payment for obligations. Effective July 1, 2015, and applies to obligations incurred on or after that date.

**EFFECTIVE DATE:** Except as noted, effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 836  
PROPOSED COMMITTEE SUBSTITUTE H836-CSST-34 [v.2]

4/26/2015 4:27:54 PM

Short Title: Local Government Regulatory Reform.

(Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO PROVIDE REGULATORY RELIEF FOR LOCAL GOVERNMENTS BY  
AUTHORIZING CITIES TO RESERVE CERTAIN EASEMENTS WHEN  
PERMANENTLY CLOSING STREETS AND ALLEYS; BY REPEALING THE  
REQUIREMENT FOR LICENSING OF GOING OUT OF BUSINESS SALES BY  
LOCAL GOVERNMENTS; BY PROVIDING FOR ELECTRONIC SUBMISSION OF  
ABSENTEE BALLOT LISTS BY COUNTY BOARDS OF ELECTION; BY  
AUTHORIZING THE POTENTIAL USE OF NEW TECHNOLOGY FOR PAPER  
BALLOTS; AND BY EXEMPTING LOCAL GOVERNMENT REGULAR PAYROLL  
AND BENEFITS PAYMENTS FROM PRE-AUDIT CERTIFICATION  
REQUIREMENTS.

The General Assembly of North Carolina enacts:

CLARIFY EASEMENT RESERVATION AUTHORITY FOR CITIES CLOSING  
STREETS AND ALLEYS

SECTION 1. G.S. 160A-299 reads as rewritten:

"§ 160A-299. Procedure for permanently closing streets and alleys.

...

(f) A city may reserve ~~its~~ a right, title, and interest in any ~~utility~~  
~~improvement~~ improvements or ~~easement~~ easements within a street closed pursuant to this  
section. An easement under this subsection shall include utility, drainage, pedestrian,  
landscaping, conservation, or other easements considered by the city to be in the public interest.  
~~Such~~ The reservation of an easement under this subsection shall be stated in the order of  
closing. ~~Such~~ The reservation also extends to utility improvements or easements owned by  
private utilities which at the time of the street closing have a utility agreement or franchise with  
the city.

...."

REPEAL LICENSING FOR GOING OUT OF BUSINESS/DISTRESS SALES

SECTION 2.(a) G.S. 66-77 is repealed.

SECTION 2.(b) G.S. 66-80 reads as rewritten:

"§ 66-80. Continuation of sale or business beyond termination date.

No person shall conduct a closing-out sale or a sale of goods, wares or merchandise  
damaged by fire, smoke, water or otherwise or a distress sale beyond the termination date  
specified for such sale, ~~except as otherwise provided for in subsection (b) of G.S. 66-77; sale;~~  
nor shall any person, upon conclusion of such sale, continue that business which had been



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represented as closing out or going out of business under the same name, or under a different name, at the same location, or elsewhere in the same city or town where the inventory for such sale was filed for a period of 12 months; nor shall any person, upon conclusion of such sale, continue business contrary to the designation of such sale. As used in this section, the term "person" includes individuals, partnerships, corporations, and other business entities. If a business entity that is prohibited from continuing a business under this section reformulates itself as a new entity or as an individual, whether by sale, merger, acquisition, bankruptcy, dissolution, or any other transaction, for the purpose of continuing the business, the successor entity or individual shall be considered the same person as the original entity for the purpose of this section. If an individual who is prohibited from continuing a business under this section forms a new business entity to continue the business, that entity shall be considered the same person as the individual for the purpose of this section."

**SECTION 2.(c)** This section becomes effective July 1, 2015.

## **ELECTRONIC REPORTING FOR COUNTY BOARDS OF ELECTIONS**

**SECTION 3.(a)** G.S. 163-232 reads as rewritten:

### **"§ 163-232. Certified list of executed absentee ballots; distribution of list.**

The county board of elections shall prepare, or cause to be prepared, a list in at least quadruplicate, of all absentee ballots returned to the county board of elections to be counted, which have been approved by the county board of elections, and which have been received as of 5:00 p.m. on the day before the election. At the end of the list, the chairman shall execute the following certificate under oath:

"State of North Carolina

County of \_\_\_\_\_

I, \_\_\_\_\_, chairman of the \_\_\_\_\_ County board of elections, do hereby certify that the foregoing is a list of all executed absentee ballots to be voted in the election to be conducted on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, which have been approved by the county board of elections and which have been returned no later than 5:00 p.m. on the day before the election. I certify that the chairman, member, officer, or employee of the board of elections has not delivered ballots for absentee voting to any person other than the voter, by mail or by commercial courier service or in person, except as provided by law, and have not mailed or delivered ballots when the request for the ballot was received after the deadline provided by law.

This the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
(Signature of chairman of  
county board of elections)

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Witness my hand and official seal.

\_\_\_\_\_  
(Signature of officer  
administering oath)

\_\_\_\_\_  
(Title of officer)"

No later than 10:00 a.m. on election day, the county board of elections shall cause one copy of the list of executed absentee ballots, which may be a continuing countywide list or a separate list for each precinct, to be immediately (i) submitted electronically in a manner approved by the State Board of Elections or (ii) deposited as "first-class" mail to the State Board of Elections. The board shall retain one copy in the board office for public inspection and the board shall cause two copies of the appropriate precinct list to be delivered to the chief judge of each precinct in the county. The county board of elections shall be authorized to call upon the

sheriff of the county to distribute the list to the precincts. In addition the county board of elections shall, upon request, provide a copy of the complete list to the chairman of each political party, recognized under the provisions of G.S. 163-96, represented in the county.

The chief judge shall post one copy of the list immediately in a conspicuous location in the voting place and retain one copy until all challenges of absentee ballots have been heard by the county board of elections. Challenges shall be made to absentee ballots as provided in G.S. 163-89.

After receipt of the list of absentee voters required by this section the chief judge shall call the name of each person recorded on the list and enter an "A" in the appropriate voting square on the voter's permanent registration record, or a similar entry on the computer list used at the polls. If such person is already recorded as having voted in that election, the chief judge shall enter a challenge which shall be presented to the county board of elections for resolution by the board of elections prior to certification of results by the board.

All lists required by this section shall be retained by the county board of elections for a period of 22 months after which they may then be destroyed."

**SECTION 3.(b)** G.S. 163-232.1(c) reads as rewritten:

"(c) The board shall post one copy of the most current version of each list in the board office in a conspicuous location for public inspection and shall retain one copy until all challenges of absentee ballots have been heard by the county board of elections. The county board of elections shall cause one copy of each of the final lists of executed absentee ballots required under subsection (a) and subsection (b) of this section to be (i) submitted electronically in a manner approved by the State Board of Elections or (ii) deposited as "first-class" mail to the State Board of Elections. The final lists shall be electronically submitted or mailed no later than 10:00 a.m. of the next business day following the deadline for receipt of such absentee ballots. Challenges shall be made to absentee ballots as provided in G.S. 163-89. In addition the county board of elections shall, upon request, provide a copy of each of the lists to the chairman of each political party, recognized under the provisions of G.S. 163-96, represented in the county."

**ALLOW NEW TECHNOLOGY FOR PAPER BALLOTS**

**SECTION 4.(a)** G.S. 163-165 reads as rewritten:

**"§ 163-165. Definitions.**

In addition to the definitions stated below, the definitions set forth in Article 15A of Chapter 163 of the General Statutes also apply to this Article. As used in this Article:

(1) **(Effective until January 1, 2018)** "Ballot" means an instrument on which a voter indicates ~~a~~ that voter's choice for a ballot item so that it may be recorded as a vote for or against a certain candidate or referendum proposal. The term "ballot" may include a paper ballot to be counted by hand, a paper ballot to be counted on an electronic scanner, the face of a lever voting machine, the image on a direct record electronic unit, or a ballot used on any other voting system.

(1) **(Effective January 1, 2018)** "Ballot" means an instrument on which a voter indicates ~~a~~ that voter's choice for a ballot item so that it may be recorded as a vote for or against a certain candidate or referendum proposal. The term "ballot" may include a paper ballot to be counted by hand, a paper ballot to be counted on an electronic scanner, or a paper ballot used on any other voting system.

(2) "Ballot item" means a single item on a ballot in which the voters are to choose between or among the candidates or proposals listed.

(3) "Ballot style" means the version of a ballot within a jurisdiction that an individual voter is eligible to vote. For example, in a county that uses

essentially the same official ballot, a group office such as county commissioner may be divided into districts so that different voters in the same county vote for commissioner in different districts. The different versions of the county's official ballot containing only those district ballot items one individual voter may vote are the county's different ballot styles.

(4) "Election" means the event in which voters cast votes in ballot items concerning proposals or candidates for office in this State or the United States. The term includes primaries, general elections, referenda, and special elections.

(5) "Official ballot" means a ballot that has been certified by the State Board of Elections and produced by or with the approval of the county board of elections, and may include ballots indicating choices of an individual voter selected electronically and printed in the voting place. The term does not include a sample ballot or a specimen ballot.

(5a) **(Effective January 1, 2018)** "Paper ballot" means an individual paper document that bears marks made by the voter by hand or through electronic means.

(6) "Provisional official ballot" means an official ballot that is voted and then placed in an envelope that contains an affidavit signed by the voter certifying identity and eligibility to vote. Except for its envelope, a provisional official ballot shall not be marked to make it identifiable to the voter.

(7) "Referendum" means the event in which voters cast votes for or against ballot questions other than the election of candidates to office.

(8) "Voting booth" means the private space in which a voter is to mark an official ballot.

(9) "Voting enclosure" means the room within the voting place that is used for voting.

(10) "Voting place" means the building or area of the building that contains the voting enclosure.

(11) "Voting system" means a system of casting and tabulating ballots. The term includes systems of paper ballots counted by hand as well as systems utilizing mechanical and electronic voting equipment."

**SECTION 4.(b)** G.S. 165-165.5 reads as rewritten:

**"§ 163-165.5. Contents of official ballots.**

(a) Except as provided in this section, Each~~each~~ official ballot shall contain all the following elements:

(1) The heading prescribed by the State Board of Elections. The heading shall include the term "Official Ballot".

(2) The title of each office to be voted on and the number of ~~seats to be filled~~ votes allowed in each ballot item.

(3) The names of the candidates as they appear on their notice of candidacy filed pursuant to G.S. 163-106 or G.S. 163-323, or on petition forms filed in accordance with G.S. 163-122. No title, appendage, or appellation indicating rank, status, or position shall be printed on the official ballot in connection with the candidate's name. Candidates, however, may use the title Mr., Mrs., Miss, or Ms. Nicknames shall be permitted on an official ballot if used in the notice of candidacy or qualifying petition, but the nickname shall appear according to standards adopted by the State Board of Elections. Those standards shall allow the presentation of legitimate nicknames in ways that do not mislead the voter or unduly advertise the candidacy. In the case of candidates for presidential elector, the official ballot shall not contain the

names of the candidates for elector but instead shall contain the nominees for President and Vice President which the candidates for elector represent. The State Board of Elections shall establish a review procedure that local boards of elections shall follow to ensure that candidates' names appear on the official ballot in accordance with this subdivision.

(4) Party designations in partisan ballot items.

(5) A means by which the voter may cast write-in votes, as provided in G.S. 163-123. No space for write-ins is required unless a write-in candidate has qualified under G.S. 163-123 or unless the ballot item is exempt from G.S. 163-123.

(6) Instructions to voters, unless the State Board of Elections allows instructions to be placed elsewhere than on the official ballot.

(7) The printed title and facsimile signature of the chair of the county board of elections.

(b) Notwithstanding subsection (a) of this section, an official ballot created and printed by use of a voting system in the voting place shall be counted if all of the following apply:

(1) Each of the following are printed on that official ballot:

a. The date of the election.

b. The precinct name or a unique identification code associated with that ballot style.

c. The choices made by the voter for all ballot items in which the voter cast a vote.

(2) The electronic display of the voting system seen by the voter contains all of the information required by subsection (a) of this section.

(3) The voter is capable of reviewing the printed official ballot, and voiding that ballot, prior to casting that voter's ballot.

(4) The voter's choices in and on the electronic display are removed prior to the next voter using that voting equipment."

## PRE-AUDIT CERTIFICATIONS

SECTION 5.(a) G.S. 159-28 reads as rewritten:

### "§ 159-28. Budgetary accounting for appropriations.

(a) Incurring Obligations. – No obligation may be incurred in a program, function, or activity accounted for in a fund included in the budget ordinance unless the budget ordinance includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay in the current fiscal year the sums obligated by the transaction for the current fiscal year. No obligation may be incurred for a capital project or a grant project authorized by a project ordinance unless that project ordinance includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay the sums obligated by the transaction. Nothing in this section shall require a contract to be reduced to writing.

(a1) Preaudit Requirement. – If an obligation is evidenced by reduced to a written contract or written agreement requiring the payment of money-money, or is evidenced by a written purchase order for supplies and materials, the written contract, agreement, or purchase order shall include on its face a certificate stating that the instrument has been preaudited to assure compliance with this subsection (a) of this section. unless the obligation or a document related to the obligation has been approved by the Local Government Commission, in which case no certificate shall be required. The certificate, which shall be signed by the finance officer officer, or any deputy finance officer approved for this purpose by the governing board, shall take substantially the following form:

"This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

(Signature of finance officer)."

~~Certificates in the form prescribed by G.S. 153-130 or 160-411 as those sections read on June 30, 1973, or by G.S. 159-28(b) as that section read on June 30, 1975, are sufficient until supplies of forms in existence on June 30, 1975, are exhausted.~~

(a2) Failure to Preaudit. – An obligation incurred in violation of ~~this subsection~~ subsections (a) or (a1) of this section is invalid and may not be enforced. The finance officer shall establish procedures to assure compliance with this ~~subsection~~ section, in accordance with any rules adopted by the Local Government Commission.

(b) Disbursements. – When a bill, invoice, or other claim against a local government or public authority is presented, the finance officer shall either approve or disapprove the necessary disbursement. If the claim involves a program, function, or activity accounted for in a fund included in the budget ordinance or a capital project or a grant project authorized by a project ordinance, the finance officer may approve the claim only if both of the following apply:

- (1) ~~He~~ The finance officer determines the amount to be payable and payable.
- (2) The budget ordinance or a project ordinance includes an appropriation authorizing the expenditure and either (i) an encumbrance has been previously created for the transaction or (ii) an unencumbered balance remains in the appropriation sufficient to pay the amount to be disbursed.

The finance officer may approve a bill, invoice, or other claim requiring disbursement from an intragovernmental service fund or trust or agency fund not included in the budget ordinance, only if the amount claimed is determined to be payable. A bill, invoice, or other claim may not be paid unless it has been approved by the finance officer or, under subsection (c) of this section, by the governing board. The finance officer shall establish procedures to assure compliance with this ~~subsection~~ subsection, in accordance with any rules adopted by the Local Government Commission.

(c) Governing Board Approval of Bills, Invoices, or Claims. – The governing board may, as permitted by this subsection, approve a bill, invoice, or other claim against the local government or public authority that has been disapproved by the finance officer. ~~It~~ The governing board may not approve a claim for which no appropriation appears in the budget ordinance or in a project ordinance, or for which the appropriation contains no encumbrance and the unencumbered balance is less than the amount to be paid. The governing board shall approve payment by formal resolution stating the board's reasons for allowing the bill, invoice, or other claim. The resolution shall be entered in the minutes together with the names of those voting in the affirmative. The chairman of the ~~board~~ board, or some other member designated for this ~~purpose~~ purpose, shall sign the certificate on the check or draft given in payment of the bill, invoice, or other claim. If payment results in a violation of law, each member of the board voting to allow payment is jointly and severally liable for the full amount of the check or draft given in payment.

(d) Payment. – A local government or public authority may not pay a bill, invoice, salary, or other claim except by any of the following methods:

- (1) ~~a check~~ Check or draft on an official ~~depository~~ depository.
- (2) ~~a bank~~ Bank wire transfer from an official ~~depository~~ depository.
- (3) ~~or an electronic~~ Electronic payment or an electronic funds transfer originated by the local government or public authority through an official depository.
- (4) Cash, if the local government has adopted an ordinance authorizing the use of cash, and specifying the limits of the use of cash.

(d1) Except as provided in this ~~subsection~~ section, each check or draft on an official depository shall bear on its face a certificate signed by the finance officer or a deputy finance officer approved for this purpose by the governing board (or signed by the chairman or some other member of the board pursuant to subsection (c) of this section). The certificate shall take substantially the following form:

"This disbursement has been approved as required by the Local Government Budget and Fiscal Control Act.

(Signature of finance officer)."

(d2) An electronic payment or electronic funds transfer ~~must~~ shall be ~~subjected~~ subject to the pre-audit ~~process~~ process in accordance with this section and any rules adopted by the Local Government Commission. The rules so adopted shall address ~~Execution~~ execution of the electronic payment or electronic funds transfer and how to ~~shall~~ indicate that the finance officer or duly appointed deputy finance officer has performed the pre-audit process as ~~required by G.S. 159-28(a)~~ in accordance with this section. A finance officer or duly appointed deputy finance officer shall be presumed in compliance with this section if the finance officer or duly appointed deputy finance officer complies with the rules adopted by the Local Government Commission.

~~Certificates in the form prescribed by G.S. 153-131 or 160-411.1 as those sections read on June 30, 1973, or by G.S. 159-28(a) as that section read on June 30, 1975, are sufficient until supplies in existence on June 30, 1975, are exhausted.~~

~~No certificate is required on payroll checks or drafts on an imprest account in an official depository, if the check or draft depositing the funds in the imprest account carried a signed certificate.~~

~~As used in this subsection, the term "electronic payment" means payment by charge card, credit card, debit card, or by electronic funds transfer, and the term "electronic funds transfer" means a transfer of funds initiated by using an electronic terminal, a telephone, a computer, or magnetic tape to instruct or authorize a financial institution or its agent to credit or debit an account.~~

(e) Penalties. – If an officer or employee of a local government or public authority incurs an obligation or pays out or causes to be paid out any funds in violation of this section, ~~he that officer or employee~~, and the sureties on ~~his any~~ any official bond for that officer or employee, are liable for any sums so committed or disbursed. If the finance officer or any ~~properly designated~~ duly appointed deputy finance officer gives a false certificate to any contract, agreement, purchase order, check, draft, or other document, ~~he the finance officer or duly appointed deputy finance officer~~, and the sureties on ~~his any~~ any official ~~bond~~ bond, are liable for any sums illegally committed or disbursed thereby. The governing board shall determine, by resolution, if payment from the official bond shall be sought, and if the governing body will seek a judgment from the finance officer or duly appointed deputy finance officer for any deficiencies in the amount.

(f) The certifications required by subsections (a1) and (d) of this section shall not apply to any of the following:

- (1) An obligation or a document related to the obligation has been approved by the Local Government Commission.
- (2) Payroll expenditures, including all benefits for employees of the local government.
- (3) Electronic payments, as specified in rules adopted by the Local Government Commission.

(g) As used in this section, the following terms shall have the following meanings:

- (1) Electronic payment. – Payment by charge card, credit card, debit card, gas card, procurement card, or electronic funds transfer.

1           (2)   Electronic funds transfer. – A transfer of funds initiated by using an  
2                   electronic terminal, a telephone, a computer, or magnetic tape to instruct or  
3                   authorize a financial institution or its agent to credit or debit an account."

4           **SECTION 5.(b)** This section becomes effective July 1, 2015, and applies to  
5 expenditures incurred on or after that date.

6  
7  
8 **EFFECTIVE DATE**

9           **SECTION 6.** The remainder of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 836

Short Title: Local Government Regulatory Reform. (Public)

Sponsors: Representatives Robinson, Bishop, and Fraley (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Regulatory Reform.

April 15, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE REGULATORY RELIEF FOR LOCAL GOVERNMENTS BY  
3 AUTHORIZING CITIES TO RESERVE CERTAIN EASEMENTS WHEN  
4 PERMANENTLY CLOSING STREETS AND ALLEYS; BY REPEALING THE  
5 REQUIREMENT FOR LICENSING OF GOING OUT OF BUSINESS SALES BY  
6 LOCAL GOVERNMENTS; BY PROVIDING FOR ELECTRONIC SUBMISSION OF  
7 ABSENTEE BALLOT LISTS BY COUNTY BOARDS OF ELECTION; AND BY  
8 EXEMPTING LOCAL GOVERNMENT REGULAR PAYROLL AND BENEFITS  
9 PAYMENTS FROM PRE-AUDIT CERTIFICATION REQUIREMENTS.

10 The General Assembly of North Carolina enacts:

11  
12 **CLARIFY EASEMENT RESERVATION AUTHORITY FOR CITIES CLOSING**  
13 **STREETS AND ALLEYS**

14 **SECTION 1.** G.S. 160A-299 reads as rewritten:

15 **"§ 160A-299. Procedure for permanently closing streets and alleys.**

16 ...  
17 (f) A city may reserve ~~its~~ a right, title, and interest in any ~~utility~~  
18 ~~improvement~~ improvements or ~~easement~~ easements within a street closed pursuant to this  
19 section. An easement under this subsection shall include utility, drainage, pedestrian,  
20 landscaping, conservation, or other easements considered by the city to be in the public interest.  
21 ~~Such~~ The reservation of an easement under this subsection shall be stated in the order of  
22 closing. Such The reservation also extends to utility improvements or easements owned by  
23 private utilities which at the time of the street closing have a utility agreement or franchise with  
24 the city.

25 ...."

26

27 **REPEAL LICENSING FOR GOING OUT OF BUSINESS/DISTRESS SALES**

28 **SECTION 2.(a)** G.S. 66-77 is repealed.

29 **SECTION 2.(b)** G.S. 66-80 reads as rewritten:

30 **"§ 66-80. Continuation of sale or business beyond termination date.**

31 No person shall conduct a closing-out sale or a sale of goods, wares or merchandise  
32 damaged by fire, smoke, water or otherwise or a distress sale beyond the termination date  
33 specified for such ~~sale, except as otherwise provided for in subsection (b) of G.S. 66-77; sale;~~  
34 nor shall any person, upon conclusion of such sale, continue that business which had been  
35 represented as closing out or going out of business under the same name, or under a different



name, at the same location, or elsewhere in the same city or town where the inventory for such sale was filed for a period of 12 months; nor shall any person, upon conclusion of such sale, continue business contrary to the designation of such sale. As used in this section, the term "person" includes individuals, partnerships, corporations, and other business entities. If a business entity that is prohibited from continuing a business under this section reformulates itself as a new entity or as an individual, whether by sale, merger, acquisition, bankruptcy, dissolution, or any other transaction, for the purpose of continuing the business, the successor entity or individual shall be considered the same person as the original entity for the purpose of this section. If an individual who is prohibited from continuing a business under this section forms a new business entity to continue the business, that entity shall be considered the same person as the individual for the purpose of this section."

### ELECTRONIC REPORTING FOR COUNTY BOARDS OF ELECTIONS

**SECTION 3.(a)** G.S. 163-232 reads as rewritten:

**"§ 163-232. Certified list of executed absentee ballots; distribution of list.**

The county board of elections shall prepare, or cause to be prepared, a list in at least quadruplicate, of all absentee ballots returned to the county board of elections to be counted, which have been approved by the county board of elections, and which have been received as of 5:00 p.m. on the day before the election. At the end of the list, the chairman shall execute the following certificate under oath:

"State of North Carolina

County of \_\_\_\_\_

I, \_\_\_\_\_, chairman of the \_\_\_\_\_ County board of elections, do hereby certify that the foregoing is a list of all executed absentee ballots to be voted in the election to be conducted on the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, which have been approved by the county board of elections and which have been returned no later than 5:00 p.m. on the day before the election. I certify that the chairman, member, officer, or employee of the board of elections has not delivered ballots for absentee voting to any person other than the voter, by mail or by commercial courier service or in person, except as provided by law, and have not mailed or delivered ballots when the request for the ballot was received after the deadline provided by law.

This the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_  
(Signature of chairman of  
county board of elections)

Sworn to and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

Witness my hand and official seal.

\_\_\_\_\_  
(Signature of officer  
administering oath)

\_\_\_\_\_  
(Title of officer)"

No later than 10:00 a.m. on election day, the county board of elections shall cause one copy of the list of executed absentee ballots, which may be a continuing countywide list or a separate list for each precinct, to be immediately (i) submitted electronically by means of the State Election Information Management System (SEIMS), or its successor system, to the State Board of Elections or (ii) deposited as "first-class" mail to the State Board of Elections. The board shall retain one copy in the board office for public inspection and the board shall cause two copies of the appropriate precinct list to be delivered to the chief judge of each precinct in the county. The county board of elections shall be authorized to call upon the sheriff of the county to distribute the list to the precincts. In addition the county board of elections shall, upon

request, provide a copy of the complete list to the chairman of each political party, recognized under the provisions of G.S. 163-96, represented in the county.

The chief judge shall post one copy of the list immediately in a conspicuous location in the voting place and retain one copy until all challenges of absentee ballots have been heard by the county board of elections. Challenges shall be made to absentee ballots as provided in G.S. 163-89.

After receipt of the list of absentee voters required by this section the chief judge shall call the name of each person recorded on the list and enter an "A" in the appropriate voting square on the voter's permanent registration record, or a similar entry on the computer list used at the polls. If such person is already recorded as having voted in that election, the chief judge shall enter a challenge which shall be presented to the county board of elections for resolution by the board of elections prior to certification of results by the board.

All lists required by this section shall be retained by the county board of elections for a period of 22 months after which they may then be destroyed."

**SECTION 3.(b)** G.S. 163-232.1(c) reads as rewritten:

"(c) The board shall post one copy of the most current version of each list in the board office in a conspicuous location for public inspection and shall retain one copy until all challenges of absentee ballots have been heard by the county board of elections. The county board of elections shall cause one copy of each of the final lists of executed absentee ballots required under subsection (a) and subsection (b) of this section to be (i) submitted electronically by means of the State Election Information Management System (SEIMS), or its successor system, to the State Board of Elections or (ii) deposited as "first-class" mail to the State Board of Elections. The final lists shall be electronically submitted or mailed no later than 10:00 a.m. of the next business day following the deadline for receipt of such absentee ballots. Challenges shall be made to absentee ballots as provided in G.S. 163-89. In addition the county board of elections shall, upon request, provide a copy of each of the lists to the chairman of each political party, recognized under the provisions of G.S. 163-96, represented in the county."

#### **PRE-AUDIT CERTIFICATIONS**

**SECTION 4.** G.S. 159-28 is amended by adding a new subsection to read:

"(f) This section shall not apply to disbursements for regular payroll and benefits."

#### **EFFECTIVE DATE**

**SECTION 5.** Section 2 of this act becomes effective July 1, 2015. Section 4 of this act becomes effective July 1, 2015, and applies to disbursements on or after that date. The remainder of this act is effective when it becomes law.

11

12

13

14



## HOUSE BILL 875: Restrict Municipal Eminent Domain

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Judiciary II	<b>Date:</b>	April 22, 2015
<b>Introduced by:</b>	Reps. Jordan, McGrady, Hunter	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	PCS to First Edition H875-CSRW-18		

**SUMMARY:** *House Bill 875 requires County Board of Commissioners approval before any other local government can condemn real property located outside the corporate limits of that local government.*

**CURRENT LAW:** Under current law, a municipality or other unit of local government must obtain the approval of the county board of commissioners before it can condemn land *located outside of the county* where the municipality or other local government is wholly or primarily located, and located outside of that municipality or other local government. This law currently applies in 85 counties. G.S. 153A-15.

### BILL ANALYSIS:

In **Section 1**, House Bill adds a **new G.S. 153A-14.5**, to require that a municipality or other unit of local government must obtain the approval of the county board of commissioners before it can condemn land located *in the same county* where the municipality or other local government is wholly or primarily located, and also located outside of that municipality or other local government.

Consent of the county board means a majority vote of all the members of the board on a resolution. In addition, prior inclusion of the real property subject to condemnation in a county board-approved urban growth zone or county board-approved ETJ area shall constitute consent.

In **Section 2**, House Bill 875 **amends current G.S. 153-15** to make it **apply to all counties**, so that any municipality or other unit of local government must obtain the approval of the county board of commissioners before it can condemn land located *outside of the county* where the municipality or other local government is wholly or primarily located, and also located outside of that municipality or other local government.

**EFFECTIVE DATE:** July 1, 2015, and applies to condemnations on or after that date.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 875  
PROPOSED COMMITTEE SUBSTITUTE H875-CSRW-18 [v.4]

4/22/2015 8:16:02 PM

Short Title: Restrict Municipal Eminent Domain.

(Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE CONSENT OF THE COUNTY BOARD OF COMMISSIONERS  
WHERE PROPERTY IS LOCATED BEFORE ANY MUNICIPALITY, SPECIAL  
DISTRICT, OR OTHER UNIT OF LOCAL GOVERNMENT ACQUIRES BY  
CONDEMNATION ANY REAL PROPERTY LOCATED IN THE SAME COUNTY  
AND OUTSIDE THE MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF  
LOCAL GOVERNMENT; AND TO REQUIRE CONSENT OF THE COUNTY BOARD  
OF COMMISSIONERS WHERE PROPERTY IS LOCATED BEFORE ANY  
MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL  
GOVERNMENT ACQUIRES BY CONDEMNATION ANY REAL PROPERTY  
LOCATED IN ANOTHER COUNTY FROM THE MUNICIPALITY, SPECIAL  
DISTRICT, OR OTHER UNIT OF LOCAL GOVERNMENT AND OUTSIDE THE  
MUNICIPALITY, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL  
GOVERNMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 153A of the General Statutes is amended by adding a new section to read:

**"§ 153A-14.5. Consent of board of commissioners necessary before land outside a unit of local government, but within the county where that unit of local government is located, may be condemned by that unit of local government.**

(a) Notwithstanding the provisions of Chapter 40A of the General Statutes or any other general law or local act conferring the power of eminent domain, before final judgment may be entered in any action of condemnation initiated by a city or town, special district, or other unit of local government, whereby the condemnor seeks to acquire property located in the county where the condemnor is located, but outside the corporate limits of the condemnor, the condemnor shall furnish proof that the county board of commissioners of the county where the land is located has consented by resolution, by majority vote of all members of the Board, to the taking.

(b) In addition to the procedure specified in subsection (a) of this section, the following shall indicate proof that the county board of commissioners of the county where the city or town, special district, or other unit of local government is initiating an action of condemnation has consented to the taking, as required by subsection (a) of this section, with no further approval of the county board of county commissioners required:



(1) The real property subject to the condemnation action is located in a designated urban growth area or zone of the condemning entity that was approved by a prior action of the county board of commissioners.

(2) The real property subject to the condemnation is located in an extraterritorial jurisdiction area, as defined in G.S. 160A-360, of the condemning entity that was approved by a prior action of the county board of county commissioners.

(c) This section does not apply as to any condemnation of real property by a city or town, special district, or other unit of local government where the property to be condemned is within the corporate limits of that city or town, special district, or other unit of local government.

SECTION 2. G.S. 153A-15 reads as rewritten:

**"§ 153A-15. Consent of board of commissioners necessary ~~in certain counties~~ before land may be condemned or acquired by a unit of local government outside the county.**

(a) Notwithstanding the provisions of Chapter 40A of the General Statutes or any other general law or local act conferring the power of eminent domain, before final judgment may be entered in any action of condemnation initiated by a county, city or town, special district, or other unit of local government which is located wholly or primarily outside another county, whereby the condemnor seeks to acquire property located in the other county, the condemnor shall furnish proof that the county board of commissioners of the county where the land is located has consented to the taking.

(b) Notwithstanding the provisions of G.S. 153A-158, 160A-240.1, 130A-55, or any other general law or local act conferring the power to acquire real property, before any county, city or town, special district, or other unit of local government which is located wholly or primarily outside another county acquires any real property located in the other county by exchange, purchase or lease, it must have the approval of the county board of commissioners of the county where the land is located.

~~(c) This section applies to Alamance, Alleghany, Anson, Ashe, Bertie, Bladen, Brunswick, Burke, Buncombe, Cabarrus, Caldwell, Camden, Carteret, Caswell, Catawba, Chatham, Cherokee, Clay, Cleveland, Columbus, Craven, Cumberland, Currituck, Davidson, Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Gaston, Graham, Granville, Greene, Guilford, Halifax, Harnett, Haywood, Henderson, Hoke, Iredell, Jackson, Johnston, Jones, Lee, Lenoir, Lincoln, Macon, Madison, Martin, McDowell, Mecklenburg, Montgomery, Nash, New Hanover, Northampton, Onslow, Orange, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Polk, Richmond, Robeson, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Surry, Swain, Transylvania, Union, Vance, Wake, Warren, Watauga, Wayne, Wilkes, and Yancey Counties only.~~

(d) This section does not apply as to any condemnation or acquisition of real property or an interest in real property by a city where the property to be condemned or acquired is within the corporate limits of that city."

SECTION 2. This act becomes effective July 1, 2015, and applies to condemnations on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 875

Short Title: Restrict Municipal Eminent Domain.

(Public)

Sponsors: Representatives Jordan, McGrady, and Hunter (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Judiciary II.

April 15, 2015

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE CONSENT OF THE COUNTY BOARD OF COMMISSIONERS  
BEFORE ANY CITY, TOWN, SPECIAL DISTRICT, OR OTHER UNIT OF LOCAL  
GOVERNMENT ACQUIRES BY CONDEMNATION, EXCHANGE, PURCHASE, OR  
LEASE ANY REAL PROPERTY LOCATED IN THAT COUNTY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 153A-15 reads as rewritten:

"§ 153A-15. Consent of board of commissioners necessary ~~in certain counties before land~~  
~~may be condemned or acquired by a unit of local government inside or outside~~  
~~the county.~~

(a) Notwithstanding the provisions of Chapter 40A of the General Statutes or any other  
general law or local act conferring the power of eminent domain, before final judgment may be  
entered in any action of condemnation initiated by a county, city or town, special district, or  
other unit of local government which is located wholly or primarily outside another county,  
whereby the condemnor seeks to acquire property located in the other county, the condemnor  
shall furnish proof that the county board of commissioners of the county where the land is  
located has consented to the taking.

(a1) Notwithstanding any other provision of law, before final judgment may be entered  
in any action of condemnation initiated by a city or town, special district, or other unit of local  
government, whereby the condemnor seeks to acquire property within the county where the  
condemnor is located, the condemnor shall furnish proof that the county board of  
commissioners of the county where the land is located has consented to the taking.

(b) Notwithstanding the provisions of G.S. 153A-158, 160A-240.1, 130A-55, or any  
other general law or local act conferring the power to acquire real property, before any county,  
city or town, special district, or other unit of local government ~~which is located wholly or  
primarily outside another county~~ acquires any real property ~~located in the other county~~ pursuant  
to subsection (a) of this section by exchange, purchase or lease, it must have the approval of the  
county board of commissioners of the county where the land is located.

(b1) Notwithstanding any other provision of law, before any city or town, special district,  
or other unit of local government acquires by exchange, purchase, or lease any real property  
located in the county where the city or town, special district, or other unit of local government  
is located, it must have the approval of the county board of commissioners of the county where  
the land is located.

(c) This section applies to Alamance, Alleghany, Anson, Ashe, Bertie, Bladen,  
Brunswick, Burke, Buncombe, Cabarrus, Caldwell, Camden, Carteret, Caswell, Catawba,



~~Chatham, Cherokee, Clay, Cleveland, Columbus, Craven, Cumberland, Currituck, Davidson, Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Gaston, Graham, Granville, Greene, Guilford, Halifax, Harnett, Haywood, Henderson, Hoke, Iredell, Jackson, Johnston, Jones, Lee, Lenoir, Lincoln, Macon, Madison, Martin, McDowell, Mecklenburg, Montgomery, Nash, New Hanover, Northampton, Onslow, Orange, Pamlico, Pasquotank, Pender, Perquimans, Person, Pitt, Polk, Richmond, Robeson, Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Surry, Swain, Transylvania, Union, Vance, Wake, Warren, Watauga, Wayne, Wilkes, and Yancey Counties only.~~ all counties in the State.

(d) ~~This section does not apply as to any condemnation or acquisition of real property or an interest in real property by a city where the property to be condemned or acquired is within the corporate limits of that city."~~

**SECTION 2.** This act becomes effective July 1, 2015, and applies to condemnations, exchanges, purchases, or leases on or after that date.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 875

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

H875-ARW-9 [v.2]

Page 1 of 1

Amends Title [YES]  
PCS

Date \_\_\_\_\_, 2015

Representative Setzer

1 moves to amend the bill on page 2, lines 41-42, by adding between those lines the following:  
2

3 **SECTION 3.** Article 2 of Chapter 153A of the General Statutes is amended by  
4 adding a new section to read:

5 "**§ 153A-14.6. Prior authorization of the General Assembly required for any county**  
6 **condemnation action.**

7 Prior to initiating any condemnation action otherwise authorized by law, the Board of  
8 County Commissioners shall request the authorization of the General Assembly. If the General  
9 Assembly authorizes the specific condemnation action by joint resolution, the County may  
10 proceed with the condemnation action.";

11 and by revising the title, and renumbering the remaining section, accordingly.  
12  
13

SIGNED

  
Amendment Sponsor

SIGNED

\_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED

FAILED

TABLED



\* H 8 7 5 - A R W - 9 - V - 2 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE**

HB 346	Counties/Public Trust Areas.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Steinburg
HB 415	Fontana Dam/Establish Electric Power Board.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: West
HB 512	Amend/Clarify Back-Up PSAP Requirements.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: S. Martin
HB 730	County Provide 911 Dispatch Services.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Saine

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB 544	County Sign Ordinance in Municipal Parks.
	Draft Number: H544-PCS30360-TH-16
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Brawley





HB 591

Cities/Public Trust Areas.

Draft Number:	H591-PCS30361-RW-19
Serial Referral:	None
Recommended Referral:	None
Long Title Amended:	No
Floor Manager:	Tine

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 386

Town of Hope Mills/Satellite Annexations.

Draft Number:	H386-PCS20337-RWx-22
<b>Serial Referral:</b>	<b>FINANCE</b>
Recommended Referral:	None
Long Title Amended:	Yes
Floor Manager:	Szoka

TOTAL REPORTED: 7



\* C M R 2 6 1 - V - 3 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB 141	Stormwater/Flood Control Activities.
	Draft Number: H141-PCS10364-RW-21
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Jeter
HB 836	Local Government Regulatory Reform.
	Draft Number: H836-PCS10367-ST-34
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: Yes
	Floor Manager: Robinson

TOTAL REPORTED: 2



★ C M R 2 6 7 - V - 1 ★



## VISITOR REGISTRATION SHEET

Local Government

4-27-2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Dave Fenton	City of Charlotte
Phil Zely	Nancy
Steve Brewer	CTL
Trey Rabon	AT&T
Tim Wren	Enroll
Sam Brown	Tex
Sarah Hardin	CTL
Chuck Greene	AT&T
Chris Dillon	AT&T
Laurie Whaley	Cell
Meghan Cook	OITS



## VISITOR REGISTRATION SHEET

Local Government

4-27-2015

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

GERRY COHEN	Nelson Mullins
Tony Hinton	TSS
Joe Hendri	MF/S
John Cereb	NSS
William Tolman	MWCLLC
John Reese	NCACC
Sarah Collins	NCLM
Erin Wynia	NCLM
Ted Rapp	NC Assn Police Chiefs



## VISITOR REGISTRATION SHEET

## Local Government

4-27-2015

Name of Committee

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

MARK Shiver

# Rhino Times

Cathy Thomas

Focus Cont'd

Gary Nelson

mvCN

Tamir Brown

City of Raleigh

Chris McClure





# **HOUSE LOCAL GOVERNMENT COMMITTEE**

**REPRESENTATIVE TED DAVIS, JR., CO-CHAIRMAN  
REPRESENTATIVE CARL FORD, CO-CHAIRMAN**

**2015-16 LONG SESSION**

**JUDY LOWE, COMMITTEE ASSISTANT  
KYLE CHERMAK, COMMITTEE ASSISTANT**



**Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Wednesday, May 06, 2015 10:16 AM  
**To:** Rep. George Robinson; Rep. Bill Brawley; Rep. Michael Wray; Rep. Mike Hager; Rep. Justin Burr  
**Cc:** Aspen Coons (Rep. George Robinson); Lynn Taylor (Rep. Bill Brawley); Susan Burleson (Rep. Michael Wray); Baxter Knight (Rep. Mike Hager); Dina Long (Rep. Justin Burr)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Thursday, May 07, 2015 at 10:00 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, May 7, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 266	City of Lenoir/Satellite Annexation.	Representative Robinson
HB 400	Town of Mint Hill/Annexations.	Representative Brawley
HB 426	Town of Weldon/Deannexation.	Representative Wray
HB 493	Lake Lure Deannexation/Referendum.	Representative Hager
HB 526	Town of Norwood/Deannexation.	Representative Burr



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:15 AM on Wednesday, May 06, 2015.

\_\_\_ Principal Clerk  
\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government  
Thursday, May 7, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 266	City of Lenoir/Satellite Annexation.	Representative Robinson
HB 400	Town of Mint Hill/Annexations.	Representative Brawley
HB 426	Town of Weldon/Deannexation.	Representative Wray
HB 493	Lake Lure Deannexation/Referendum.	Representative Hager
HB 526	Town of Norwood/Deannexation.	Representative Burr

**Presentations**

**Other Business**

**Adjournment**





## HOUSE BILL 266: City of Lenoir/Satellite Annexation

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 6, 2015
<b>Introduced by:</b>	Rep. Robinson	<b>Prepared by:</b>	R. Erika Churchill
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 266 annexes certain described property into the corporate limits of the City of Lenoir.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. Annexation is the method by which municipalities expand the boundaries of the municipality, following certain statutorily prescribed steps in order to add an area into its boundaries. The municipality must provide, or contract to provide, basic services to the area. These services include police protection, fire protection, solid waste collection and the extension of water and sewer lines to the area.

North Carolina law sets forth four basic ways in which a municipality may annex an area.

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

**BILL ANALYSIS:** House Bill 266 annexes Caldwell County Tax Parcel Identification Number 09-164-1-2 into the corporate limits of the City of Lenoir.

**EFFECTIVE DATE:** June 30, 2015

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 266

Short Title: City of Lenoir/Satellite Annexation. (Local)

Sponsors: Representative Robinson (Primary Sponsor).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 18, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO ADD CERTAIN DESCRIBED PROPERTY TO THE CORPORATE LIMITS  
3 OF THE CITY OF LENOIR.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** The following described property, referenced by the Caldwell  
6 County Tax Office Parcel Identification Number, is added to the corporate limits of the City of  
7 Lenoir: 09-164-1-2.  
8 **SECTION 2.** This act becomes effective June 30, 2015.





## HOUSE BILL 400: Town of Mint Hill/Annexations

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 6, 2015
<b>Introduced by:</b>	Rep. Brawley	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 400 annexes three described tracts into the Town of Mint Hill.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, North Carolina law sets forth four basic ways in which a municipality may annex an area:

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

### BILL ANALYSIS:

**Section 1** of the bill annexes three described parcels of land, in the Irongate, Plantation Falls, and Pleasant Valley areas, into the corporate limits of the Town of Mint Hill.

**EFFECTIVE DATE:** This act becomes effective June 30, 2015.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 400

Short Title: Town of Mint Hill/Annexations. (Local)

Sponsors: Representative Brawley (Primary Sponsor).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 31, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT ADDING CERTAIN DESCRIBED PROPERTY TO THE CORPORATE LIMITS  
3 OF THE TOWN OF MINT HILL.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The following described property is added to the corporate limits of  
6 the Town of Mint Hill:

7 TRACT #1

8 Being all of the property shown on the plat recorded in Map Book 48, Page 489 of  
9 the Mecklenburg County Register of Deeds, entitled "Final Plat for Irongate of Mint Hill,  
10 LLC," and also shown on the plat recorded in Map Book 48, Page 894, aforesaid registry  
11 entitled "Revision of Final Plat for Reserve Properties, Inc., (owner) of (Map Book 48/489)  
12 Irongate, Map 1", reference to said plats is hereby made for a more particular description.

13 TRACT #2

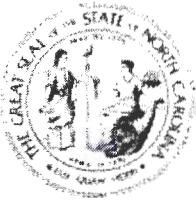
14 Being all of the property shown on the plat recorded in Map Book 46, Page 525 of  
15 the Mecklenburg County Register of Deeds, entitled "Plantation Falls Map 1," and also shown  
16 on the plat recorded in Map Book 46, Page 561, aforesaid registry entitled "Revision Plantation  
17 Falls Map 1", reference to said plats is hereby made for a more particular description.

18 TRACT #3

19 Being all of the property shown on the plat recorded in Map Book 44, Page 183 of  
20 the Mecklenburg County Register of Deeds, entitled "Revision of Map Book 34 Page 593  
21 Pleasant Valley Subdivision", reference to said plat is hereby made for a more particular  
22 description.

23 **SECTION 2.** This act becomes effective June 30, 2015.





## HOUSE BILL 426: Town of Weldon/Deannexation

2013-2014 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 6, 2015
<b>Introduced by:</b>	Rep. Wray	<b>Prepared by:</b>	Giles S. Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 426 deannexes five described tracts of land from the corporate limits of the Town of Weldon.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

### BILL ANALYSIS:

**Section 1** of the bill deannexes five described tracts of land from the corporate limits of the Town of Weldon.

**Section 2** of the bill preserves any outstanding property tax liens or special assessments of the Town of Weldon on the affected properties.

**EFFECTIVE DATE:** This act becomes effective June 30, 2015.

O. Walker Reagan  
Director



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Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 426

Short Title: Town of Weldon/Deannexation. (Local)

Sponsors: Representative Wray (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 1, 2015

A BILL TO BE ENTITLED  
AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
LIMITS OF THE TOWN OF WELDON.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property is removed from the corporate  
limits of the Town of Weldon:

James R. Medlin Property

TRACT ONE

That certain tract or parcel of land in Weldon Township, Halifax County, North  
Carolina, and described as follows: Beginning at a point on the Southern edge of the Chantilly  
Road at the Northeast corner of the lands of James R. Medlin; thence South 44 degrees 27  
minutes East 187.2 feet along the Southern edge of said road; thence South 36 degrees 17  
minutes West 555 feet to a corner; thence North 50 degrees 46 minutes West 184.8 feet to a  
corner; thence North 36 degrees 17 minutes East 575.8 feet to the point of beginning,  
containing 2.04 acres and shown as Lot #4 on map prepared by J.W. Traylor, R.L.S., March 21,  
1973, and recorded at Map Book 16, Page 12, Halifax Public Registry; and being the identical  
real property conveyed unto James R. Medlin by deed of Joyce M. Harris et vir, dated October  
12, 1992, and recorded in Book 1548, Page 353, Halifax Public Registry.

TRACT TWO

Beginning at the point of intersection of the centerline of a State Highway running  
between Halifax and Roanoke Rapids, North Carolina, with the centerline of a State Highway  
running between Weldon and Darlington, North Carolina, said intersection being known as  
Days Cross Roads; thence running along the centerline of the State Highway between Halifax  
and Roanoke Rapids, North Carolina, S. 45° 30' E. 694.60 feet; thence S. 40° 47' E. 929.10 feet  
to the beginning of the tract hereinafter described; thence continuing along the said centerline  
S. 40° 47' E. 234.90 feet; thence S. 45° 56' E. 211.10 feet; thence S. 52° 53' E. 818.50 feet;  
thence S. 48° 48' E. 275.01 feet; thence leaving the centerline of the said road and running S.  
41° 12' W. 236.00 feet; thence S. 48° 48' E. 213.00 feet; thence N. 41° 12' E. 236.00 feet to the  
centerline of the State Highway running between Halifax and Roanoke Rapids, North Carolina;  
thence along the centerline of the said road S. 48° 48' E. 146.50 feet; thence leaving the  
centerline of the said road and running S. 36° 17' W. 2118.74 feet; thence N. 53° 43' W.  
1890.00 feet; thence N. 36° 17' E. 2265.99 feet to the point of beginning, containing 93.293  
acres, more or less.

LESS AND EXCEPT FROM THE ABOVE DESCRIBED REAL PROPERTY:



- 1           1.       That tract conveyed to Robie L. Harris et ux int Book 552, Page 217, Halifax
- 2               Public Registry.
- 3           2.       That tract conveyed to Robert H. Medlin in Book 841, Page 233, Halifax
- 4               Public Registry.
- 5           3.       That tract conveyed to Joseph Benjamin Medlin in Book 841, Page 235,
- 6               Halifax Public Registry.
- 7           4.       That tract conveyed to Dorothy M. Carr in Book 829, Page 117, Halifax
- 8               Public Registry.
- 9           5.       That tract conveyed to Joyce M. Harris in Book 829, Page 119, Halifax
- 10              Public Registry.
- 11           6.       That tract conveyed to James R. Medlin in Book 829, Page 121, Halifax
- 12              Public Registry.

13       The above described real property was conveyed to James R. Medlin by deed of Robert H.  
14       Medlin et ux et al dated October 12, 1992, and recorded in Book 1548, Page 341, Halifax  
15       Public Registry.

16       TRACT THREE

17           That certain lot or parcel of land lying, being and situate in Weldon Township,  
18       Halifax County, North Carolina, and being on the South side of State Highway leading from  
19       Day's Cross Roads to Halifax, North Carolina, and more particularly described as follows:  
20       Beginning at a stake on the South side of said highway said stake being 104.17 feet East from  
21       the Northeast corner of the property line of Vernon H. Daughtry; thence along said highway S.  
22       40 deg. 47' E. 104.16 feet to a stake; thence S. 36 deg. 17' W. 239.11 feet to a stake, thence N.  
23       40 deg. 47' W. 104.17 feet to a stake; thence N. 36 deg. 17' E. 239.11 feet to a stake, the point  
24       of beginning. The above described real property was surveyed and platted August 18, 1962, by  
25       J.W. Traylor, R.L.S., Roanoke Rapids, North Carolina. The above described real property is the  
26       identical real property conveyed to James R. Medlin by deed of Irving G. Medlin et ux, dated  
27       August 23, 1962, and recorded in Book 668, Page 560, Halifax Public Registry. Reference to  
28       said map and deed being hereby made for a greater certainty of description.

29       TRACT FOUR

30           That certain tract or parcel of land in Weldon Township, Halifax County, North  
31       Carolina, and described as follows: Beginning at a point on the Southern edge of Chantilly  
32       Road, a corner for the lands now or formerly belonging to Vernon Daughtry; thence South 40  
33       degrees 17 min. East 208.3 feet along the Southern edge of Chantilly Road to a corner; thence  
34       South 36 degrees 17 min. West 575.8 feet; thence North 48 degrees 52 min. West 203.6 feet to  
35       an iron; thence North 36 degrees 17 min. East 607.0 feet to the point of beginning, containing  
36       2.77 acres and shown as Lot #5 on map of the property of Irving G. Medlin prepared by J.W.  
37       Traylor, R.L.S., March 21, 1973, and recorded in Book 17, Page 3, Halifax Public Registry.

38           There is excluded from the above described lands that portion of said lands  
39       conveyed unto James R. Medlin by deed recorded in Book 668, Page 560, Halifax Public  
40       Registry.

41           The above described real property was conveyed to James R. Medlin by deed of  
42       Irving Medlin et ux, dated May 21, 1973, and recorded in Book 829, Page 121, Halifax Public  
43       Registry.

44       TRACT FIVE

45           Those eight (8) certain lots or parcels of land lying, situate and being in Weldon  
46       Township, Halifax County, North Carolina, designated and shown as Lots Nos. One (1), Two  
47       (2), Three (3), Four (4), Five (5), Six (6), Seven (7), and Eight (8), Block "A", according to  
48       "Map Showing Property of Vernon H. Daughtry Known as 'Trading Post'", Weldon Township,  
49       Halifax County, N.C., which map or plat was prepared by J.W. Traylor, R.L.S., June 30, 1960,  
50       and is duly recorded in the Office of the Register of Deeds for Halifax County in Plat Book 9 at  
51       Page 84. The above described real property is the identical real property conveyed to James R.

1 Medlin et ux by deed of Gilmer C. Lassiter et ux, dated October 9, 1972, and recorded in Book  
2 806, Page 81, Halifax Public Registry. Reference to said map and deed hereby made for a  
3 greater certainty of description.

4 Being all of Halifax County Tax Parcel Nos. 12-01680; 12-01681; 12-01682;  
5 12-03390; 12-03393.

6 Joyce M. Harris Property

7 That certain tract or parcel of land in Weldon Township, Halifax County, North  
8 Carolina, and described as follows: Beginning at a new iron pipe in the Southern right of way  
9 of N.C. State Highway #125, said beginning point being located S. 52° 23' E. 105.0 feet from  
10 the Northeastern corner for that property conveyed to Joseph B. Medlin in Book 878, Page 275,  
11 Halifax Public Registry; thence along the Southern right of way of said State Highway #125, S.  
12 51° 02' E. 164.3 feet to a new iron pipe; thence a new made line, S. 32° 45' W. 543.9 feet to a  
13 new iron pipe; thence another new made line, N. 51° 02' W. 164.3 feet to a new iron pipe,  
14 Southeastern corner for property conveyed this date to Joseph B. Medlin; thence along the  
15 Eastern line of said Medlin property N. 32° 45' E. 543.9 feet to the point of beginning, and  
16 being shown and designated as "Lot B" containing 2.04 acres, according to "Plat Showing  
17 Property Surveyed for James R. Medlin" by Cyril C. Waters, Registered Land Surveyor, under  
18 date of September 14, 1992, and being the identical real property conveyed to Joyce M. Harris  
19 by deed of James R. Medlin et ux, dated October 12, 1992, and recorded in Book 1548, Page  
20 349, Halifax Public Registry. Being all of Halifax County Tax Parcel No. 12-03464.

21 Robert H. Medlin Property

22 That certain tract or parcel of land situate in Weldon Township, Halifax County,  
23 North Carolina, more particularly described as follows: Beginning at a point on the Southern  
24 edge of Chantilly Road, which said point is 812.40 feet Southeast of the lands of Vernon  
25 Daughtry; thence South 30° 00' West 544.9 feet to a corner; thence South 57° 02' West 290.1  
26 feet to a corner; thence North 36° 17' East 562.0 feet to Chantilly Road; thence South 52° 46'  
27 East 229.7 feet along said road to the point of beginning, containing 3.29 acres, and shown as  
28 Tract #2 on map showing property of Irvin G. Medlin et ux, prepared by J.W. Traylor, R.L.S.,  
29 dated March 21, 1973. This being the identical real property conveyed to Robert H. Medlin by  
30 deed of Joseph Benjamin Medlin et ux, dated October 8, 1974, and recorded in Book 878, Page  
31 278, Halifax Public Registry. Being all of Halifax County Tax Parcel No. 12-03391.

32 Joseph Benjamin Medlin Property

33 Those certain lots or parcels of land situate in Weldon Township, Halifax County,  
34 North Carolina, more particularly described as follows: Beginning at a point on the South side  
35 of Chantilly Road, which said point is 1047.7 feet Southeast of the lands of Vernon Daughtry;  
36 thence leaving said road South 32° 54' West 544.9 feet to a corner; thence North 52° 00' West  
37 207.9 feet to a corner; thence North 30° 00' East 544.9 feet to the Southern edge of Chantilly  
38 Road; thence South 52° 46' East 235.3 feet along said road to the point of beginning, containing  
39 2.77 aces and shown as Tract #1 on map showing property of Irvin G. Medlin et ux prepared by  
40 J.W. Traylor, R.L.S., dated March 21, 1973. Being all of Halifax County Tax Parcel No.  
41 12-01691.

42 Shelly M. Strickland Property

43 That certain tract or parcel of land in Weldon Township, Halifax County, North  
44 Carolina, and described as follows: Beginning at an existing iron pipe in the Southern right of  
45 way of N.C. State Highway #125, said beginning point being the Northeastern corner for that  
46 property conveyed to Joseph B. Medlin in Book 878, Page 275, Halifax Public Registry; thence  
47 along the Southern right of way of said State Highway #125, S. 52° 23' E. 105.0 feet to a new  
48 iron pipe; thence another new made line S. 32° 45' E. 543.9 feet to a new iron pipe; thence  
49 another new made line N. 52° 30' W. 105.0 feet to an existing iron pipe in the line of said  
50 Joseph B. Medlin; thence along the Eastern line of said Medlin property N. 32° 45' E. 543.9  
51 feet to the point of beginning, and being shown and designated as "Lot A", containing 1.31

1 Acres, according to "Plat Showing Property Surveyed for James R. Medlin" by Cyril C.  
2 Waters, Registered Land Surveyor, under date of September 14, 1992; and being the identical  
3 real property conveyed to Shelly M. Strickland by deed of Joseph B. Medlin, dated April 9,  
4 1997, and recorded in Book 1702, Page 633, Halifax Public Registry. Being all of Halifax  
5 County Tax Parcel No. 12-03463.

6 David Earl Carr Property

7 That certain tract or parcel of land in Weldon Township, Halifax County, North  
8 Carolina, and described as follows: Beginning at a point on the Southern edge of the Chantilly  
9 Road at the Northeast corner of the lands conveyed unto Joyce M. Harris; thence South 51  
10 degrees 48 min. East 187.2 feet along the Southern edge of said road; thence South 36 degrees  
11 17 min. West 562.0 feet; thence North 49 degrees 40 min. West 187.5 feet; thence North 36  
12 degrees 17 min. East 555 feet to the point of beginning, containing 2.40 acres and shown as Lot  
13 #3 on map prepared by J.W. Traylor, R.L.S., March 21, 1973. The above described real  
14 property is the identical real property conveyed to Peggy Louise Carr et al by deed of James M.  
15 Carr, by and through Betty K. Williams Carr, his attorney in fact, and his wife, Betty K.  
16 Williams Carr, dated November 18, 1999, and recorded in Book 1814, Page 210, Halifax  
17 County Public Registry. Being all of Halifax County Tax Parcel No. 12-03392.

18 **SECTION 2.** This act has no effect upon the validity of any liens of the Town of  
19 Weldon for ad valorem taxes or special assessments outstanding before the effective date of  
20 this act. Such liens may be collected or foreclosed upon after the effective date of this act as  
21 though the property were still within the corporate limits of the Town of Weldon.

22 **SECTION 3.** This act becomes effective June 30, 2015.





## HOUSE BILL 493: Lake Lure Deannexation/Referendum

2015-2016 General Assembly

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<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 7, 2015
<b>Introduced by:</b>	Rep. Hager	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	PCS to First Edition H493-CSTHx-21		Committee Counsel

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**SUMMARY:** *House Bill 493 would deannex Mystic Waters Farm from the Town of Lake Lure, subject to a referendum.*

*The PCS corrects the effective date of the deannexation.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexation. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

**BILL ANALYSIS:** House Bill 493 would deannex Mystic Waters Farm, LCC, property, formerly known as Eagle Camp, LLC. The deannexation would become effective only if approved by the registered voters of the Town of Lake Lure in a referendum conducted on November 3, 2015.

Property taxes and special assessments imposed by the Town of Lake Lure before the effective date would remain valid and may be collected as if the property were still in the Town.

**EFFECTIVE DATE:** If approved by the voters, the deannexation would become effective June 30, 2016. The remainder of this act is effective when it becomes law.

**BACKGROUND:** On December 9, 2014, the Lake Lure Town Council approved a resolution endorsing the deannexation of Mystic Waters Farm.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 493  
PROPOSED COMMITTEE SUBSTITUTE H493-CSTHx-21 [v.1]

5/6/2015 3:17:12 PM

Short Title: Lake Lure Deannexation/Referendum.

(Local)

Sponsors:

Referred to:

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
3 LIMITS OF THE TOWN OF LAKE LURE, SUBJECT TO A REFERENDUM.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.(a)** The following described property is removed from the corporate  
6 limits of the Town of Lake Lure:  
7 BEGINNING at a point at or near the northern margin of the right of way of SR  
8 1186 and marking the southwest corner of the Ingles Markets, Inc. property as described by  
9 deed recorded in Book 836, at Page 621 of the Rutherford County, NC Registry, said point also  
10 being located North 76° 53' 14" West 1217.92 feet from NCGS Monument "Cane Creek"  
11 having coordinates: North: 619089.9016 and East: 1047991.7782, NAD 83/2001; thence from  
12 said established beginning point and along and with the center line of Girl Scout Camp Road  
13 (SR 1186) the following nine calls, to wit: North 83° 03' 32" West 48.58 feet; South 84° 05' 49"  
14 West 47.51 feet; South 60° 17' 14" West 41.56 feet; South 38° 46' 56" West 44.04 feet; South  
15 22° 13' 16" West 42.48 feet; South 09° 07' 23" West 48.67 feet; South 03° 24' 18" East 58.41  
16 feet; South 09° 36' 57" East 65.96 feet; South 12° 01' 06" East 90.41 feet to a point in the  
17 western margin of that tract now or formerly owned by Kimberly Renee Corbitt as described by  
18 deed recorded in Book 743, at Page 74, Rutherford County, NC Registry; thence along and  
19 with the Corbitt tract western boundary, South 15° 24' 32" East 173.00 feet to an existing iron  
20 pin at the southwest corner of the Corbitt property and also marking the northwest corner of  
21 that tract now or formerly owned by Verlin D. Gingerich as described in Book 744, at Page  
22 862, Rutherford County, NC Registry; thence continuing with the Gingerich western line the  
23 following four calls, to wit: South 15° 24' 32" East 127.76 feet to an existing iron pin; thence  
24 South 07° 52' 28" West 84.21 feet to an existing iron pin; thence South 35° 41' 54" West 46.25  
25 feet to a new iron pin; thence South 40° 35' 17" East 448.39 feet to an existing iron pin marking  
26 the southwest corner of the Gingerich tract; thence along and with the northern boundary of  
27 that tract now or formerly owned by Whitson Edwards and wife, Pauline M. Edwards property  
28 by deed recorded in Book 354, at Page 237, Rutherford County, NC Registry the following  
29 three calls, to wit: North 84° 34' 58" West 1075.31 feet to an existing iron pin; thence North  
30 14° 36' 24" West 192.62 feet to an existing iron pin; thence South 56° 39' 20" West 397.66 feet  
31 to an existing iron pin; thence leaving the Edwards northern boundary and running with that  
32 line of marking the westernmost boundary of the area within city limits for the Town of Lake  
33 Lure the following two calls, to wit: North 19° 45' 38" West 1026.74 feet to a point and North  
34 07° 01' 14" West 1252.72 feet to an existing iron pin located in the northern boundary of the  
35 Eagle Camp, LLC tract as described in Book 1017, at Page 188, Rutherford County, NC  
36 Registry, and also being located in the southern line of that tract now or formerly owned by



\* H 4 9 3 - C S T H X - 2 1 - V - 1 \*

1 Mary Ann Dotson; thence along and with the Dotson southern line, South 84° 02' 21" East  
2 1984.55 feet to an existing iron pin marking the northwest corner of that tract now or formerly  
3 owned by Donald P. Adams property as described by deed recorded in Book 954, at Page 844  
4 Rutherford County, NC Registry and as also shown by plat recorded in Plat Book 29, at Page  
5 44, aforesaid registry; thence along with the Adams western boundary, South 01° 10' 44" East  
6 430.48 feet to an existing iron pin marking the northwest corner of the Ingles tract described  
7 above; thence along and with the Ingles western boundary, South 10° 10' 01" West 941.46 feet  
8 to the point and place of BEGINNING, and BEING the easternmost portion of that property  
9 conveyed to Eagle Camp, LLC, a North Carolina limited liability company which portion is  
10 intended to be all of the property that is located within the municipal boundaries of the Town of  
11 Lake Lure as described by deed recorded in Book 1017, at Page 188 of the Rutherford County,  
12 NC Registry and as also shown on unrecorded survey for Eagle Camp, LLC by Donald R.  
13 McEntire, PLS dated January 7, 2011, as revised, and bearing Map # 22686, which unrecorded  
14 survey is referenced and incorporated herein in its entirety in aid of description.

15 TOGETHER WITH AND SUBJECT TO all easements, restrictions and rights of  
16 ways of record, including those restrictions as recorded in Book 836, Page 624 and the  
17 Grantor's rights of enforcement as set forth in that restrictive covenant recorded in Book 836,  
18 Page 628 of the Rutherford County, NC Registry.

19 **SECTION 1.(b)** This section has no effect upon the validity of any liens of the  
20 Town of Lake Lure for ad valorem taxes or special assessments outstanding before the effective  
21 date of this section. Such liens may be collected or foreclosed upon after the effective date of  
22 this section as though the property were still within the corporate limits of the Town of Lake  
23 Lure.

24 **SECTION 2.** Section 1 of this act becomes effective only if approved by the  
25 registered voters of the Town of Lake Lure in a referendum conducted by the Rutherford  
26 County Board of Elections on November 3, 2015. The referendum shall be conducted in  
27 accordance with the provisions of Chapter 163 of the General Statutes. The question on the  
28 ballot shall be:

29 ☐ FOR ☐ AGAINST

30 The deannexation of the Mystic Waters Farm, LLC, property, formerly known as  
31 Eagle Camp, LLC (Tax PIN # 1645450)."

32 **SECTION 3.** If a majority of the votes cast in the referendum shall be in the  
33 affirmative, Section 1 of this act becomes effective June 30, 2016. If a majority of the votes  
34 cast in the referendum shall be against the deannexation, Section 1 of this act shall have no  
35 force and effect. The remainder of this act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 493

Short Title: Lake Lure Deannexation/Referendum. (Local)

Sponsors: Representative Hager (Primary Sponsor).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

A BILL TO BE ENTITLED

AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
LIMITS OF THE TOWN OF LAKE LURE, SUBJECT TO A REFERENDUM.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The following described property is removed from the corporate  
limits of the Town of Lake Lure:

BEGINNING at a point at or near the northern margin of the right of way of SR  
1186 and marking the southwest corner of the Ingles Markets, Inc. property as described by  
deed recorded in Book 836, at Page 621 of the Rutherford County, NC Registry, said point also  
being located North 76° 53' 14" West 1217.92 feet from NCGS Monument "Cane Creek"  
having coordinates: North: 619089.9016 and East: 1047991.7782, NAD 83/2001; thence from  
said established beginning point and along and with the center line of Girl Scout Camp Road  
(SR 1186) the following nine calls, to wit: North 83° 03' 32" West 48.58 feet; South 84° 05' 49"  
West 47.51 feet; South 60° 17' 14" West 41.56 feet; South 38° 46' 56" West 44.04 feet; South  
22° 13' 16" West 42.48 feet; South 09° 07' 23" West 48.67 feet; South 03° 24' 18" East 58.41  
feet; South 09° 36' 57" East 65.96 feet; South 12° 01' 06" East 90.41 feet to a point in the  
western margin of that tract now or formerly owned by Kimberly Renee Corbitt as described by  
deed recorded in Book 743, at Page 74, Rutherford County, NC Registry; thence along and  
with the Corbitt tract western boundary, South 15° 24' 32" East 173.00 feet to an existing iron  
pin at the southwest corner of the Corbitt property and also marking the northwest corner of  
that tract now or formerly owned by Verlin D. Gingerich as described in Book 744, at Page  
862, Rutherford County, NC Registry; thence continuing with the Gingerich western line the  
following four calls, to wit: South 15° 24' 32" East 127.76 feet to an existing iron pin; thence  
South 07° 52' 28" West 84.21 feet to an existing iron pin; thence South 35° 41' 54" West 46.25  
feet to a new iron pin; thence South 40° 35' 17" East 448.39 feet to an existing iron pin marking  
the southwest corner of the Gingerich tract; thence along and with the northern boundary of  
that tract now or formerly owned by Whitson Edwards and wife, Pauline M. Edwards property  
by deed recorded in Book 354, at Page 237, Rutherford County, NC Registry the following  
three calls, to wit: North 84° 34' 58" West 1075.31 feet to an existing iron pin; thence North  
14° 36' 24" West 192.62 feet to an existing iron pin; thence South 56° 39' 20" West 397.66 feet  
to an existing iron pin; thence leaving the Edwards northern boundary and running with that  
line of marking the westernmost boundary of the area within city limits for the Town of Lake  
Lure the following two calls, to wit: North 19° 45' 38" West 1026.74 feet to a point and North  
07° 01' 14" West 1252.72 feet to an existing iron pin located in the northern boundary of the  
Eagle Camp, LLC tract as described in Book 1017, at Page 188, Rutherford County, NC



1 Registry, and also being located in the southern line of that tract now or formerly owned by  
2 Mary Ann Dotson; thence along and with the Dotson southern line, South 84° 02' 21" East  
3 1984.55 feet to an existing iron pin marking the northwest corner of that tract now or formerly  
4 owned by Donald P. Adams property as described by deed recorded in Book 954, at Page 844  
5 Rutherford County, NC Registry and as also shown by plat recorded in Plat Book 29, at Page  
6 44, aforesaid registry; thence along with the Adams western boundary, South 01° 10' 44" East  
7 430.48 feet to an existing iron pin marking the northwest corner of the Ingles tract described  
8 above; thence along and with the Ingles western boundary, South 10° 10' 01" West 941.46 feet  
9 to the point and place of BEGINNING, and BEING the easternmost portion of that property  
10 conveyed to Eagle Camp, LLC, a North Carolina limited liability company which portion is  
11 intended to be all of the property that is located within the municipal boundaries of the Town of  
12 Lake Lure as described by deed recorded in Book 1017, at Page 188 of the Rutherford County,  
13 NC Registry and as also shown on unrecorded survey for Eagle Camp, LLC by Donald R.  
14 McEntire, PLS dated January 7, 2011, as revised, and bearing Map # 22686, which unrecorded  
15 survey is referenced and incorporated herein in its entirety in aid of description.

16 TOGETHER WITH AND SUBJECT TO all easements, restrictions and rights of  
17 ways of record, including those restrictions as recorded in Book 836, Page 624 and the  
18 Grantor's rights of enforcement as set forth in that restrictive covenant recorded in Book 836,  
19 Page 628 of the Rutherford County, NC Registry.

20 **SECTION 1.(b)** This section has no effect upon the validity of any liens of the  
21 Town of Lake Lure for ad valorem taxes or special assessments outstanding before the effective  
22 date of this section. Such liens may be collected or foreclosed upon after the effective date of  
23 this section as though the property were still within the corporate limits of the Town of Lake  
24 Lure.

25 **SECTION 2.** Section 1 of this act becomes effective only if approved by the  
26 registered voters of the Town of Lake Lure in a referendum conducted by the Rutherford  
27 County Board of Elections on November 3, 2015. The referendum shall be conducted in  
28 accordance with the provisions of Chapter 163 of the General Statutes. The question on the  
29 ballot shall be:

30 "[ ] FOR [ ] AGAINST

31 The deannexation of the Mystic Waters Farm, LLC, property, formerly known as  
32 Eagle Camp, LLC (Tax PIN # 1645450)."

33 **SECTION 3.** If a majority of the votes cast in the referendum shall be in the  
34 affirmative, Section 1 of this act becomes effective June 30, 2015. If a majority of the votes  
35 cast in the referendum shall be against the deannexation, Section 1 of this act shall have no  
36 force and effect. The remainder of this act is effective when it becomes law.





## HOUSE BILL 526: Town of Norwood/Deannexation

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Finance

**Date:** May 6, 2015

**Introduced by:** Rep. Burr

**Prepared by:** R. Erika Churchill  
Committee Counsel

**Analysis of:** First Edition

**SUMMARY:** *House Bill 526 would remove certain described territory from the corporate limits of the Town of Norwood.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

In 2004, the General Assembly legislatively extended the corporate limits of the Town of Norwood to include certain described property, totaling approximately 1,025 acres.

**BILL ANALYSIS:** House Bill 526 would remove all of the property described in S.L. 2004-43 that is both (i) leased from or owned by Duke Energy Corporation and (ii) regulated by the Federal Energy Regulatory Commission (FERC), including that portion of Lake Tillery that is shown on a map of the corporate limits of the Town of Norwood recorded in the Stanly County Registry, Book 19, Page 40.

**EFFECTIVE DATE:** July 1, 2015.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 526

Short Title: Town of Norwood/Deannexation. (Local)

Sponsors: Representative Burr (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
3 LIMITS OF THE TOWN OF NORWOOD.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The following described property is removed from the corporate  
6 limits of the Town of Norwood:

7 All of the property described in S.L. 2004-43 that is both (i) leased from or owned  
8 by Duke Energy Corporation and (ii) regulated by the Federal Energy Regulatory Commission  
9 (FERC), including that portion of Lake Tillery that is shown on a map of the corporate limits of  
10 the Town of Norwood recorded in the Stanly County Registry, Book 19, Page 40.

11 **SECTION 2.** This act has no effect upon the validity of any liens of the Town of  
12 Norwood for ad valorem taxes or special assessments outstanding before the effective date of  
13 this act. Such liens may be collected or foreclosed upon after the effective date of this act as  
14 though the property described in Section 1 of this act were still within the corporate limits of  
15 the Town of Norwood.

16 **SECTION 3.** This act becomes effective July 1, 2015.



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# TOWN OF NORWOOD'S OPPOSITION TO HB 526 (TOWN OF NORWOOD/DEANNEXATION)

Local Government House Committee  
Thursday, May 7, 2015 • 10:00 AM • 643 LOB

## Norwood Town Council

Beverly L. Johnson, *Mayor*

Larry McMahon, *Mayor Pro-Tem*

Robert Allen, *Commissioner*

Darrell Almond, *Commissioner*

Stephen Bradley, *Commissioner*

Linda Campbell, *Commissioner*



**Town of Norwood, North Carolina**

**A Resolution by the Town of Norwood to Oppose the Deannexation Proposed  
by House Bill 526 Filed April 1, 2015**

**WHEREAS**, on Wednesday, April 1, 2015, North Carolina Representative Justin Burr filed House Bill 526, entitled Town of Norwood/Deannexation; and

**WHEREAS**, Representative Justin Burr failed to notify Town of Norwood officials of his intent to file House Bill 526, which seeks to deannex certain property located within the city limits of Norwood; and

**WHEREAS**, the property described in House Bill 526 has been a part of the corporate limits of Norwood since 2004, when it was annexed by Session Law 2004-43 on June 30, 2004; and

**WHEREAS**, upon said annexation of the property, and at great expense to the Town, the Town of Norwood extended its water and sewer utilities to said property; and

**WHEREAS**, the proposed deannexation of this property would place said property within another fire district, creating a potential for confusion and misunderstandings with citizens located in the deannexation area; and

**WHEREAS**, the affected property owners currently have police protection provided by the Town of Norwood, and which is available to the property owners within two miles of the Norwood Police Department; and

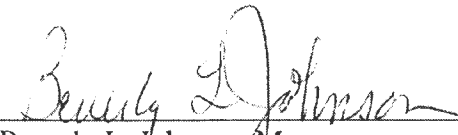
**WHEREAS**, if House Bill 526 is adopted and the property described is deannexed from the Town of Norwood, property owners in the affected area will then have police protection provided by the Stanly County Sheriff's Office, located ten miles away.

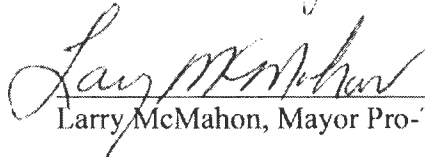
**NOW, THEREFORE, BE IT RESOLVED** that the Town of Norwood opposes the deannexation described in House Bill 526 filed on April 1, 2015. The Town of Norwood believes that it will set precedence and irreparable harm will be caused should the State undermine and bypass the authority of this Town by granting deannexation from the Town of Norwood.

**BE IT FURTHER RESOLVED** that, to act on this House Bill and grant deannexation, would at a minimum be perceived as an arbitrary act, and by all methods an unreasonable abuse of privilege

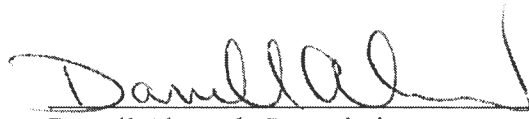
of power, circumventing the local government laws which the Town and its citizens have established pursuant to the North Carolina General Statutes, in turn causing a ripple effect of injury to both the Town of Norwood and other municipalities in the State.

This 7th day of April, 2015.

  
Beverly L. Johnson, Mayor

  
Larry McMahon, Mayor Pro-Tem


  
Robert Allen, Commissioner

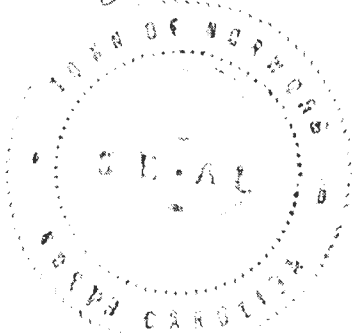
  
Darrell Almond, Commissioner

  
Steve Bradley, Commissioner

\_\_\_\_\_  
Linda Campbell, Commissioner

ATTEST:

  
Virgil J. Henson, Town Clerk







NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair

Representative Carl Ford, Co-Chair

FAVORABLE AND RE-REFERRED

HB 266	City of Lenoir/Satellite Annexation.
	Draft Number: None
	<b>Serial Referral: FINANCE</b>
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Robinson
HB 400	Town of Mint Hill/Annexations.
	Draft Number: None
	<b>Serial Referral: FINANCE</b>
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Brawley
HB 426	Town of Weldon/Deannexation.
	Draft Number: None
	<b>Serial Referral: FINANCE</b>
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Wray
HB 526	Town of Norwood/Deannexation.
	Draft Number: None
	<b>Serial Referral: FINANCE</b>
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Burr

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED

HB 493	Lake Lure Deannexation/Referendum.
	Draft Number: H493-PCS40454-THx-21
	<b>Serial Referral: FINANCE</b>
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Hager

TOTAL REPORTED: 5





## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 05/07/15

Name of Committee

Date \_\_\_\_\_

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Stewart Webb

NASA

Sunny Morris

Bor-Ly 0.13

Tom Goffe

NCGA

Maatha Jenkins

DCR



**House Committee on Local Government**  
**Thursday, May 14, 2015 at 10:00 AM**  
**Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM on May 14, 2015 in Room 643 of the Legislative Office Building. Representatives Ager, Boles, Davis, Floyd, Ford, G. Graham, Jeter, Luebke, Pendleton, Ross, Warren, and Watford attended. Also attending were staff members Erika Churchill and Giles Perry and committee assistants Judy Lowe and Kyle Chermak. A visitor registration sheet is attached as is the Committee agenda.

Representative Ted Davis, Jr. presided and called the meeting to order at 10:05 A.M. He introduced the Sergeants at Arms Young Bae, Bill Morris and Jim Moran. The pages were Peyton Ratchford, Gaston County, sponsored by Rep. Torbett; Halee Ratcliff, Surry County, sponsored by Rep. Stevens and Reed Holly, Wake County, sponsored by Rep. Malone.

The Chairman announced that there would not be a Local Government Committee meeting on May 21<sup>st</sup> due to the appropriations and budget process.

The following bills were considered:

**HB 874 Cities/Availability Charge/Improved Property.** The Chairman stated there is a PCS and it is properly before the Committee. Rep. Jordan explained that the PCS for the bill would authorize cities that operate water and wastewater systems as a public enterprise would require payment of a periodic availability charge if improved property qualifies for the issuance of a building permit and the city has installed water or sewer lines directly available to the property. The current law allows a city to do this and this bill will allow small towns to do the same. Rep. Luebke asked if there were any limitations on the minimum and maximum that can be charged. Rep. Jordan stated it cannot exceed the minimum periodic service charge for properties that are connected. Rep. Ross moved for an unfavorable report to the original bill, favorable to the PCS with a referral to Finance. The motion passed unanimously.

**HB 389 Roanoke Island Fire District Changes.** Representative Tine stated that the bill clarifies the process by which Dare County pays over fire protection tax funds of the Roanoke Island Fire District. Representative Warren moved for a favorable report with a referral to Finance. The motion passed unanimously.

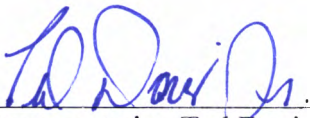
**HB 466 Stokesdale Fire District Assessment.** Representative Blust will be presenting the bill. There is a PCS and without objection it is properly before the Committee. Representative Blust stated the bill comes at the request of the mayor and some council members in Stokesdale. It requires the county commissioners to call a special election in the fire district to allow the people to vote whether to go from ten to fifteen cents on \$100 valuation on all taxable property within the district. Representative Warren asked if this called for a special election and could they be required to wait until the next general election. Erika Churchill responded that they would be



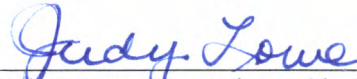
required to wait until the next time that all of the precincts were open in the county which could conceivably be primaries in 2016 or the general election. It doesn't qualify for a special election. Representative Warren moved for a favorable report on the committee substitute, unfavorable to the original bill and re-referred to Finance.

**HB 490 Sanford Occupancy Tax Authorization.** Representative Salmon explained this is an occupancy tax bill, brought forth by the Sanford business community, which would authorize the City of Sanford to levy a room occupancy tax of 3% on hotel rooms. It would be remitted to a Tourism Development Authority to administer the proceeds. The bill is in accordance with the guidelines for occupancy tax set by the House Finance Committee. In answer to Representative Luebke's question as to whether Lee County already has a 3% occupancy tax, Rep. Salmon stated that the County already does have an occupancy tax. Representative Floyd moved for a favorable report with a re-referral to the Finance. The motion passed unanimously.

The meeting adjourned at 10:17 A.M.



Representative Ted Davis, Jr., Chair  
Presiding



Judy Lowe, Committee Clerk

**Attachments**

- Committee notice
- Agenda
- Committee report
- Copies of bills
- Proposed committee substitutes
- Visitor registration sheets



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, May 14, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ted Davis, Jr. will be presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 389	Roanoke Island Fire District Changes.	Representative Tine
HB 411	Town of Angier/Deannexation.	Representative Lewis
HB 412	City of Dunn Annexation.	Representative Salmon
HB 433	Increase Wilson County Occupancy Tax.	Representative Lewis
HB 466	Stokesdale Fire District Assessment.	Representative Salmon
HB 470	Harnett Municipal Privilege License Tax.	Representative Farmer-Butterfield
HB 490	Sanford Occupancy Tax Authorization.	Representative S. Martin
HB 874	Cities/Availability Charge/Improved Property.	Representative Blust
		Representative Lewis
		Representative Salmon
		Representative Reives
		Representative Jordan
		Representative Ross
		Representative Setzer
		Representative Watford



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 2:59 PM on Tuesday, May 12, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Thursday, May 14, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

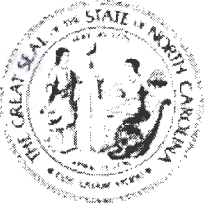
<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 389	Roanoke Island Fire District Changes.	Representative Tine
HB 466	Stokesdale Fire District Assessment.	Representative Blust
HB 490	Sanford Occupancy Tax Authorization.	Representative Salmon
		Representative Reives
HB 874	Cities/Availability Charge/Improved Property.	Representative Jordan
		Representative Ross
		Representative Setzer
		Representative Watford

**Presentations**

**Other Business**

**Adjournment**





# HOUSE BILL 389: Roanoke Island Fire District Changes

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Finance

**Date:** May 13, 2015

**Introduced by:** Rep. Tine

**Prepared by:** Giles S. Perry

**Analysis of:** First Edition

Committee Counsel

**SUMMARY:** *House Bill 389 clarifies the process by which Dare County pays over fire protection tax funds for the Roanoke Island Fire District.*

**CURRENT LAW:** In 1937, the General Assembly created the Roanoke Island Fire District, which constitutes all of Roanoke Island in Dare County, except for the Town of Manteo (S.L. 1937-246). The act authorized Dare County to levy and collect a property tax for the District, and transfer the proceeds to the Town of Manteo, to provide fire protection in the District.

**BILL ANALYSIS:** House Bill 389 amends the authorizing Session Law for the Roanoke Island Fire District to provide that the fire protection property tax levied and collected by Dare County on Roanoke Island outside of Manteo shall be paid over directly to the Roanoke Island Volunteer Fire Department, instead of first to the Town of Manteo, and then to the Department.

**EFFECTIVE DATE:** This act is effective when it becomes law and applies to taxes levied or collected on or after that date.

O. Walker Reagan  
Director



\* H 3 8 9 - S M R W - 8 0 E 1 - V 1 \*

Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 389

Short Title: Roanoke Island Fire District Changes.

(Local)

Sponsors: Representative Tine (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

March 31, 2015

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE AUTHORITY OF THE ROANOKE ISLAND VOLUNTEER  
FIRE DEPARTMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 246 of the Public-Local Laws of 1937 reads as rewritten:

"AN ACT TO CREATE A FIRE DISTRICT FOR THE PURPOSE OF LEVYING TAXES  
THEREIN CONSISTING OF ROANOKE ISLAND OUTSIDE OF MANTEO AND  
AUTHORIZING COOPERATION WITH MANTEO IN FIRE PROTECTION.

...

**SECTION 3.** That the Board of Commissioners of Dare County are authorized,  
empowered and directed to cause to be paid over to the ~~governing authorities of the Town of~~  
~~Manteo~~ Roanoke Island Volunteer Fire Department or its successor all of the proceeds of taxes  
so levied and collected under the authority of this Act, and said taxes so levied and collected  
shall be used exclusively for said purpose.

**SECTION 4.** ~~That the governing authorities of the Town of Manteo are~~ That the Roanoke  
Island Volunteer Fire Department or its successor is authorized and empowered to receive the  
funds collected from taxes levied as aforesaid and use said funds exclusively for the purpose of  
providing fire equipment, maintaining same, and providing fire protection within the fire  
district herein organized, or using the same in conjunction with taxes levied and collected by  
the Town of Manteo and used for maintaining the fire department. ~~The Town of~~  
~~Manteo~~ Roanoke Island Volunteer Fire Department or its successor is hereby fully authorized  
and empowered to provide fire protection within the said fire district and make provision for  
the purchase of suitable firefighting equipment, which may be necessary for providing  
reasonable fire protection within said territory. Firefighting equipment purchased by funds from  
taxation within said district shall remain the property of the said district and shall be plainly  
designated by proper markings thereon indicating ownership thereof, but same shall be and  
remain in the custody and control of the ~~Town of Manteo~~ Roanoke Island Volunteer Fire  
Department or its successor for use by its fire department which shall serve jointly the Town of  
Manteo and said fire district.

**SECTION 5.** ~~The governing authorities of the Town of Manteo~~ The Roanoke Island  
Volunteer Fire Department or its successor shall annually on or before the first day of June in  
each year, make a report to the Board of Commissioners of Dare County, giving full  
information as to funds received from the taxes herein levied and the use and application  
thereof, and shall at the same time furnish to the said Board of Commissioners of Dare County  
a report covering the activities authorized by and under the provisions of this Act.



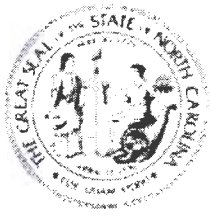
\* H 3 8 9 - V - 1 \*



1 ...."

2           **SECTION 2.** This act is effective when it becomes law and applies to taxes levied  
3 or collected on or after that date.





## HOUSE BILL 466: Stokesdale Fire District Assessment

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 14, 2015
<b>Introduced by:</b>	Rep. Blust	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	PCS to First Edition H466-CSTHxf-25		Committee Counsel

**SUMMARY:** *The PCS for House Bill 466 would require the Guilford and Rockingham County Boards of Commissioners to call a special election in the Stokesdale rural fire protection district for the purpose of increasing the allowable special tax rate for fire protection within that district from ten cents to fifteen cents.*

**CURRENT LAW:** Upon the petition of 35% of the resident property owners living in an area lying outside the corporate limits of any city or town, the board of county commissioners must call a special election in the district for the purpose of submitting to the qualified voters the question of levying and collecting a special tax for the purpose of providing fire protection in that district. The special tax cannot exceed 15¢ for every \$100 of taxable property; however, the tax cannot exceed 10¢ for fire protection districts created before June 9, 1959.

If a district was created before 1959, G.S. 69-25.1 authorizes the board of county commissioners to call a special election in the district to increase the allowable special tax for fire protection from 10¢ for every \$100 of taxable property to 15¢. The board of county commissioners can only call a special election to increase the tax upon a petition of 35% of the resident property owners in the fire protection district. Elections on the question of increasing the tax rate can only occur in the district every two years.

**BILL ANALYSIS:** The PCS for House Bill 466 would eliminate the petition requirement to increase the tax from 10¢ to 15¢ for the Stokesdale fire protection district only. Because the fire protection district lies in both Rockingham and Guilford Counties, the board of county commissioners for each county would be required to hold a special election to submit the question of the tax increase to the qualified voters of the fire protection district. The special election would be held on the same date in each county.

**EFFECTIVE DATE:** This act is effective when it becomes law and expires December 1, 2016, or upon conclusion of the special elections authorized by this act.

O. Walker Reagan  
Director



\* H 4 6 6 - S M T H - 7 3 C S T H X F - 2 5 - V 1 \*

Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

H

D

HOUSE BILL 466

PROPOSED COMMITTEE SUBSTITUTE H466-CSTHxf-25 [v.2]

5/13/2015 6:45:05 PM

Short Title: Stokesdale Fire District Assessment.

(Local)

Sponsors:

Referred to:

April 2, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THE GUILFORD COUNTY COMMISSIONERS AND ROCKINGHAM COUNTY COMMISSIONERS TO CALL A SPECIAL ELECTION IN THE STOKESDALE FIRE PROTECTION DISTRICT FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED VOTERS THEREIN THE QUESTION OF INCREASING THE ALLOWABLE SPECIAL TAX FOR FIRE PROTECTION WITHIN THAT DISTRICT FROM TEN CENTS ON THE ONE HUNDRED DOLLARS VALUATION TO FIFTEEN CENTS ON THE ONE HUNDRED DOLLARS VALUATION ON ALL TAXABLE PROPERTY WITHIN SUCH DISTRICT.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 69-25.1 reads as rewritten:

**"§ 69-25.1. Election to be held upon petition of voters.**

Upon the petition of thirty-five percent (35%) of the resident freeholders living in an area lying outside the corporate limits of any city or town, which area is described in the petition and designated as "

(Here insert name)

Fire District," the board of county commissioners of the county shall call a special election in said district for the purpose of submitting to the qualified voters therein the question of levying and collecting a special tax on all taxable property in said district, of not exceeding fifteen cents (15¢) on the one hundred dollars (\$100.00) valuation of property, for the purpose of providing fire protection in said district. The county tax office shall be responsible for checking the freeholder status of those individuals signing the petition and confirming the location of the property owned by those individuals. Unless specifically excluded by other law, the provisions of Chapter 163 of the General Statutes concerning petitions for referenda and special elections shall apply. If the voters reject the special tax under the first paragraph of this section, then no new election may be held under the first paragraph of this section within two years on the question of levying and collecting a special tax under the first paragraph of this section in that district, or in any proposed district which includes a majority of the land within the district in which the tax was rejected.

~~Upon the petition of thirty five percent (35%) of the resident freeholders living in an area which has previously been established as a fire protection district and in which there has been authorized by a vote of the people a special tax not exceeding ten cents (10¢) on the one hundred dollars (\$100.00) valuation of property within the area, the~~The board of county commissioners shall of Guilford County shall call a special election in said area that portion of the area encompassing the Stokesdale Fire Protection District that lies in Guilford County for the purpose of submitting to the qualified voters therein the question of increasing the



\* H 4 6 6 - C S T H X F - 2 5 - V - 2 \*



allowable special tax for fire protection within said district from ten cents (10¢) on the one hundred dollars (\$100.00) valuation to fifteen cents (15¢) on the one hundred dollars (\$100.00) valuation on all taxable property within such district. Special elections on the question of increasing the allowable tax rate for fire protection shall not be held within the same district at intervals less than two years."

**SECTION 1.(b)** This section applies to Guilford County only.

**SECTION 2.(a)** G.S. 69-25.1 reads as rewritten:

**"§ 69-25.1. Election to be held upon petition of voters.**

Upon the petition of thirty-five percent (35%) of the resident freeholders living in an area lying outside the corporate limits of any city or town, which area is described in the petition and designated as "

(Here insert name)

Fire District," the board of county commissioners of the county shall call a special election in said district for the purpose of submitting to the qualified voters therein the question of levying and collecting a special tax on all taxable property in said district, of not exceeding fifteen cents (15¢) on the one hundred dollars (\$100.00) valuation of property, for the purpose of providing fire protection in said district. The county tax office shall be responsible for checking the freeholder status of those individuals signing the petition and confirming the location of the property owned by those individuals. Unless specifically excluded by other law, the provisions of Chapter 163 of the General Statutes concerning petitions for referenda and special elections shall apply. If the voters reject the special tax under the first paragraph of this section, then no new election may be held under the first paragraph of this section within two years on the question of levying and collecting a special tax under the first paragraph of this section in that district, or in any proposed district which includes a majority of the land within the district in which the tax was rejected.

~~Upon the petition of thirty five percent (35%) of the resident freeholders living in an area which has previously been established as a fire protection district and in which there has been authorized by a vote of the people a special tax not exceeding ten cents (10¢) on the one hundred dollars (\$100.00) valuation of property within the area, the~~ The board of county commissioners shall of Rockingham County shall call a special election in said area that portion of the area encompassing the Stokesdale Fire Protection District that lies in Rockingham County for the purpose of submitting to the qualified voters therein the question of increasing the allowable special tax for fire protection within said district from ten cents (10¢) on the one hundred dollars (\$100.00) valuation to fifteen cents (15¢) on the one hundred dollars (\$100.00) valuation on all taxable property within such district. Special elections on the question of increasing the allowable tax rate for fire protection shall not be held within the same district at intervals less than two years."

**SECTION 2.(b)** This section applies to Rockingham County only.

**SECTION 3.(a)** G.S. 69-25.9 reads as rewritten:

**"§ 69-25.9. Procedure when area lies in more than one county.**

~~In the event that an area petitioning for a tax election under this Article lies in more than one county, said petition shall be submitted to the board of county commissioners of all the counties in which said area lies and the election shall be called which shall be conducted jointly by the county board of elections and the cost of same shall be shared equally by all counties.~~

Upon passage, the tax herein provided shall be levied and collected by each county on all of the taxable property in its portion of the fire protection district; the tax collected shall be paid into a special fund and used for the purpose of providing fire protection for the district."

**SECTION 3.(b)** This section applies to Guilford and Rockingham Counties only.

**SECTION 4.** The special elections authorized by Sections 1 and 2 shall be held on the same date in each county.



1           **SECTION 5.** This act is effective when it becomes law and expires December 1.  
2   2016, or upon conclusion of the special elections authorized by this act.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 466

Short Title: Stokesdale Fire District Assessment.

(Local)

Sponsors: Representative Blust (Primary Sponsor).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE GUILFORD COUNTY COMMISSIONERS TO CALL A SPECIAL ELECTION IN THAT PORTION OF THE AREA ENCOMPASSING THE STOKESDALE FIRE PROTECTION DISTRICT THAT LIES IN GUILFORD COUNTY FOR THE PURPOSE OF SUBMITTING TO THE QUALIFIED VOTERS THEREIN THE QUESTION OF INCREASING THE ALLOWABLE SPECIAL TAX FOR FIRE PROTECTION WITHIN THAT DISTRICT FROM TEN CENTS ON THE ONE HUNDRED DOLLARS VALUATION TO FIFTEEN CENTS ON THE ONE HUNDRED DOLLARS VALUATION ON ALL TAXABLE PROPERTY WITHIN SUCH DISTRICT UPON RECEIPT OF A REQUEST TO DO SO BY THE TOWN COUNCIL OF STOKESDALE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 69-25.1 reads as rewritten:

**"§ 69-25.1. Election to be held upon petition of voters.**

Upon the petition of thirty-five percent (35%) of the resident freeholders living in an area lying outside the corporate limits of any city or town, which area is described in the petition and designated as "

(Here insert name)

Fire District," the board of county commissioners of the county shall call a special election in said district for the purpose of submitting to the qualified voters therein the question of levying and collecting a special tax on all taxable property in said district, of not exceeding fifteen cents (15¢) on the one hundred dollars (\$100.00) valuation of property, for the purpose of providing fire protection in said district. The county tax office shall be responsible for checking the freeholder status of those individuals signing the petition and confirming the location of the property owned by those individuals. Unless specifically excluded by other law, the provisions of Chapter 163 of the General Statutes concerning petitions for referenda and special elections shall apply. If the voters reject the special tax under the first paragraph of this section, then no new election may be held under the first paragraph of this section within two years on the question of levying and collecting a special tax under the first paragraph of this section in that district, or in any proposed district which includes a majority of the land within the district in which the tax was rejected.

~~Upon the petition of thirty-five percent (35%) of the resident freeholders living in an area which has previously been established as a fire protection district and in which there has been authorized by a vote of the people a special tax not exceeding ten cents (10¢) on the one hundred dollars (\$100.00) valuation of property within the area, adoption of a resolution by the~~



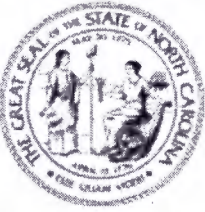


1 Town Council of the Town of Stokesdale requesting a special election for the purposes  
2 described in this section, the board of county commissioners shall of Guilford County may call  
3 a special election in said area that portion of the area encompassing the Stokesdale Fire  
4 Protection District that lies in Guilford County for the purpose of submitting to the qualified  
5 voters therein the question of increasing the allowable special tax for fire protection within said  
6 district from ten cents (10¢ ) on the one hundred dollars (\$100.00) valuation to fifteen cents  
7 (15¢ ) on the one hundred dollars (\$100.00) valuation on all taxable property within such  
8 district. Special elections on the question of increasing the allowable tax rate for fire protection  
9 shall not be held within the same district at intervals less than two years."

10 **SECTION 2.** This act applies to Guilford County only.

11 **SECTION 3.** This act is effective when it becomes law.





# HOUSE BILL 490: Sanford Occupancy Tax Authorization

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 13, 2015
<b>Introduced by:</b>	Reps. Salmon, Reives	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 490 would authorize the City of Sanford to levy a room occupancy tax of up to 3%, the proceeds of which would be remitted to a Tourism Development Authority. The Authority would be required to use at least two-thirds of the proceeds to promote travel and tourism and the remainder for tourist-related expenditures.*

**CURRENT LAW:** The City of Sanford is located in Lee County, which has the authority to levy a 3% room occupancy tax.<sup>1</sup>

**BILL ANALYSIS:** House Bill 490 would authorize Sanford to levy a 3% room occupancy tax. The City would be required to establish a Tourism Development Authority to administer the proceeds. The proceeds must be used as follows: at least two-thirds for tourism promotion and the remainder for tourism-related expenditures. The bill conforms to the Guidelines for Occupancy Tax adopted by the House Finance Committee.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Since 1983, the General Assembly has authorized many units of local government to levy a room occupancy tax. Over the past several years, there has been a greater effort to make the occupancy taxes uniform. In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax,<sup>2</sup> which provide uniformity among counties and cities with respect to the levy, administration, collection, repeal, and imposition of penalties.

In 1993, the House Finance Committee established the Occupancy Tax Guidelines, which address the rate of tax, the use of the tax proceeds, the administration of the tax, and the body with authority to determine how the proceeds will be spent. A summary of these provisions is detailed in the chart below. Many of the principles contained in the Guidelines are similar to those contained in policy statements adopted by the North Carolina Travel and Tourism Coalition and the North Carolina Restaurant and Lodging Association.

UNIFORM OCCUPANCY TAX PROVISIONS
<b>Rate</b> – The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.
<b>Use</b> – Two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism related expenditures.
<b>Definitions</b> The term “net proceeds”, “promote travel and tourism”, and “tourism related expenditures” are defined terms.

<sup>1</sup> S.L. 1987-538

<sup>2</sup> G.S. 153A-155 and G.S. 160A-215.





# House Bill 490

Page 2

**Administration** – The net revenues must be administered by a local tourism development authority that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least 1/2 of the members must be currently active in the promotion of travel and tourism in the county and 1/3 of the members must be affiliated with organizations that collect the tax.

**Costs of Collection** – The taxing authority may retain from the revenues its actual costs of collection, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.

*Cindy Avrette and Trina Griffin, counsel to the Senate and House Finance Committees, substantially contributed to this summary.*



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 490

Short Title: Sanford Occupancy Tax Authorization. (Local)

Sponsors: Representatives Salmon and Reives (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE CITY OF SANFORD TO LEVY AN OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

**SECTION 1.** Occupancy tax. – (a) Authorization and Scope. – The Sanford City Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations when furnished in furtherance of their nonprofit purpose.

**SECTION 1.(b)** Administration. – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

**SECTION 1.(c)** Distribution and Use of Tax Revenue. – Sanford shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Sanford Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection to promote travel and tourism in Sanford and shall use the remainder for tourism-related expenditures.

The following definitions apply in this subsection:

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





1           **SECTION 2.** Sanford Tourism Development Authority. – (a) Appointment and  
2 Membership. – When the Sanford City Council adopts a resolution levying a room occupancy  
3 tax under this act, it shall also adopt a resolution creating a city Tourism Development  
4 Authority, which shall be a public authority under the Local Government Budget and Fiscal  
5 Control Act. The resolution shall provide for the membership of the Authority, including the  
6 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of  
7 the members must be individuals who are affiliated with businesses that collect the tax in the  
8 city, and at least one-half of the members must be individuals who are currently active in the  
9 promotion of travel and tourism in the city. The city council shall designate one member of the  
10 Authority as chair and shall determine the compensation, if any, to be paid to members of the  
11 Authority.

12           The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
13 govern its meetings. The Finance Officer for Sanford shall be the ex officio finance officer of  
14 the Authority.

15           **SECTION 2.(b)** Duties. – The Authority shall expend the net proceeds of the tax  
16 levied under this act for the purposes provided in this act. The Authority shall promote travel,  
17 tourism, and conventions in the city, sponsor tourist-related events and activities in the city, and  
18 finance tourist-related capital projects in the city.

19           **SECTION 2.(c)** Reports. – The Authority shall report quarterly and at the close of  
20 the fiscal year to the Sanford City Council on its receipts and expenditures for the preceding  
21 quarter and for the year in such detail as the city council may require.

22           **SECTION 3.** G.S. 160A-215(g) reads as rewritten:

23           "(g) Applicability. – Subsection (c) of this section applies to all cities that levy an  
24 occupancy tax. To the extent subsection (c) conflicts with any provision of a local act,  
25 subsection (c) supersedes that provision. The remainder of this section applies only to Beech  
26 Mountain District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia,  
27 Goldsboro, Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lenoir,  
28 Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly, Reidsville,  
29 Roanoke Rapids, Sanford, Salisbury, Shelby, Statesville, Washington, and Wilmington, to the  
30 Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling Springs,  
31 Boone, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas, Dobson, Elkin,  
32 Fontana Dam, Franklin, Grover, Hillsborough, Jonesville, Kenly, Kure Beach, Leland,  
33 McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach, Pembroke, Pilot  
34 Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro, Troutman, Tryon,  
35 West Jefferson, Wilkesboro, Wrightsville Beach, Yadkinville, and Yanceyville, and to the  
36 municipalities in Avery and Brunswick Counties."

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





# HOUSE BILL 874: Cities/Availability Charge/Improved Property

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 14, 2015
<b>Introduced by:</b>	Reps. Jordan, Ross, Setzer, Watford	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	PCS to First Edition H874-CSTHf-24		Committee Counsel

**SUMMARY:** *The PCS for House Bill 874 would authorize cities that operate water and wastewater systems as a public enterprise to require payment of a periodic availability charge if improved property qualifies for the issuance of a building permit and the city has installed water or sewer lines directly available to the property.*

**CURRENT LAW:** G.S. 160A-317(a) allows a city to require the property owner to connect the owner's premises with the water or sewer line or both, or to require a periodic availability charge, for developed property having one or more residential dwelling units or commercial establishments located within the city limits and within a reasonable district of any water line or sewer collection line owned, leased, or operated by the city or on behalf of the city.

**BILL ANALYSIS:** The PCS for House Bill 874 would additionally allow cities to require payment of a periodic availability charge in the case of improved property that would qualify for the issuance of a building permit for the construction of one or more residential dwelling units or commercial establishments and where the city has installed water or sewer lines or a combination thereof directly to the property.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

H

D

HOUSE BILL 874

PROPOSED COMMITTEE SUBSTITUTE H874-CSTHF-24 [v.1]

5/13/2015 3:24:54 PM

Short Title: Cities/Availability Charge/Improved Property.

(Public)

Sponsors:

Referred to:

April 15, 2015

A BILL TO BE ENTITLED

AN ACT AUTHORIZING CITIES TO REQUIRE PAYMENT OF A PERIODIC AVAILABILITY CHARGE IF IMPROVED PROPERTY QUALIFIES FOR THE ISSUANCE OF A BUILDING PERMIT AND THE CITY HAS INSTALLED WATER OR SEWER LINES DIRECTLY AVAILABLE TO THE PROPERTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-317 reads as rewritten:

**"§ 160A-317. Power to require connections to water or sewer service and the use of solid waste collection services.**

(a) Connections.—A city may require one of the following:

(1) A city may require an owner of developed property on which there are situated one or more residential dwelling units or commercial establishments located within the city limits and within a reasonable distance of any water line or sewer collection line owned, leased as lessee, or operated by the city or on behalf of the city to connect the owner's premises with the water or sewer line or both, and may fix charges for the connections.

(2) In lieu of requiring connection under this ~~subsection~~ subdivision (a)(1) and in order to avoid hardship, the city may require payment of a periodic availability charge, not to exceed the minimum periodic service charge for properties that are connected. In the case of improved property that would qualify for the issuance of a building permit for the construction of one or more residential dwelling units or commercial establishments and where the city has installed water or sewer lines or a combination thereof directly available to the property, the city may require payment of a periodic availability charge, not to exceed the minimum periodic service charge for properties that are connected.

...."

**SECTION 2.** This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 874

Short Title: Cities/Availability Charge/Improved Property. (Public)

Sponsors: Representatives Jordan, Ross, Setzer, and Watford (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 15, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING CITIES TO REQUIRE PAYMENT OF A PERIODIC  
3 AVAILABILITY CHARGE IF IMPROVED PROPERTY QUALIFIES FOR THE  
4 ISSUANCE OF A BUILDING PERMIT AND THE CITY HAS INSTALLED WATER  
5 OR SEWER LINES DIRECTLY AVAILABLE TO THE PROPERTY.

6 The General Assembly of North Carolina enacts:

7 SECTION 1. G.S. 160A-317 reads as rewritten:

8 "§ 160A-317. Power to require connections to water or sewer service and the use of solid  
9 waste collection services.

10 (a) ~~Connections.~~—Connections:

11 (1) A city may require an owner of developed property on which there are  
12 situated one or more residential dwelling units or commercial establishments  
13 located within the city limits and within a reasonable distance of any water  
14 line or sewer collection line owned, leased as lessee, or operated by the city  
15 or on behalf of the city to connect the owner's premises with the water or  
16 sewer line or both, and may fix charges for the connections. In lieu of  
17 requiring connection under this ~~subsection~~ subdivision and in order to avoid  
18 hardship, the city may require payment of a periodic availability charge, not  
19 to exceed the minimum periodic service charge for properties that are  
20 connected.

21 (2) In the case of improved property that would qualify for the issuance of a  
22 building permit for the construction of one or more residential dwelling units  
23 or commercial establishments and where the city has installed water or  
24 sewer lines or a combination thereof directly available to the property, the  
25 city may require payment of a periodic availability charge, not to exceed the  
26 minimum periodic service charge for properties that are connected.

27 ...."

28 SECTION 2. This act is effective when it becomes law.





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE AND RE-REFERRED**

HB 389                      Roanoke Island Fire District Changes.  
Draft Number:            None  
**Serial Referral:**        **FINANCE**  
Recommended Referral: None  
Long Title Amended:    No  
Floor Manager:           Jordan

HB 490                      Sanford Occupancy Tax Authorization.  
Draft Number:            None  
**Serial Referral:**        **FINANCE**  
Recommended Referral: None  
Long Title Amended:    No  
Floor Manager:           Salmon

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

HB 466                      Stokesdale Fire District Assessment.  
Draft Number:            H466-PCS20356-THxf-25  
**Serial Referral:**        **FINANCE**  
Recommended Referral: None  
Long Title Amended:    Yes  
Floor Manager:           Blust

HB 874                      Cities/Availability Charge/Improved Property.  
Draft Number:            H874-PCS40457-THf-24  
**Serial Referral:**        **FINANCE**  
Recommended Referral: None  
Long Title Amended:    No  
Floor Manager:           Jordan

TOTAL REPORTED: 4



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## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 05/14/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Martha Jenkins	DCR
Steve Marge	NCKLA
Mia Hogleline	NCMMC
AUDY WALSH	SA
[Signature]	NETIA
Rose Williams	NCLM
Dane Fenton	City of Charlotte



Corrected #1:

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, May 28, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ford presiding.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 411	Town of Angier/Deannexation.	Representative Lewis
		Representative Salmon
HB 412	Dunn Annexation/Holly Ridge Annexation.	Representative Lewis
		Representative Salmon
SB 77	Increase Wilkesboro Firemen's Pension.	Senator Randleman

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:09 AM on Tuesday, October 13, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Thursday, May 28, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

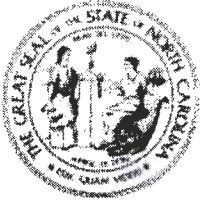
<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 411	Town of Angier/Deannexation.	Representative Lewis
		Representative Salmon
HB 412	Dunn Annexation/Holly Ridge Annexation.	Representative Lewis
		Representative Salmon
SB 77	Increase Wilkesboro Firemen's Pension.	Senator Randleman

**Presentations**

**Other Business**

**Adjournment**





## HOUSE BILL 411: Town of Angier/Deannexation

2015-2016 General Assembly

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<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	May 28, 2015
<b>Introduced by:</b>	Reps. Lewis, Salmon	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

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**SUMMARY:** *House Bill 411 would deannex approximately 150 acres from the Town of Angier.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexation. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

**BILL ANALYSIS:** House Bill 411 would deannex two properties totaling approximately 150 acres from the Town of Angier.

Property taxes and special assessments imposed by the Town of Angier before the effective date would remain valid and may be collected as if the property were still in the Town.

**EFFECTIVE DATE:** This act becomes effective June 30, 2015.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 411

Short Title: Town of Angier/Deannexation. (Local)

Sponsors: Representatives Lewis and Salmon (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 1, 2015

A BILL TO BE ENTITLED  
AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
LIMITS OF THE TOWN OF ANGIER, AT THE REQUEST OF THE TOWN.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property is removed from the corporate  
limits of the Town of Angier:

TRACT 1: Marvie M. Mangum property

Being all of that tract or parcel of land lying in Black River Township, Harnett  
County, North Carolina. Beginning at an existing railroad spike in the centerline of SR 1542  
(Old Buies Creek Road) said point being located South 15 degrees 24 minutes 12 seconds East  
for a distance of 6.81 feet from a MAG nail set at the centerline intersection of SR 1542 and SR  
1540 and runs thence with the centerline of said SR 1542 Road South 18 degrees 46 minutes 20  
seconds East for a distance of 90.63 feet to a MAG nail set; thence continuing with the  
centerline of said SR 1542 the following courses and distances: South 17 degrees 46 minutes  
39 seconds East for a distance of 49.72 feet to a MAG nail set; South 16 degrees 24 minutes 07  
seconds East for a distance of 49.63 feet to a MAG nail set; South 14 degrees 01 minutes 13  
seconds East for a distance of 49.66 feet to a MAG nail set; South 10 degrees 08 minutes 33  
seconds East for a distance of 49.68 feet to a MAG nail set; South 05 degrees 36 minutes 50  
seconds East for a distance of 49.75 feet to a MAG nail set; South 01 degrees 36 minutes 26  
seconds East for a distance of 49.75 feet to a MAG nail set; South 01 degrees 45 minutes 53  
seconds West for a distance of 49.66 feet to a MAG nail set; South 03 degrees 35 minutes 56  
seconds West for a distance of 49.76 feet to a MAG nail set; South 05 degrees 09 minutes 24  
seconds West for a distance of 99.20 feet to a MAG nail set; South 05 degrees 53 minutes 52  
seconds West for a distance of 99.24 feet to a MAG nail set; South 06 degrees 22 minutes 48  
seconds West for a distance of 98.42 feet to an existing nail; thence leaving said centerline  
along the northern line of Reisha L. Lasater as described in Deed Book 2191, Page 521 Harnett  
County Registry, North 81 degrees 00 minutes 48 seconds West for a distance of 439.97 feet to  
an existing iron stake; thence continuing with the western line of said Lasater South 09 degrees  
02 minutes 34 seconds West for a distance of 200.23 feet to an existing iron stake; thence  
continuing with southern line of said Lasater South 81 degrees 00 minutes 48 seconds East for  
a distance of 440.35 feet to a point in the centerline of SR 1542; thence continuing with the  
centerline of SR 1542 the following courses and distances: South 14 degrees 59 minutes 47  
seconds West for a distance of 49.04 feet to a MAG nail set; South 17 degrees 33 minutes 28  
seconds West for a distance of 49.64 feet to a MAG nail set; South 20 degrees 16 minutes 57



\* H 4 1 1 - V - 1 \*

seconds West for a distance of 49.65 feet to a MAG nail set; South 22 degrees 58 minutes 58 seconds West for a distance of 49.40 feet to a MAG nail set; South 25 degrees 01 minutes 57 seconds West for a distance of 49.77 feet to a MAG nail set; South 25 degrees 41 minutes 14 seconds West for a distance of 98.58 feet to a MAG nail set; South 25 degrees 36 minutes 18 seconds West for a distance of 99.25 feet to a MAG nail set; South 26 degrees 04 minutes 05 seconds West for a distance of 99.01 feet to an existing cotton spindle; thence leaving said centerline along the northern line of Emily H. Dean as described in Deed Book 711, Page 409 Harnett County Registry, North 81 degrees 12 minutes 04 seconds West for a distance of 435.32 feet to an existing iron stake; thence leaving said Dean along the northern line of Emily H. Dean as described in Deed Book 392, Page 479 Harnett County Registry, South 89 degrees 04 minutes 50 seconds West for a distance of 1349.13 feet to an iron stake set; thence continuing along the northern line of said Dean South 62 degrees 04 minutes 51 seconds West for a distance of 286.69 feet to an iron stake set; thence continuing along the northern line of said Dean South 89 degrees 04 minutes 50 seconds West for a distance of 843.21 feet to an iron stake set in the eastern line of the Town of Angier as described in Deed Book 975, Page 327 and Plat Cabinet F, Slide 82-C Harnett County Registry; thence with the eastern line of said Town of Angier North 01 degrees 48 minutes 20 seconds East for a distance of 1617.00 feet to an existing lightwood stake said point being the southwest corner of Danny J. Honeycutt et. al. as described in Deed Book 1399, Page 100 Harnett County Registry; thence with the southern line of said Honeycutt South 89 degrees 16 minutes 50 seconds East for a distance of 1176.66 feet to an existing iron pipe, said point being the southwest corner of Randy L. Surles as described in Deed Book 2061, Page 35 and Plat Cabinet 1, Slide 122 Harnett County Registry; THENCE with the southern line of said Surles South 89 degrees 04 minutes 49 seconds East for a distance of 1096.37 feet to an existing concrete monument, said point being the southwest Map Number 2005-305 Harnett County Registry; thence with the southern line of said Krohn South 89 degrees 03 minutes 05 seconds East for a distance of 746.69 feet to the point and place of BEGINNING; Together with and subject to right-of-way of SR 1542 (which contains 0.914 Acre), 100 foot right-of-way for Progress Energy of the Carolinas (Deed Book 645, Page 285) covenants, easements, and restrictions of record. Said property contains 102.555 acres (101.641 Acres Net) more or less.

TRACT 2: Kathryn C. Morgan property

Being all of that tract or parcel of land lying in Black River Township, Harnett County, North Carolina. Beginning at a point, said point being an existing iron pipe found and said point having North Carolina State Plane Coordinates of N(y)=625, 153.62 and E(x)=2,071,844.81 and said beginning point being South 28 degrees 20' 14" West, 12,099.85 feet from North Carolina Geodetic Survey Station "Stephenson"; thence, leaving iron pipe South 86 degrees 49' 10" East, 1,355.27 feet to an existing iron pipe found; thence, South 04 degrees 33' 15" West, 181.26 feet to an existing iron pipe found; thence, South 86 degrees 40' 12" East, 497.35 feet to an iron pipe set. thence, North 03 degrees 10' 50" East, 182.50 feet to an iron pipe set; thence, South 86 degrees 37' 33" East, 395.74 feet to a point; thence South 15 degrees 55' 16" West, 1,048.68 feet to a point; thence, North 86 degrees 47' 07" West, 198.34 feet to an iron pipe set; thence, North 86 degrees 47' 07" West, 1791.25 feet to an iron pipe set; thence, North 01 degrees 53' 05" East, 1,023.28 to the point and place of beginning, and containing 2,076,668 SF or 47.67 acres, more or less.

**SECTION 2.** This act has no effect upon the validity of any liens of the Town of Angier for ad valorem taxes or special assessments outstanding before the effective date of this act. Such liens may be collected or foreclosed upon after the effective date of this act as though the property were still within the corporate limits of the Town of Angier.

**SECTION 3.** This act becomes effective June 30, 2015.





## HOUSE BILL 412: City of Dunn Annexation

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Finance

**Date:** May 12, 2015

**Introduced by:** Reps. Lewis, Salmon

**Prepared by:** R. Erika Churchill

**Analysis of:** First Edition

Committee Counsel

**SUMMARY:** *House Bill 412 annexes certain described property into the corporate limits of the City of Dunn.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. Annexation is the method by which municipalities expand the boundaries of the municipality, following certain statutorily prescribed steps in order to add an area into its boundaries. The municipality must provide, or contract to provide, basic services to the area. These services include police protection, fire protection, solid waste collection and the extension of water and sewer lines to the area.

North Carolina law sets forth four basic ways in which a municipality may annex an area.

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal-Initiated Annexation subject to a referendum. – The municipality initiates annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

**BILL ANALYSIS:** House Bill 412 annexes approximately 10.93 acres of land located at 3948 Hodges Chapel Road into the corporate limits of the City of Dunn.

**EFFECTIVE DATE:** June 30, 2015

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 412

Short Title: City of Dunn Annexation. (Local)

Sponsors: Representatives Lewis and Salmon (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 1, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO ANNEX CERTAIN DESCRIBED PROPERTY TO THE CITY OF DUNN.  
3 The General Assembly of North Carolina enacts:  
4 **SECTION 1.** The corporate limits of the City of Dunn are increased to include the  
5 following described tracts located at 3948 Hodges Chapel Road, Harnett County:  
6 Tract 1: Harnett County parcel number 02-1527-0047-01, PIN number  
7 1537-18-9972.000, constituting 8.878 acres.  
8 Tract 2: Harnett County parcel number 02-1529-0032-01, PIN number  
9 1537-28-1692.000, constituting 2.046 acres.  
10 **SECTION 2.** This act becomes effective July 1, 2015.



\* H 4 1 2 - V - 1 \*



## SENATE BILL 77: Increase Wilkesboro Firemen's Pension

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Pensions and Retirement	<b>Date:</b>	May 27, 2015
<b>Introduced by:</b>	Sen. Randleman	<b>Prepared by:</b>	Giles S. Perry Committee Counsel
<b>Analysis of:</b>	Second Edition		

**SUMMARY:** *Senate Bill 77 amends the laws for the Wilkesboro Firemen's Supplemental Pension Fund to increase the monthly pension so that it will be equal to 150% of the monthly pension amount paid by the NC Firefighter's and Rescue Squad Workers' Pension Fund.*

### BILL ANALYSIS:

Senate Bill 77 amends the Session Laws for the Wilkesboro Firemen's Supplemental Pension Fund to allow the monthly pension to be equal to 150% of the monthly pension amount paid by the North Carolina Firefighters' and Rescue Squad Workers' Pension Funder under G.S. 58-86-55.

**EFFECTIVE DATE:** This bill would become effective July 1, 2015.

### BACKGROUND:

The current monthly pension amount for the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund is \$170.

*Theresa Matula, counsel to Senate Pensions & Retirement and Aging, substantially contributed to this summary.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 77  
Pensions & Retirement and Aging Committee Substitute Adopted 4/23/15

Short Title: Increase Wilkesboro Firemen's Pension. (Local)

Sponsors:

Referred to:

February 12, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO INCREASE THE MONTHLY PENSION BENEFIT PAID TO MEMBERS OF  
3 THE WILKESBORO FIREMEN'S SUPPLEMENTAL PENSION FUND.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Section 4 of Chapter 131 of the 1985 Session Laws, as amended by  
6 Section 1 of S.L. 1999-56 and Section 1 of S.L. 2010-23, reads as rewritten:

7 "Sec. 4. Any member who has served 20 years as a fireman in the Wilkesboro Fire  
8 Department and has attained the age of 55 or who has served for five or more years and has  
9 become totally and permanently disabled is entitled to receive a monthly pension from the  
10 "Supplemental Pension Fund". This monthly pension shall be equal to one hundred fifty  
11 percent (150%) of the monthly pension amount paid by the North Carolina ~~Firemen's~~  
12 ~~Firefighters'~~ and Rescuc Squad Workers' Pension Fund under G.S. 58-86-55 and shall be  
13 adjusted to ~~match~~ continue to equal one hundred fifty percent (150%) of that State pension  
14 amount whenever that amount is amended. If, for any reason, the Fund shall be insufficient to  
15 pay in full any pension benefits, or other charges, then all benefits shall be reduced pro rata for  
16 as long as the deficiency in amount exists. No claim shall accrue with respect to any amount by  
17 which a benefit payment shall have been reduced."

18 **SECTION 2.** This act becomes effective July 1, 2015.



NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair

Representative Carl Ford, Co-Chair

FAVORABLE AND RE-REFERRED

HB 411

Town of Angier/Deannexation.

Draft Number: None

**Serial Referral:** FINANCE

Recommended Referral: None

Long Title Amended: No

Floor Manager: Lewis

HB 412

City of Dunn Annexation.

Draft Number: None

**Serial Referral:** FINANCE

Recommended Referral: None

Long Title Amended: No

Floor Manager: Lewis

SB 77 (CS#1)

Increase Wilkesboro Firemens Pension.

Draft Number: None

**Serial Referral:** PENSIONS AND RETIREMENT

Recommended Referral: None

Long Title Amended: No

Floor Manager: To be determined

TOTAL REPORTED: 3



\* C M R 3 9 7 - V - 3 \*







## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

05/28/15

Name of Committee

Date \_\_\_\_\_

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Austin Pruitt

## Perkinson Law

For McKellar Nelson Mullens

Hugh. John

NCAK

Mia Gjelini

NCMMC

Tom Brown

EDF



**House Committee on Local Government**  
**Thursday, June 4, 2015 at 10:00 AM**  
**Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM on June 4, 2015 in Room 643 of the Legislative Office Building. Representatives Ager, Brawley, Davis, Faircloth, Farmer-Butterfield, Fisher, Ford, G. Graham, Holley, Luebke, Pendleton, Szoka, and Warren attended. In addition, Erika Churchill, Giles Perry and Kelly Tornow from Research staff and Judy Lowe and Kyle Chermak, committee assistants were also in attendance.

Representative Ted Davis, Jr., presided and called the meeting to order at 10:00 A.M. He introduced the Sergeants at Arms Young Bae, Bill Morris and Jim Moran and thanked them for their work for the Legislature. He also recognized the pages Emma Lee, Mecklenburg County, Speaker Moore; Lee Cozart, Wake County, Speaker Moore; Jack Mitchell, Chatham County, Speaker Moore; Ona Ojo, Cumberland County, Rep. Glazier; Mia Perry, Wake County, Rep. Stam and Keshawn Rhodie, Guilford County, Rep. Harrison.

Chairman Davis announced that the first item on the agenda, **SB46—Jacksonville Occupancy Tax** had been withdrawn at the request of the bill sponsor and it will be heard at a later date.

The following bills were considered:

**SB 139 Town of Sylva/Parking Ordinances.** Senator Davis stated that the bill has to do with the Town of Sylva parking ordinances. They have a problem, especially with the employees of businesses downtown, parking in the area that should be reserved for tourists and the bill is a way for them to enforce the parking ordinances that they already have. It will enable them to put wheel locks on habitual offenders. Rep. Luebke inquired as to the definition of habitual. Senator Davis stated that it would be somebody who has one or more unpaid and overdue parking violations for a period of 90 days. Representative Pendleton moved for a favorable report. The motion passed unanimously and will receive a favorable report.

**SB 140 Lake Santeetlah Occupancy Tax Authorization.** Senator Davis explained that this bill allows Lake Santeetlah to have an occupancy tax of 3%. It meets the North Carolina statutes and there is no opposition. The money will be used as outlined in State statutes. Representative Warren moved for a favorable report for **SB140** with a referral to Finance. The motion passed unanimously.

At the request of the bill sponsor, Senator Brent Jackson, **SB 304 Administration of Logo Sign Program**, was pulled and will be heard at a later date.

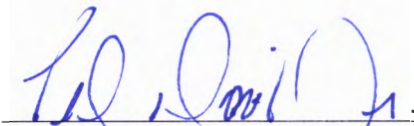
**SB 142 Cumberland County Civic Center Commission.** Chairman Davis announced that at the request of Senators Meredith and Clark, Representative Szoka would be presenting the bill. Representative Szoka stated that the bill was requested by the Cumberland County Commissioners. It reduces the Civic Center Commission membership from 16 to nine. It does



not affect any other county and the County Commissioners are in support, as is everyone who currently sits on the Commission. There is no known opposition to the bill. Representative Floyd moved for a favorable report of HB 142. The motion passed unanimously.

**SB 682 Modify Sunset Re: Contingent Audits.** Representative Brawley presented the bill on behalf of Senators Gunn and Clark, noting that there was a House companion bill, HB542, which was identical to the Senate bill. He stated that in 2012 legislation went into effect to prevent the North Carolina Department of Revenue, the Treasurer's Office and local governments from doing contingency fee audits of citizens. There was a two-year sunset put into the county-city portion and this bill eliminates the sunset expiration date and the current law will remain in effect going forward. Representative Brawley moved for a favorable report with a referral to Finance. The motion passed unanimously.

The meeting adjourned at 10:13 A. M.



Representative Ted Davis, Jr., Chair  
Presiding



Judy Lowe, Committee Clerk

#### **Attachments**

- Committee notice
- Agenda
- Committee report
- Copies of bills
- Proposed committee substitutes
- Visitor registration sheets



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, June 4, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Rep. Ted Davis will be presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
SB 46	Jacksonville Occupancy Tax.	Senator Brown
SB 139	Town of Sylva/Parking Ordinances.	Senator J. Davis
SB 140	Lake Santeetlah Occupancy Tax Authorization.	Senator J. Davis
SB 304	Administration of Logo Sign Program.	Senator B. Jackson
SB 682	Modify Sunset Re: Contingent Audits.	Senator Gunn Senator Clark
SB 142	Cumberland County Civic Center Commission.	Senator Meredith Senator Clark

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:17 AM on Tuesday, October 13, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Thursday, June 4, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
SB 46	Jacksonville Occupancy Tax.	Senator Brown
SB 139	Town of Sylva/Parking Ordinances.	Senator J. Davis
SB 140	Lake Santeetlah Occupancy Tax Authorization.	Senator J. Davis
SB 304	Administration of Logo Sign Program.	Senator B. Jackson
SB 682	Modify Sunset Re: Contingent Audits.	Senator Gunn Senator Clark
SB 142	Cumberland County Civic Center Commission.	Senator Meredith Senator Clark

**Presentations**

**Other Business**

**Adjournment**





## SENATE BILL 139: Town of Sylva/Parking Ordinances

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. J. Davis  
**Analysis of:** First Edition

**Date:** June 4, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *Senate Bill 139 would amend the charter of the Town of Sylva to allow the Town to adopt and enforce ordinances related to parking.*

**BILL ANALYSIS:** Senate Bill 139 would amend the charter of the Town of Sylva to provide that the board of commissioners may, by ordinance, provide the following parking provisions:

- Each hour a vehicle remains illegally parked in an on-street parking space is a separate offense, and the violator may be given a ticket for each offense.
- Any vehicle that has been towed for a parking violation must be held until the towing fee and penalties for all outstanding parking tickets and parking penalties owed to the town are paid in full, or a bond is posted. Payment of the towing fee, parking tickets, and parking penalties is not a waiver of a person's right to contest those items.
- The use of wheel locks is permitted for a vehicle parked in a public vehicular area for which there is one or more outstanding, unpaid, and overdue parking tickets for a period of 90 days. The ordinance must provide for notice or warning to be affixed to the vehicle, immobilization, towing, impoundment, appeal, an immobilization fee not to exceed \$50.00, and charges for towing and storage. The town is not responsible for damage to an immobilized vehicle parked in a public vehicular area that results from unauthorized attempts to free or move that vehicle.

**EFFECTIVE DATE:** The act is effective when it becomes law.

*Brad Krehely, counsel to Senate State and Local Government, substantially contributed to this summary.*

O. Walker Reagan  
Director



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Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 139

Short Title: Town of Sylva/Parking Ordinances. (Local)

Sponsors: Senator J. Davis (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 4, 2015

A BILL TO BE ENTITLED

AN ACT TO AMEND THE CHARTER OF THE TOWN OF SYLVA TO AUTHORIZE THE  
TOWN TO ADOPT AND ENFORCE ORDINANCES RELATING TO PARKING.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Charter of the Town of Sylva, being Chapter 72 of the 1899 Private Laws, as amended by Chapter 47 of the 1905 Private Laws, Chapter 131 of the 1913 Private Laws, Chapter 27 of the 1957 Session Laws, Chapter 31 of the 1961 Session Laws, Chapter 318 of the 1973 Session Laws, and S.L. 2000-30, is amended by adding a new section to read as follows:

"Sec. 30. (a) The board of commissioners may provide by ordinance that each hour a vehicle remains illegally parked in an on-street parking space is a separate offense, and the violator may be given a ticket for each offense.

(b) The board of commissioners may provide by ordinance that any vehicle that has been towed for a parking violation is to be held until the towing fee and penalties related to all outstanding parking tickets and parking penalties owed to the town are paid in full, or a bond is posted in the amount of the towing fee and all outstanding parking tickets and parking penalties. Payment of the towing fee and all outstanding parking tickets and parking penalties shall not constitute a waiver of a person's right to contest the towing or the outstanding parking tickets and parking penalties.

(c) The board of commissioners may provide by ordinance for the use of wheel locks on a vehicle parked in a public vehicular area for which there is one or more outstanding, unpaid, and overdue parking tickets for a period of 90 days. The ordinance shall provide for notice or warning to be affixed to the vehicle, immobilization, towing, impoundment, appeal, an immobilization fee not to exceed fifty dollars (\$50.00), and charges for towing and storage. The town shall not be responsible for any damage to an immobilized vehicle parked in a public vehicular area that results from unauthorized attempts to free or move that vehicle."

**SECTION 2.** This act is effective when it becomes law.





# SENATE BILL 140: Lake Santeetlah Occupancy Tax Authorization

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Finance

**Date:** June 4, 2015

**Introduced by:** Sen. J. Davis

**Prepared by:** Kelly Tornow

**Analysis of:** Second Edition

Committee Counsel

**SUMMARY:** *Senate Bill 140 would authorize the Town of Lake Santeetlah to levy a room occupancy tax of up to 3%, the proceeds of which would be remitted to a Tourism Development Authority. The Authority would be required to use at least two-thirds of the proceeds to promote travel and tourism and the remainder for tourist-related expenditures.*

[As introduced, this bill was identical to H221, as introduced by Rep. West, which is currently in House Local Government, if favorable, Finance.]

**CURRENT LAW:** The Town of Lake Santeetlah is located in Graham County, which has the authority to levy a 3% room occupancy tax.<sup>1</sup>

**BILL ANALYSIS:** Senate Bill 140 would authorize Lake Santeetlah to levy a 3% room occupancy tax. The Town would be required to establish a Tourism Development Authority to administer the proceeds. The proceeds must be used as follows: at least two-thirds for tourism promotion and the remainder for tourism-related expenditures. The bill conforms to the Guidelines for Occupancy Tax adopted by the House Finance Committee.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Since 1983, the General Assembly has authorized many units of local government to levy a room occupancy tax. Over the past several years, there has been a greater effort to make the occupancy taxes uniform. In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax,<sup>2</sup> which provide uniformity among counties and cities with respect to the levy, administration, collection, repeal, and imposition of penalties.

In 1993, the House Finance Committee established the Occupancy Tax Guidelines, which address the rate of tax, the use of the tax proceeds, the administration of the tax, and the body with authority to determine how the proceeds will be spent. A summary of these provisions is detailed in the chart below. Many of the principles contained in the Guidelines are similar to those contained in policy statements adopted by the North Carolina Travel and Tourism Coalition and the North Carolina Restaurant and Lodging Association.

## UNIFORM OCCUPANCY TAX PROVISIONS

**Rate** – The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.

**Use** – Two-thirds of the proceeds must be used to promote travel and tourism and the remainder must

<sup>1</sup> S.L. 1985-969, as amended by S.L. 1987-118 and S.L. 1987-195.

<sup>2</sup> G.S. 153A-155 and G.S. 160A-215.

O. Walker Reagan  
Director



Research Division  
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# Senate Bill 140

Page 2

be used for tourism related expenditures.

**Definitions** The term “net proceeds”, “promote travel and tourism”, and “tourism related expenditures” are defined terms.

**Administration** – The net revenues must be administered by a local tourism development authority that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least 1/2 of the members must be currently active in the promotion of travel and tourism in the county and 1/3 of the members must be affiliated with organizations that collect the tax.

**Costs of Collection** – The taxing authority may retain from the revenues its actual costs of collection, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 140  
Second Edition Engrossed 3/24/15

Short Title: Lake Santeetlah Occupancy Tax Authorization. (Local)

Sponsors: Senator J. Davis (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 4, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE TOWN OF LAKE SANTEETLAH TO LEVY AN  
3 OCCUPANCY TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Occupancy tax. – (a) Authorization and Scope. – The Town Council  
6 of the Town of Lake Santeetlah may levy a room occupancy tax of up to three percent (3%) of  
7 the gross receipts derived from the rental of an accommodation within the town that is subject  
8 to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any  
9 State or local sales tax.

10 **SECTION 1.(b)** Administration. – A tax levied under this section shall be levied,  
11 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
12 G.S. 160A-215 apply to a tax levied under this section.

13 **SECTION 1.(c)** Distribution and Use of Tax Revenue. – The Town of Lake  
14 Santeetlah shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Lake  
15 Santeetlah Tourism Development Authority. The Authority shall use at least two-thirds of the  
16 funds remitted to it under this subsection to promote travel and tourism in the Town of Lake  
17 Santeetlah and shall use the remainder for tourism-related expenditures.

18 The following definitions apply in this section:

19 (1) Net proceeds. – Gross proceeds less the cost to the town of administering  
20 and collecting the tax, as determined by the finance officer, not to exceed  
21 three percent (3%) of the first five hundred thousand dollars (\$500,000) of  
22 gross proceeds collected each year and one percent (1%) of the remaining  
23 gross proceeds collected each year.

24 (2) Promote travel and tourism. – To advertise or market an area or activity,  
25 publish and distribute pamphlets and other materials, conduct market  
26 research, or engage in similar promotional activities that attract tourists or  
27 business travelers to the area; the term includes administrative expenses  
28 incurred in engaging in the listed activities.

29 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
30 Lake Santeetlah Tourism Development Authority, are designed to increase  
31 the use of lodging facilities, meeting facilities, or convention facilities in the  
32 town or to attract tourists or business travelers to the town. The term  
33 includes tourism-related capital expenditures.

34 **SECTION 1.(d)** Tourism Development Authority. – Appointment and  
35 Membership. – When the Town Council adopts a resolution levying a room occupancy tax  
36 under this section, it shall also adopt a resolution creating the Lake Santeetlah Tourism



1 Development Authority, which shall be a public authority under the Local Government Budget  
2 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
3 including the members' terms of office, and for the filling of vacancies on the Authority. At  
4 least one-third of the members shall be individuals who are affiliated with businesses that  
5 collect the tax in the town, and at least one-half of the members shall be individuals who are  
6 currently active in the promotion of travel and tourism in the town. The Town Council shall  
7 designate one member of the Authority as chair and shall determine the compensation, if any,  
8 to be paid to members of the Authority.

9 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
10 govern its meetings. The finance officer for the Town of Lake Santeetlah shall be the ex officio  
11 finance officer of the Authority.

12 **SECTION 1.(e) Duties.** – The Authority shall expend the net proceeds of the tax  
13 levied under this section for the purposes provided in subsection (c) of this section. The  
14 Authority shall promote travel, tourism, and conventions in the town, sponsor tourist-related  
15 events and activities in the town, and finance tourist-related capital projects in the town.

16 **SECTION 1.(f) Reports.** – The Authority shall report quarterly and at the close of  
17 the fiscal year to the Lake Santeetlah Town Council on its receipts and expenditures for the  
18 preceding quarter and for the year in such detail as the Town Council may require.

19 **SECTION 2.** G.S. 160A-215(g) reads as rewritten:

20 "(g) Applicability. – Subsection (c) of this section applies to all cities that levy an  
21 occupancy tax. To the extent subsection (c) conflicts with any provision of a local act,  
22 subsection (c) supersedes that provision. The remainder of this section applies only to Beech  
23 Mountain District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia,  
24 Goldsboro, Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lake Santeetlah,  
25 Lenoir, Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly,  
26 Reidsville, Roanoke Rapids, Salisbury, Shelby, Statesville, Washington, and Wilmington, to  
27 the Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling  
28 Springs, Boone, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas, Dobson,  
29 Elkin, Fontana Dam, Franklin, Grover, Hillsborough, Jonesville, Kenly, Kure Beach, Leland,  
30 McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach, Pembroke, Pilot  
31 Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro, Troutman, Tryon,  
32 West Jefferson, Wilkesboro, Wrightsville Beach, Yadkinville, and Yanceyville, and to the  
33 municipalities in Avery and Brunswick Counties."

34 **SECTION 3.** This act is effective when it becomes law.



## SENATE BILL 142: Cumberland County Civic Center Commission

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sens. Meredith, Clark  
**Analysis of:** Second Edition

**Date:** June 3, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 142 would reduce the number of members serving on the Cumberland County Civic Center Commission from 16 to 10 and would name the nine citizen members of the Commission.*

**CURRENT LAW:** The Cumberland County Civic Center Commission consists of 16 members. Fifteen members of the Commission must be residents of Cumberland County and are appointed by the Board of County Commissioners to serve for staggered three-year terms. The sixteenth member of the Commission is the County Manager, who serves in an ex officio, non-voting capacity.

The Commission's duties include:

- Establishing and managing a memorial fund for use in the construction, equipment, decoration, maintenance, and operation of the Civic Center.
- Advising the Board of County Commissioners in planning for and constructing the Civic Center.
- Operating the Civic Center facility under the terms and conditions established by the Board of County Commissioners.
- Studying, planning, and programming for the best use of the Civic Center.
- Making rules and regulations for the Commission's organization and management of the facilities, properties, and funds committed to its charge.
- Employing a manager and other employees.
- Contracting for, acquiring, holding, exchanging, transferring, and conveying property.

Fifty percent of the net proceeds of the occupancy tax for Cumberland County is allocated for the benefit of the Civic Center Commission (previously called the Memorial Auditorium Commission) to help finance major repairs, renovation, rehabilitation, and any other capital improvements to the Civic Center facility and any new additions, or to finance construction of new convention or multipurpose facilities in the County.

**BILL ANALYSIS:** Senate Bill 142 would reduce the number of Commission members from 16 to 10. Nine out of the 10 members must be residents of Cumberland County and the tenth member would be the County Manager of Cumberland County, who serves ex officio. Members of the Commission would serve three-year staggered terms. There are no term limits.

The provisions of this bill would not affect the terms of office of the following members of the Cumberland County Civic Center Commission or their successors who are holding office on the date this act becomes effective: Edith Bigler, Judy Dawkins, McBryde Grannis, Thaddeus T. Jenkins, Mark Lynch, William Tew, Jr., Elizabeth Varnedoe, Nat Robertson, and Robert C. Williams.

**EFFECTIVE DATE:** This act is effective when it becomes law.

*Kelly Turnow, counsel to the Senate State and Local Government Committee, substantially contributed to this summary.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# Senate Bill 142

*Page 2*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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2

SENATE BILL 142  
State and Local Government Committee Substitute Adopted 3/17/15

Short Title: Cumberland County Civic Center Commission.

(Local)

Sponsors:

Referred to:

March 4, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO REDUCE THE NUMBER OF MEMBERS SERVING ON THE  
3 CUMBERLAND COUNTY CIVIC CENTER COMMISSION.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Section 1 of Chapter 360 of the 1965 Session Laws, as amended by  
6 Chapter 983 of the 1983 Session Laws and Chapter 27 of the 1991 Session Laws, reads as  
7 rewritten:

8 "Section 1.(a) Cumberland County Civic Center Commission.

9 ...

10 (b) Membership; Terms of Office. The Commission shall consist of ~~16~~10 members.  
11 ~~Fifteen~~Nine members shall be residents of Cumberland County and shall be appointed by the  
12 Board of County Commissioners. The ~~sixteenth~~tenth member shall be the County Manager of  
13 Cumberland County who shall serve in an ex officio and nonvoting capacity and without limit  
14 as to term.

15 (1) ~~Five (5) of the first members of the Commission shall be appointed for a~~  
16 ~~term of one year, five for a term of two years, and five for a term of three~~  
17 ~~years. Each member of the Commission shall serve for a term of three years,~~  
18 ~~and until their successors are appointed for like terms. The terms shall be~~  
19 ~~staggered. Upon the expiration of each of the terms, the Board of County~~  
20 ~~Commissioners shall appoint successor members of the Commission who~~  
21 ~~shall each serve for terms of three years and until their successors are~~  
22 ~~appointed for like terms. Commission.~~ Any member of the Commission may  
23 be reappointed for successive terms.

24 ...

25 (5) Regular meetings of the Commission shall be held monthly. Special  
26 meetings may be called by the Chairman or a majority of the voting  
27 members of the Commission. Attendance of ~~eight~~five voting members shall  
28 constitute a quorum for the purpose of transaction of business at any regular  
29 or special meeting.

30 ...."

31 SECTION 2. The provisions of this act do not affect the terms of office of the  
32 following members of the Cumberland County Civic Center Commission or their successors  
33 who are holding office on the date this act becomes effective: Edith Bigler, Judy Dawkins,  
34 McBryde Grannis, Thaddeus T. Jenkins, Mark Lynch, William Tew, Jr., Elizabeth Varnedoe,  
35 Nat Robertson, and Robert C. Williams.

36 SECTION 3. This act is effective when it becomes law.







## SENATE BILL 682: Modify Sunset Re: Contingent Audits

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	June 3, 2015
<b>Introduced by:</b>	Sens. Gunn, Clark	<b>Prepared by:</b>	R. Erika Churchill Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *Senate Bill 682 would make permanent the prohibition, established in 2012, on local governments from using third-party contractors paid on a contingent fee basis for audit and assessment purposes.*

[As introduced, this bill was identical to H542, as introduced by Reps. Brawley, Hager, Szoka, Saine, which is currently in House Local Government, if favorable, Finance.]

**CURRENT LAW:** In 2012, the General Assembly enacted legislation prohibiting the Department of Revenue, local governments, and the Treasurer's Office from using third parties paid on a contingent fee basis for audit and assessment purposes. Specifically, the limitations were as follows:

- **Department of Revenue.** – Effective October 1, 2012, the Department is prohibited from employing an agent paid on a contingent fee basis to determine the tax liability of any taxpayer. This prohibition does not apply to the use of third parties by the Department for the collection of tax debts owed.
- **Treasurer's Office.** – Effective October 1, 2012, the Treasurer's Office is prohibited from contracting with entities paid on a contingent fee basis for administration of the Unclaimed Property Act. The Treasurer's Office may contract on a contingent fee basis with entities to conduct audits of life insurance companies where the audit is being conducted for the purpose of identifying unclaimed death benefits or to conduct audits of holders of unredeemed bond funds. The Treasurer's Office may also use funds from the Escheat Fund to pay for consultants possessing specialized skills or knowledge to conduct audits for the administration of the Unclaimed Property Act.
- **Local Governments.** – Effective July 1, 2013, counties are prohibited from employing entities paid on a contingency basis to assist a county tax assessor. Cities and counties are also prohibited from employing agents paid on a contingent fee basis to determine the tax liability of any taxpayer. These prohibitions are scheduled to sunset on July 1, 2015.

**BILL ANALYSIS:** House Bill 542 would remove the sunset with respect to the prohibition on local governments from using third parties on a contingent fee basis, making the prohibition permanent.

**EFFECTIVE DATE:** Effective when it becomes law.

*Trina Griffin substantially contributed to this summary.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 682

Short Title: Modify Sunset Re: Contingent Audits. (Public)

Sponsors: Senators Gunn and Clark (Primary Sponsors).

Referred to: Commerce.

March 30, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO LIMIT USE OF CONTINGENT-BASED CONTRACTS FOR AUDIT OR  
3 ASSESSMENT PURPOSES.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** Section 6 of S.L. 2012-152, as amended by Section 61.5(b) of S.L.  
6 2012-194, reads as rewritten:  
7 "SECTION 6. Sections 1, 3, and 3.1 of this act become effective October 1, 2012. The  
8 Treasurer shall not renew any contingency fee-based contracts for these services after October  
9 1, 2012. The Treasurer shall not assign further audits on a contingency fee basis to an auditing  
10 firm under a contract that meets all the following conditions: (i) the contract would have been  
11 prohibited under this act had the contract been entered into after October 1, 2012, and (ii) the  
12 contract allows the assignment of audits on a discretionary basis by the Treasurer. Sections 2, 4,  
13 and 5 of this act become effective July 1, 2013, and expire July 1, 2015. From 2013. After July  
14 1, 2013, until July 1, 2015, cities and counties shall not renew any contingency fee-based  
15 contracts for these services. From After July 1, 2013, until July 1, 2015, cities and counties  
16 shall not assign further audits on a contingency fee basis to an auditing firm under a contract  
17 that meets all the following conditions: (i) the contract would have been prohibited under this  
18 act had the contract been entered into after July 1, 2013, and (ii) the contract allows the  
19 assignment of audits on a discretionary basis. The remainder of the act is effective when the act  
20 becomes law."  
21 **SECTION 2.** This act is effective when it becomes law.







# SENATE BILL 46: Jacksonville Occupancy Tax

*Full*

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Finance

**Date:** June 3, 2015

**Introduced by:** Sen. Brown

**Prepared by:** R. Erika Churchill  
Committee Counsel

**Analysis of:** PCS to First Edition  
S46-CSSTx-58

**SUMMARY:** *The proposed committee substitute for Senate Bill 46 would modify the use of occupancy tax proceeds for the City of Jacksonville so that the city can use the majority of the proceeds for tourism-related expenditures, as opposed to travel and tourism promotion.*

**CURRENT LAW:** Session Law 2009-429 authorized the City of Jacksonville<sup>1</sup> to levy a room occupancy tax of up to 3%. The provisions of the 2009 authorization conform to the uniform guidelines traditionally followed by the House Finance Committee. Under those guidelines, the proceeds are used as follows:

- At least two-thirds of the proceeds to promote travel and tourism. – Proceeds dedicated for this purpose must be used to advertise or market the city, publish and distribute marketing materials, or engage in similar promotional activities that attract tourists to the city.
- The remainder for tourism-related expenditures. – Proceeds dedicated for this purposes must be used for expenditures that, in the judgment of the Jacksonville Tourism Development Authority, are designed to increase the use of facilities in the city or to attract people to the city.

**BILL ANALYSIS:** The PCS for Senate Bill 46 would modify the use of occupancy tax proceeds for the City of Jacksonville by reversing the normal distribution formula so that the majority of the proceeds could be used for tourism-related expenditures and the remainder for the promotion of travel and tourism. This change would not conform to the uniform guidelines followed by the House Finance Committee.

**EFFECTIVE DATE:** This act is effective when it becomes law, and expires on June 30, 2015.

**BACKGROUND:** In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax,<sup>2</sup> which provide uniformity among counties and cities with respect to the levy, administration, collection, repeal, and imposition of penalties. In 1993, the House Finance Committee established the Occupancy Tax Guidelines, which address the rate of tax, the use of the tax proceeds, the administration of the tax, and the body with authority to determine how the proceeds will be spent. A summary of these provisions is detailed in the chart below.

UNIFORM OCCUPANCY TAX PROVISIONS	
<b>Rate</b>	The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.
<b>Use</b>	Two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism related expenditures.
<b>Definitions</b>	The term "net proceeds", "promote travel and tourism", and "tourism related expenditures" are defined terms.
<b>Administration</b>	The net revenues must be administered by a local tourism development authority that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least 1/2 of the members must be currently active in the promotion of travel and tourism in the county and 1/3 of the members must be affiliated with organizations that collect the tax.
<b>Costs of Collection</b>	The taxing authority may retain from the revenues its actual costs of collection, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.

<sup>1</sup> Jacksonville is located in Onslow County, which also has authority to levy a 3% occupancy tax.

<sup>2</sup> G.S. 153A-155 and G.S. 160A-215.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# Senate Bill 46

Page 2

*Cindy Avrette substantially contributed to this summary.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 46  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S46-CSSTx-58 [v.1]

6/3/2015 2:58:08 PM

Short Title: Jacksonville Occupancy Tax.

(Local)

Sponsors:

Referred to:

February 9, 2015

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE USE OF OCCUPANCY TAX PROCEEDS FOR THE CITY OF JACKSONVILLE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 1.1(d) of S.L. 2009-429 reads as rewritten:

"**SECTION 1.1.(d)** Distribution and Use of Tax Revenue. – The City of Jacksonville shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Jacksonville Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection for tourism-related expenditures and shall use the remainder to promote travel and tourism in Jacksonville ~~and shall use the remainder for tourism-related expenditures.~~ Jacksonville."

**SECTION 2.** This act is effective when it becomes law, and expires on June 30, 2025.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 46

Short Title: Jacksonville Occupancy Tax. (Local)

Sponsors: Senator Brown (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

February 9, 2015

A BILL TO BE ENTITLED  
AN ACT TO MODIFY THE USE OF OCCUPANCY TAX PROCEEDS FOR THE CITY OF  
JACKSONVILLE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 1.1(d) of S.L. 2009-429 reads as rewritten:

"**SECTION 1.1.(d)** Distribution and Use of Tax Revenue. – The City of Jacksonville shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Jacksonville Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection for tourism-related expenditures and shall use the remainder to promote travel and tourism in Jacksonville and shall use the remainder for tourism-related expenditures. Jacksonville."

**SECTION 2.** This act is effective when it becomes law.





## SENATE BILL 304: Administration of Logo Sign Program

*Pulled*

2015-2016 General Assembly

**Committee:** House Local Government, if favorable,  
Transportation

**Date:** June 2, 2015

**Introduced by:** Sen. B. Jackson

**Prepared by:** Giles S. Perry

**Analysis of:** First Edition

Committee Counsel

**SUMMARY:** *Senate Bill 304 extends the DOT logo sign program to include partially controlled-access State roads.*

**CURRENT LAW:** Under current G.S. 136-89.35, the location of fuel, gas, food, lodging, camping, and attraction facilities are indicated to the users of State controlled access facilities by appropriate logos placed on signs owned, controlled, and erected within the right-of-way of fully controlled-access highways by the Department of Transportation. Fully controlled-access highways are interstate and other freeway-type roads.

### **BILL ANALYSIS:**

**Section 1** of Senate Bill 304 extends the areas that DOT may place logo signs to include partially controlled-access State roads. A partially controlled-access road is a divided highway with limited or no driveway access to adjoining properties, and intersections instead of interchanges at some or all cross roads.

**Section 2** of the bill directs DOT to adopt temporary rules to implement the act.

**EFFECTIVE DATE:** Section 1 of this act becomes effective July 1, 2015. The remainder of the act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

*This bill analysis was prepared by the nonpartisan legislative staff for the use of legislators in their deliberations and does not constitute an official statement of legislative intent.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 304

Short Title: Administration of Logo Sign Program. (Public)

Sponsors: Senator B. Jackson (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 18, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT LOGO SIGNS MAY BE PLACED ON THE  
3 RIGHT-OF-WAY OF FULLY AND PARTIALLY CONTROLLED-ACCESS  
4 HIGHWAYS AND TO PROVIDE THAT THE TRANSPORTATION MOBILITY AND  
5 SAFETY DIVISION OF THE DEPARTMENT OF TRANSPORTATION SHALL  
6 ADMINISTER THE LOGO SIGN PROGRAM.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 136-89.56 reads as rewritten:

9 **"§ 136-89.56. Commercial enterprises.**

10 No commercial enterprises or activities shall be authorized or conducted by the Department  
11 of Transportation, or the governing body of any city or town, within or on the property acquired  
12 for or designated as a controlled-access facility, as defined in this Article, except for:

- 13 (1) Materials displayed at welcome centers which shall be directly related to  
14 travel, accommodations, tourist-related activities, tourist-related services,  
15 and attractions. The Department of Transportation shall issue rules  
16 regulating the display of these materials. These materials may contain  
17 advertisements for real estate; and
- 18 (2) Vending machines permitted by the Department of Transportation and  
19 placed by the Division of Services for the Blind, Department of Health and  
20 Human Services, as the State licensing agency designated pursuant to  
21 Section 2(a)(5) of the Randolph-Sheppard Act (20 USC 107a(a)(5)). The  
22 Department of Transportation shall regulate the placing of the vending  
23 machines in highway rest areas and shall regulate the articles to be  
24 dispensed. In order to permit the establishment of adequate fuel and other  
25 service facilities by private owners or their lessees for the users of a  
26 controlled-access facility, the Department of Transportation shall permit  
27 access to service or frontage roads within the publicly owned right-of-way of  
28 any controlled-access facility established or designated as provided in this  
29 Article, at points which, in the opinion of the Department of Transportation,  
30 will best serve the public interest. The location of such fuel and other service  
31 facilities may be indicated to the users of the controlled-access facilities by  
32 appropriate signs, the size, style, and specifications of which shall be  
33 determined by the Department of Transportation.

34 The location of fuel, gas, food, lodging, camping, and attraction facilities may be indicated  
35 to the users of the controlled-access facilities by appropriate logos placed on signs owned,  
36 controlled, and erected within the right-of-way of fully and partially controlled-access



1 highways by the Department of Transportation. The owners, operators or lessees of fuel, gas,  
2 food, lodging, camping, and attraction facilities who wish to place a logo identifying their  
3 business or service on a sign shall furnish a logo meeting the size, style and specifications  
4 determined by the Department of Transportation and shall pay the Department of  
5 Transportation a fee set by the Board of Transportation. The Board shall set the fee to cover the  
6 initial costs of signs, sign installation, and maintenance, and the costs of administering the logo  
7 sign program. The Transportation Mobility and Safety Division of the Department of  
8 Transportation shall administer the logo sign program, including receiving requests for  
9 information concerning the logo sign program."

10 **SECTION 2.** The Department of Transportation shall adopt temporary rules to  
11 implement this act.

12 **SECTION 3.** Section 1 of this this act becomes effective July 1, 2015. The  
13 remainder of this act is effective when it becomes law.



NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair

Representative Carl Ford, Co-Chair

FAVORABLE

SB 139

Town of Sylva/Parking Ordinances.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: West

SB 142 (CS#1)

Cumberland County Civic Center Commission.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: ~~Brawley~~ Szoka

FAVORABLE AND RE-REFERRED

SB 140

Lake Santeetlah Occupancy Tax Authorization.

Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: West

SB 682

Modify Sunset Re: Contingent Audits.

Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Brawley

TOTAL REPORTED 4



\* C M R 4 1 5 - V - 1 \*



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 06/04/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Harry L. G. D.	MWC
Courtney Lockamy	Randolph Clad & Assoc.
Maria Higley	NCMMC
Phoebe Landon	Brooks Pierce
Donna Baker	NCDOOR
Val McCoy	WILL
M. J. Howell	SOB
Z. J. M.	RANC. - ACTIA
J. GRAYEN SHERRICK	NCFB
Paul Sherman	NCFB



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

06/04/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Tim M	FWW
Tony Robson	FWW
Steve Brewer	CTL
Lexi Morgan	NCRMA
Andy Ellen	NCRMA
Sammy Robinson	TWC
Wint Jones	TWC
SARAH HARDIN	CTL
PRESTON EDWARDS	NCMA
Erin Wynia	NCLM
Isabel Villalobos	NCAR
Nelson Freeman	NC DOR



House Comm. on Local Gov. 06/04/15

Date \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

NcACC

5. (10%)



Corrected #1: Removed HB 516, Added SB 159

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Wednesday, August 5, 2015

**TIME:** 10:00 AM

**LOCATION:** 643 LOB

**COMMENTS:** Please note Wednesday meeting time; Rep. Ford Presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 504	Moore County Occupancy Tax Increase.	Representative Boles Representative McNeill
SB 156	Mt. Gilead Charter Revision & Consolidation.	Senator Bingham
SB 159	Corrected Reval./Minimal Refunds/Prop. Taxes.	Senator Tarte Senator Rucho

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 10:25 AM on Tuesday, October 13, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Wednesday, August 5, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 504	Moore County Occupancy Tax Increase.	Representative Boles Representative McNeill
SB 156	Mt. Gilead Charter Revision & Consolidation.	Senator Bingham
SB 159	Corrected Reval./Minimal Refunds/Prop. Taxes.	Senator Tarte Senator Rucho

**Presentations**

**Other Business**

**Adjournment**





## HOUSE BILL 504: Moore County Occupancy Tax Increase

2015-2016 General Assembly

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<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	August 5, 2015
<b>Introduced by:</b>	Reps. Boles, McNeill	<b>Prepared by:</b>	Trina Griffin
<b>Analysis of:</b>	PCS to First Edition H504-CSSV		Committee Counsel

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**SUMMARY:** *The Proposed Committee Substitute for House Bill 504 would authorize Moore County to levy an additional room occupancy tax of three percent (3%) and makes a technical change. The PCS conforms to the Guidelines for Occupancy Tax adopted by the House Finance Committee.*

**CURRENT LAW:** In 1987, the General Assembly authorized Moore County to levy a room occupancy tax of three percent (3%). In 2011, the local act was recodified to make it consistent with the Occupancy Tax Guidelines. By conforming to the Guidelines, Moore County is able to use up to one-third of the occupancy tax proceeds for tourism-related expenditures, which it could not do under its prior law.

**BILL ANALYSIS:** The PCS for House Bill 504 would authorize Moore County to levy an additional three percent (3%) room occupancy tax bringing the total rate to six percent (6%). The bill makes no change to the current distribution: at least two-thirds of the proceeds must be used for tourism promotion and the remainder must be used for tourism-related expenditures.

The bill also makes a technical change by deleting exemption language related to the applicability of occupancy tax to "accommodations furnished by nonprofit charitable, educational, or religious organizations when furnished in furtherance of their nonprofit purpose."

The deletion of this language makes the local act conform to the Uniform Provisions for Room Occupancy Taxes (G.S. 153A-155). In 2010<sup>1</sup>, the General Assembly amended the uniform provisions to provide that room occupancy tax applies to the same gross receipts as the State sales tax on accommodations and is calculated in the same manner as that tax. The legislation further provided that to the extent this provision conflicts with any provision of a local act, the general law supersedes the local provision. Therefore, this change is technical to the extent the language conflicts with State law and has been superseded by the 2010 legislation. Specifically, the exemption for summer camps is not needed because they are already exempt under State law. The other deletions also reflect the application of State sales tax on accommodations.

With both of these changes, the local act would continue to conform to the House Finance Occupancy Tax Guidelines.

**EFFECTIVE DATE:** This act is effective when it becomes law.

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<sup>1</sup> Section 31.6 of S.L. 2010-31.

O. Walker Reagan  
Director



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# House Bill 504

Page 2

**BACKGROUND:** In 1997, the General Assembly enacted uniform municipal and county administrative provisions for occupancy tax,<sup>2</sup> which provide uniformity among counties and cities with respect to the levy, administration, collection, repeal, and imposition of penalties. In 1993, the House Finance Committee established the Occupancy Tax Guidelines, which address the rate of tax, the use of the tax proceeds, the administration of the tax, and the body with authority to determine how the proceeds will be spent. A summary of these provisions is detailed in the chart below.

UNIFORM OCCUPANCY TAX PROVISIONS	
<b>Rate</b>	The county tax rate cannot exceed 6% and the city tax rate, when combined with the county rate, cannot exceed 6%.
<b>Use</b>	Two-thirds of the proceeds must be used to promote travel and tourism and the remainder must be used for tourism related expenditures.
<b>Definitions</b>	The term "net proceeds", "promote travel and tourism", and "tourism related expenditures" are defined terms.
<b>Administration</b>	The net revenues must be administered by a local tourism development authority that has the authority to determine how the tax proceeds will be used, is created by a local ordinance, and at least 1/2 of the members must be currently active in the promotion of travel and tourism in the county and 1/3 of the members must be affiliated with organizations that collect the tax.
<b>Costs of Collection</b>	The taxing authority may retain from the revenues its actual costs of collection, not to exceed 3% of the first \$500,000 collected each year plus 1% of the remainder collected each year.

<sup>2</sup> G.S. 153A-155 and G.S. 160A-215.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 504  
PROPOSED COMMITTEE SUBSTITUTE H504-CSSVx-31 [v.3]

7/21/2015 10:19:38 AM

Short Title: Moore County Occupancy Tax Increase.

(Local)

Sponsors:

Referred to:

April 2, 2015

A BILL TO BE ENTITLED  
AN ACT TO AUTHORIZE MOORE COUNTY TO LEVY AN ADDITIONAL  
OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of S.L. 2011-113 reads as rewritten:

**"SECTION 2.** Occupancy tax. – (a) Authorization and Scope. – The Board of Commissioners of Moore County may levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the county that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. ~~This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations when furnished in furtherance of their nonprofit purpose.~~

**"SECTION 2.(a1)** Authorization of Additional Tax. – In addition to the tax authorized by subsection (a) of this section, the Moore County Board of Commissioners may levy an additional room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of accommodations taxable under subsection (a) of this section. The levy, collection, administration, and repeal of the tax authorized by this subsection shall be in accordance with the provisions of this section. Moore County may not levy a tax under this subsection unless it also levies the tax authorized under subsection (a) of this section.

**"SECTION 2.(b)** Administration. – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S. 153A-155 apply to a tax levied under this section.

**"SECTION 2.(c)** Definitions. – The following definitions apply in this act:

- (1) Net proceeds. – Gross proceeds less the cost to the county of administering and collecting the tax, as determined by the finance officer, not to exceed three percent (3%) of the first five hundred thousand dollars (\$500,000) of gross proceeds collected each year and one percent (1%) of the remaining gross proceeds collected each year.
- (2) Promote travel and tourism. – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area. The term includes administrative expenses incurred in engaging in the listed activities.
- (3) Tourism-related expenditures. – Expenditures that, in the judgment of the Moore County Tourism Development Authority, are designed to increase the



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1 use of lodging facilities, meeting facilities, or convention facilities in the  
2 county or to attract tourists or business travelers to the county. The term  
3 includes tourism-related capital expenditures.

4 **"SECTION 2.(d)** Distribution and Use of Tax Revenue. – Moore County shall, on a  
5 quarterly basis, remit to the Moore County Tourism Development Authority the net proceeds of  
6 the occupancy tax. The Authority shall use at least two-thirds of the funds remitted to it under  
7 this subsection to promote travel and tourism in Moore County and shall use the remainder for  
8 tourism-related expenditures."

9 **SECTION 2.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 504

Short Title: Moore County Occupancy Tax Increase. (Local)

Sponsors: Representatives Boles and McNeill (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Local Government, if favorable, Finance.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE MOORE COUNTY TO LEVY AN ADDITIONAL  
3 OCCUPANCY TAX.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Sections 2 and 3 of S.L. 2011-113 read as rewritten:

6 "SECTION 2. Occupancy tax. – (a) Authorization and Scope. – The Board of  
7 Commissioners of Moore County may levy a room occupancy tax of up to three percent (3%)  
8 of the gross receipts derived from the rental of any room, lodging, or accommodation furnished  
9 by a hotel, motel, inn, tourist camp, or similar place within the county that is subject to sales tax  
10 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
11 sales tax. This tax does not apply to accommodations furnished by nonprofit charitable,  
12 educational, or religious organizations when furnished in furtherance of their nonprofit  
13 purpose.

14 "SECTION 2.(a1) Authorization of Additional Tax. – In addition to the tax authorized by  
15 subsection (a) of this section, the Moore County Board of Commissioners may levy an  
16 additional room occupancy tax of up to three percent (3%) of the gross receipts derived from  
17 the rental of accommodations taxable under subsection (a) of this section. The levy, collection,  
18 administration, and repeal of the tax authorized by this subsection shall be in accordance with  
19 the provisions of this section. Moore County may not levy a tax under this subsection unless it  
20 also levies the tax authorized under subsection (a) of this section.

21 "SECTION 2.(b) Administration. – A tax levied under this section shall be levied,  
22 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in  
23 G.S. 153A-155 apply to a tax levied under this section.

24 "SECTION 2.(c) Definitions. – The following definitions apply in this act:

- 25 (1) Net proceeds. – Gross proceeds less the cost to the county of administering  
26 and collecting the tax, as determined by the finance officer, not to exceed  
27 three percent (3%) of the first five hundred thousand dollars (\$500,000) of  
28 gross proceeds collected each year and one percent (1%) of the remaining  
29 gross proceeds collected each year.  
30 (2) Promote travel and tourism. – To advertise or market an area or activity,  
31 publish and distribute pamphlets and other materials, conduct market  
32 research, or engage in similar promotional activities that attract tourists or  
33 business travelers to the area. The term includes administrative expenses  
34 incurred in engaging in the listed activities.



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- 1           (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
2 Moore County Tourism Development Authority, are designed to increase the  
3 use of lodging facilities, meeting facilities, or convention facilities in the  
4 county or to attract tourists or business travelers to the county. The term  
5 includes tourism-related capital expenditures.

6       **SECTION 2.(d)** Distribution and Use of Tax Revenue. – Moore County shall, on a  
7 quarterly basis, remit to the Moore County Tourism Development Authority the net proceeds of  
8 the occupancy tax. The Authority shall use at least two-thirds of the funds remitted to it under  
9 this subsection to promote travel and tourism in Moore County and shall use the remainder ~~for~~  
10 ~~tourism-related expenditures to research, design, construct, provide, finance, operate, maintain,~~  
11 ~~and market a regional sports complex in Moore County, for which a regional sports authority,~~  
12 as authorized by Part 3 of Article 20 of Chapter 160A of the General Statutes, is created.

13       **"SECTION 3.** Tourism Development Authority. – (a) Appointment and Membership. –  
14 When the Board of Commissioners adopts a resolution levying a room occupancy tax under  
15 this act, it shall also adopt a resolution creating the Moore County Tourism Development  
16 Authority, which shall be a public authority under the Local Government Budget and Fiscal  
17 Control Act and shall be composed of the following members:

- 18           (1) A county commissioner appointed by the Board of County Commissioners.  
19           (2) Five owners or operators of hotels, motels, or other taxable tourist  
20 accommodations, two of which own or operate the largest hotels, motels, or  
21 other accommodations in the county by rental unit count and three of which  
22 own or operate other hotels, motels, or other accommodations by rental unit  
23 count, who shall be appointed by the Board of County Commissioners,  
24           (3) The President and CEO of the Moore County Chamber of Commerce.  
25           (4) Two individuals interested in the tourist business who have demonstrated an  
26 interest in tourist development but do not own or operate a hotel, motel, or  
27 other taxable tourist accommodation, who shall be appointed by the Board of  
28 County Commissioners.

29       All members of the Authority shall serve without compensation. Vacancies in the Authority  
30 shall be filled in the same manner as the initial appointments. Members appointed to fill  
31 vacancies shall serve for the remainder of the unexpired term for which they are appointed to  
32 fill. Members shall serve terms as provided in the rules of procedure and bylaws of the  
33 Authority.

34       The Board of Commissioners shall designate one member of the Authority as chair. The  
35 Authority shall meet at the call of the chair and shall adopt rules of procedure and bylaws to  
36 govern its meetings. The Finance Officer for Moore County shall be the ex officio finance  
37 officer of the Authority.

38       **"SECTION 3.(b)** Duties. – The Authority shall expend the net proceeds of the tax levied  
39 under this act for the purposes provided in Section 2 of this act. The Authority shall promote  
40 travel, tourism, and conventions in the county, sponsor tourist-related events and activities in  
41 the county, and finance tourist-related capital projects in the county.

42       **"SECTION 3.(c)** Reports. – The Authority shall report quarterly and at the close of the  
43 fiscal year to the Moore County Board of Commissioners on its receipts and expenditures for  
44 the preceding quarter and for the year in such detail as the Board of Commissioners may  
45 require."

46       **SECTION 2.** This act is effective when it becomes law.



## SENATE BILL 156: Mt. Gilead Charter Revision & Consolidation

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Bingham  
**Analysis of:** Second Edition

**Date:** August 4, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 156 would revise and consolidate the charter of the Town of Mount Gilead in Montgomery County.*

[As introduced, this bill was identical to H11, as introduced by Rep. Goodman, which is currently in House Local Government.]

**CURRENT LAW:** The Town of Mount Gilead was incorporated in 1898. The Town charter has been revised multiple times since then, but has not been consolidated into one document. In 2004, the Board of Commissioners of the Town of Mount Gilead enacted an ordinance to adopt the council-manager form of government. Prior to 2004, the Town had operated under the mayor-council form of government.

**BILL ANALYSIS:** Senate Bill 156 revises and consolidates the Charter of the Town of Mount Gilead and expressly repeals various local acts because those acts have served their purpose or they have been consolidated into this act.

Senate Bill 156 would also establish a recall provision for the Town's elected officials, which has not previously been in place. The process for recall would be as follows: The petition would have to be signed by 25% of the registered voters of the town. The signed petition would have to be verified by the Montgomery County Board of Elections. Upon a determination that a sufficient recall petition has been submitted, the Town's Board of Commissioners must order a recall election and fix a date for the election, which cannot be less than 60 days, or more than 100 days, after the petition is determined sufficient.

If less than a majority of the votes cast are for the officer's recall, the officer continues in office. If a majority of the votes cast on the question are for the officer's recall, the officer is removed on the date the Montgomery County Board of Elections certifies the results of the election. A vacancy created by removal of the Mayor or a member of the Board of Commissioners must be filled by appointment by the remaining members of the Board of Commissioners.

Limitations placed on the filing of petitions for recall elections would be as follows:

- No petition could be filed within 6 months of the officer's election to office, or within 6 months prior to the expiration of the officer's term.
- No more than one recall election for the elected person could be called during that elected person's term.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** Other jurisdictions with recall procedures include: Aberdeen (S.L. 1995-220), Asheville (S.L. 1969-313), Cajah Mountain (S.L. 2006-99), Carrboro (S.L. 1993-358), Chapel Hill (S.L. 1993-358), Clemmons (S.L. 1981-57), Durham (S.L. 1987-280), Foxfire Village (S.L. 1977-237),

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# Senate Bill 156

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Greensboro (S.L. 2008-48), Hickory (S.L. 1961-323), Lewisville (S.L. 1991-116), Lumberton (S.L. 1971-166), Morganton (S.L. 2014-12), Pinebluff (S.L. 1981-1193), Pleasant Garden (S.L. 2008-3), Raleigh (S.L. 1973-319), Randleman (S.L. 2000-94), River Bend (S.L. 1995-636), Ronda (S.L. 2013-21), Statesville (S.L. 1985-570), Topsail Beach (S.L. 2011-76), Troutman (S.L. 1981-144), and the Burke County Board of Education (S.L. 2011-157) and Chapel Hill-Carrboro Schools (S.L. 1993-660).

*Kelly Tornow, counsel to Senate State and Local Government, and Heather Fennell, Counsel to Senate Finance, substantially contributed to this summary.*

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

S

2

**SENATE BILL 156\*  
State and Local Government Committee Substitute Adopted 3/18/15**

Short Title:   Mt. Gilead Charter Revision & Consolidation. (Local)

Sponsors: \_\_\_\_\_

Referred to: \_\_\_\_\_

March 4, 2015

A BILL TO BE ENTITLED

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE TOWN OF MOUNT GILEAD.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Charter of the Town of Mount Gilead is revised and consolidated to read as follows:

"THE CHARTER OF THE TOWN OF MOUNT GILEAD

"ARTICLE I. INCORPORATION, CORPORATE POWERS, AND BOUNDARIES

"Section 1.1. Incorporation. The Town of Mount Gilead, North Carolina, in Montgomery County and the inhabitants thereof shall continue to be a municipal body politic and corporate, under the name of the "Town of Mount Gilead," hereinafter at times referred to as the "Town."

"Section 1.2. Powers. The Town shall have and may exercise all of the powers, duties, rights, privileges, and immunities conferred upon the Town of Mount Gilead specifically by this Charter or upon municipal corporations by general law. The term "general law" is employed herein as defined in G.S. 160A-1.

"Section 1.3. Corporate Limits. The corporate limits shall be those existing at the time of ratification of this Charter, as set forth on the official map of the Town, and as they may be altered from time to time in accordance with law. An official map of the Town, showing the current municipal boundaries, shall be maintained permanently in the Office of the Town Clerk and shall be available for public inspection. Upon alteration of the corporate limits pursuant to law, the appropriate changes to the official map shall be made and copies shall be filed in the Office of the Secretary of State, the Montgomery County Register of Deeds, and the appropriate board of elections.

"ARTICLE II. GOVERNING BODY

"Section 2.1. Town Governing Body; Composition. The Board of Commissioners, hereinafter referred to as the "Board," and the Mayor shall be the governing body of the Town.

"Section 2.2. Town Board of Commissioners; Composition; Terms of Office. The Board of Commissioners shall be composed of four members, to be elected by all the qualified voters of the Town, for staggered terms of four years, or until their successors are elected and qualified.

"Section 2.3. Mayor; Term of Office; Duties. The Mayor shall be elected by all the qualified voters of the Town for a term of two years or until his or her successor is elected and qualified. The Mayor shall be the official head of the Town government, shall preside at meetings of the Board, shall have the right to vote only when there is an equal division on any question or matter before the Board, and shall exercise the powers and duties conferred by law or as directed by the Board.



1 "Section 2.4. Mayor Pro Tempore. The Board shall elect one of its members as Mayor Pro  
2 Tempore to perform the duties of the Mayor during his or her absence or disability, in  
3 accordance with general law. The Mayor Pro Tempore shall serve in such capacity at the  
4 pleasure of the Board.

5 "Section 2.5. Meetings. In accordance with general law, the Board shall establish a suitable  
6 time and place for its regular meetings. Special and emergency meetings may be held as  
7 provided by general law.

8 "Section 2.6. Quorum; Voting. Official actions of the Board and all votes shall be taken in  
9 accordance with the applicable provisions of general law, particularly G.S. 160A-75. The  
10 quorum provisions of G.S. 160A-74 shall apply.

11 "Section 2.7. Compensation; Qualifications for Office; Vacancies. The compensation and  
12 qualifications of the Mayor and Commissioners shall be in accordance with general law.  
13 Vacancies that occur in any elective office of the Town shall be filled by majority vote of the  
14 remaining members of the Board, and shall be filled for the remainder of the unexpired term,  
15 despite the contrary provisions of G.S. 160A-63.

#### 16 "ARTICLE III. ELECTIONS

17 "Section 3.1. Regular Municipal Elections. Regular municipal elections shall be held in  
18 each odd-numbered year in accordance with the uniform municipal election laws of North  
19 Carolina. Elections shall be conducted on a nonpartisan basis and the results determined using  
20 the nonpartisan plurality method as provided in G.S. 163-292.

21 "Section 3.2. Election of Mayor. A Mayor shall be elected in the regular municipal election  
22 in 2015 and every two years thereafter.

23 "Section 3.3. Election of Commissioners. In the regular municipal election in 2015, and  
24 quadrennially thereafter, two Commissioners shall be elected for four-year terms in those  
25 positions whose terms are then expiring. In the regular municipal election in 2017, and  
26 quadrennially thereafter, two Commissioners shall be elected for four-year terms in those  
27 positions whose terms are then expiring.

28 "Section 3.4. Special Elections and Referenda. Special elections and referenda may be held  
29 only as provided by general law or applicable local acts of the General Assembly. Recall  
30 elections may be held as provided in Article IV of this Charter.

#### 31 "ARTICLE IV. RECALL OF ELECTED OFFICIALS

32 "Section 4.1. Power of Recall. The qualified voters of the Town shall have the power to  
33 remove from office any member of the Town's governing body as provided herein. An officer  
34 is removed upon the filing of a sufficient recall petition and the affirmative vote of a majority  
35 of those voting on the question of removal at a recall election.

36 "Section 4.2. Petition. Voters seeking the recall of any member of the Town's governing  
37 body shall proceed by way of a recall petition addressed to the Board, identifying the official  
38 concerned, requesting his or her removal from office, and stating in general the grounds for  
39 which removal is sought. Any recall petition must be filed with the Town Clerk and must be  
40 signed by qualified voters of the Town equal in number to at least twenty-five percent (25%) of  
41 the number of qualified voters who voted at the last preceding municipal election.

42 "Section 4.3. Certification of Sufficiency. The Town Clerk shall forward the petition to the  
43 board of elections that conducts elections for the Town. The board of elections shall verify the  
44 petition signatures. If a sufficient recall petition is submitted, the board of elections shall certify  
45 its sufficiency to the governing body.

46 "Section 4.4. Election. After receiving certification of a sufficient petition, the governing  
47 body shall adopt a resolution calling for a recall election to be held not less than 60 nor more  
48 than 100 days after the date of certification of the petition. The election may be held by itself or  
49 at the same time as any other general or special election within the period established in this  
50 section, and shall be held as otherwise provided in G.S. 163-287. The board of elections shall  
51 conduct the recall election and the registered voters of the Town shall be eligible to vote in the

1 recall election. The proposition submitted to the voters shall be substantially in the following  
2 form:

3 "FOR [ ] the recall of [name of officer]  
4 AGAINST [ ] the recall of [name of officer]"

5 "Section 4.5. Results. If less than a majority of the votes cast on the question are for the  
6 officer's recall, the officer continues in office. If a majority of the votes cast on the question are  
7 for the officer's recall, the officer is removed on the date the board of elections certifies the  
8 results of the election. A vacancy created by removal of the Mayor or a member of the Board of  
9 Commissioners shall be filled in accordance with the provisions of G.S. 160A-63, provided that  
10 any officer so appointed shall fill the vacancy for the remainder of the unexpired term.

11 "Section 4.6. Limitation on Petitions. No petition to recall an officer may be filed within  
12 six months after the officer's election to the governing body nor within six months before the  
13 expiration of the officer's term. No more than one election may be held to recall an officer  
14 within a single term of office of that officer.

#### 15 "ARTICLE V. ORGANIZATION AND ADMINISTRATION

16 "Section 5.1. Form of Government. The Town shall operate under the council-manager  
17 form of government in accordance with Part 2 of Article 7 of Chapter 160A of the General  
18 Statutes.

19 "Section 5.2. Town Manager; Appointment; Powers and Duties. The Board shall appoint a  
20 Town Manager who shall be responsible for the administration of all departments of the Town  
21 government. The Town Manager shall have all the powers and duties conferred by general law,  
22 except as expressly limited by the provisions of this Charter, and the additional powers and  
23 duties conferred by the Board, so far as authorized by general law.

24 "Section 5.3. Town Attorney. The Board shall appoint a Town Attorney licensed to  
25 practice law in North Carolina. It shall be the duty of the Town Attorney to represent the Town,  
26 advise Town officials, and perform other duties required by law or as the Board may direct.

27 "Section 5.4. Town Clerk. The Board shall appoint a Town Clerk to keep a journal of the  
28 proceedings of the Board, to maintain official records and documents, to give notice of  
29 meetings, and to perform such other duties required by law or as the Town Manager may direct.

30 "Section 5.5. Tax Collector. The Town shall have a Tax Collector to collect all taxes owed  
31 to the Town, perform those duties specified in G.S. 105-350, and such other duties as  
32 prescribed by law.

33 "Section 5.6. Other Administrative Officers and Employees. The Board may authorize  
34 other positions to be filled by appointment by the Town Manager, and may organize the Town  
35 government as deemed appropriate, subject to the requirements of general law.

36 "Section 5.7. Town Manager's Personnel Authority; Role of Elected Officials. As chief  
37 administrator, the Town Manager shall have the power to appoint, suspend, and remove all  
38 nonelected officers, department heads, and employees of the Town, with the exception of the  
39 Town Attorney and Clerk and any other official whose appointment or removal is specifically  
40 vested in the Board by this Charter or by general law. Neither the Mayor nor the Board of  
41 Commissioners nor any of its committees or members shall take part in the appointment or  
42 removal of nonelected officers, department heads, and employees in the administrative service  
43 of the Town, except as provided by this Charter. Except for the purpose of inquiry, or for  
44 consultation with the Town Attorney, the Mayor and the Board and its members shall deal with  
45 officers and employees in the administrative service only through the Town Manager, Acting  
46 Manager, or Interim Manager, and neither the Mayor nor the Board nor any of its members  
47 shall give orders or directions to any subordinate of the Town Manager, Acting Manager, or  
48 Interim Manager, either publicly or privately.

#### 49 "ARTICLE VI. PUBLIC ENTERPRISE SERVICES

1 "Section 6.1. Collection of Delinquent Bills. If a fee charged by the Town for a public  
2 enterprise service remains unpaid for a period of at least 90 days, the Town may collect it in  
3 any manner by which delinquent personal or real property taxes can be collected.

4 "Section 6.2. Liens. If the delinquent fees are collected in the same manner as delinquent  
5 real property taxes, the delinquent fees are a lien on the real property owned by the person  
6 contracting with the Town for the service. If a lien is placed on real property, the lien shall be  
7 valid from the time of filing in the office of the clerk of superior court of the county in which  
8 the service was provided and shall include a statement containing the name and address of the  
9 person against whom the lien is claimed, the name of the Town, the specific service that was  
10 provided, the amount of the unpaid charge for that service, and the date and place of furnishing  
11 that service. A lien on real property is not effective against an interest in real property conveyed  
12 after the fees become delinquent if the interest is recorded in the office of the register of deeds  
13 prior to the filing of the lien for delinquent fees. No lien under this Article shall be valid unless  
14 filed in accordance with this section after 90 days of the date of the failure to pay for the  
15 service or availability fees and within 180 days of the date of the failure to pay for the service  
16 or fees. The lien may be discharged as provided in G.S. 44-48. The Town shall adopt an  
17 appeals process providing notice and an opportunity to be heard in protest of the imposition of  
18 such liens. The county tax office, once notified of the Town's lien, shall include the lien amount  
19 on any tax bills printed subsequent to the notification. The county tax office shall add or  
20 remove liens from the tax bill at the request of the Town, such as in the case of an appeal where  
21 the Town decides to cancel the lien.

22 "Section 6.3. Remedies Not Exclusive. The remedies authorized in this Article are not  
23 exclusive, and the Town may use any and all other collection procedures authorized by general  
24 law, including, but not limited to, the debt setoff provisions of Chapter 105A of the General  
25 Statutes.

## 26 "ARTICLE VII. STREET AND SIDEWALK IMPROVEMENTS

27 "Section 7.1. Assessments for Street Improvements. In addition to any authority granted by  
28 general law, the Board may, without the necessity of a petition, order street improvements and  
29 assess fifty percent (50%) of the costs thereof against abutting property, exclusive of the costs  
30 incurred at street intersections, according to one or more of the assessment bases set forth in  
31 Article 10 of Chapter 160A of the General Statutes.

32 (a) For the purposes of this Article, the term "street improvement" shall include  
33 grading, regrading, surfacing, resurfacing, widening, paving, repaving, and the construction or  
34 reconstruction of curbs, gutters, and street drainage facilities.

35 (b) The Board must find that the street improvement project does not exceed 1,200  
36 linear feet.

37 (c) The Board must make at least one of the following findings of fact:

- 38 (1) The street or part thereof is unsafe for vehicular traffic or creates a safety or  
39 health hazard, and it is in the public interest to make such improvement;
- 40 (2) It is in the public interest to connect two streets or portions of a street  
41 already improved;
- 42 (3) It is in the public interest to widen a street or part thereof, which is already  
43 improved; provided that assessments for widening any street or portion of a  
44 street without a petition shall be limited to fifty percent (50%) of the cost of  
45 widening and otherwise improving such street in accordance with street  
46 classification and improvement standards established by the Town's  
47 thoroughfare or major street plan for the particular street or part thereof.

48 "Section 7.2. Assessments for Sidewalk Improvements. In addition to any authority granted  
49 by general law, the Board may levy special assessments for sidewalk improvements or repairs  
50 without the necessity of a petition. Improvements or repairs may be ordered according to  
51 standards and specifications of the Town, and fifty percent (50%) of the total costs assessed

1 against abutting property, not including the cost of improvements made at intersections,  
2 according to one or more of the assessment bases set forth in Article 10 of Chapter 160A of the  
3 General Statutes.

4 "Section 7.3. Procedure; Effect of Assessment. In ordering street or sidewalk  
5 improvements without a petition and assessing the costs thereof under authority of this Article,  
6 the Board shall comply with the procedures provided by Article 10 of Chapter 160A of the  
7 General Statutes, except those provisions relating to petitions of property owners and the  
8 sufficiency thereof. The effect of the act of levying assessments under authority of this Article  
9 shall be the same as if the assessments were levied under authority of Article 10 of Chapter  
10 160A of the General Statutes."

11 **SECTION 2.** The purpose of this act is to revise the Charter of the Town of Mount  
12 Gilead and to consolidate certain acts concerning the property, affairs, and government of the  
13 Town. It is intended to continue without interruption those provisions of prior acts that are  
14 expressly consolidated into this act, so that all rights and liabilities that have accrued are  
15 preserved and may be enforced.

16 **SECTION 3.** This act does not repeal or affect any acts concerning the property,  
17 affairs, or government of public schools or any acts validating official actions, proceedings,  
18 contracts, or obligations of any kind.

19 **SECTION 4.** The following acts, having served the purposes for which they were  
20 enacted or having been consolidated into this act, are expressly repealed:

21 Chapter 90 of the 1899 Private Laws.  
22 Chapter 133 of the 1913 Private Laws.  
23 Chapter 228 of the 1951 Session Laws.  
24 Chapter 152 of the 1953 Session Laws.  
25 Chapter 767 of the 1953 Session Laws.  
26 Chapter 163 of the 1957 Session Laws.  
27 Chapter 623 of the 1957 Session Laws.  
28 Chapter 407 of the 1967 Session Laws.

29 **SECTION 5.** The Mayor and Commissioners serving on the date of ratification of  
30 this act shall serve until the expiration of their terms or until their successors are elected and  
31 qualified. Thereafter, those offices shall be filled as provided in Articles II and III of the  
32 Charter contained in Section 1 of this act.

33 **SECTION 6.** This act does not affect any rights or interests that arose under any  
34 provisions repealed by this act.

35 **SECTION 7.** All existing ordinances, resolutions, and other provisions of the  
36 Town of Mount Gilead not inconsistent with the provisions of this act shall continue in effect  
37 until repealed or amended.

38 **SECTION 8.** No action or proceeding pending on the effective date of this act by  
39 or against the Town or any of its departments or agencies shall be abated or otherwise affected  
40 by this act.

41 **SECTION 9.** If any provision of this act or application thereof is held invalid, such  
42 invalidity shall not affect other provisions or applications of this act that can be given effect  
43 without the invalid provision or application and, to this end, the provisions of this act are  
44 declared to be severable.

45 **SECTION 10.** Whenever a reference is made in this act to a particular provision of  
46 the General Statutes, and such provision is later amended, superseded, or recodified, the  
47 reference shall be deemed amended to refer to the amended General Statute, or to the General  
48 Statute that most clearly corresponds to the statutory provision which is superseded or  
49 recodified.

50 **SECTION 11.** Section 2 of Chapter 1070 of the 1989 Session Laws, as amended  
51 by S.L. 1998-84 and S.L. 1999-127, reads as rewritten:

- 1 "Sec. 2. This act applies to the Towns of Chadbourn, Richfield, ~~Mount Gilead,~~ and  
2 Stanfield, the City of Locust, and Montgomery County only."  
3 **SECTION 12.** This act is effective when it becomes law.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 156\*

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S156-ARW-33 [v.2]

Page 1 of 1

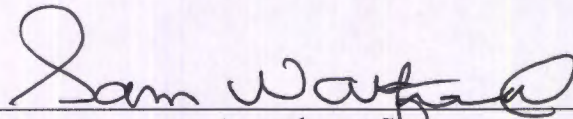
Comm. Sub. [NO]  
Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2015

Representative Watford

1 moves to amend the bill on page 2, line 41, by replacing the phrase "who voted at" with the  
2 phrase "of the Town as shown by the registration records of".  
3  
4  
5

SIGNED

  
Amendment Sponsor

SIGNED

\_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED

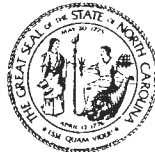
FAILED

TABLED



\* S 1 5 6 - A R W - 3 3 - V - 2 \*

Angela Arnold



NORTH CAROLINA GENERAL ASSEMBLY

AMENDMENT

Senate Bill 156\*

AMENDMENT NO. \_\_\_\_\_

(to be filled in by

Principal Clerk)

Page 1 of 1

S156-ARW-33 [v.2]

Comm. Sub. [NO]

Amends Title [NO]

Second Edition

Date \_\_\_\_\_, 2015

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2 phrase "of the Town as shown by the registration records of".  
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4  
5

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



\* S 1 5 6 - A R W - 3 3 - V - 2 \*





## SENATE BILL 159: Transferred Properties in Corrected Revals

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	August 4, 2015
<b>Introduced by:</b>	Sens. Tarte, Rucho	<b>Prepared by:</b>	R. Erika Churchill Committee Counsel
<b>Analysis of:</b>	PCS to Fourth Edition S159-CSRWx-39		

**SUMMARY:** *The PCS to Senate Bill 159 would clarify the process by which undervalued property is to be taxed under S.L. 2013-362, and would authorize local governments not to mail refunds of overpayment of taxes for overpayments less than \$15.*

### CURRENT LAW and BILL ANALYSIS:

**Section 1:** General law provides that the value of real property is to be appraised, as of January 1, by each county at least once every eight years. Unless another standard applies for limited circumstances, the value to be determined is the true value of the property, or the price at which the property would change hands between a willing and financially able buyer and a willing seller.

In 2011, Mecklenburg County conducted a general reappraisal, which was a source of controversy and debate. In response to a significantly higher rate of appeal and public criticism, the county commissioned a review of the reappraisal data. The resulting report indicated that many of the neighborhoods throughout the county had valuations that had either major or minor issues affecting the calculation.

In 2013, the General Assembly enacted S.L. 2013-362 which added a time-limited exception to the general rule that the assessed value may not be changed for tax years other than the current tax year by superseding the time limitations disallowing retroactive changes under certain conditions. If all of the conditions were met, the county had to do one of the two following:

- Conduct a general reappraisal pursuant to G.S. 105-286 within 18 months with at least 1 appraiser certified by the Department for mass valuations per 4,250 parcels.
- Have a qualified appraisal service expand the county's evidence of inequity to cover the entire county.

Once one of the two options has been completed, the county must change the abstracts and tax records so that the assessed value reflects the true value for each tax year until the next general reappraisal required by G.S. 105-286.

For overvalued parcels, the county must repay the overpayment with interest in the same manner as if there were an order of the Property Tax Commission reducing a valuation on property resulting in an overpayment under G.S. 105-290(b)(4), which is currently 5% per annum.

For undervalued parcels, the additional taxes are treated as taxes on discovered properties pursuant to G.S. 105-312. G.S. 105-312 provides that when property is discovered, it is taxed for the year in which discovered and for any of the preceding five years during which it escaped taxation in accordance with the assessed value it should have been assigned in each of the years for which it is to be taxed and the

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# Senate Bill 159

Page 2

rate of tax imposed in each such year, and interest does not begin to accrue until the next calendar date of delinquency, which would be the next January 6th. Under S.L. 2013-362, undervalued parcels would be treated as discovered property; however, penalties associated with discovered properties are expressly made non-applicable.

**Section 1 of the PCS for Senate Bill 159** would clarify how additional taxes levied on undervalued parcels could be collected as follows:

Due Date and Interest – Additional taxes levied after a reappraisal are due and payable on September 1 of the year the taxes are levied, but not earlier than 4 years after the last general reappraisal. For Mecklenburg County, the due date for additional taxes would be no earlier than September 1, 2015. G.S. 105-360 provides that for property taxes due on September 1, interest applies if payment is not received by the following January 6th. For Mecklenburg County, interest will not accrue until January 6, 2016. Interest accrues at the rate of 2% for the month of January, and 0.75% for each month thereafter.

Payment Plans – If the additional taxes levied after reappraisal are greater than \$1000, the taxpayer has the option of entering into a payment plan with the county. The payment plan cannot exceed 36 months in duration. Interest does not accrue in the taxpayer is making timely payments under the payment plan.

Properties with no change in ownership. – If the property has not changed owners in any tax year that requires reappraisal under S.L. 2013-362, the underpaid taxes are treated as taxes on discovered property, except that the discovery penalties do not apply. Therefore, the underpaid taxes are the liability of the listed owner.

Properties with a change in ownership – If the property has changed owners in a tax year that requires reappraisal under S.L. 2013-362, the taxes for each tax year prior to and in the fiscal year in which the transfer occurred would be collected against the owner of record as of January 1 of each tax year for which unpaid taxes exist. The collection method would be only by levy, or attachment and garnishment. There would be no lien on the real property for underpaid taxes that arose in a year in which the property is owned by a person other than the current owner as of January 1 of that year. The current property owner would not be held personally responsible for the underpaid taxes.

If a current property owner has paid the underpaid taxes for a year that he or she did not own the property, the current owner can seek a refund of the taxes paid. Refunds must be paid within 90 days of request, and the county must pay interest on the refunded taxes at the rate of 5% per year.

**Section 2:** G.S. 105-357 authorizes local governments to treat small underpayments and overpayments in the following manner:

- Underpayments of \$1 or less are treated as fully paid.
- Refunds are not required for overpayments of \$1 or less. A taxpayer will receive a refund of less than \$1, if requested before the end of the fiscal year.

G.S. 105-321(f) authorizes local governments to forego the collection of taxes that exceed the cost of collection, provided the amount cost of collection cannot exceed \$5.

**Section 2 of the PCS for Senate Bill 566** would authorize local governments, through the adoption of a resolution, not to mail refunds of overpayment of taxes for overpayments less than \$15. If a resolution is adopted, then the taxing unit must keep records of minimal refunds by receipt number and amount.

A refund will be issued for any taxpayer who requests a refund in person at the tax office before the end of the fiscal year. Any amount not refunded will be applied as a credit against future taxes. Interest will accrue on amounts not refunded at the rate set by the Secretary of Revenue under G.S. 105-241.21. The Secretary sets the interest rate on June 1 and December 1 of each year, and publishes the rates on the

# Senate Bill 159

*Page 3*

Department's website. The interest accrues from later of the date the tax is paid or the date the tax would be delinquent if unpaid. Any resolution adopted under this subsection must be adopted on or before June 15 of preceding the first taxable year to which it applies and remains in effect until amended or repealed.

**EFFECTIVE DATE:** When it becomes law.

*Heather Fennel substantially contributed to this summary.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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SENATE BILL 159

State and Local Government Committee Substitute Adopted 3/24/15

Finance Committee Substitute Adopted 4/21/15

Fourth Edition Engrossed 4/23/15

PROPOSED HOUSE COMMITTEE SUBSTITUTE S159-CSRWx-39 [v.3]

8/4/2015 1:27:23 PM

Short Title: Corrected Reval./Minimal Refunds/Prop. Taxes.

(Public)

Sponsors:

Referred to:

March 4, 2015

A BILL TO BE ENTITLED

AN ACT TO REQUIRE PAYMENT OF ADDITIONAL TAXES BY THE APPROPRIATE OWNERS OF RECORD FOR CORRECTED REVALUATIONS; AND TO PROVIDE OPTIONS FOR THE DISPOSITION OF MINIMAL PROPERTY TAX REFUNDS.

The General Assembly of North Carolina enacts:

SECTION 1. Section 3 of S.L. 2013-362 reads as rewritten:

"SECTION 3. Interest on taxes paid on parcels with errors that resulted in the parcels having an overstated value shall be calculated at a rate of five percent (5%) per annum. Additional taxes levied on parcels as a result of errors causing the parcels to have an understated value (i) shall be treated as taxes on discovered property pursuant to G.S. 105-312, except that the discovery penalties set forth in subsection (h) of G.S. 105-312 shall not apply. (ii) are due and payable on September 1 of the fiscal year for which the taxes are levied, but not earlier than four years from the last general reappraisal date, and (iii) shall be payable, at the taxpayer's option, by means of an agreement over a period of not more than 36 months, in equal monthly installments, if the total of the additional taxes levied is greater than one thousand dollars (\$1,000). Interest shall not accrue for the period a taxpayer is making timely payments under a payment plan. Notwithstanding G.S. 105-365.1(b), for parcels that have been transferred in a tax year for which errors requiring reappraisals under this act resulted in an underpayment of taxes, the following apply:

- (1) The taxes for each tax year prior to and in the fiscal year in which the transfer occurred shall be collected from the owner of record as of January 1 of each tax year for which unpaid taxes exist. Only the remedies available in G.S. 105-367 and G.S. 105-368 may be used to collect against the owner of record as of January 1 of each tax year for which unpaid taxes exist.
- (2) Notwithstanding G.S. 105-355(a), there shall be no lien on the real property for underpaid taxes that arose in a year in which the property is owned by a person other than the current owner as of January 1 of that year. The current owner shall not be held personally responsible for such underpaid taxes.
- (3) If an owner not responsible for underpaid taxes pursuant to this section paid the underpaid taxes, the owner may assert a valid defense for a refund pursuant to G.S. 105-381, as a tax imposed through clerical error. Interest on the refund shall be calculated at a rate of five percent (5%) per annum from



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1                   the date the owner asserting the defense paid the underpaid taxes until the  
2                   date the refund is issued."

3           **SECTION 2.** G.S. 105-321 is amended by adding a new subsection to read:

4           "(g) **Minimal Refunds.** – The governing body of a taxing unit that collects its own taxes  
5 may, by resolution, direct the taxing unit not to mail a refund for an overpayment of tax if the  
6 refund is less than fifteen dollars (\$15.00). Upon adoption of a resolution pursuant to this  
7 subsection, the taxing unit shall keep a record of all minimal refunds by receipt number and  
8 amount and shall make a report of the amount of these refunds to the governing body at the  
9 time of the settlement and shall implement a system by which payment of the refund may be  
10 made to a taxpayer who comes into the office of the taxing unit seeking the refund. Unless the  
11 taxpayer requests the minimal refund in person at the office of the taxing unit before the end of  
12 the fiscal year in which the refund is due, the taxing unit must implement a system to apply the  
13 minimal refund as a credit against the tax liability of the taxpayer for taxes due to the taxing  
14 unit for the next succeeding year. An overpayment of tax bears interest at the rate set under  
15 G.S. 105-241.21 from the date the interest begins to accrue until a refund is paid or applied in  
16 accordance with this section. Interest accrues from the later of the date the tax was paid and the  
17 date the tax would have been considered delinquent under G.S. 105-360. A resolution adopted  
18 pursuant to this subsection must be adopted on or before June 15 preceding the first taxable  
19 year to which it applies and remains in effect until amended or repealed by resolution of the  
20 taxing unit."

21           **SECTION 3.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

4

SENATE BILL 159  
State and Local Government Committee Substitute Adopted 3/24/15  
Finance Committee Substitute Adopted 4/21/15  
Fourth Edition Engrossed 4/23/15

Short Title: Transferred Properties in Corrected Revals.

(Public)

Sponsors:

Referred to:

March 4, 2015

A BILL TO BE ENTITLED  
AN ACT TO REQUIRE PAYMENT OF ADDITIONAL TAXES BY THE APPROPRIATE  
OWNERS OF RECORD FOR CORRECTED REVALUATIONS.

The General Assembly of North Carolina enacts:

SECTION 1. Section 3 of S.L. 2013-362 reads as rewritten:

"SECTION 3. Interest on taxes paid on parcels with errors that resulted in the parcels having an overstated value shall be calculated at a rate of five percent (5%) per annum. Additional taxes levied on parcels as a result of errors causing the parcels to have an understated value (i) shall be treated as taxes on discovered property pursuant to G.S. 105-312, except that the discovery penalties set forth in subsection (h) of G.S. 105-312 shall not apply. (ii) are due and payable on September 1 of the fiscal year for which the taxes are levied, but not earlier than four years from the last general reappraisal date, and (iii) shall be payable, at the taxpayer's option, by means of an agreement over a period of not more than 60 months if the total of the additional taxes levied is greater than one thousand dollars (\$1,000). Interest shall not accrue for the period a taxpayer is making timely payments under a payment plan. Notwithstanding G.S. 105-365.1(b), for parcels that have been transferred in a tax year for which errors requiring reappraisals under this act resulted in an underpayment of taxes, the following apply:

- (1) The taxes for each tax year prior to and in the fiscal year in which the transfer occurred shall be collected from the owner of record as of January 1 of each tax year for which unpaid taxes exist. Only the remedies available in G.S. 105-367 and G.S. 105-368 may be used to collect against the owner of record as of January 1 of each tax year for which unpaid taxes exist.
- (2) Notwithstanding G.S. 105-355(a), there shall be no lien on the real property for underpaid taxes that arose in a year in which the property is owned by a person other than the current owner as of January 1 of that year. The current owner shall not be held personally responsible for such underpaid taxes.
- (3) If an owner not responsible for underpaid taxes pursuant to this section paid the underpaid taxes, the owner may assert a valid defense for a refund pursuant to G.S. 105-381, as a tax imposed through clerical error. Interest on the refund shall be calculated at a rate of five percent (5%) per annum from the date the owner asserting the defense paid the underpaid taxes until the date the refund is issued."

SECTION 2. This act is effective when it becomes law.



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 504**

Moore County Occupancy Tax Increase.

Draft Number: H504-PCS40500-SVx-31

**Serial Referral:** **FINANCE**

Recommended Referral: None

Long Title Amended: No

Floor Manager: Boles

**FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB**

**SB 156 (CS#1)**

Mt. Gilead Charter Revision & Consolidation.

Draft Number: S156-PCS25277-RWf-44

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Goodman

**TOTAL REPORTED: 2**



\* C M R 5 5 6 - V - 2 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB NO. 2 AND RE-  
REFERRED**

SB 159 (CS#2)

Transferred Properties in Corrected Revals.

Draft Number: S159-PCS15263-RWx-39

**Serial Referral:** **FINANCE**

Recommended Referral: None

Long Title Amended: Yes

Floor Manager: Jeter

TOTAL REPORTED: 1



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# VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

08/05/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Self Pcher	NCAE
Cathy Miller	PA-LB
<del>Jim</del>	NLT/A <del>70th</del>
Tonya Horton	TSS
Julie White	name
Kenn Howell	DCR
Martha Jenkins	DCR
Starnes	Treasurer



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

Name of Committee

08/05/15

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Love Home

Smith A. Lee

Kara Weishaar

SA

David Bacon

Trout and Sandals

Bo Heart 4

## Google Kings

David Ferrell

VB



**House Committee on Local Government  
Thursday, August 13, 2015 at 10:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM on August 13, 2015 in Room 643 of the Legislative Office Building. Representatives Ager, Boles, Brawley, Cleveland, Davis, Faircloth, Farmer-Butterfield, Fisher, Floyd, Ford, G. Graham, Holley, Jeter, Langdon, Luebke, Pendleton, Ross, Setzer, Szoka, Warren, and Watford attended. Staff members, Erika Churchill, Giles Perry and Kelly Tornow and committee assistants Judy Lowe and Kyle Chermak were also in attendance.

Representative Ted Davis, Jr., the presiding Chair and called the meeting to order at 10:00 AM. He introduced and thanked the Sergeants at Arms Young Bae, Jim Moran, Bill Morris and Dean Mashbourne. There were no pages for the meeting.

The following bills were considered:

**SB 52 Cities/Mean For Activating Parking Meters.** Chairman Davis announced there is a PCS and without objection the PCS is properly before the Committee. He welcomed Senator Krawiec and asked her to present her bill. She stated that the PCS is just a technical correction to the original bill that was passed in the Senate. It allows cities to provide users of their parking meters the ability to pay by debit cards, credit cards or digital means. Representative Luebke noted that two cities he is familiar with, Raleigh and Durham, are already doing this. Mr. Perry responded there were some local acts that authorized credit cards; this is for state-wide authorization and there is a specific provision in this bill that it does not affect any of the local acts. Representative Farmer-Butterfield asked if there was a cost to the city. Senator Krawiec responded that it is strictly optional so cities don't have to enact it, but there would be a cost to the city if they chose to go that route. Representative Cleveland moved for a favorable report on the House Committee Substitute, unfavorable to the Senate Committee substitute. The motion passed unanimously.


**SB 255 Durham Voluntary Annexation Petitions.** Senator McKissick stated this is a straight forward local bill which was referred to the bill sponsors by the City Manager in Durham as well as the City Council and Mayor. It deals with situations where there is a voluntary annexation petition. It will allow the Planning Commission to consider what the zoning will be on that property before the annexation is actually heard or the property would actually be annexed to the city. Representative Farmer-Butterfield asked if there was any opposition; there is none. Representative Boles commented that it could be a state-wide bill. Representative Luebke moved for a favorable report on SB255 with a referral to Finance. The motion passed unanimously.

**SB 477 Transfer of Bladen Correctional Facility.** Chairman Davis announced that there is a PCS and without objection the PCS is properly before the Committee. Representative Brisson presented the bill stating that it will transfer the Bladen County Correctional Facility to the Bladen County Board of Commissioners. The County will use it for fire training. The Highway

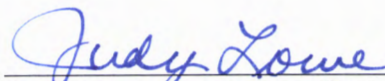


Patrol will also use it for training and storage. Representative Floyd moved for an unfavorable report to the original bill, favorable to the PCS. The motion passed unanimously.

The meeting adjourned at 10:15.



Representative Ted Davis, Jr., Chair  
Presiding



Judy Lowe, Committee Clerk

#### Attachments

- Committee notice
- Agenda
- Committee report
- Copies of bills
- Proposed committee substitutes
- Visitor registration sheets



**Judy Lowe (Rep. Ted Davis)**

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**From:** Judy Lowe (Rep. Ted Davis)  
**Sent:** Tuesday, August 11, 2015 04:19 PM  
**To:** Sen. Joyce Krawiec; Sen. Floyd McKissick; Sen. Mike Woodard; Sen. Harry Brown  
**Cc:** Robb Jansen (Sen. Joyce Krawiec); Rosita Littlejohn (Sen. Floyd McKissick); Carol Resar (Sen. Mike Woodard); Elise McDowell (Sen. Harry Brown); Kristi Huff (Sen. Harry Brown); Sally-Ann Gupta (Sen. Harry Brown)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Thursday, August 13, 2015 at 10:00 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, August 13, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ted Davis, Jr. will be presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
SB 52	Cities/Mean For Activating Parking Meters.	Senator Krawiec
SB 255	Durham Voluntary Annexation Petitions.	Senator McKissick Senator Woodard
SB 477	Transfer of Bladen Correctional Facility.	Senator Brown



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:11 PM on Tuesday, August 11, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Thursday, August 13, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
SB 52	Cities/Mean For Activating Parking Meters.	Senator Krawiec
SB 255	Durham Voluntary Annexation Petitions.	Senator McKissick Senator Woodard
SB 477	Transfer of Bladen Correctional Facility.	Senator Brown

**Other Business**

**Adjournment**





## SENATE BILL 52: Cities/Mean For Activating Parking Meters

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Krawiec  
**Analysis of:** PCS to Second Edition  
S52-CSRW-46

**Date:** August 12, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 52 (proposed committee substitute) authorizes cities to provide for the activation of on-street parking meters by use of cash, credit cards, debit cards, or electronic means.*

*The proposed committee substitute corrects a typo in a session law reference (S.L. 2011-79).*

**CURRENT LAW:** Under current G.S. 160A-301, cities are authorized to regulate parking on public streets through use of parking meters, activated by coins or tokens. The proceeds from the on-street parking meters must be used for enforcing and administering traffic and parking ordinances.

### **BILL ANALYSIS:**

**Section 1** of Senate Bill 52 (PCS) authorizes cities to provide for the activation of on-street parking meters by the additional means of cash, credit cards, debit cards, or electronic means.

**Section 2** of the bill makes clear that it does not affect prior local acts concerning on-street parking in the listed cities and towns.

**EFFECTIVE DATE:** This act is effective when it becomes law.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 52  
State and Local Government Committee Substitute Adopted 3/24/15  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S52-CSRW-46 [v.1]

8/12/2015 10:45:21 AM

Short Title: Cities/Mean For Activating Parking Meters.

(Public)

Sponsors:

Referred to:

February 11, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING CITIES TO ALLOW ACTIVATION OF PARKING METERS BY  
3 COINS, TOKENS, CASH, CREDIT CARDS, DEBIT CARDS, OR OTHER  
4 ELECTRONIC MEANS.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 160A-301 reads as rewritten:

7 "§ 160A-301. Parking.

8 (a) On-Street Parking. – A city may by ordinance regulate, restrict, and prohibit the  
9 parking of vehicles on the public streets, alleys, and bridges within the city. When parking is  
10 permitted for a specified period of time at a particular location, a city may install a parking  
11 meter at that location and require any person parking a vehicle therein to place the meter in  
12 operation for the entire time that the vehicle remains in that location, up to the maximum time  
13 allowed for parking there. Parking meters may be activated by ~~coins or tokens.~~ coins, tokens,  
14 cash, credit cards, debit cards, or electronic means. Proceeds from the use of parking meters on  
15 public streets must be used to defray the cost of enforcing and administering traffic and parking  
16 ordinances and regulations.

17 ...."

18 SECTION 2. This act shall not be construed to repeal or otherwise limit the  
19 authority to activate parking meters and use proceeds from parking meters granted to the  
20 Towns of Wrightsville Beach, Carolina Beach, Kure Beach, and the City of Wilmington in S.L.  
21 1998-86, as amended by S.L. 2001-9, the City of Raleigh and the Town of Chapel Hill in S.L.  
22 2009-164, the Towns of Atlantic Beach and Beaufort in S.L. 2011-79, and the City of Durham  
23 in S.L. 2014-34.

24 SECTION 3. This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 52  
State and Local Government Committee Substitute Adopted 3/24/15

Short Title: Cities/Mean\$ For Activating Parking Meters. (Public)

Sponsors:

Referred to:

February 11, 2015

A BILL TO BE ENTITLED  
AN ACT AUTHORIZING CITIES TO ALLOW ACTIVATION OF PARKING METERS BY  
COINS, TOKENS, CASH, CREDIT CARDS, DEBIT CARDS, OR OTHER  
ELECTRONIC MEANS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-301 reads as rewritten:

**"§ 160A-301. Parking.**

(a) On-Street Parking. – A city may by ordinance regulate, restrict, and prohibit the parking of vehicles on the public streets, alleys, and bridges within the city. When parking is permitted for a specified period of time at a particular location, a city may install a parking meter at that location and require any person parking a vehicle therein to place the meter in operation for the entire time that the vehicle remains in that location, up to the maximum time allowed for parking there. Parking meters may be activated by ~~coins or tokens~~ coins, tokens, cash, credit cards, debit cards, or electronic means. Proceeds from the use of parking meters on public streets must be used to defray the cost of enforcing and administering traffic and parking ordinances and regulations.

...."

**SECTION 2.** This act shall not be construed to repeal or otherwise limit the authority to activate parking meters and use proceeds from parking meters granted to the Towns of Wrightsville Beach, Carolina Beach, Kure Beach, and the City of Wilmington in S.L. 1998-86, as amended by S.L. 2001-9, the City of Raleigh and the Town of Chapel Hill in S.L. 2009-164, the Towns of Atlantic Beach and Beaufort in S.L. 2011-179, and the City of Durham in S.L. 2014-34.

**SECTION 3.** This act is effective when it becomes law.







## SENATE BILL 255: Durham Voluntary Annexation Petitions

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Finance	<b>Date:</b>	August 13, 2015
<b>Introduced by:</b>	Sens. McKissick, Woodard	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *Senate Bill 255 would allow the City of Durham's Planning Commission to hold hearings on initial zoning of property that the owners are requesting be annexed into the city limits prior to the adoption of the annexation ordinance. Senate Bill 255 would require the final zoning by the city council to occur after the adoption of the annexation ordinance.*

**BILL ANALYSIS:** Senate Bill 255 would amend the charter of the City of Durham to provide that when a petition for voluntary annexation is received, the Planning Commission is authorized and empowered to give notice of and hold public hearings to review and take comments to the city council on applications for the initial city zoning of the property subject to the voluntary annexation petition prior to the passage of an annexation ordinance. Voluntary annexation would remain at the request of the property owners.

The bill would also provide that the city council is authorized to give notice of public hearings required for the initial zoning of property subject to a voluntary annexation petition prior to the passage of an annexation ordinance, but can only hold the zoning public hearings, and vote on the initial zoning of such property, after the passage of an annexation ordinance.

**EFFECTIVE DATE:** Effective when it becomes law.

*Erika Churchill, counsel to Senate State and Local Government, substantially contributed to this summary.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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1

SENATE BILL 255

Short Title: Durham Voluntary Annexation Petitions. (Local)  
Sponsors: Senators McKissick and Woodard (Primary Sponsors).  
Referred to: Rules and Operations of the Senate.

March 12, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE CHARTER OF THE CITY OF DURHAM TO ALLOW THE  
3 PLANNING COMMISSION AND THE CITY COUNCIL TO GIVE NOTICE OF AND  
4 HOLD PUBLIC HEARINGS ON APPLICATIONS FOR INITIAL ZONING OF  
5 PROPERTY SUBJECT TO A VOLUNTARY ANNEXATION PETITION PRIOR TO  
6 THE PASSAGE OF AN ANNEXATION ORDINANCE.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** Section 89 of the Charter of the City of Durham, being Chapter 671  
9 of the 1975 Session Laws, as amended by Chapter 694 of the 1981 Session Laws, reads as  
10 rewritten:

11 "Sec. 89. Enactment of Ordinances Prior to Effective Date of Annexation. – The City  
12 Council and the Planning ~~and Zoning~~ Commission of the City are hereby authorized and  
13 empowered, after the passage of an annexation ordinance and prior to the date upon which the  
14 territory described therein is actually annexed to the City, to initiate, hold hearings upon, adopt  
15 resolutions providing for public hearings, conduct public hearings upon such resolutions,  
16 petitions, proposals, and ordinances and the Council is further empowered to enact zoning  
17 ordinances, for the determination of zone boundaries and allocation of the area into zoning,  
18 classifications and districts, and the application of zoning regulations and restrictions, to be  
19 applicable to the territory described in the annexation ordinances to be annexed. Further, upon  
20 the receipt of a voluntary annexation petition under Part 1 or Part 4 of Article 4A of Chapter  
21 160A of the General Statutes, the Planning Commission is hereby authorized and empowered  
22 to give notice of and hold public hearings to review and provide comment to the City Council  
23 on applications for the initial City zoning of property subject to the voluntary annexation  
24 petition prior to the passage of an annexation ordinance. The City Council is authorized to give  
25 notice of public hearings required for the initial zoning of property subject to a voluntary  
26 annexation petition prior to the passage of an annexation ordinance. However, the City Council  
27 shall only conduct the initial zoning public hearings and vote on the initial zoning of property  
28 subject to a voluntary annexation petition after the passage of an annexation ordinance. But no  
29 such establishment of zone boundaries or any zoning regulations or restrictions in such annexed  
30 territory described in the annexation ordinances shall be effective until the effective date upon  
31 which the area is actually annexed to the City as provided in the annexation ordinances, but at  
32 that time such zoning regulations and restrictions and boundaries shall simultaneously become  
33 effective with such annexation. This section does not limit the authority of the City to exercise  
34 its extraterritorial jurisdiction pursuant to Article 19 of Chapter 160A of the North Carolina  
35 General Statutes."

36 **SECTION 2.** This act is effective when it becomes law.







# SENATE BILL 477: Transfer of Bladen Correctional Facility

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Brown  
**Analysis of:** PCS to Second Edition  
S477-CSST-88

**Date:** August 12, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *The proposed committee substitute for Senate Bill 477 would require the State of North Carolina to transfer the former Bladen County Correctional Facility to the Bladen County Board of Commissioners.*

*The PCS changes the effective date from July 1, 2015 to October 1, 2015.*

**CURRENT LAW:** Article 7 of Chapter 146 governs disposition of State property and requires that sales of land owned by the State must be made by the State and approved by the Governor and Council of State. Article 16 of Chapter 146 establishes the form of conveyances for State property, and in G.S. 146-74 requires proposed conveyances to be submitted to the Governor and Council of State for approval.

**BILL ANALYSIS:** The PCS for Senate Bill 477 would require the State of North Carolina to transfer the former Bladen County Correctional Facility to the Bladen County Commissioners for \$1.00. The Bladen County Commissioners would be required to bear the costs associated with the conveyance, and would be for so long as it is utilized for county government purposes.

The transfer also includes a right of way that allows ingress and egress to property in the general direction of the nearby firing range.

The property would be conveyed as is and without warranty as to the title, boundaries, uses, zoning, local ordinances, or physical, environmental, health and safety conditions of the property.

The conveyance would be exempt from the requirements of Article 7 of Chapter 146 and G.S. 146-74.

**EFFECTIVE DATE:** October 1, 2015.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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**SENATE BILL 477**  
**State and Local Government Committee Substitute Adopted 4/28/15**  
**PROPOSED HOUSE COMMITTEE SUBSTITUTE S477-CSST-88 [v.1]**  
8/12/2015 2:51:36 PM

Short Title:   Transfer of Bladen Correctional Facility.

(Public)

Sponsors:

Referred to:

March 26, 2015

A BILL TO BE ENTITLED  
AN ACT TO TRANSFER THE FORMER BLADEN CORRECTIONAL CENTER  
PROPERTY TO THE BLADEN COUNTY BOARD OF COMMISSIONERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** The State of North Carolina shall convey to the Bladen County Board of Commissioners, for consideration of one dollar (\$1.00), all its right, title, and interest in that portion of the former Bladen County Correctional Center property that resides within a fenced off area of that property and shall also convey to the County a right of way that allows ingress and egress to property in the general direction of the nearby firing range. The conveyance is subject to a reversionary interest reserved by the State. The property shall be conveyed to the Bladen County Board of Commissioners for so long as it is utilized for county government purposes.

**SECTION 2.** The State of North Carolina shall convey the real property described in Section 1 of this act "as is" and "where is" without warranty. The State makes no representations or warranties concerning the title to the property, the boundaries of the property, the uses to which the property may be put, zoning, local ordinances, or any physical, environmental, health, and safety conditions relating to the property. All costs associated with the conveyance of the property shall be borne by Bladen County.

**SECTION 3.** The conveyance of the State's right, title, and interest in the real property described in Section 1 of this act shall be exempt from the provisions of Article 7 of Chapter 146 of the General Statutes. The conveyance shall comply with the provisions of Article 16 of Chapter 146 of the General Statutes, provided that the provisions of G.S. 146-74 shall not apply.

**SECTION 4.** This act becomes effective October 1, 2015.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 477  
State and Local Government Committee Substitute Adopted 4/28/15

Short Title: Transfer of Bladen Correctional Facility. (Public)

Sponsors:

Referred to:

March 26, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO TRANSFER THE FORMER BLADEN CORRECTIONAL CENTER  
3 PROPERTY TO THE BLADEN COUNTY BOARD OF COMMISSIONERS.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** The State of North Carolina shall convey to the Bladen County  
6 Board of Commissioners, for consideration of one dollar (\$1.00), all its right, title, and interest  
7 in that portion of the former Bladen County Correctional Center property that resides within a  
8 fenced off area of that property and shall also convey to the County a right of way that allows  
9 ingress and egress to property in the general direction of the nearby firing range. The  
10 conveyance is subject to a reversionary interest reserved by the State. The property shall be  
11 conveyed to the Bladen County Board of Commissioners for so long as it is utilized for county  
12 government purposes.  
13 **SECTION 2.** The State of North Carolina shall convey the real property described  
14 in Section 1 of this act "as is" and "where is" without warranty. The State makes no  
15 representations or warranties concerning the title to the property, the boundaries of the  
16 property, the uses to which the property may be put, zoning, local ordinances, or any physical,  
17 environmental, health, and safety conditions relating to the property. All costs associated with  
18 the conveyance of the property shall be borne by Bladen County.  
19 **SECTION 3.** The conveyance of the State's right, title, and interest in the real  
20 property described in Section 1 of this act shall be exempt from the provisions of Article 7 of  
21 Chapter 146 of the General Statutes. The conveyance shall comply with the provisions of  
22 Article 16 of Chapter 146 of the General Statutes, provided that the provisions of G.S. 146-74  
23 shall not apply.  
24 **SECTION 4.** This act becomes effective July 1, 2015.





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE AND RE-REFERRED**

SB 255 Durham Voluntary Annexation Petitions.  
Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Michaux

**FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB**

SB 52 (CS#1) Cities/Means For Activating Parking Meters.  
Draft Number: S52-PCS35307-RW-46  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Conrad

SB 477 (CS#1) Transfer of Bladen Correctional Facility.  
Draft Number: S477-PCS45399-ST-88  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Brisson

TOTAL REPORTED: 3



\* C M R 5 6 8 - V - 1 \*



# VISITOR REGISTRATION SHEET

Local Government

Name of Committee

8/13/15

Date

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME

FIRM OR AGENCY AND ADDRESS

Martha Jenkins	DOR
Ronan Mcmald	WM
Robt Proffitt	Boy Scouts
Miller Nichols	Jordan Price
Dana Ferton	CLT
Cindy Brandon	DPS
Sarah Wolfe	MUR
Bong Kuller	School Bus
GERY WHE	NMRS
Hugh John	NACE
MAH Goss	NK



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

08/13/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Julia Zimmerman

Self

Tom Goffe

NCGA



Corrected #1: HB 518 Removed, SB 101 Added

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Tuesday, August 18, 2015  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ford presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 430	County Omnibus Legislation.	Representative McElraft Representative Carney Representative McGrady
SB 101	1st Senatorial District Local Act.	Senator Cook
SB 304	Administration of Logo Sign Program.	Senator B. Jackson
<i>Added</i> SB 330	Change Orders on School Construction Projects.	Senator McInnis Senator Tillman
SB 379	Cemeteries Located on State Property.	Senator Bingham Senator McKissick

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 8:24 AM on Tuesday, August 18, 2015.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Tuesday, August 18, 2015, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 430	County Omnibus Legislation.	Representative McElraft Representative Carney Representative McGrady
SB 101	1st Senatorial District Local Act.	Senator Cook
SB 304	Administration of Logo Sign Program.	Senator B. Jackson
<i>Pulled</i> SB 330	Change Orders on School Construction Projects.	Senator McInnis Senator Tillman
SB 379	Cemeteries Located on State Property.	Senator Bingham Senator McKissick

**Adjournment**





# HOUSE BILL 430: County Omnibus Legislation

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. McElraft, Carney, McGrady  
**Analysis of:** PCS to Third Edition  
H430-CSRI-18

**Date:** August 17, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 430 would reestablish the State Payment in Lieu of Taxes Study Commission, direct the Environmental Review Commission to study statewide approaches to control invasive aquatic noxious weeds, direct the Revenue Laws Study Committee to study the financial impacts on local governments of exempting previously taxable properties from the property tax base when acquired by nonprofits, and clarify requirements on local governments for deposit of public money and to eliminate unintentional non-compliance or waste.*

[As introduced, this bill was identical to S422, as introduced by Sens. J. Davis, Foushee, which is currently in Senate Re-ref to Agriculture/Environment/Natural Resources. If fav, re-ref to Finance.]

## BILL ANALYSIS:

**Section 1** of the bill would reestablish the State Payment in Lieu of Taxes Study Commission, which was originally established in S.L. 2013-340, but terminated without reporting<sup>1</sup> upon the convening of the 2015 General Assembly. The Commission would consist of 13 members appointed as follows:

- Three members of the House of Representatives appointed by the Speaker.
- Three members of the Senate appointed by the President Pro Tempore.
- The Secretary of Revenue or the Secretary's designee.
- Three members of the public appointed by the Speaker, two based on the recommendation of the North Carolina Association of County Commissioners and one based on the recommendation of the North Carolina League of Municipalities.
- Three members of the public appointed by the President Pro Tempore, two based on the recommendation of the North Carolina Association of County Commissioners and one based on the recommendation of the North Carolina League of Municipalities.

The Commission would study issues relating to the development of a State payment in lieu of taxes for State properties, including wildlife and game lands and the Commission could consider any other issues deemed relevant. The Commission could submit an interim report during the course of the study and would submit a final report prior to the convening of the 2017 General Assembly. The Commission would terminate upon the convening of the 2017 General Assembly or upon the filing of its final report, whichever occurs first.

**Section 2** would direct the Environmental Review Commission to study issues relating to statewide approaches to control invasive aquatic noxious weeds in the State's waters, including funding needed to

<sup>1</sup> The House made appointments to this Commission but the Senate did not.

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

# House Bill 430

Page 2

support statewide control. The Commission would report its findings and recommendation on statewide approaches to control invasive aquatic weeds to the 2016 Regular Session of the 2015 General Assembly.

**Section 3** would direct The Revenue Laws Study Committee to study issues relating to the financial impacts on local governments of exempting previously taxable properties from the property tax base when acquired by nonprofits. The Committee would report its findings and recommendation on the financial impacts of exempting previously taxable properties to the 2016 Regular Session of the 2015 General Assembly.

**Section 4** would amend a statute that requires counties to deposit cash when it reaches \$250 or at the end of each month, to eliminate the required monthly deposit and allow the cash to be locked in a secure location until it reaches \$250, at which point a deposit would be required with a properly licensed and recognized cash collection service. Effective October 1, 2015.

**EFFECTIVE DATE:** Except as otherwise provided, the act would become effective when it becomes law.

*Jeff Hudson and Jennifer McGinnis, counsel to House Environment, substantially contributed to this summary.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 430\*  
Committee Substitute Favorable 4/16/15  
Third Edition Engrossed 5/12/15  
PROPOSED COMMITTEE SUBSTITUTE H430-CSRI-18 [v.5]  
8/17/2015 6:27:15 PM

Short Title: County Omnibus Legislation.

(Public)

Sponsors:

Referred to:

April 1, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT REESTABLISHING THE STATE PAYMENT IN LIEU OF TAXES STUDY  
3 COMMISSION; DIRECTING THE ENVIRONMENTAL REVIEW COMMISSION TO  
4 STUDY ISSUES RELATING TO STATEWIDE APPROACHES TO CONTROL  
5 INVASIVE AQUATIC NOXIOUS WEEDS IN THE STATE'S WATERS; DIRECTING  
6 THE REVENUE LAWS COMMITTEE TO STUDY ISSUES RELATING TO THE  
7 FINANCIAL IMPACTS ON LOCAL GOVERNMENTS OF EXEMPTING  
8 PREVIOUSLY TAXABLE PROPERTIES FROM THE PROPERTY TAX BASE WHEN  
9 ACQUIRED BY NONPROFITS; AND CLARIFYING REQUIREMENTS ON LOCAL  
10 GOVERNMENTS FOR DEPOSIT OF PUBLIC MONEY AND TO ELIMINATE  
11 UNINTENTIONAL NON-COMPLIANCE OR WASTE.

12 The General Assembly of North Carolina enacts:

13 **SECTION 1.(a)** The State Payment in Lieu of Taxes Study Commission is  
14 established. The Commission shall consist of 13 members appointed as follows:

- 15 (1) Three members of the House of Representatives appointed by the Speaker of  
16 the House of Representatives.  
17 (2) Three members of the Senate appointed by the President Pro Tempore of the  
18 Senate.  
19 (3) The Secretary of Revenue or the Secretary's designee.  
20 (4) Three members of the public appointed by the Speaker of the House of  
21 Representatives, two based on the recommendation of the North Carolina  
22 Association of County Commissioners and one based on the  
23 recommendation of the North Carolina League of Municipalities.  
24 (5) Three members of the public appointed by the President Pro Tempore of the  
25 Senate, two based on the recommendation of the North Carolina Association  
26 of County Commissioners and one based on the recommendation of the  
27 North Carolina League of Municipalities.

28 **SECTION 1.(b)** The Speaker of the House of Representatives and the President  
29 Pro Tempore of the Senate shall each designate a cochair. The Commission may meet at any  
30 time upon the joint call of the cochairs. A quorum of the Commission shall be a majority of its  
31 members. No action may be taken except by a majority vote at a meeting at which a quorum is  
32 present.

33 **SECTION 1.(c)** Vacancies on the Commission shall be filled by the same  
34 appointing authority that made the initial appointment.



\* H 4 3 0 - C S R I - 1 8 - V - 5 \*

1           **SECTION 1.(d)** Subject to the approval of the Legislative Services Commission,  
2 the Commission may meet in the Legislative Building or the Legislative Office Building.

3           **SECTION 1.(e)** The Legislative Services Commission, through the Legislative  
4 Services Officer, shall assign professional staff to assist the Commission in its work. The  
5 House of Representatives' and the Senate's Director of Legislative Assistants shall assign  
6 clerical support staff to the Commission, and the expenses relating to the clerical employees  
7 shall be borne by the Commission.

8           **SECTION 1.(f)** The Commission, while in the discharge of its official duties, may  
9 exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.  
10 The Commission may contract for professional, clerical, or consultant services as provided by  
11 G.S. 120-32.02.

12           **SECTION 1.(g)** Members of the Commission shall receive subsistence and travel  
13 expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

14           **SECTION 1.(h)** The Commission shall study issues relating to the development of  
15 a State payment in lieu of taxes for State properties, including wildlife and game lands. The  
16 Commission may consider any other issues deemed relevant.

17           **SECTION 1.(i)** The Commission may submit an interim report on the results of its  
18 study, including any proposed legislation, to the members of the Senate and the House of  
19 Representatives at any time by filing a copy of the report with the Office of the President Pro  
20 Tempore of the Senate, the Office of the Speaker of the House of Representatives, and the  
21 Legislative Library. The Commission shall submit a final report on the results of its study,  
22 including any proposed legislation, to the members of the Senate and the House of  
23 Representatives, prior to the convening of the 2017 General Assembly, by filing a copy of the  
24 report with the Office of the President Pro Tempore of the Senate, the Office of the Speaker of  
25 the House of Representatives, and the Legislative Library. The Commission shall terminate  
26 upon the convening of the 2017 General Assembly or upon the filing of its final report,  
27 whichever occurs first.

28           **SECTION 2.** The Environmental Review Commission is directed to study issues  
29 relating to statewide approaches to control invasive aquatic noxious weeds in the State's waters,  
30 including funding needed to support statewide control. The Commission may consider any  
31 other issues deemed relevant.

32           The Commission shall report its findings and recommendations on statewide  
33 approaches to control invasive aquatic weeds to the 2016 Regular Session of the 2015 General  
34 Assembly.

35           **SECTION 3.** The Revenue Laws Study Committee is directed to study issues  
36 relating to the financial impacts on local governments of exempting previously taxable  
37 properties from the property tax base when acquired by nonprofits. The Committee may  
38 consider any other issues deemed relevant, but it shall not consider the taxation of real or  
39 personal property used for religious purposes.

40           The Committee shall report its findings and recommendations on the financial  
41 impacts of exempting previously taxable properties to the 2016 Regular Session of the 2015  
42 General Assembly.

43           **SECTION 4.(a).** G.S. 159-32 reads as rewritten:  
44 "**§ 159-32. Daily deposits.**

45           Except as otherwise provided by law, all taxes and other moneys collected or received by  
46 an officer or employee of a local government or public authority shall be deposited in  
47 accordance with this section. Each officer and employee of a local government or public  
48 authority whose duty it is to collect or receive any taxes or other moneys ~~shall~~ shall, on a daily  
49 basis, deposit or submit to a properly licensed and recognized cash collection service his all  
50 collections and receipts daily receipts. ~~If However,~~ if the governing board gives its approval,  
51 deposits or submissions to a properly licensed and recognized cash collection service shall be

1 required only when the moneys on hand amount to ~~as much as two hundred fifty dollars~~  
2 ~~(\$250.00), (\$250.00) or greater, but in any event a deposit shall be made on the last business day~~  
3 ~~of the month.~~ Until deposited or officially submitted to a properly licensed and recognized cash  
4 collection service, all moneys must be maintained in a secure location. All deposits shall be  
5 made with the finance officer or in an official depository. Deposits in an official depository  
6 shall be immediately reported to the finance officer by means of a duplicate deposit ticket. The  
7 finance officer may at any time audit the accounts of any officer or employee collecting or  
8 receiving taxes or other moneys, and may prescribe the form and detail of these accounts. The  
9 accounts of such an officer or employee shall be audited at least annually."

10 **SECTION 4.(b).** This section becomes effective October 1, 2015.

11 **SECTION 5.** Except as otherwise provided, this act is effective when it becomes  
12 law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

3

HOUSE BILL 430\*  
Committee Substitute Favorable 4/16/15  
Third Edition Engrossed 5/12/15

Short Title: County Omnibus Legislation.

(Public)

Sponsors:

Referred to:

April 1, 2015

A BILL TO BE ENTITLED

AN ACT REESTABLISHING THE STATE PAYMENT IN LIEU OF TAXES STUDY COMMISSION; DIRECTING THE ENVIRONMENTAL REVIEW COMMISSION TO STUDY ISSUES RELATING TO STATEWIDE APPROACHES TO CONTROL INVASIVE AQUATIC NOXIOUS WEEDS IN THE STATE'S WATERS; DIRECTING THE REVENUE LAWS COMMITTEE TO STUDY ISSUES RELATING TO THE FINANCIAL IMPACTS ON LOCAL GOVERNMENTS OF EXEMPTING PREVIOUSLY TAXABLE PROPERTIES FROM THE PROPERTY TAX BASE WHEN ACQUIRED BY NONPROFITS; AND CLARIFYING THE AUTHORITY OF COUNTIES TO ESTABLISH RESIDENTIAL RECYCLABLE MATERIALS COLLECTION PROGRAMS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The State Payment in Lieu of Taxes Study Commission is established. The Commission shall consist of 13 members appointed as follows:

- (1) Three members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (2) Three members of the Senate appointed by the President Pro Tempore of the Senate.
- (3) The Secretary of Revenue or the Secretary's designee.
- (4) Three members of the public appointed by the Speaker of the House of Representatives, two based on the recommendation of the North Carolina Association of County Commissioners and one based on the recommendation of the North Carolina League of Municipalities.
- (5) Three members of the public appointed by the President Pro Tempore of the Senate, two based on the recommendation of the North Carolina Association of County Commissioners and one based on the recommendation of the North Carolina League of Municipalities.

**SECTION 1.(b)** The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate a cochair. The Commission may meet at any time upon the joint call of the cochairs. A quorum of the Commission shall be a majority of its members. No action may be taken except by a majority vote at a meeting at which a quorum is present.

**SECTION 1.(c)** Vacancies on the Commission shall be filled by the same appointing authority that made the initial appointment.



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1           **SECTION 1.(d)** Subject to the approval of the Legislative Services Commission,  
2 the Commission may meet in the Legislative Building or the Legislative Office Building.

3           **SECTION 1.(e)** The Legislative Services Commission, through the Legislative  
4 Services Officer, shall assign professional staff to assist the Commission in its work. The  
5 House of Representatives' and the Senate's Director of Legislative Assistants shall assign  
6 clerical support staff to the Commission, and the expenses relating to the clerical employees  
7 shall be borne by the Commission.

8           **SECTION 1.(f)** The Commission, while in the discharge of its official duties, may  
9 exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.  
10 The Commission may contract for professional, clerical, or consultant services as provided by  
11 G.S. 120-32.02.

12           **SECTION 1.(g)** Members of the Commission shall receive subsistence and travel  
13 expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

14           **SECTION 1.(h)** The Commission shall study issues relating to the development of  
15 a State payment in lieu of taxes for State properties, including wildlife and game lands. The  
16 Commission may consider any other issues deemed relevant.

17           **SECTION 1.(i)** The Commission may submit an interim report on the results of its  
18 study, including any proposed legislation, to the members of the Senate and the House of  
19 Representatives at any time by filing a copy of the report with the Office of the President Pro  
20 Tempore of the Senate, the Office of the Speaker of the House of Representatives, and the  
21 Legislative Library. The Commission shall submit a final report on the results of its study,  
22 including any proposed legislation, to the members of the Senate and the House of  
23 Representatives, prior to the convening of the 2017 General Assembly, by filing a copy of the  
24 report with the Office of the President Pro Tempore of the Senate, the Office of the Speaker of  
25 the House of Representatives, and the Legislative Library. The Commission shall terminate  
26 upon the convening of the 2017 General Assembly or upon the filing of its final report,  
27 whichever occurs first.

28           **SECTION 2.** The Environmental Review Commission is directed to study issues  
29 relating to statewide approaches to control invasive aquatic noxious weeds in the State's waters,  
30 including funding needed to support statewide control. The Commission may consider any  
31 other issues deemed relevant.

32           The Commission shall report its findings and recommendations on statewide  
33 approaches to control invasive aquatic weeds to the 2016 Regular Session of the 2015 General  
34 Assembly.

35           **SECTION 3.** The Revenue Laws Study Committee is directed to study issues  
36 relating to the financial impacts on local governments of exempting previously taxable  
37 properties from the property tax base when acquired by nonprofits. The Committee may  
38 consider any other issues deemed relevant, but it shall not consider the taxation of real or  
39 personal property used for religious purposes.

40           The Committee shall report its findings and recommendations on the financial  
41 impacts of exempting previously taxable properties to the 2016 Regular Session of the 2015  
42 General Assembly.

43           **SECTION 4.** G.S. 153A-292 reads as rewritten:

44           "**§ 153A-292. County collection and disposal ~~facilities~~ facilities; residential recyclable**  
45           **collection programs.**

46           (a) The board of county commissioners of any county may establish and operate solid  
47 waste collection and disposal facilities in areas outside the corporate limits of a city. The board  
48 may by ordinance regulate the use of a disposal facility provided by the county, the nature of  
49 the solid wastes disposed of in a facility, and the method of disposal. The board may contract  
50 with any city, individual, or privately owned corporation to collect and dispose of solid waste  
51 in the area. Counties and cities may establish and operate joint collection and disposal facilities.

1 A joint agreement shall be in writing and executed by the governing bodies of the participating  
2 units of local government. The board may, by ordinance, establish a program for the collection  
3 of residential recyclable materials.

4 (b) The board of county commissioners may impose a fee for the collection of solid  
5 waste. The fee may not exceed the costs of collection.

6 The board of county commissioners may impose a fee for the use of a disposal facility  
7 provided by the county. Except as provided in this subsection, the fee for use may not exceed  
8 the cost of operating the facility. The fee may exceed those costs if the county enters into a  
9 contract with another local government located within the State to accept the other local  
10 government's solid waste and the county by ordinance levies a surcharge on the fee. The fee  
11 authorized by this paragraph may only be used to cover the costs of operating the facility. The  
12 surcharge authorized by this paragraph may be used for any purpose for which the county may  
13 appropriate funds. A fee under this paragraph may be imposed only on those who use the  
14 facility. The fee for use may vary based on the amount, characteristics, and form of recyclable  
15 materials present in solid waste brought to the facility for disposal. A county may not impose a  
16 fee for the use of a disposal facility on a city located in the county or a contractor or resident of  
17 the city unless the fee is based on a schedule that applies uniformly throughout the county.

18 The board of county commissioners may impose a fee for the availability of a disposal  
19 facility provided by the county. A fee for availability may not exceed the cost of providing the  
20 facility and may be imposed on all improved property in the county that benefits from the  
21 availability of the facility. A county may not impose an availability fee on property whose solid  
22 waste is collected by a county, a city, or a private contractor for a fee if the fee imposed by a  
23 county, a city, or a private contractor for the collection of solid waste includes a charge for the  
24 availability and use of a disposal facility provided by the county. Property served by a private  
25 contractor who disposes of solid waste collected from the property in a disposal facility  
26 provided by a private contractor that provides the same services as those provided by the  
27 county disposal facility is not considered to benefit from a disposal facility provided by the  
28 county and is not subject to a fee imposed by the county for the availability of a disposal  
29 facility provided by the county. To the extent that the services provided by the county disposal  
30 facility differ from the services provided by the disposal facility provided by a private  
31 contractor in the same county, the county may charge an availability fee to cover the costs of  
32 the additional services provided by the county disposal facility.

33 The board of county commissioners may impose a fee for a residential recyclable materials  
34 collection program provided by the county. The fee may not exceed the cost of providing the  
35 collection service and may be imposed on all benefited improved property along designated  
36 collection routes. A county may not impose a recyclable materials collection program fee on  
37 improved property from which residential recyclable material is collected by a private  
38 contractor for a fee if the private contractor collects the same recyclable materials as those  
39 collected by the county collection program. The fee may be imposed in full if the private  
40 contractor does not, at a minimum, collect the same recyclable materials collected by the  
41 county. Upon presentation to the county of a valid contract for recyclable materials collection  
42 service between the property owner or current resident and a private contractor, the improved  
43 property is not considered to benefit from a residential recyclable materials collection program  
44 provided by the county and is not subject to a fee imposed by the county for the residential  
45 recyclable materials collection program provided by the county. A prorated fee may be  
46 assessed to benefit improved property for any portion of a calendar year the property is not  
47 served by a private contractor.

48 In determining the costs of providing and operating a disposal ~~facility, facility or residential~~  
49 ~~recyclable materials collection program,~~ a county may consider solid waste management costs  
50 incidental to a county's handling and disposal of solid waste at its disposal ~~facility, facility or~~  
51 ~~operating its residential materials collection program,~~ including the costs of the methods of

1 solid waste management specified in G.S. 130A-309.04(a) of the Solid Waste Management Act  
2 of 1989. A fee for the availability or use of a disposal facility may be based on the combined  
3 costs of the different disposal facilities provided by the county. A fee for the residential  
4 recyclable materials collection program may be based on the combined costs of collecting  
5 different materials and may be based on the differing levels of service provided.

6 A county may operate a residential recyclable materials collection program within the  
7 corporate limits of a city if the governing body of the city adopts a resolution to that effect.

8 (b1) ~~The collection, disposal, and availability fees~~ authorized by this section may be used  
9 to cover the cost of waste management programs in the jurisdiction, including the collection of  
10 waste and the collection of litter along public roadways.

11 (c) The board of county commissioners may use any suitable vacant land owned by the  
12 county for the site of a disposal facility, subject to the permit requirements of Article 9 of  
13 Chapter 130A of the General Statutes. If the county does not own suitable vacant land for a  
14 disposal facility, it may acquire suitable land by purchase or condemnation. The board may  
15 erect a gate across a highway that leads directly to a disposal facility operated by the county.  
16 The gate may be erected at or in close proximity to the boundary of the disposal facility. The  
17 county shall pay the cost of erecting and maintaining the gate.

18 (d), (e) Repealed by Session Laws 1991, c. 652, s. 1.

19 (f) This section does not prohibit a county from providing aid to low-income persons to  
20 pay all or part of the cost of solid waste management services for those persons."

21 **SECTION 5.** This act is effective when it becomes law.





# SENATE BILL 101: 1st Senatorial District Local Act

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Cook  
**Analysis of:** Second Edition

**Date:** August 18, 2015  
**Prepared by:** Kelly Tornow  
Committee Counsel

**SUMMARY:** *Senate Bill 101 would do all of the following:*

- *Clarify that the chairman of the Elizabeth City-Pasquotank Board of Education votes only in the case of a tie; and*
- *Add Beaufort, Dare, Gates, and Hyde Counties to the list of counties requiring the approval of the county board of commissioners of the county where the land is located before a unit of local government may condemn, purchase, lease, or exchange land outside its own county.*

**CURRENT LAW & BILL ANALYSIS:**

**Section 1.** The Elizabeth City-Pasquotank Board of Education is composed of seven members. The chair and vice chair of the Board of Education are selected by the Board. The chair is to preside over the meetings. The vice chair is entitled to vote in all matters, but neither the chair nor the vice chair may vote to create a tie, then vote to break the tie.

Section 1 of the bill would clarify that the chair votes only in the case of a tie, and that the vice chair, when sitting as the chair, shall vote only in the case of a tie. Otherwise, the vice chair may vote on matters before the board.

**Section 2.** G.S. 153A-15 states that when a county, municipality, or other unit of local government seeks to obtain property *located in another county* by eminent domain, purchase, lease, or exchange, the board of commissioners in the county where the property is located must approve the acquisition.

Currently, G.S. 153A-15 applies in 85 counties.

Section 2 of the bill would add Beaufort, Dare, Gates, and Hyde Counties to the counties in which this law applies.

**EFFECTIVE DATE:** Effective when it becomes law.

*Erika Churchill, counsel to Senate State and Local Government, substantially contributed to this summary.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

**SENATE BILL 101**  
**State and Local Government Committee Substitute Adopted 4/28/15**

Short Title: 1st Senatorial District Local Act.

(Local)

Sponsors:

Referred to:

February 23, 2015

A BILL TO BE ENTITLED

AN ACT CLARIFYING THE BOARD VOTING RULES FOR THE ELIZABETH CITY-PASQUOTANK BOARD OF EDUCATION AND TO ADD BEAUFORT, DARE, GATES, AND HYDE COUNTIES TO THE LIST OF COUNTIES COVERED BY G.S. 153A-15.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 3 of Chapter 29 of the 1967 Session Laws, as amended by Chapter 8 of the 1977 Session Laws and by Section 9(b) of S.L. 2005-305, reads as rewritten:

"Sec. 3. Three members of the Board shall be residents within the Elizabeth City Township, hereinafter referred to as "inside members", and three members of the Board shall be residents of the other townships outside Elizabeth City Township, hereinafter referred to as "outside members". The remaining member shall hereinafter be referred to as the "at-large member" and shall be a county resident with no residence required within a particular township area.

Candidates for membership on the Board shall file for office at the same time and on the same terms and conditions as candidates for other county offices. Candidates shall file, based upon residency, for any available "inside member" seats, "outside member" seats, or the "at-large member" seat that they qualify for by virtue of the residency at the time of filing. However, there shall be no primary, and filed candidates for each type of available seat shall be placed on the general election ballot to be voted on by all qualified voters of the county. Each voter shall have the right to vote in each race for "inside member" seats, "outside members" seats, or the "at-large member" seat up to the number of open seats up for election as to each particular type of seat, but may not cast more than one vote for each candidate. The election shall be held on a nonpartisan plurality basis with the candidates receiving the highest number of votes for each type of seat filling the available open seat or seats in descending order of their vote totals. Candidates elected shall take office the first Monday in December, and shall serve a four-year term.

All vacancies shall be filled by appointment by the remainder of the Board within 60 days, and the person so appointed shall serve the remainder of the unexpired term.

Terms shall be staggered, with two "inside member" seats and two "outside member" seats being elected in 2006 and every four years thereafter, and one "inside member" seat, one "outside member" seat, and the "at-large member" seat being elected in 2008 and every four years thereafter.

~~The Elizabeth City Pasquotank Board of Education shall elect a chairman and vice chairman to preside over its meetings, and the vice chairman shall be entitled to vote in all matters being considered by said Board but neither the chairman nor the vice chairman shall have the authority to cast a vote to create a tie vote and then vote again to break the tie.~~



1     The Elizabeth City-Pasquotank Board of Education shall elect a chair to preside over its  
2     meetings and a vice-chair to preside over its meetings in the chair's absence. The chair shall not  
3     vote on any matters being considered by said Board, unless there is a tie vote, in which case the  
4     chair shall cast the deciding vote. When the chair is present at a meeting, the vice-chair shall be  
5     entitled to vote on all matters being considered by said Board. When the vice-chair is presiding  
6     over a meeting in the chair's absence, the vice-chair shall not vote on any matters being  
7     considered by said Board, unless there is a tie vote, in which case the vice-chair shall cast the  
8     deciding vote. Neither the chair nor the vice-chair shall have the authority to cast a vote to  
9     create a tie vote and then vote again to break the tie.

10     The Elizabeth City-Pasquotank Board of Education shall control, administer and operate all  
11     of the public schools in Pasquotank County, including the public schools now located in the  
12     Elizabeth City Administrative Unit, as well as the public schools now located in the Pasquotank  
13     County Administrative Unit. The Elizabeth City-Pasquotank Board of Education shall exercise  
14     all the powers, authority and duties as are now exercised and performed by city and county  
15     boards of education and as provided by Chapter 115 of the General Statutes, as revised and  
16     amended, and as the same may hereafter be revised and amended. All members of the said  
17     Board shall hold their offices until their successors are elected and qualified."

18     **SECTION 2.** G.S. 153A-15 reads as rewritten:

19     **"§ 153A-15. Consent of board of commissioners necessary in certain counties before land**  
20     **may be condemned or acquired by a unit of local government outside the**  
21     **county.**

22     (a) Notwithstanding the provisions of Chapter 40A of the General Statutes or any other  
23     general law or local act conferring the power of eminent domain, before final judgment may be  
24     entered in any action of condemnation initiated by a county, city or town, special district, or  
25     other unit of local government which is located wholly or primarily outside another county,  
26     whereby the condemnor seeks to acquire property located in the other county, the condemnor  
27     shall furnish proof that the county board of commissioners of the county where the land is  
28     located has consented to the taking.

29     (b) Notwithstanding the provisions of G.S. 153A-158, 160A-240.1, 130A-55, or any  
30     other general law or local act conferring the power to acquire real property, before any county,  
31     city or town, special district, or other unit of local government which is located wholly or  
32     primarily outside another county acquires any real property located in the other county by  
33     exchange, purchase or lease, it must have the approval of the county board of commissioners of  
34     the county where the land is located.

35     (c) This section applies to Alamance, Alleghany, Anson, Ashe, Beaufort, Bertie,  
36     Bladen, Brunswick, Burke, Buncombe, Cabarrus, Caldwell, Camden, Carteret, Caswell,  
37     Catawba, Chatham, Cherokee, Clay, Cleveland, Columbus, Craven, Cumberland, Currituck,  
38     Dare, Davidson, Davie, Duplin, Durham, Edgecombe, Forsyth, Franklin, Gaston, Gates,  
39     Graham, Granville, Greene, Guilford, Halifax, Harnett, Haywood, Henderson, Hoke, Hyde,  
40     Iredell, Jackson, Johnston, Jones, Lee, Lenoir, Lincoln, Macon, Madison, Martin, McDowell,  
41     Mecklenburg, Montgomery, Nash, New Hanover, Northampton, Onslow, Orange, Pamlico,  
42     Pasquotank, Pender, Perquimans, Person, Pitt, Polk, Richmond, Robeson, Rockingham,  
43     Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Surry, Swain, Transylvania, Union,  
44     Vance, Wake, Warren, Watauga, Wayne, Wilkes, and Yancey Counties only.

45     (d) This section does not apply as to any condemnation or acquisition of real property  
46     or an interest in real property by a city where the property to be condemned or acquired is  
47     within the corporate limits of that city."

48     **SECTION 3.** This act is effective when it becomes law.





**NORTH CAROLINA GENERAL ASSEMBLY**  
**AMENDMENT**  
Senate Bill 101

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S101-ATH-59 [v.4]

Page 1 of 2

Amends Title [YES]  
Second Edition

Date \_\_\_\_\_, 2015

Representative Cleveland

1 moves to amend the bill on page 1, line 5, by rewriting the line to read:  
2 "G.S. 153A-15; AND TO MAKE A CONFORMING CHANGE TO THE GASTON COUNTY  
3 BOARD OF COMMISSIONERS AND GASTON COUNTY BOARD OF EDUCATION  
4 RESULTING FROM A CHANGE IN TOWNSHIP LINES.";

5  
6  
7  
8 and on page 2, line 48, by rewriting the line to read:

9 "SECTION 3.(a) Sec. 3 of Chapter 375 of the Session Laws of 1975 reads as  
10 rewritten:

11 "Sec. 3. After 1976 there shall be seven county commissioners for Gaston County,  
12 ~~two of whom must be residents of Gastonia Township and one each from the townships of~~  
13 North Gastonia, South Gastonia, Dallas, Riverbend, Southpoint, Crowders Mountain and  
14 Cherryville."

15 SECTION 3.(b) Sec. 2 of Chapter 633 of the Session Laws of 1977 reads as  
16 rewritten:

17 "Sec. 2. Composition of board of education. Notwithstanding Section 115-18 of the  
18 General Statutes of North Carolina, the board of education shall consist of nine members. Two  
19 members shall be elected by the duly qualified voters of Gaston County without regard to  
20 residence in any particular township and seven members shall be elected by the duly qualified  
21 voters of Gaston County from the following townships:

- 22 (1) Cherryville Township shall be entitled to one member.  
23 (2) Crowders Mountain Township shall be entitled to one member.  
24 (3) Dallas Township shall be entitled to one member.  
25 (4) North Gastonia Township shall be entitled to two members. one member.  
26 (5) Riverbend Township shall be entitled to one member.  
27 (6) Southpoint Township shall be entitled to one member.  
28 (7) South Gastonia Township shall be entitled to one member."

29 SECTION 3.(c) This section is effective January 1, 2016, and applies to elections  
30 held on or after that date. This section does not affect the office of any member of the Gaston  
31 County Board of Commissioners or Gaston County Board of Education elected or appointed  
32 before that date.



\* S 1 0 1 - A T H - 5 9 - V - 4 \*



NORTH CAROLINA GENERAL ASSEMBLY

AMENDMENT

Senate Bill 101

AMENDMENT NO. \_\_\_\_\_

(to be filled in by

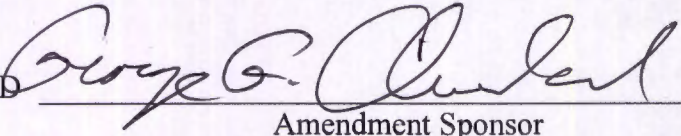
Principal Clerk)

S101-ATH-59 [v.4]

Page 2 of 2

1           **SECTION 4.** Except as otherwise provided, this act is effective when it becomes  
2 law.";  
3  
4 and by changing the short title to read:  
5 "Omnibus Local Act."

SIGNED

  
Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 101

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S101-ATH-59 [v.4]

Page 2 of 2

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SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 101

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S101-ATH-59 [v.4]

Page 1 of 2

Amends Title [YES]  
Second Edition

Date \_\_\_\_\_, 2015

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32 before that date.



★ S 1 0 1 - A T H - 5 9 - V - 4 ★



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 101

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S101-ATH-59 [v.4]

Page 1 of 2

Amends Title [YES]  
Second Edition

Date \_\_\_\_\_, 2015

Representative Cleveland

moves to amend the bill on page 1, line 5, by rewriting the line to read:

"G.S. 153A-15; AND TO MAKE A CONFORMING CHANGE TO THE GASTON COUNTY BOARD OF COMMISSIONERS AND GASTON COUNTY BOARD OF EDUCATION RESULTING FROM A CHANGE IN TOWNSHIP LINES.";

and on page 2, line 48, by rewriting the line to read:

"SECTION 3.(a) Sec. 3 of Chapter 375 of the Session Laws of 1975 reads as rewritten:

"Sec. 3. After 1976 there shall be seven county commissioners for Gaston County, ~~two of whom must be residents of Gastonia Township and one each from the townships of North Gastonia, South Gastonia, Dallas, Riverbend, Southpoint, Crowders Mountain and Cherryville.~~"

SECTION 3.(b) Sec. 2 of Chapter 633 of the Session Laws of 1977 reads as rewritten:

"Sec. 2. Composition of board of education. Notwithstanding Section 115-18 of the General Statutes of North Carolina, the board of education shall consist of nine members. Two members shall be elected by the duly qualified voters of Gaston County without regard to residence in any particular township and seven members shall be elected by the duly qualified voters of Gaston County from the following townships:

- (1) Cherryville Township shall be entitled to one member.
- (2) Crowders Mountain Township shall be entitled to one member.
- (3) Dallas Township shall be entitled to one member.
- (4) North Gastonia Township shall be entitled to two members, one member.
- (5) Riverbend Township shall be entitled to one member.
- (6) Southpoint Township shall be entitled to one member.
- (7) South Gastonia Township shall be entitled to one member."

SECTION 3.(c) This section is effective January 1, 2016, and applies to elections held on or after that date. This section does not affect the office of any member of the Gaston County Board of Commissioners or Gaston County Board of Education elected or appointed before that date.



\* S 1 Q 1 - A T H - 5 9 - V - 4 \*

NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 101

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S101-ATH-59 [v.4]

Page 2 of 2

1           **SECTION 4.** Except as otherwise provided, this act is effective when it becomes  
2 law.";  
3  
4 and by changing the short title to read:  
5 "Omnibus Local Act".

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



## SENATE BILL 304: Administration of Logo Sign Program

2015-2016 General Assembly

<b>Committee:</b>	House Local Government, if favorable, Transportation	<b>Date:</b>	August 18, 2015
<b>Introduced by:</b>	Sen. B. Jackson	<b>Prepared by:</b>	Kelly Tornow
<b>Analysis of:</b>	PCS to First Edition S304-CSTH-38		Committee Counsel

**SUMMARY:** *Senate Bill 304 extends the DOT logo sign program to include partially controlled-access State roads. The PCS corrects the effective date of the bill – originally the effective date for Section 1 was July 1, 2015.*

**CURRENT LAW:** Under current G.S. 136-89.56, the location of fuel, gas, food, lodging, camping, and attraction facilities are indicated to the users of State controlled access facilities by appropriate logos placed on signs owned, controlled, and erected within the right-of-way of fully controlled-access highways by the Department of Transportation. Fully controlled-access highways are interstate and other freeway-type roads.

### BILL ANALYSIS:

**Section 1** of Senate Bill 304 extends the areas that DOT may place logo signs to include partially controlled-access State roads. A partially controlled-access road is a divided highway with limited or no driveway access to adjoining properties, and intersections instead of interchanges at some or all cross roads.

**Section 2** of the bill directs DOT to adopt temporary rules to implement the act.

**EFFECTIVE DATE:** This act is effective when it becomes law.

*Giles Perry, counsel to Senate Transportation, substantially contributed to this summary.*

O. Walker Reagan  
Director



\* S 3 0 4 - S M T H - 9 7 C S T H - 3 8 - V 1 \*

Research Division  
(919) 733'-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 304  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S304-CSTH-38 [v.1]

8/17/2015 11:51:52 AM

Short Title: Administration of Logo Sign Program.

(Public)

Sponsors:

Referred to:

March 18, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THAT LOGO SIGNS MAY BE PLACED ON THE  
3 RIGHT-OF-WAY OF FULLY AND PARTIALLY CONTROLLED-ACCESS  
4 HIGHWAYS AND TO PROVIDE THAT THE TRANSPORTATION MOBILITY AND  
5 SAFETY DIVISION OF THE DEPARTMENT OF TRANSPORTATION SHALL  
6 ADMINISTER THE LOGO SIGN PROGRAM.

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** G.S. 136-89.56 reads as rewritten:

9 **"§ 136-89.56. Commercial enterprises.**

10 No commercial enterprises or activities shall be authorized or conducted by the Department  
11 of Transportation, or the governing body of any city or town, within or on the property acquired  
12 for or designated as a controlled-access facility, as defined in this Article, except for:

- 13 (1) Materials displayed at welcome centers which shall be directly related to  
14 travel, accommodations, tourist-related activities, tourist-related services,  
15 and attractions. The Department of Transportation shall issue rules  
16 regulating the display of these materials. These materials may contain  
17 advertisements for real estate; and
- 18 (2) Vending machines permitted by the Department of Transportation and  
19 placed by the Division of Services for the Blind, Department of Health and  
20 Human Services, as the State licensing agency designated pursuant to  
21 Section 2(a)(5) of the Randolph-Sheppard Act (20 USC 107a(a)(5)). The  
22 Department of Transportation shall regulate the placing of the vending  
23 machines in highway rest areas and shall regulate the articles to be  
24 dispensed. In order to permit the establishment of adequate fuel and other  
25 service facilities by private owners or their lessees for the users of a  
26 controlled-access facility, the Department of Transportation shall permit  
27 access to service or frontage roads within the publicly owned right-of-way of  
28 any controlled-access facility established or designated as provided in this  
29 Article, at points which, in the opinion of the Department of Transportation,  
30 will best serve the public interest. The location of such fuel and other service  
31 facilities may be indicated to the users of the controlled-access facilities by  
32 appropriate signs, the size, style, and specifications of which shall be  
33 determined by the Department of Transportation.

34 The location of fuel, gas, food, lodging, camping, and attraction facilities may be indicated  
35 to the users of the controlled-access facilities by appropriate logos placed on signs owned,  
36 controlled, and erected within the right-of-way of fully and partially controlled-access



1 highways by the Department of Transportation. The owners, operators or lessees of fuel, gas,  
2 food, lodging, camping, and attraction facilities who wish to place a logo identifying their  
3 business or service on a sign shall furnish a logo meeting the size, style and specifications  
4 determined by the Department of Transportation and shall pay the Department of  
5 Transportation a fee set by the Board of Transportation. The Board shall set the fee to cover the  
6 initial costs of signs, sign installation, and maintenance, and the costs of administering the logo  
7 sign program. The Transportation Mobility and Safety Division of the Department of  
8 Transportation shall administer the logo sign program, including receiving requests for  
9 information concerning the logo sign program."

10 **SECTION 2.** The Department of Transportation shall adopt temporary rules to  
11 implement this act.

12 **SECTION 3.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 304

Short Title: Administration of Logo Sign Program. (Public)

Sponsors: Senator B. Jackson (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 18, 2015

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT LOGO SIGNS MAY BE PLACED ON THE  
RIGHT-OF-WAY OF FULLY AND PARTIALLY CONTROLLED-ACCESS  
HIGHWAYS AND TO PROVIDE THAT THE TRANSPORTATION MOBILITY AND  
SAFETY DIVISION OF THE DEPARTMENT OF TRANSPORTATION SHALL  
ADMINISTER THE LOGO SIGN PROGRAM.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 136-89.56 reads as rewritten:

**"§ 136-89.56. Commercial enterprises.**

No commercial enterprises or activities shall be authorized or conducted by the Department of Transportation, or the governing body of any city or town, within or on the property acquired for or designated as a controlled-access facility, as defined in this Article, except for:

- (1) Materials displayed at welcome centers which shall be directly related to travel, accommodations, tourist-related activities, tourist-related services, and attractions. The Department of Transportation shall issue rules regulating the display of these materials. These materials may contain advertisements for real estate; and
- (2) Vending machines permitted by the Department of Transportation and placed by the Division of Services for the Blind, Department of Health and Human Services, as the State licensing agency designated pursuant to Section 2(a)(5) of the Randolph-Sheppard Act (20 USC 107a(a)(5)). The Department of Transportation shall regulate the placing of the vending machines in highway rest areas and shall regulate the articles to be dispensed. In order to permit the establishment of adequate fuel and other service facilities by private owners or their lessees for the users of a controlled-access facility, the Department of Transportation shall permit access to service or frontage roads within the publicly owned right-of-way of any controlled-access facility established or designated as provided in this Article, at points which, in the opinion of the Department of Transportation, will best serve the public interest. The location of such fuel and other service facilities may be indicated to the users of the controlled-access facilities by appropriate signs, the size, style, and specifications of which shall be determined by the Department of Transportation.

The location of fuel, gas, food, lodging, camping, and attraction facilities may be indicated to the users of the controlled-access facilities by appropriate logos placed on signs owned, controlled, and erected within the right-of-way of fully and partially controlled-access



1 highways by the Department of Transportation. The owners, operators or lessees of fuel, gas,  
2 food, lodging, camping, and attraction facilities who wish to place a logo identifying their  
3 business or service on a sign shall furnish a logo meeting the size, style and specifications  
4 determined by the Department of Transportation and shall pay the Department of  
5 Transportation a fee set by the Board of Transportation. The Board shall set the fee to cover the  
6 initial costs of signs, sign installation, and maintenance, and the costs of administering the logo  
7 sign program. The Transportation Mobility and Safety Division of the Department of  
8 Transportation shall administer the logo sign program, including receiving requests for  
9 information concerning the logo sign program."

10 **SECTION 2.** The Department of Transportation shall adopt temporary rules to  
11 implement this act.

12 **SECTION 3.** Section 1 of this this act becomes effective July 1, 2015. The  
13 remainder of this act is effective when it becomes law.

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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

4

SENATE BILL 330  
Education/Higher Education Committee Substitute Adopted 4/22/15  
Finance Committee Substitute Adopted 4/28/15  
Fourth Edition Engrossed 4/29/15

Short Title: Change Orders on School Construction Projects

(Public)

Sponsors:

Referred to:

March 19, 2015

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAW REGARDING CHANGE ORDERS ON SCHOOL  
CONSTRUCTION PROJECTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115C-521 is amended by adding a new subsection to read:

"(h) All change orders involving school construction contracts shall be approved by the local board of education, except as provided in a policy adopted by a local board of education under this subsection. A change order must be submitted by architect to the superintendent. If a change order that is required to be approved by the local board of education must be approved before the next regularly scheduled board meeting due to (i) a health or safety issue; (ii) a delay of the construction project; or (iii) the risk of increased cost, as determined by the superintendent, the chair of the local board of education or the chair's designee from among the other board members may approve the order at the request of the superintendent. The superintendent shall report the change order to the local board of education at its next regularly scheduled meeting. If the chair of the local board of education or the chair's designee does not approve the change order, a special board meeting shall be called. The local board of education shall adopt a policy providing change orders are not subject to approval by the local board of education but may be approved by the superintendent or superintendent's designee for change orders that do not exceed the following amounts:

- (1) In a local school administrative unit that has had an average of at least fifty million dollars (\$50,000,000) of school construction projects over the prior five years, the amount may not exceed one hundred thousand dollars (\$100,000).
- (2) In a local school administrative unit that has had an average of less than fifty million dollars (\$50,000,000) of school construction projects over the prior five years, the amount may not exceed twenty-five thousand dollars (\$25,000)."

**SECTION 2.** This act becomes effective October 1, 2015.



\* S 3 3 0 - V - 4 \*

*Fuller*



## SENATE BILL 330: Change Orders on School Construction Projects

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sens. McInnis, Tillman  
**Analysis of:** Fourth Edition

**Date:** August 17, 2015  
**Prepared by:** R. Erika Churchill  
Committee Counsel

**SUMMARY:** *Senate Bill 330 would require all local board of education to adopt a policy to allow the superintendent, or the superintendent's designee, to approved change orders on school construction projects in some instances, and would provide a mechanism for approval by the chair of the local board of education, or the chair's designee, in certain instances.*

**CURRENT LAW:** A number of local boards of education have adopted policies regarding the approval of change orders on school construction projects and the authority of board employees to make change orders without the approval of the board. The threshold amount varies among the local boards of education throughout the State.

**BILL ANALYSIS:** Senate Bill 330 would require all change orders involving school construction be submitted by the architect to the superintendent, and approved by the local board of education. The local board of education shall adopt a policy that allows the superintendent, or the superintendent's designee, to approve change orders up to the following amounts:

- For local school administrative units (LEAs) that have had an average of at least \$50,000,000 of school construction projects over the prior five years, the superintendent or the superintendent's designee can approve a change order of up to \$100,000 without local board approval.
- For LEAs that have had an average of less than \$50,000,000 of school construction projects over the prior five years, the superintendent or the superintendent's designee can approve a change order of up to \$25,000 without local board approval.

For change orders that require approval by the local board of education, the chair of the local board, or the chair's designee from among the other board members, may approve the change order if approval before the next regularly scheduled board meeting is needed due to any of the following:

1. Health or safety issues.
2. Delay of the project.
3. Risk of increased cost, the chair of the local board, or the chair's designee from among the other board members, may approve the change.

If the chair, or the chair's designee, approves the change order, the superintendent must report that to the local board of education at the next regularly scheduled meeting. If the chair, or the chair's designee, does not approve the change order, then a special board meeting must be called.

**EFFECTIVE DATE:** October 1, 2015.

*Drupti Chauhan and Heather Fennell substantially contributed to this summary.*

O. Walker Reagan  
Director



Research Division  
(919) 733-2578



2nd summary

## SENATE BILL 379: Cemeteries Located on State Property

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sens. Bingham, McKissick  
**Analysis of:** PCS to Second Edition  
S379-CSSU-35

**Date:** August 18, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 379 (PCS) requires each State agency to identify and inventory all known cemeteries on State lands allocated to that agency, and provide that inventory listing to the State Property Office and the Department of Cultural Resources; and authorizes State agencies to allow family members or other interested persons to maintain cemeteries.*

**CURRENT LAW:** Current State laws governing archaeological resources, including graves, are governed by Chapter 70 of the General Statutes.

### BILL ANALYSIS:

**Section 1** of Senate Bill 379 (proposed committee substitute) enacts new G.S. 70-21, concerning cemeteries on State lands.

This section:

- Requires the head of each State agency to identify and inventory all known cemeteries on State-owned property allocated to that agency, and provide that inventory listing to the State Property Office and the Department of Cultural Resources.
- Provides that State agencies would not be required to provide State funds to maintain the cemeteries, unless required by law, directed by court order, or if necessary to correct a known safety hazard.

Authorizes State agencies to allow family members or other interested persons to maintain cemeteries, including erecting signs, fencing, grave markers, monuments, and tombstones with the designated boundaries of the cemetery, if such activity does not create a safety hazard to the public. Approval from the agency would be necessary prior to any actions by the family member or interested person.

**EFFECTIVE DATE:** Effective when it becomes law.

✓

O. Walker Reagan  
Director



Research Division  
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# SENATE BILL 379: Cemeteries Located on State Property

2015-2016 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sens. Bingham, McKissick  
**Analysis of:** PCS to Second Edition  
S379-CSRWF-47

**Date:** August 17, 2015  
**Prepared by:** Giles S. Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 379, in Section 1, requires each State agency to identify and inventory all known cemeteries on State lands allocated to that agency, and provide that inventory listing to the State Property Office and the Department of Cultural Resources; and requires the Department of Cultural Resources to map, mark, and delineate all cemeteries on State lands, and ensure they are preserved from encroachment.*

*The proposed committee substitute adds Sections 2 and 3<sup>1</sup> to the bill, increasing the license fee for operating a cemetery company, and modifying the county population and minimum acreage requirements for certain tracts of land used as cemeteries.*

**CURRENT LAW:** Current State laws governing archaeological resources, including graves, are governed by Chapter 70 of the General Statutes.

Article 5 of Chapter 65 is the North Carolina Cemetery Act, governing businesses operating cemeteries.

## BILL ANALYSIS:

**Section 1** of Senate Bill 379 (proposed committee substitute) enacts new G.S. 70-21, concerning cemeteries on State lands.

This section:

- Requires the head of each State agency to identify and inventory all known cemeteries on State-owned property allocated to that agency, and provide that inventory listing to the State Property Office and the Department of Cultural Resources.
- Requires the Department of Cultural Resources, with the assistance of the State agencies, would be required to map, mark, and delineate all cemeteries on State property, and ensure, to the extent possible, that all cemetery boundaries on State property are clearly laid out, defined, and marked, and to take proper steps to preserve them from encroachment.
- Provides that State agencies would not be required to provide State funds to maintain the cemeteries, unless required by law, directed by court order, or if necessary to correct a known safety hazard.
- Authorizes State agencies to allow family members or other interested persons to maintain cemeteries, including erecting signs, fencing, grave markers, monuments, and tombstones with the designated boundaries of the cemetery, if such activity does not create a safety hazard to the public. Approval from the respective State agency and the Department of Cultural Resources would be necessary prior to any actions by the family member or interested person.

<sup>1</sup> Sections 2 and 3 of the PCS are from House Bill 937.

O. Walker Reagan  
Director



Research Division  
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# Senate Bill 379

*Page 2*

**Section 2** of the bill amends G.S. 65-55 to increase the license fee for operating a cemetery company from \$1,600 to \$1,700. In addition, this section changes the areas where a required cemetery acreage of 15 acres is authorized: from a county of less than 35,000 in population, to a county of less than 125,000 in population.

**Section 3** of the bill amends G.S. 65-69 to provide that if acreage of a licensed cemetery is sold in a county with a population of less than 125,000, and the licensee has fewer than 30 acres of unencumbered land for use by the licensee after the sale, the licensee must transfer to the perpetual care fund an amount equal to three percent (3%) of the gross sales price at fair market value of up to 15 acres sold, within 60 days of the sale.

**EFFECTIVE DATE:** Effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 379  
State and Local Government Committee Substitute Adopted 3/31/15  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S379-CSSU-35 [v.1]

8/12/2015 5:42:51 PM

Short Title: Cemeteries Located on State Property.

(Public)

Sponsors:

Referred to:

March 25, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT RELATING TO CEMETERIES LOCATED ON LANDS OWNED, OCCUPIED,  
3 OR CONTROLLED BY THE STATE.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Article 2 of Chapter 70 of the General Statutes is amended by adding  
6 a new section to read:

7 "**§70-21. Cemeteries on State lands.**

8 (a) To preserve the sanctity of cemeteries located on State lands, the head of each State  
9 agency shall have the following duties and responsibilities:

10 (1) To identify and inventory all known cemeteries on State lands allocated to  
11 that State agency.

12 (2) To furnish a copy of the inventory to the State Property Office and the  
13 Department of Cultural Resources.

14 (b) State agencies are not required to provide State funds or other resources to maintain  
15 cemeteries on State land, except when required by law, regulation, or ordinance; directed by  
16 court order; or necessary to correct a known safety hazard to the public.

17 (c) State agencies may allow a family member or other interested person to maintain  
18 cemeteries and erect signs, fencing, grave markers, monuments, and tombstones within the  
19 designated boundaries of the cemetery if this activity does not constitute a safety hazard to the  
20 public. The family member or person shall obtain approval from the respective State agency  
21 and shall be responsible for any expense incurred by the activity."

22 SECTION 2. This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 379  
State and Local Government Committee Substitute Adopted 3/31/15  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S379-CSRWF-47 [v.1]

8/17/2015 2:16:59 PM

Short Title: Cemetery changes.

(Public)

Sponsors:

Referred to:

March 25, 2015

A BILL TO BE ENTITLED  
AN ACT RELATING TO CEMETERIES LOCATED ON LANDS OWNED, OCCUPIED,  
OR CONTROLLED BY THE STATE; TO INCREASE THE LICENSE FEE FOR  
OPERATING A CEMETERY COMPANY; AND TO MODIFY THE COUNTY  
POPULATION AND MINIMUM ACREAGE REQUIREMENTS IN CERTAIN TRACTS  
OF LAND USED AS CEMETERIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 2 of Chapter 70 of the General Statutes is amended by adding  
a new section to read:

**"§70-21. Cemeteries on State lands.**

(a) To preserve the sanctity of cemeteries located on State lands, the head of each State  
agency shall have the following duties and responsibilities:

(1) To identify and inventory all known cemeteries on State lands allocated to  
that State agency.

(2) To furnish a copy of the inventory to the State Property Office and the  
Department of Cultural Resources.

(b) The Department of Cultural Resources, with the cooperation of each respective  
State agency, shall have the following duties and responsibilities:

(1) To map, mark, and delineate all cemeteries on State lands.

(2) To ensure, to the extent possible, that all cemetery boundaries on State lands  
are clearly laid out, defined, and marked and to take proper steps to preserve  
them from encroachment.

(c) State agencies are not required to provide State funds or other resources to maintain  
cemeteries on State land, except when required by law, regulation, or ordinance; directed by  
court order; or necessary to correct a known safety hazard to the public.

(d) State agencies may allow a family member or other interested person to maintain  
cemeteries and erect signs, fencing, grave markers, monuments, and tombstones within the  
designated boundaries of the cemetery if this activity does not constitute a safety hazard to the  
public. The family member or person shall obtain approval from the respective State agency  
and the Department of Cultural Resources prior to performing any activity authorized under  
this subsection and shall be responsible for any expense incurred by the activity."

**SECTION 2.** G.S. 65-55 reads as rewritten:

**"§ 65-55. License; cemetery company.**

...



(c) Upon receipt of the application and filing fee to be set by the Commission in an amount not to exceed one thousand ~~six-seven~~ hundred dollars ~~(\$1,600), (\$1,700)~~, the Commission shall cause an investigation to be made to establish the following criteria for approval of the application:

- (1) The creation of a legal entity to conduct cemetery business, and its proposed financial structure.
- (2) A perpetual care trust fund agreement, with an initial deposit of not less than fifty thousand dollars (\$50,000) and with a bank cashier's check or certified check attached for the amount made payable to the trustee. The trust fund agreement must be executed by the applicant, accepted by the trustee, and conditional only upon approval of the application.
- (3) A plat of the land to be used for the cemetery, showing the location of the cemetery and the access roads to the cemetery.
- (4) Designation by the legal entity wishing to establish a cemetery of a general manager. The general manager must be a person of good moral character and have at least one year's experience in cemeteries.
- (5) Development plans sufficient to ensure the community that the cemetery will provide adequate cemetery services and that the property is suitable for use as a cemetery.

...

(f) If the Commission intends to grant the authority, it shall give written notice that the authority to organize a cemetery has been granted and that a license to operate will be issued upon the completion of the following:

- (1) Establishment of the care and maintenance trust fund and receipt by the Commission of a certificate from the trust company, certifying receipt of the initial deposit required under this Article.
- (2) Full development, ready for burial, of not less than two acres including a completed paved road from a public roadway to said developed section, certified by inspection of the Commission or its representative.
- (3) A description, by metes and bounds, of the acreage tract of ~~such-the~~ proposed cemetery, together with evidence, by title insurance policy or by certificate of an attorney-at-law, certifying that the applicant is the owner in fee simple of ~~such-the~~ tract of land, which must contain not less than 30 acres, and that the title to not less than 30 acres is free and clear of all encumbrances. In counties with a population of less than ~~35,000 population~~ 125,000 according to the latest federal decennial census the tract need be only 15 acres.
- (4) A plat of the cemetery showing the number and location of all lots surveyed and permanently staked for sale."

**SECTION 3.** G.S. 65-69 reads as rewritten:

**"§ 65-69. Minimum acreage; sale or disposition of cemetery lands.**

(a) Each licensee shall set aside a minimum of 30 acres of land for use by ~~said-that~~ licensee as a cemetery, and shall not sell, mortgage, lease or encumber the same. In counties with a population of less than 125,000 according to the latest federal decennial census, the tract need be only 15 acres.

(b) The fee simple title, or lesser estate, in any lands owned by licensee and dedicated for use by it as a cemetery, which are contiguous, adjoining, or adjacent to the minimum ~~of 30~~ acres ~~acreage~~ described in ~~subsection (a), subsection (a) of this section,~~ may be sold, conveyed, or disposed of, or any part thereof, by the licensee, for use by the new owner for other purposes than as a cemetery; provided that no bodies have been previously interred therein; and provided further, that any and all titles, interests, or burial rights which may have been sold or contracted

1 to be sold in such lands which are the subject of such sale shall be conveyed to and revested in  
2 the licensee prior to consummation of any such sale, conveyance or disposition.

3 (c) Any licensee may convey and transfer to a municipality or county its real and  
4 personal property together with moneys deposited with the trustee; provided said municipality  
5 or county will accept responsibility for maintenance thereof and prior written approval of the  
6 Commission is first obtained.

7 (d) The provisions of subsections (a) and (b) of this section relating to a requirement for  
8 minimum acreage shall not apply to those cemeteries licensed by the Commission on or before  
9 July 1, 1967, which own or control a total of less than 30 acres of land; provided that such  
10 cemeteries shall not dispose of any of such lands. A nongovernment lien or other interest in  
11 land acquired in violation of this section is void.

12 (e) If, after lands are sold under subsection (b) of this section in a county with a  
13 population of less than 125,000 according to the latest federal decennial census and the licensee  
14 has less than 30 acres of unencumbered land for use by the licensee after the sale, the licensee  
15 shall transfer to the perpetual care fund an amount equal to three percent (3%) of the gross sales  
16 price at fair market value of up to 15 acres sold, within 60 days of the sale."

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

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 379  
State and Local Government Committee Substitute Adopted 3/31/15

Short Title: Cemeteries Located on State Property.

(Public)

Sponsors:

Referred to:

March 25, 2015

A BILL TO BE ENTITLED

AN ACT RELATING TO CEMETERIES LOCATED ON LANDS OWNED, OCCUPIED,  
OR CONTROLLED BY THE STATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 2 of Chapter 70 of the General Statutes is amended by adding a new section to read:

**"§70-21. Cemeteries on State lands.**

(a) To preserve the sanctity of cemeteries located on State lands, the head of each State agency shall have the following duties and responsibilities:

(1) To identify and inventory all known cemeteries on State lands allocated to that State agency.

(2) To furnish a copy of the inventory to the State Property Office and the Department of Cultural Resources.

(b) The Department of Cultural Resources, with the cooperation of each respective State agency, shall have the following duties and responsibilities:

(1) To map, mark, and delineate all cemeteries on State lands.

(2) To ensure, to the extent possible, that all cemetery boundaries on State lands are clearly laid out, defined, and marked and to take proper steps to preserve them from encroachment.

(c) State agencies are not required to provide State funds or other resources to maintain cemeteries on State land, except when required by law, regulation, or ordinance; directed by court order; or necessary to correct a known safety hazard to the public.

(d) State agencies may allow a family member or other interested person to maintain cemeteries and erect signs, fencing, grave markers, monuments, and tombstones within the designated boundaries of the cemetery if this activity does not constitute a safety hazard to the public. The family member or person shall obtain approval from the respective State agency and the Department of Cultural Resources prior to performing any activity authorized under this subsection and shall be responsible for any expense incurred by the activity."

**SECTION 2.** This act is effective when it becomes law.





NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 379

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S379-ARWf-38 [v.1]

Page 1 of 3

Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2015

1 moves to amend the bill on page \_\_, by adding the following after Section 1:

2  
3 "SECTION 2. G.S. 65-55 reads as rewritten:

4 "§ 65-55. License; cemetery company.

5 ...  
6 (c) Upon receipt of the application and filing fee to be set by the Commission in an  
7 amount not to exceed one thousand ~~six~~seven hundred dollars (~~\$1,600~~), (\$1,700), the  
8 Commission shall cause an investigation to be made to establish the following criteria for  
9 approval of the application:

- 10 (1) The creation of a legal entity to conduct cemetery business, and its proposed  
11 financial structure.  
12 (2) A perpetual care trust fund agreement, with an initial deposit of not less than  
13 fifty thousand dollars (\$50,000) and with a bank cashier's check or certified  
14 check attached for the amount made payable to the trustee. The trust fund  
15 agreement must be executed by the applicant, accepted by the trustee, and  
16 conditional only upon approval of the application.  
17 (3) A plat of the land to be used for the cemetery, showing the location of the  
18 cemetery and the access roads to the cemetery.  
19 (4) Designation by the legal entity wishing to establish a cemetery of a general  
20 manager. The general manager must be a person of good moral character  
21 and have at least one year's experience in cemeteries.  
22 (5) Development plans sufficient to ensure the community that the cemetery will  
23 provide adequate cemetery services and that the property is suitable for use  
24 as a cemetery.

25 ...  
26 (f) If the Commission intends to grant the authority, it shall give written notice that the  
27 authority to organize a cemetery has been granted and that a license to operate will be issued  
28 upon the completion of the following:

- 29 (1) Establishment of the care and maintenance trust fund and receipt by the  
30 Commission of a certificate from the trust company, certifying receipt of the  
31 initial deposit required under this Article.



\* S 3 7 9 - A R W F - 3 8 - V - 1 \*



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 379

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S379-ARWf-38 [v.1]

Page 2 of 3

- 1           (2) Full development, ready for burial, of not less than two acres including a  
2           completed paved road from a public roadway to said developed section,  
3           certified by inspection of the Commission or its representative.  
4           (3) A description, by metes and bounds, of the acreage tract of ~~such~~the  
5           proposed cemetery, together with evidence, by title insurance policy or by  
6           certificate of an attorney-at-law, certifying that the applicant is the owner in  
7           fee simple of ~~such~~the tract of land, which must contain not less than 30  
8           acres, and that the title to not less than 30 acres is free and clear of all  
9           encumbrances. In counties with a population of less than ~~35,000~~population  
10          125,000 according to the latest federal decennial census the tract need be  
11          only 15 acres.  
12          (4) A plat of the cemetery showing the number and location of all lots surveyed  
13          and permanently staked for sale."

14          **SECTION 3. G.S. 65-69 reads as rewritten:**

15          **"§ 65-69. Minimum acreage; sale or disposition of cemetery lands.**

16          (a) Each licensee shall set aside a minimum of 30 acres of land for use by ~~said~~that  
17          licensee as a cemetery, and shall not sell, mortgage, lease or encumber the same. In counties  
18          with a population of less than 125,000 according to the latest federal decennial census, the tract  
19          need be only 15 acres.

20          (b) The fee simple title, or lesser estate, in any lands owned by licensee and dedicated  
21          for use by it as a cemetery, which are contiguous, adjoining, or adjacent to the minimum ~~of 30~~  
22          ~~acres~~acreage described in ~~subsection (a)~~subsection (a) of this section, may be sold, conveyed,  
23          or disposed of, or any part thereof, by the licensee, for use by the new owner for other purposes  
24          than as a cemetery; provided that no bodies have been previously interred therein; and provided  
25          further, that any and all titles, interests, or burial rights which may have been sold or contracted  
26          to be sold in such lands which are the subject of such sale shall be conveyed to and revested in  
27          the licensee prior to consummation of any such sale, conveyance or disposition.

28          (c) Any licensee may convey and transfer to a municipality or county its real and  
29          personal property together with moneys deposited with the trustee; provided said municipality  
30          or county will accept responsibility for maintenance thereof and prior written approval of the  
31          Commission is first obtained.

32          (d) The provisions of subsections (a) and (b) of this section relating to a requirement for  
33          minimum acreage shall not apply to those cemeteries licensed by the Commission on or before  
34          July 1, 1967, which own or control a total of less than 30 acres of land; provided that such  
35          cemeteries shall not dispose of any of such lands. A nongovernment lien or other interest in  
36          land acquired in violation of this section is void.

37          (e) If, after lands are sold under subsection (b) of this section in a county with a  
38          population of less than 125,000 according to the latest federal decennial census and the licensee  
39          has less than 30 acres of unencumbered land for use by the licensee after the sale, the licensee  
40          shall transfer to the perpetual care fund an amount equal to three percent (3%) of the gross sales  
41          price at fair market value of up to 15 acres sold, within 60 days of the sale."; and

42  
43          By amending the title accordingly.



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 379


AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S379-ARWf-38 [v.1]

Page 3 of 3

1

SIGNED \_\_\_\_\_

  
Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_





failed

NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 379

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S379-ARWf-38 [v.1]

Page 1 of 3

Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2015

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\* S 3 7 9 - A R W F - 3 8 - V - 1 \*

NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 379

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S379-ARWf-38 [v.1]

Page 2 of 3

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4           (3) A description, by metes and bounds, of the acreage tract of ~~such-the~~  
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6           certificate of an attorney-at-law, certifying that the applicant is the owner in  
7           fee simple of ~~such-the~~ tract of land, which must contain not less than 30  
8           acres, and that the title to not less than 30 acres is free and clear of all  
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41          price at fair market value of up to 15 acres sold, within 60 days of the sale."; and  
42

43          By amending the title accordingly.

NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 379

S379-ARWf-38 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 3 of 3

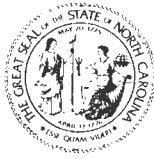
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SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_





NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 379

S379-AST-137 [v.2]

FAILED  
PASSED

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
S379-CSSU-35 v.1

Date \_\_\_\_\_, 2015

Representative Pendleton

1 moves to amend the bill on page 1, lines 13-14, by inserting the following between those lines:

2  
3 "(3) To furnish a copy of the inventory to the register of deeds in the  
4 county in which the State lands are located.";

5  
6 And on page 1, line 22, by rewriting that line to read:

7  
8 "SECTION 2. Article 2 of Chapter 161 is amended by adding a new section to  
9 read:

10 "§ 161-32. Inventory of cemeteries.

11 The register of deeds shall maintain an inventory of cemeteries located in the county, if  
12 reported to the register of deeds."

13 SECTION 3. This act becomes effective October 1, 2015."

SIGNED \_\_\_\_\_

Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



★ S 3 7 9 - A S T - 1 3 7 - V - 2 ★



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB**

SB 101 (CS#1) 1st Senatorial District Local Act.  
Draft Number: S101-PCS15266-TH-39  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Steinburg

SB 379 (CS#1) Cemeteries Located on State Property.  
Draft Number: S379-PCS45403-SU-35  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Watford

**FAVORABLE COM SUB NO. 2, UNFAVORABLE COM SUB NO. 1**

HB 430 (CS#1) County Omnibus Legislation.  
Draft Number: H430-PCS40502-R1-18  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: McElraft

TOTAL REPORTED: 3





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE HOUSE COM SUB, UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

SB 304

Administration of Logo Sign Program.

Draft Number: S304-PCS35309-TH-38

**Serial Referral: TRANSPORTATION**

Recommended Referral: None

Long Title Amended: No

Floor Manager: L. Bell

TOTAL REPORTED: 1



\* C M R 5 7 3 - V - 1 \*



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov

08/18/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Dyanne Matzkevich	NCCA
RUSTY TYSON	NCCA
Lucius PULLEN	ATTORNEY - NCCA
Jon Carr	NC Funeral Directors Association
Johanna Reese	NCACC
Hugh Johnson	NCACC
SAN HOEKSTRA	NCACC
Rhonda Todd	DOA
Chris Nida	NCLM
Sarah Collins	NCLM



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov

08/18/15

Name of Committee

Date

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NAME

FIRM OR AGENCY AND ADDRESS

Jillian Totman	MWC LLC
TOMMY BERN	EDF, NCSEA
Ken Howell	DCR
Sue Ann Forrest	NCICU
Tom West	NCICU
David Collins	SEANC
Flint BENSON	SEANC
Jim	Misc
Doug Lamb	NCSTA
David Farrell	VB
Ryan J. [Signature]	Governor's Office



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov

08/18/15

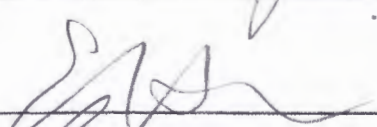
Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

David Heinen	NC Center for Nonprofits
Annaliese Dolph	DL
Dick Carlton	Law of J. J. K. K.
Miller Nichols	Jordan Price
Gene Russell	NCFPC
Martha Jenkins	DCR
	ECPC
Tom Killian	Nelson Mullins
John DeBorja	Brubaker Assoc.
Chris McClure	BP
Michael Houser	THCG



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov

08/18/15

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Amy McConkey	Nc Beverage Assn
Tim Mink	Nc Home Builders Assn
Erin Jones	TWC
Sarah Hardin	CTL
Penny Buff	School of Hor.
Sarah Bales	Brubaker Miss.
Betsy Barley	CAGC
Berry Jenkins	CAGC
Steve Brewer	CTL
Trey Robson	AST
Elizabeth Biser	Brooks Pinner



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov

08/18/15

Name of Committee

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NAME

FIRM OR AGENCY AND ADDRESS

Adam Bridemore	NCSBA
Bruce Mildwurf	NCSBA
Dan Hillbrook	NCSBA
Rick Zechini	William, MW/C
Brian Menard	WM
Hayden Bauguess	FSP
Mike Caruto	NCSBA
Kyler W. Jones	NCSA
Isabel Villa-Luna	NGAR
Douglas Heron	DUKE / COACH K
Corey HIND	B.G. BAD HOSPITALS



House Comm. on Local Gov 08/18/15

Date \_\_\_\_\_

NAME \_\_\_\_\_

[illegible]



# **HOUSE LOCAL GOVERNMENT COMMITTEE**

**Short Session 2016**

**Co-Chairmen: Representative Ted Davis, Jr.  
Representative Carl Ford**

**Committee Assistants: Kyle Chermak  
Judy Lowe**



**HOUSE COMMITTEE ON LOCAL GOVERNMENT**  
**2015 SESSION**

Clerks: Judy Lowe, Kyle Chermak



**Rep. Davis, Co-Chair**



**Rep. Ford, Co-Chair**



**Rep. Langdon, Vice-Chair**



**Rep. Ager**



**Rep. Boles**



**Rep. Brawley**



**Rep. R. Brown**



**Rep. Burr**



**Rep. Cleveland**



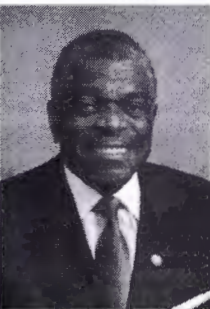
**Rep. Faircloth**



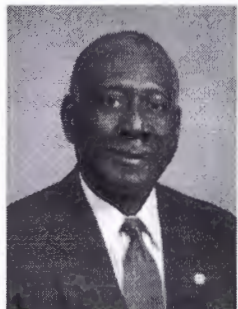
**Rep. Farmer-Butterfield**



**Rep. Fisher**



**Rep. Floyd**



**Rep. G. Graham**



**Rep. Holley**



**Rep. Jeter**



**Rep. Luebke**





**Rep. Pendleton**



**Rep. Ross**



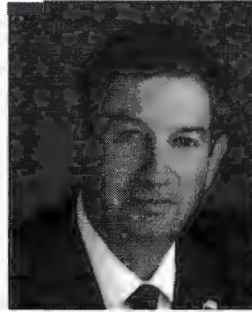
**Rep. Setzer**



**Rep. Szoka**



**Rep. Warren**



**Rep. Watford**



HOUSE COMMITTEE ON LOCAL GOVERNMENT

<u>MEMBER</u>	<u>ASSISTANT</u>	<u>PHONE</u>	<u>OFFICE</u>	<u>SEAT</u>
Rep. Davis, Jr., Chair	Judy Lowe	3-5786	418B	38
Rep. Ford, Chair	Kyle Chermak	3-5881	608	76
Rep. Langdon, Vice Chair	Thomas Goffe	3-5849	417B	17
Rep. Ager	Meredith Graf	3-5746	1315	115
Rep. Boles	Kerry Guice	3-5903	528	25
Rep. Brawley	Lynn Taylor	3-5800	534	31
Rep. R. Brown	Andrew Bailey	5-0873	633	61
Rep. Burr	Dina Long	3-5908	307A	16
Rep. Cleveland	Pamela Ahlin	5-6707	417A	18
Rep. Faircloth	Becky Bauerband	3-5877	613	39
Rep. Farmer-Butterfield	Tijuana Locus	3-5898	1220	45
Rep. Fisher	Cindy Garrison	5-2013	504	81
Rep. Floyd	Dorothy McLean	3-5959	1325	83
Rep. G. Graham	Beverlee Baker	3-5995	1321	91
Rep. Holley	Lee Lewis	3-5758	1213	95
Rep. Jeter	Brit Eller	3-5654	2226	113
Rep. Luebke	Joyce Harris	3-7663	513	70
Rep. Pendleton	Kathy Peters	3-5860	610	97
Rep. Ross	Laura Spratley	3-5820	2221	37
Rep. Setzer	Margaret Herring	3-4948	2204	7
Rep. Szoka	Beverly Slagle	3-9892	2223	73
Rep. Warren	Cristy Yates	3-5784	611	62
Rep. Watford	Regina Irwin	5-2526	2121	88

STAFF

Erika Churchill  
Giles Perry  
Kelly Quick Tornow

COMMITTEE ASST.

Judy Lowe  
Kyle Chermak



## ATTENDANCE

**House Committee on Local Government**

[illegible]



**House Committee on Local Government  
Tuesday, May 10, 2016 at 10:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM on May 10, 2016 in Room 643 of the Legislative Office Building. Representatives Ager, Boles, Burr, Davis, Faircloth, Fisher, Floyd, Ford, Langdon, Luebke, Pendleton, Ross, Setzer, Szoka, Warren, and Watford attended.

Representative Carl Ford, Chair, presided.

The Chair thanked the Sargent at Arms.

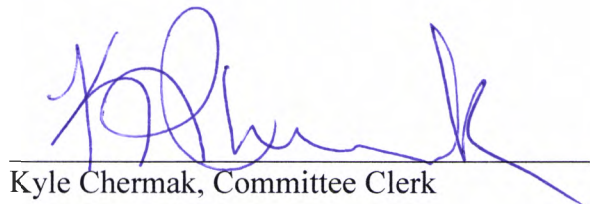
The Committee considered House Bill 964, "Commission Membership Winston-Salem Ret. Fund." Representative Conrad was recognized to present the bill to the Committee. Representative Floyd motioned to provide HB 964 a favorable report and to refer the bill to the Committee on Pensions and Retirement. The Chair called for a voice vote and the motion carried unanimously.

The Committee considered House Bill 1017 "Norwood Deannexations/Annexation." Representative Burr was recognized to present the bill to the Committee. The Committee discussed the bill. Representative Warren motioned to provide the bill a favorable report and to refer the bill to the Committee on Finance. The Chair called for a voice vote and the motion carried unanimously.

The meeting adjourned at 10:23.

A stylized, handwritten signature in black ink, consisting of several loops and a long horizontal stroke extending to the right.

Representative Carl Ford, Chair  
Presiding

A handwritten signature in blue ink, featuring a large, prominent loop at the beginning and a series of smaller, connected loops and strokes that trail off to the right.

Kyle Chermak, Committee Clerk



**Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Friday, May 06, 2016 02:40 PM  
**To:** Rep. Donny Lambeth; Rep. Edward Hanes; Rep. Debra Conrad; Rep. Evelyn Terry; Rep. Justin Burr  
**Cc:** Pan Briles (Rep. Donny Lambeth); Rita Harris (Rep. Edward Hanes); Danielle Brinton (Rep. Debra Conrad); Franklin Terry (Rep. Evelyn Terry); Dina Long (Rep. Justin Burr)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Tuesday, May 10, 2016 at 10:00 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Tuesday, May 10, 2016  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 964	Commission Membership Winston-Salem Ret. Fund.	Representative Conrad Representative Hanes Representative Lambeth Representative Terry
HB 1017	Norwood Deannexations/Annexation.	Representative Burr



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 2:06 PM on Friday, May 06, 2016.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government  
Tuesday, May 10, 2016, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 964	Commission Membership Winston-Salem Ret. Fund.	Representative Conrad Representative Hanes Representative Lambeth Representative Terry Representative Burr
HB 1017	Norwood Deannexations/Annexation.	

**Adjournment**





# HOUSE BILL 964: Commission Membership Winston-Salem Ret. Fund.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government. If favorable, re- refer to Pensions and Retirement	<b>Date:</b>	May 6, 2016
<b>Introduced by:</b>	Reps. Conrad, Hanes, Lambeth, Terry	<b>Prepared by:</b>	Augustus Willis Committee Counsel
<b>Analysis of:</b>	First Edition		

**SUMMARY:** *House Bill 964 amends the law allowing Winston-Salem to establish a retirement or pension fund for its employees by requiring the board of trustees of the retirement fund to include at least one retiree who is participating in the fund.*

[As introduced, this bill was identical to S751, as introduced by Sens. Lowe, Krawiec, which is currently in Senate Pensions & Retirement and Aging.]

**CURRENT LAW:** Chapter 296 of the Public-Local Laws of 1939 allows the City of Winston-Salem to pass an ordinance establishing a retirement or pension fund, which may provide for the appointment or election of a retirement board or board of trustees. Currently, such a board of trustees is required to consist of at least one of the following:

- Member(s) of the governing body of the City of Winston-Salem
- Employee(s) entitled to participate in the retirement or pension fund
- Citizen(s) of the State of North Carolina not officially connected with the governing body of any municipality or entitled to participate in the benefits of the retirement or pension fund

**BILL ANALYSIS:** House Bill 964 would add to the above list of classifications required to be on the board of trustees, one or more retirees participating in the retirement or pension fund.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Karen Cochrane-  
Brown  
Director



H 9 6 4 - S M T Y - 3 2 E 1 - V - 2

Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 964\*

Short Title: Commission Membership Winston-Salem Ret. Fund. (Local)

Sponsors: Representatives Conrad, Hanes, Lambeth, and Terry (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government, if favorable, Pensions and Retirement

April 27, 2016

A BILL TO BE ENTITLED

AN ACT TO ENHANCE THE PARTICIPATION OF RETIREE MEMBERS ON THE  
RETIREMENT COMMISSION OF THE WINSTON-SALEM EMPLOYEES RETIREMENT  
FUND.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 4 of Chapter 296 of the Public-Local Laws of 1939, as amended, reads as rewritten:

"**Sec. 4.** That the contributions required to cover the cost of benefits based on prior service shall be sufficient to fund the liability for sure prior service in not more than forty years from the date of the establishment of such fund. The ordinance shall provide that the required contributions by such members as hereinbefore mentioned shall be collected by deducting the amounts so required from the salary or wages due such members. The ordinance may provide for the appointment or election of a retirement board or board of trustees, and for the delegation to such board of such powers and duties as may be deemed necessary to carry out the intent and purpose for which said fund is established. If such retirement board or board of trustees is provided for by ordinance, the said board shall consist of a member or members of the governing body of the City of Winston-Salem, an employee or employees entitled to participate in said fund, a retiree or retirees participating in said fund, and one or more citizens of the State of North Carolina not officially connected with the governing body of any municipality or entitled to participate in the benefits of said fund."

**SECTION 2.** This act is effective when it becomes law.





# HOUSE BILL 1017: Norwood Deannexations/Annexation.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government. If favorable, re- refer to Finance	<b>Date:</b>	May 9, 2016
<b>Introduced by:</b>	Rep. Burr	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 1017 annexes one described tract of land, and deannexes two described tracts of land, from the corporate limits of the Town of Norwood in Stanly County.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable." Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. In addition, the General Assembly may annex property by local act. The General Assembly has not enacted any method for municipalities to *deannex* property; that power remains with the General Assembly.

## BILL ANALYSIS:

**Section 1** of the bill adds a 5.17 acre described tract of land to the corporate limits of the Town of Norwood.

**Section 2.(a)** of the bill removes a 101.02 acre tract and a 3.70 acre tract from the Town of Norwood.

**Section 2.(b)** of the bill preserves any outstanding property tax liens or special assessments of the Town of Norwood on the deannexed properties.

**EFFECTIVE DATE:** This act becomes effective June 30, 2016.

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

H

1

HOUSE BILL 1017

Short Title: Norwood Deannexations/Annexation.

(Local)

Sponsors: Representative Burr.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government, if favorable, Finance

May 3, 2016

A BILL TO BE ENTITLED

AN ACT TO ADD AND REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE LIMITS OF THE TOWN OF NORWOOD.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property is added to the corporate limits of the Town of Norwood:

BEGINNING at a corner on the municipal boundary for the Town of Norwood as on the shown on a map of the Lake Shore Drive Area recorded on Plat Book 1009, Page 40 of the Stanly County Register of Deeds Office, said map depicting an area described in Session Law 2004-43 of the North Carolina General Assembly as ratified on June 30th, 2004, said point being located Northeast 1300 feet from the intersection of Nicks Road and Lakeshore Drive in East Center Township of Stanly County, North Carolina, and more particularly the southernmost corner of a parcel described in Deed Book 592 at Page 108 of the Stanly County Registry; thence from said point of beginning and following the eastern and northern boundaries for said parcel and said municipal boundary the following calls: North 29° 55' 38" East 37.52 feet, North 01° 24' 51" West 56.52 feet, and North 36° 20' 15" West 61.00 feet to the northernmost corner for said parcel, a corner on the municipal boundary, said corner also being a corner shown on map of Potential Municipal and Zoning Boundary for the Town of Norwood as shown on Deed Book 1561 at Page 318 of the Stanly County Registry; thence following said recorded boundary North 00° 00' 00" East 381.38 feet, North 90° 00' 00" East 371.45 feet, South 00° 00' 00" East 729.06 feet, and North 58° 51' 57" West 409.02 feet to the POINT OF BEGINNING. The area described in this Section encompasses 5.17 acres±.

**SECTION 2.(a)** The following described property is removed from the corporate limits of the Town of Norwood:

TRACT 1

BEGINNING at a corner on the municipal boundary for the Town of Norwood as on the shown on a map of the Lake Shore Drive Area recorded on Plat Book 1009, Page 40 of the Stanly County Register of Deeds Office, said map depicting an area described in Session Law 2004-43 of the North Carolina General Assembly as ratified on June 30th, 2004, said point being located Northerly 885 feet from the intersection of Allenton Street and South Strand Drive in East Center Township of Stanly County, North Carolina, and more particularly the northernmost corner of a tract described in deed Stanly County Deed Book 977, Page 696 as Lot 5, Section "A" of "Norwood Beach Lots" which is recorded in Plat Book 2, Page 150 of the Stanly County Registry; thence leaving said municipal boundary and following the boundaries of Lake Tillery shown on said plat the following calls: South 82° West 50 feet, South 58° 30' West 50 feet, South 43° West



\* H 1 0 1 7 - V - 1 \*

50 feet, South 56° West 50 feet, South 38° West 50 feet, South 18° West 50 feet, and South 2° 30' West 50 feet to an iron stake on the east bank of Lake Tillery as described in the first tract recorded in Stanly County Deed Book 310, Page 161; thence with the East bank of said Lake in a southerly direction (South 70° 30' West 90 feet) to a corner on the north side of Strand Drive; thence following the north side of Strand Drive (South 70° 20' West 83 feet) to the northeastern corner of a tract described in Stanly County Deed Book 332, Page 486, said corner being on the west edge of Lake Drive and the edge of Lake Tillery; thence following the edge of Lake Tillery as described in said deed the following calls: South 50° 57' West 39.45 feet, South 85° 48' West 37.70 feet, and North 57° 47' West 86.23 feet to the northeast corner of Lot 19 of "Ballard's Beach" development, said development being recorded on Plat Book 1 at Page 174 of the Stanly County Registry; thence following the boundaries of Lake Tillery as shown on said plat the following calls: North 53° West 78 feet, South 63° West 50 feet, South 25° West 50 feet, South 13° West 300 feet, South 3° West (63) feet to the northwestern corner of Lot 14 of the "Robin J Development" as recorded in Plat Book 6 at Page 15 of the Stanly County Registry, said corner shown on the shore of Lake Tillery; thence following the boundary of Lake Tillery as shown on said plat the following calls: South 8° 20' West 92.82 feet, South 13° 5' East 93.03 feet, South 10° 45' East 78.21 feet, South 13° 30' West 61.82 feet, South 34° 28' West 75.61 feet, South 89° 08' West 91.56 feet, North 14° 22' West 78.60 feet, North 32° 02' West 74.80 feet, and North 16° 13' West 77.50 feet to the southwest corner of Lot 11 of the "T. R. Wolfe Estate Subdivision" recorded on Plat Book 2 at Page 217 of the Stanly County Registry, said corner being on the 246 contour for Lake Tillery; thence following the 246 contour as shown on said plat the following calls: North 7° 20' East 53.7 feet, North 32° 40' West 65.2 feet, North (41°) West 51.7 feet, and North 61° 20' West 136.7 feet to the eastern margin of Alberta Drive as shown on said plat; thence following the eastern margin of Alberta Drive North 16° 10' West 122 feet to the southeastern corner of Lot 6, said corner being on the 246 contour as shown on said plat; thence continuing with the 246 contour as shown the following calls: North 81° 26' East 150.6 feet, North 33° 45' East 62 feet, North 9° 25' East 74.8 feet, North 19° 25' West 123.5 feet, North 55° 50' West 196.6 feet, North 51° 45' East 68.5 feet, North 21° East 83.5 feet, North 53° 45' West 148 feet, North 70° 39' West 105.8 feet, North 44° 50' West 78 feet, North 76° 45' East 153 feet, North 29° 30' East 92 feet, North 27° 45' West 89.5 feet, and North 52° 45' West (35) feet to the southeastern corner of Lot 187 of the "Tillery Beach Subdivision" as shown on Plat Book 2 at Page 183 C, said corner being shown on the boundary of Lake Tillery; thence following the boundary of Lake Tillery as shown on said plat the following calls: North 46° 10' West 140 feet, North 67° 54' East 151 feet, North 26° 34' East 317 feet, North 30° 45' West 293 feet, North 49° 20' West 220 feet, North 59° 40' West 201 feet, and South 83° 45' West 180 feet to the northwestern corner of Lot 158 on said plat, said corner being on the eastern boundary of Lot E of "Tillery Point" subdivision recorded in Plat Book 18 at Page 260 of the Stanly county registry, said corner shown on the boundary of the Carolina Power and Light Tillery Plant Lands – DF 489 & 451; thence following the boundary of said Lands as shown on said plat the following calls: North 31° 48'31" West 76.75 feet, South 69° 57' 10" West 36.02 feet, South 40° 57' 51" West 88.74 feet, South 25° 52' 50" West 210.23 feet, and South 20° 29' 38" East 19.66 feet to a point on the Northern boundary of Lot 125 of "Tillery Beach Subdivision" as shown on Plat Book 2 at Page 183 B, said point being on the boundary for Lake Tillery as shown on said plat; thence following the boundary for Lake Tillery as shown the following calls: South 46° 55' West 619 feet, South 22° 20' West 193 feet to the southwestern corner of Tract Five on the northern margin of La Monte Avenue (S.R. 1756 Lake Head Road) as described in Stanly County Deed Book 1026 at Page 417; thence continuing with the northern margin of Lake Head Road (S. R. 1756) the following calls: South 83° 20' 35" West 82.15 feet, North 64° 06' 39" West 43.55 feet, and North 33° 59' 48" West 372.95 feet to the southernmost corner of a tract described in Stanly County Deed Book 596 at Page 25, said corner being on the eastern right of way line of S. R. 1757 and the southern corner of Lot 13 on the boundary of Lake Tillery as shown on "Tillery Beach Subdivision" recorded on Plat Book 2 at Page 183 B; thence

1 following Lake Tillery's boundary as shown on said plat North 54° 44' East 415 feet and North 37°  
2 10' East 250 feet to the southeastern corner of "Property One" described in Stanly County Deed  
3 Book 943 at Page 39, said corner being the southeastern corner of Lot 901 of the "Sixth Addition  
4 to Tillery Beach Subdivision" recorded in Plat Book 1 at Page 221, said corner shown on the  
5 western boundary of Lake Tillery; thence following the western boundary for Lake Tillery as  
6 shown on said plat the following calls: North 2° 46' West 206 feet, North 68° East 220 feet, North  
7 (7)° East 100 feet, South 68° West 250 feet, North 8° 46' West 85 feet, North 28° East 305 feet,  
8 North 23° West 385 feet, and North 36° 38' West 200 feet to the southeastern corner of a tract  
9 described in Stanly County Deed Book 1258 at Page 827, said corner on the property line of  
10 Carolina Power and Light Company; thence continuing with said property line North 36° 38' West  
11 (140 feet) to the southern right of way for State Road 1755 (Berry Hill Drive); thence with the  
12 southern right of way for Berry Hill Drive (North 57° 54' 22" East 200.51 feet) to the intersection  
13 of said right of way and the western boundary Lot 928 of the "Sixth Addition to Tillery Beach  
14 Subdivision" recorded in Plat Book 1 at Page 221, said corner shown on the western boundary of  
15 Lake Tillery; thence continuing with the Lake Tillery boundary as shown on said plat the  
16 following calls: South 18° 30' East 100 feet, South 30° East 92 feet, North 77° 07' East 100 feet,  
17 North 2° East 95 feet, and North 10° 5' East 100 feet to the intersection of the eastern boundary of  
18 Lot 931 on said plat and the southern right of way for Berry Hill Drive; thence continuing with the  
19 southern right of way for Berry Hill Drive on a curve to the right having a radius of 124.78 feet, an  
20 arc of 135.51 feet, and a chord of South 83° 28' 22" East 131.03 feet to the intersection of said  
21 right of way and the western boundary Lot 349 of the "Second Addition to Tillery Beach  
22 Subdivision" recorded on Plat Book 1 at Page 214 of the Stanly County Registry, said intersection  
23 shown on the Lake Tillery boundary; thence continuing with the Lake Tillery boundary as shown  
24 on said plat the following calls: South 1° 36 East 173 feet, South 32° 01' East 328 feet, South 54°  
25 10' East 246.5 feet, South 24° 52' East 342 feet, and South 49° 39' East 89 feet to the westernmost  
26 corner for Lot 300 of the "Tillery Beach – First Addition" as recorded on Plat Book 2 at Page 188  
27 of the Stanly County Registry, said corner shown on the boundary for Lake Tillery; thence  
28 continuing with the boundary for Lake Tillery as shown on said plat the following calls: South 80°  
29 01' East 124 feet, South 73° 35' East 267 feet, North 86° 50' East 152 feet, and North 62° 55' East  
30 75 feet to the southwestern corner of Lot 311 in said subdivision, said corner also being a corner  
31 shown on map of Potential Municipal and Zoning Boundary for the Town of Norwood as shown  
32 on Deed Book 1561 at Page 318 of the Stanly County Registry; thence following said boundary  
33 the following calls: South 18° 59' 55" East 351.64 feet, North 69° 29' 34" East 348.16 feet, North  
34 0° 00' 00" East 539.90 feet, and North 90° 00' 00" West 351.64 feet to the northeastern corner of  
35 Lot 514 of the "Second Addition to Tillery Beach Subdivision" recorded on Plat Book 1 at Page  
36 214 of the Stanly County Registry, said corner on the boundary for Lake Tillery; thence  
37 continuing with the boundary for Lake Tillery as shown on said plat the following calls: North 4°  
38 00' East 469 feet, North 29° 00' West 553 feet, North 27° 57' West 548 feet, and North 15° 58'  
39 West 200 feet to a point on the southern margin of Berry Hill Drive, said point being the  
40 westernmost corner of Lot 800 of the "Tillery Beach – Third Addition" as recorded on Plat Book 1  
41 at Pate 217, said corner also shown on the boundary of Lake Tillery; thence following the  
42 boundary for Lake Tillery as shown on said plat the following calls: South 46° 55' East 458 feet,  
43 thence South 66° 25' East 349 feet, and South 53° 11' East 578 feet to the northwestern corner of a  
44 tract described in Stanly County Deed Book 294 at Page 867, said corner being on the property  
45 line right of way of the Carolina Power and Light Company, thence following the property line  
46 right of way as described in said deed the following calls: South 18° 21' East 135 feet and North  
47 78° 20' East 50 feet to the southeast corner for said tract, said corner also being a corner on the  
48 municipal boundary for the Town of Norwood as on the shown on a map of the Lake Shore Drive  
49 Area recorded on Plat Book 1009, Page 40 of the Stanly County Register of Deeds Office, said  
50 map depicting an area described in Session Law 2004-43 of the North Carolina General Assembly

1 as ratified on June 30th, 2004; thence following the municipal boundary as shown on said plat  
2 South 1° 49' 26" East 2,695.69 feet to the POINT OF BEGINNING.

3 The Area described above encompasses 101.02 acres± which shall be removed from the municipal  
4 limits of the Town of Norwood.

5 **TRACT 2**

6 BEGINNING at a corner on the municipal boundary for the Town of Norwood as on  
7 the shown on a map of the Lake Shore Drive Area recorded on Plat Book 1009, Page 40 of the  
8 Stanly County Register of Deeds Office, said map depicting an area described in Session Law  
9 2004-43 of the North Carolina General Assembly as ratified on June 30th, 2004, said point being  
10 located Northeast 520 feet from the intersection of Nicks Road and Lakeshore Drive in East  
11 Center Township of Stanly County, North Carolina, and more particularly North 18° 06' 15" East  
12 25.85 feet from the northeastern corner of "parcel ID 36083" as shown on Plat Book 23 at Page  
13 268 of the Stanly County Registry; thence following the eastern boundary for said lot the  
14 following calls: South 18° 06' 15" West 34.75 feet, South 03° 50' 22" East 26.96 feet, South 83°  
15 32' 11" West 11.03 feet, and South 18° 08' 31" West 155 feet to the northern right of way for Lake  
16 Shore Drive as shown on said plat; thence following the northern right of way for Lake Shore  
17 Drive as shown on said plat and Plat Book 2 at Page 184 of the Stanly County Registry the  
18 following calls: North 80° East 278.69 feet, North 68° East 111.86 feet, North 55° East 362.91  
19 feet, and North 45° East 440.84 feet to the intersection on the northern right of way for Lake Shore  
20 Drive and the southern boundary of an unnumbered parcel shown on the Stanly County Tax  
21 Records, said corner being located South 52° 30' West 36.90 feet from the southwestern corner of  
22 Lot 26 as shown on Plat Book 2 at Page 184 of the Stanly County Registry; thence following the  
23 southern boundary for said unnumbered parcel South 83° 51' 02" West 28.74 feet to a corner on  
24 the municipal boundary for the Town of Norwood; thence following said municipal boundary  
25 South 62° 52' 43" West 985.85 feet to the POINT OF BEGINNING. The area described in this  
26 Section encompasses 3.70 acres±.

27 **SECTION 2.(b)** This section has no effect upon the validity of any liens of the Town  
28 of Norwood for ad valorem taxes or special assessments outstanding before the effective date of  
29 this section. Such liens may be collected or foreclosed upon after the effective date of this section  
30 as though the property were still within the corporate limits of the Town of Norwood.

31 **SECTION 3.** This act becomes effective June 30, 2016.



NORTH CAROLINA,  
STANLY COUNTY.

RESOLUTION SUPPORTING ACTION BY NORTH CAROLINA GENERAL ASSEMBLY  
IN ANNEXING AND DE-ANNEXING CERTAIN DESCRIBED REAL PROPERTY  
TO AND FROM MUNICIPAL LIMITS OF THE TOWN OF NORWOOD

WHEREAS, the undersigned are the elected and serving members of Council of the Town of Norwood, a municipality within the County of Stanly and the State of North Carolina; and

WHEREAS, the undersigned support and endorse the annexation and de-annexation of certain areas of real property as forth in the attachment marked "Exhibit A," such areas being described by metes and bounds and incorporated as if fully set forth herein; and

WHEREAS, the undersigned members of the Council of the Town of Norwood have carefully reviewed the areas of real property affected by the annexation and de-annexation, and have been informed that the General Assembly may consider enacting legislation that would accomplish the proposed annexation and de-annexation as set forth in the attached "Exhibit A" herein incorporated; and

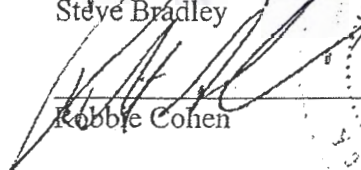
WHEREAS, the undersigned members of the Council of the Town of Norwood are of the opinion that the proposed and considered annexation and de-annexation would be beneficial to the Town of Norwood and the citizens of such municipality.

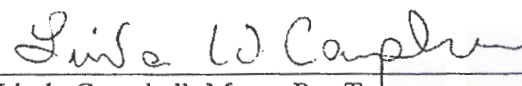
NOW, THEREFORE, BE IT RESOLVED that the Council of the Town of Norwood, North Carolina, fully supports and endorses the members of the North Carolina General Assembly to enact legislation consistent with the attachment "Exhibit A" so that the specific area described to be annexed is so annexed, and the areas described to be de-annexed are so de-annexed.

AND BE IT FURTHER RESOLVED that this Resolution be forwarded to the North Carolina General Assembly without delay so that such may be considered in regard to the legislative process.

This Resolution, APPROVED, and ADOPTED on this 20 day of May, 2016, at a regularly scheduled meeting of the Council of the Town of Norwood.

  
Steve Bradley

  
Robby Cohen

  
Linda Campbell, Mayor Pro Tem

  
James Lilly

  
John Mullis



**SMITH INVESTMENT OF CAROLINA, INC.**  
**85 N. HILLSIDE DRIVE**  
**NORTH MYRTLE BEACH, SC 29582**  
**(843) 280-4460**  
**(843) 280-9977 fax**

March 17, 2016

Re: Marina located at 712 Berryhill Drive, Norwood, NC 28128

Dear Commissioner Cohen:

With this letter I am requesting that my facility located at the above address, including the piers, which are on Duke Energy Progress Land to remain in the city limits of Norwood when Norwood goes thru the de annexation of all the docks currently in the town limits.

As the owner of the above referenced facility, including the piers, I would like for you to please consider the following circumstances that would greatly affect my Company, if the piers were de annexed out of the Town of Norwood:

1. It will greatly impact the income producing possibilities of my commercial property, as well as taxable revenues for the Town of Norwood.
2. This de annexation will become an issue with the availability and cost of the insurance on the above referenced facility.
3. This would also cause the loss of our tenants ABC license and the sale of other commodities at the Marina.

Please consider these issues when you are discussing this issue during Monday's meeting.

Sincerely,



Paul J. Smith, President  
Smith Investment of Carolina, Inc.



# PETITION REQUESTING CONTIGUOUS ANNEXATION

Date: April 1, 2016

## **Building and Docks located at 198 Nick's Rd, Norwood, NC 28128**

To the Commissioners of the Town of Norwood:

1. We the undersigned owners of real property respectfully request that the area described in Paragraph 2 below be annexed to the Town of Norwood.
2. The area to be annexed is contiguous to the Town of Norwood and the boundaries of such territory are as follows:

All Buildings and Docks located at 198 Nick's Rd  
holding a Commercial Lease with Duke Energy

(See the Attached Metes and Bounds Description of Boundaries)

3. A map is attached showing the area proposed for annexation in relation to the primary corporate limits of the Town.
4. We acknowledge that any zoning vested rights acquired pursuant to G.S. 160A- 385.1 or G.S. 153A-344.1 must be declared identified on this petition. We further acknowledge that failure to declare such rights on this petition shall result in a termination of vested rights previously acquired for the property. (If zoning vested rights are claimed, indicate below and attach proof.)

Do you declare vested rights? Yes

Calvin & Lois Page Family Trust  
590 Eddie Cody Rd  
Marshall, NC 28753



Lori Page Becker, Trustee



April 4, 2016

Area to be Included

NICKS RD

boundary

168

168

174

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401

401

413

413

423

423

431

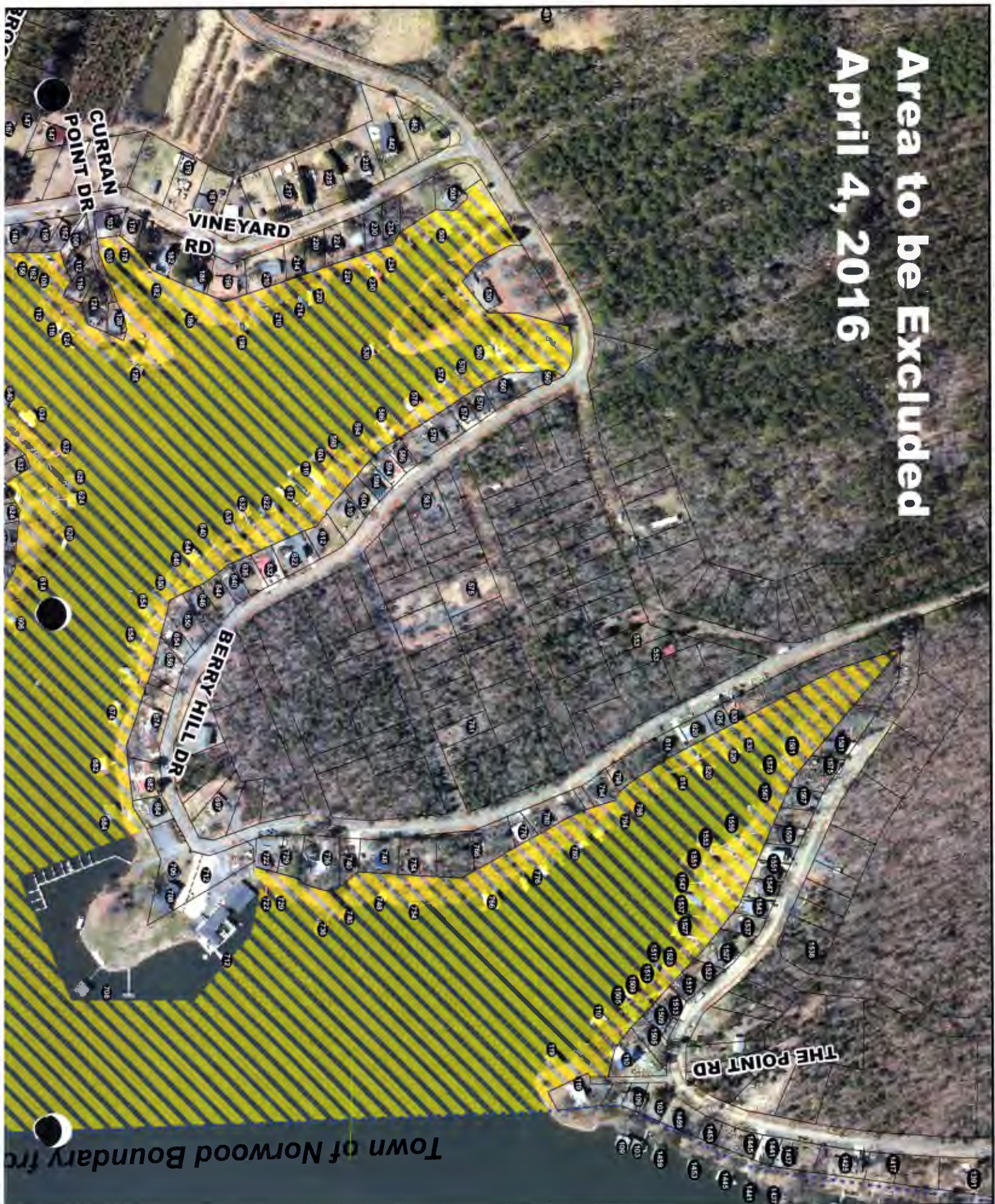
431

431

431



# Area to be Excluded April 4, 2016



Town of Norwood Boundary from

101.849  
Acres +/-

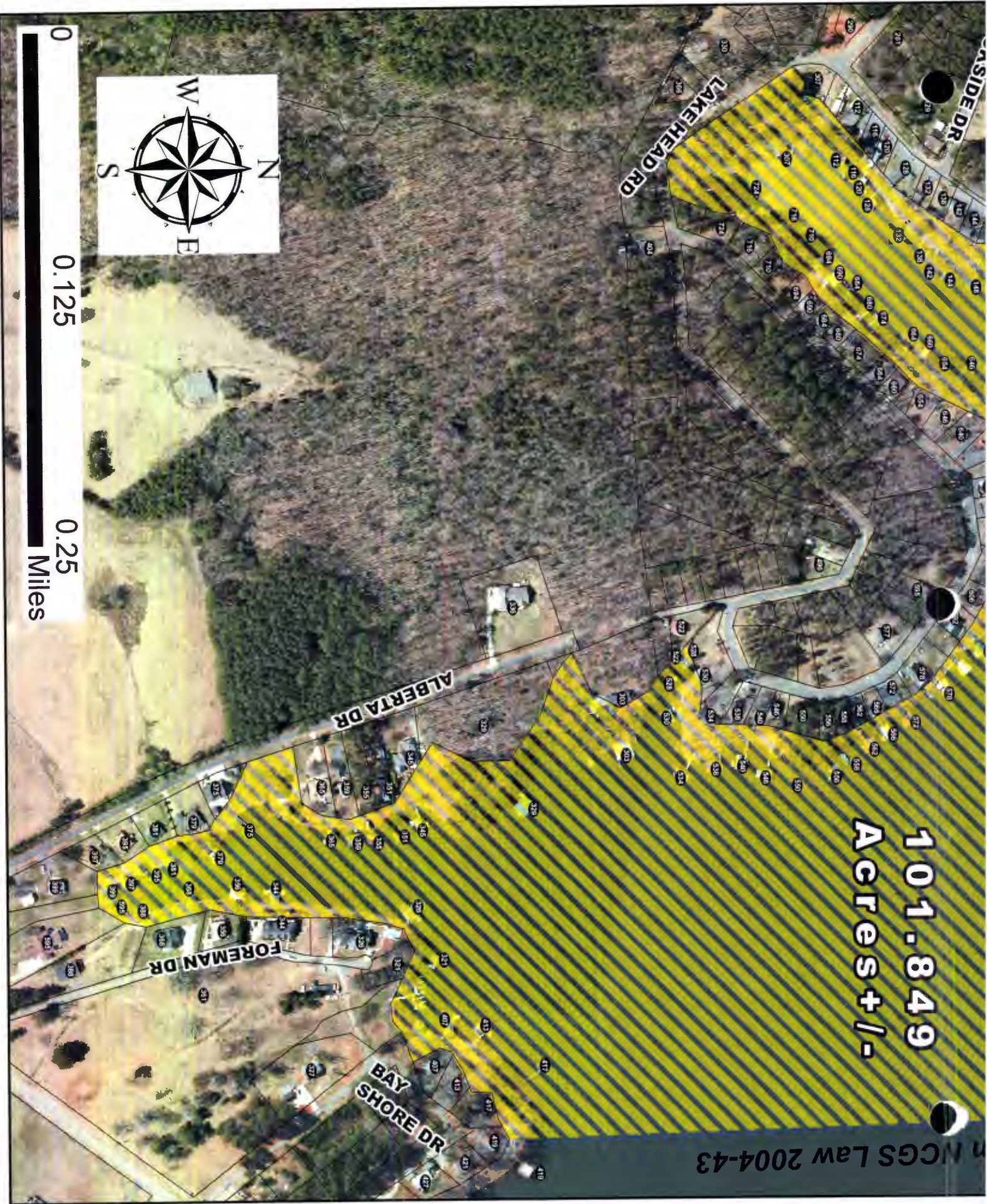
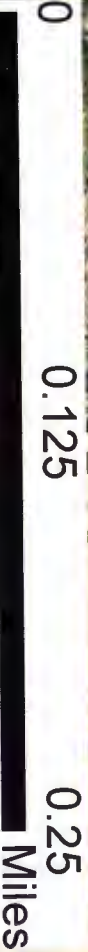
BAY  
SHORE DR

FOREMAN DR

ALBERTA DR

LAKEHEAD RD

CASIDE DR



NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair

Representative Carl Ford, Co-Chair

FAVORABLE AND RE-REFERRED

HB 964

Commission Membership Winston-Salem Ret. Fund.

Draft Number: None

**Serial Referral:** PENSIONS AND RETIREMENT

Recommended Referral: None

Long Title Amended: No

Floor Manager: Conrad

HB 1017

Norwood Deannexations/Annexation.

Draft Number: None

**Serial Referral:** FINANCE

Recommended Referral: None

Long Title Amended: No

Floor Manager: Burr

TOTAL REPORTED: 2



\* C M R 6 1 5 - V - 1 \*



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 05/10/16

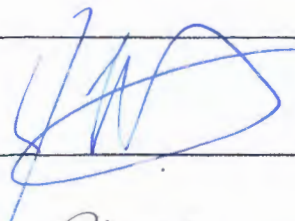
Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

	MAJC
Phoebe Landon	muc
Bo Heath	McGuire Wood
Starnes	Treasurer
Rich New	SLV
Jay King	SeV
Mia Bailey	ElectriCities
ASANDRA HOEKSTRA	NCACC



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov. 05/10/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Tim M. Jones	NC Home Builders Assn
Stewart W. Jones	NCHFA
John H. Jones	MTS
Wiel Pany-Hill	NCHFA
David Jordan	NC HFA Eastern
Perry H. Jones	ZOG
Samuel G. Jones	NCHC
Erin Wynia	NCLM



**House Committee on Local Government  
Thursday, May 12, 2016 at 10:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM on May 12, 2016 in Room 643 of the Legislative Office Building. Representatives Ager, Boles, Brown, Burr, Cleveland, Faircloth, Fisher, Floyd, Ford, Holley, Jeter, Pendleton, Ross, Setzer, Warren and Watford attended.

Representative Ted Davis, Jr., Chair, presided.

The Chairman thanked the Sargent's at Arms for their services to the General Assembly. He also introduced and thanked the pages.

The following bills were considered:

**HB 956 Henderson County/Community College Projects.** Representative McGrady was recognized to present the bill. There being no questions or comments from the members of the public, Representative Floyd moved to provide an unfavorable report to the original bill and a favorable report to the PCS. The motion passed unanimously.

**HB 957 Hendersonville Charter Amendments.** Representative McGrady was recognized to present the bill. The Chairman called for questions or comments from the members and the public; there being none, he recognized Representative Fisher who moved for an unfavorable report to the original bill and a favorable report to the PCS. The motion passed unanimously.

**HB 984 Transfer of Davie County Correctional Center.** Representative Howard was recognized to present the bill to the Committee. Following a brief discussion, Representative Jeter moved for a favorable report and to refer the bill to the Committee on Appropriations. The motion was passed unanimously by voice vote.

**HB 1009 Wake Cty Towns Donate Retired Service Animals.** The Chairman recognized Representative Adcock to present the bill. In discussion, Representative Jeter stated there was unanimous support from their delegation. Representative Pendleton moved for a favorable report. The motion passed.

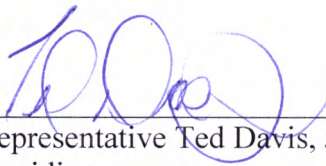
**HB 1022 Town of Maxton Deannexation.** Representative Pierce was called upon to explain the bill. There was no discussion and Representative Fisher moved for a favorable report and to refer the bill to the Committee on Finance. Following a voice vote, the Chair declared it unanimous.

**HB 1037 Lincolnton Airport Authority/Contract Length.** Representative Saine was recognized to present the bill. There was a brief discussion from members of the Committee



followed by a motion from Representative Setzer for an unfavorable report to the original bill and a favorable report to the PCS. The motion passed unanimously.

The meeting adjourned at 10:25 AM.



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Representative Ted Davis, Jr., Chair  
Presiding



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Judy Lowe, Committee Clerk



**Judy Lowe (Rep. Ted Davis)**

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**From:** Judy Lowe (Rep. Ted Davis)  
**Sent:** Tuesday, May 10, 2016 05:00 PM  
**To:** Rep. Julia Howard; Rep. Chuck McGrady; Rep. Chris Whitmire; Rep. Nelson Dollar; Rep. Marilyn Avila; Rep. Chris Malone; Rep. Gale Adcock; Rep. Garland Pierce; Rep. Jason Saine  
**Cc:** Cody Huneycutt (Rep. Julia Howard); Edward Stiles (Rep. Chuck McGrady); 'Janet Crain (Rep. Chris Whitmire'; Megan Kluttz (Rep. Chris Whitmire); Candace Slate (Rep. Nelson Dollar); Susan Lewis (Rep. Marilyn Avila); Savannah Tedesco (Rep. Chris Malone); Suzanne Smith (Rep. Gale Adcock); Janice Fenner (Rep. Garland Pierce); Stephen Wiley (Rep. Jason Saine)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Thursday, May 12, 2016 at 10:00 AM  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, May 12, 2016  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Chairman Ted Davis, Jr. will be presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 956	Henderson County/Community College Projects.	Representative McGrady
HB 957	Hendersonville Charter Amendment.	Representative Whitmire
HB 984	Transfer of Davie County Correctional Center.	Representative McGrady
<del>HB 1009</del>	<del>Wake County Towns Donate Retired Service Animals.</del>	Representative Whitmire
HB 1022	Town of Maxton Deannexation.	Representative Adcock
HB 1037	Lincolnton Airport Authority/Contract Length.	Representative Dollar
		Representative Malone
		Representative Avila
		Representative Pierce
		Representative Saine



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:55 PM on Tuesday, May 10, 2016.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Thursday, May 12, 2016, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
✓ HB 956	Henderson County/Community College Projects.	Representative McGrady
✓ HB 957	Hendersonville Charter Amendment.	Representative Whitmire
✓ HB 984	Transfer of Davie County Correctional Center.	Representative McGrady
✓ HB 1009	Wake Cty Towns Donate Retired Service Animals.	Representative Whitmire
		Representative Howard
✓ HB 1022	Town of Maxton Deannexation.	Representative Adcock
✓ HB 1037	Lincolnton Airport Authority/Contract Length.	Representative Dollar
		Representative Malone
		Representative Avila
		Representative Pierce
		Representative Saine

*Enrolled*

**Adjournment**





## HOUSE BILL 956: Henderson County/Community College Projects.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. McGrady, Whitmire  
**Analysis of:** PCS to First Edition  
H956-CSST-99

**Date:** May 11, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *House Bill 956 would allow Henderson County to construct community college buildings on the campus of Blue Ridge Community College in Henderson County, provided the County funds the construction entirely with County funds.*

**CURRENT LAW:** Chapter 115D of the General Statutes (Community Colleges) requires approval by the State Board of Community Colleges before the expenditure of any State funds on capital improvements of existing community college institutions and before a community college may dispose, transfer, or acquire property. Chapter 143 gives the Department of Administration control of real property owned or leased by the State and control over architecture and engineering of community college buildings.

### BILL ANALYSIS:

**Section 1:** Sets forth requirements that must be met in order for Henderson County to construct or renovate community college buildings located within Henderson County.

**Section 2:** Allows Henderson County and the Board of Trustees of Blue Ridge Community College to enter into a memorandum of understanding to allow Henderson County to construct community college buildings in a timely fashion and cost-efficient manner.

**Section 3.(a):** Sets a deadline of within 30 days of the effective date of this act for the Board of Trustees of Blue Ridge Community College to transfer title of the property to be utilized for the construction or renovation of community college buildings authorized in Section 1 to Henderson County. The property described is to be transferred for the life of any debt incurred against the property by Henderson County for the construction or renovation of the buildings.

**Section 3.(b):** Requires Henderson County to transfer the property back to the Board of Trustees of Blue Ridge Community College upon satisfaction of the debt incurred in the construction or renovation of the buildings. If no debt is incurred against the property by December 31, 2020, Henderson County must transfer the title back to the Board of Trustees.

**Section 4:** Allows Henderson County and the Board of Trustees of Blue Ridge Community College to enter into a lease agreement in accordance with the general statutes on the sale, lease, exchange and joint use of governmental property for any space in County-owned buildings located within Henderson County.

**EFFECTIVE DATE:** Sections 1 and 2 are effective when they become law and apply only to construction and renovation projects by Henderson County on the campus of Blue Ridge Community College located within Henderson County between January 1, 2014, and December 31, 2020. The remainder of the act is effective when it becomes law.

Karen Cochran-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 956  
PROPOSED COMMITTEE SUBSTITUTE H956-CSST-99 [v.1]

05/11/2016 11:14:16 AM

Short Title: Henderson County/Community College Projects.

(Local)

Sponsors:

Referred to:

April 26, 2016

A BILL TO BE ENTITLED  
AN ACT PROVIDING THAT HENDERSON COUNTY IS AUTHORIZED TO CONSTRUCT  
COMMUNITY COLLEGE BUILDINGS ON THE CAMPUS OF BLUE RIDGE  
COMMUNITY COLLEGE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Notwithstanding G.S. 115D-9, 115D-15.1, 143-341(3), or any other provision of law, Henderson County is hereby authorized to construct or renovate community college buildings, as that term is defined in G.S. 143-336, on the campus of Blue Ridge Community College located within Henderson County, provided that Henderson County complies with all of the following:

- (1) Article 3D of Chapter 143 of the General Statutes (Procurement of Architectural, Engineering, and Surveying Services).
- (2) Article 8 of Chapter 143 of the General Statutes (Public Contracts).
- (3) Article 8 of Chapter 159 of the General Statutes (Financing Agreements and Other Financing Arrangements).
- (4) G.S. 160A-20 (Security interests).
- (5) Henderson County consults with the Board of Trustees of Blue Ridge Community College about programming requirements for the buildings and keeps the Board of Trustees informed as to the construction process and progress.
- (6) Henderson County funds all projects entirely with County funds.

**SECTION 2.** Henderson County and the Board of Trustees of Blue Ridge Community College may enter into a memorandum of understanding to allow for the construction of community college buildings authorized by Section 1 of this act in a timely fashion and cost-efficient manner, if deemed appropriate by the parties.

**SECTION 3.(a)** Within 30 days of the effective date of this act, the Board of Trustees of Blue Ridge Community College shall transfer title to the following property to Henderson County for the life of any debt incurred against the property by Henderson County for the construction or renovation of community college buildings authorized by Section 1 of this act:

BEING all of Lot 1, consisting of 3.33 acres, more or less, as shown on survey of Plat recorded at Plat Slide 10120 (also Book 2016, Page 10120(1)) in the Office of the Register of Deeds for Henderson County, North Carolina, which survey is incorporated herein by reference for greater certainty of description.

**SECTION 3.(b)** Upon the satisfaction of any debt incurred against the property described in this Section, Henderson County shall transfer title to the property back to the Board of Trustees of Blue Ridge Community College. If no debt is incurred against the property



1 described in this Section by Henderson County for the construction or renovation of community  
2 college buildings on or before December 31, 2020, Henderson County shall transfer title to the  
3 property back to the Board of Trustees of Blue Ridge Community College.

4 **SECTION 4.** Henderson County and the Board of Trustees of Blue Ridge Community  
5 College may enter into a lease agreement in accordance with G.S. 160A-274 for any space in  
6 County-owned buildings located within Henderson County, if deemed appropriate by the parties.

7 **SECTION 5.** Sections 1 and 2 of this act are effective when they become law and  
8 apply only to construction and renovation projects by Henderson County on the campus of Blue  
9 Ridge Community College located within Henderson County between January 1, 2014, and  
10 December 31, 2020. The remainder of this act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

**H**

**1**

**HOUSE BILL 956**

Short Title: Henderson County/Community College Projects. (Local)

Sponsors: Representatives McGrady and Whitmire (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Education - Community Colleges

April 26, 2016

A BILL TO BE ENTITLED  
AN ACT PROVIDING THAT HENDERSON COUNTY IS AUTHORIZED TO CONSTRUCT  
COMMUNITY COLLEGE BUILDINGS ON THE CAMPUS OF BLUE RIDGE  
COMMUNITY COLLEGE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Notwithstanding G.S. 115D-9, 115D-15.1, 143-341(3), or any other provision of law, Henderson County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campus of Blue Ridge Community College (hereinafter "College") located within Henderson County. Henderson County may finance the construction of these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. In constructing the buildings, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Article 3D of Chapter 143 of the General Statutes (Procurement of Architectural, Engineering, and Surveying Services) and Article 8 of Chapter 143 of the General Statutes (Public Contracts). The College does not have to comply with the provisions of G.S. 115D-15.1 when conveying to the County property owned by the College which will be the site of the construction and will be pledged as collateral pursuant to G.S. 160A-20. The County shall consult with the Board of Trustees of the College about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress. Upon the completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and College.

**SECTION 2.** The Board of Trustees of the College shall transfer title to the following property to the County for the life of the debt incurred by the County for the construction of the community college buildings authorized by Section 1 of this act:

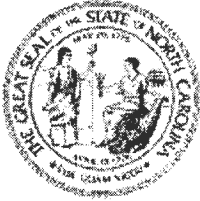
BEING all of Lot 1, consisting of 3.33 acres, more or less, as shown on survey of Plat recorded at Plat Slide 10120 (also Book 2016, Page 10120(1)) in the Office of the Register of Deeds for Henderson County, North Carolina, which survey is incorporated herein by reference for greater certainty of description. Upon the satisfaction of the debt, the County shall transfer title to the property back to the Board of Trustees of the College.

**SECTION 3.** The County and the Board of Trustees of the College may enter into a memorandum of understanding to allow for the construction of community college buildings by the County on the campus of the College located within the County, if deemed appropriate by the County and College and if the terms of the memorandum will allow for the construction to be completed in a timely fashion and cost-efficient manner.



1           **SECTION 4.** The County and the Board of Trustees of the College may enter into a  
2 memorandum of understanding for the lease of space in County-owned buildings to the College, if  
3 the buildings are located within the County and if the lease is deemed appropriate by the County  
4 and College.

5           **SECTION 5.** Sections 1 through 3 of this act are effective when they become law and  
6 apply only to construction projects and renovations funded entirely with County funds and  
7 coordinated by the County for College uses and purposes between January 1, 2014, and December  
8 31, 2020. The remainder of this act is effective when it becomes law.



## HOUSE BILL 957: Hendersonville Charter Amendments.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. McGrady, Whitmire  
**Analysis of:** PCS to First Edition  
H957-CSTY-9

**Date:** May 11, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *House Bill 957 would amend the charter of the City of Hendersonville to allow the city council to determine the salaries of the mayor and city council members in accordance with the general law of the State, and change the terms "Councilman" and "Councilmen" to "Council Member" or "Council Members" as appropriate throughout the charter*

**CURRENT LAW:** The Hendersonville City Council determines the salaries of the mayor and city council members, but no increase or reduction in the mayor's salary may take effect during the term in which it is voted, and no increase in any city council member's salary may take effect as to any council member during the term of office he or she is serving at the time the increase is voted.

**BILL ANALYSIS:** House Bill 957 lifts the restrictions on when changes in the salaries of the Hendersonville mayor and city council members may take effect by allowing the City Council to determine the salaries of the mayor and city council members in accordance with the general laws of North Carolina.

The bill further updates the language of the charter by changing the term "Councilman" to "Council Member" and the term "Councilmen" to "Council Members" wherever those terms appear in the charter.

**EFFECTIVE DATE:** This bill is effective when it becomes law.

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 957  
PROPOSED COMMITTEE SUBSTITUTE H957-CSTY-9 [v.2]  
05/11/2016 04:17:13 PM

Short Title: Hendersonville Charter Amendments. (Local)

Sponsors: Representatives McGrady and Whitmire (Primary Sponsors).

Referred to:

April 26, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE CHARTER OF THE CITY OF HENDERSONVILLE TO ALLOW  
3 THE MAYOR AND COUNCIL MEMBERS TO RECEIVE COMPENSATION FOR THEIR  
4 SERVICES AS PROVIDED BY GENERAL LAW.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Section 3.4 of the Charter of the City of Hendersonville, being Chapter  
7 874 of the 1971 Session Laws, as amended, reads as rewritten:

8 "Sec. 3.4. Compensation of Mayor and ~~Councilmen~~ Council Members. The Mayor and council  
9 members shall receive for his ~~their~~ services such salary ~~salaries~~ as the City Council shall  
10 determine, and no increase or reduction in his salary shall be made to take effect during the term in  
11 which it is voted. The Council may establish a salary for its members which may be increased or  
12 reduced, but no increase shall be made to take effect as to any Councilman during the respective  
13 term of office which he is serving at the time the increase is voted. determine, from time to time, in  
14 accordance with the applicable general laws of this State."

15 **SECTION 2.** At any place in the Charter of the City of Hendersonville where the term  
16 "Councilman" appears, that term shall be changed to "Council Member." At any place in the  
17 Charter of the City of Hendersonville where the term "Councilmen" appears, that term shall be  
18 changed to "Council Members."

19 **SECTION 3.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 957

Short Title: Hendersonville Charter Amendment. (Local)

Sponsors: Representatives McGrady and Whitmire (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

April 26, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT AMENDING THE CHARTER OF THE CITY OF HENDERSONVILLE TO ALLOW  
3 THE MAYOR AND COUNCIL MEMBERS TO RECEIVE COMPENSATION FOR THEIR  
4 SERVICES AS PROVIDED BY GENERAL LAW.

5 The General Assembly of North Carolina enacts:

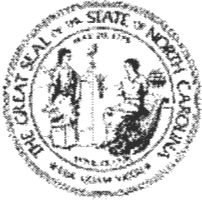
6 **SECTION 1.** Section 3.4 of the Charter of the City of Hendersonville, being Chapter  
7 874 of the 1971 Session Laws, as amended, reads as rewritten:

8 "Sec. 3.4. Compensation of Mayor and ~~Councilmen~~ Council Members. The Mayor and council  
9 members shall receive for ~~his~~ their services such ~~salary~~ salaries as the City Council shall  
10 ~~determine, and no increase or reduction in his salary shall be made to take effect during the term in~~  
11 ~~which it is voted. The Council may establish a salary for its members which may be increased or~~  
12 ~~reduced, but no increase shall be made to take effect as to any Councilman during the respective~~  
13 ~~term of office which he is serving at the time the increase is voted.~~ determine, from time to time, in  
14 accordance with the applicable general laws of this State."

15 **SECTION 2.** This act is effective when it becomes law.







## HOUSE BILL 984: Transfer of Davie County Correctional Center.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government. If favorable, re-refer to Appropriations	<b>Date:</b>	May 11, 2016
<b>Introduced by:</b>	Rep. Howard	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 984 directs the State of North Carolina to convey the former Davie County Correctional Center property to the Davie County Board of Commissioners.*

**CURRENT LAW:** Article 7 of Chapter 146 of the General Statutes governs disposition of State property. It requires that sales of lands owned by the State must be made by the Department of Administration, and approved by the Governor and Council of State. Article 16 of Chapter 146 establishes the form of conveyances of State property, and in G.S. 146-74 requires proposed conveyances to be submitted to the Governor and Council of State for approval.

### BILL ANALYSIS:

House Bill 984:

- Requires the State to convey the Davie County Board of Commissioners, for \$1.00, the former Davie County Correctional Center property in Mocksville.
- The property consists of approximately 23.62 acres.
- The property would be conveyed to the Davie County Board of Commissioners for so long as it is utilized for county government purposes, otherwise, it would revert to the State.
- The property is conveyed "as is".
- The conveyance is exempt from Article 7 of Chapter 146 of the General Statutes.
- The conveyance must comply with the provisions of Article 16 of Chapter 146 of the General Statutes, except for G.S. 146-74.

**EFFECTIVE DATE:** This act becomes effective October 1, 2016.

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 984

Short Title: Transfer of Davie County Correctional Center. (Public)

Sponsors: Representative Howard.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government, if favorable, Appropriations

April 28, 2016

A BILL TO BE ENTITLED

AN ACT TO TRANSFER THE FORMER DAVIE COUNTY CORRECTIONAL CENTER  
PROPERTY TO THE DAVIE COUNTY BOARD OF COMMISSIONERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** The State of North Carolina shall convey to the Davie County Board of Commissioners, for consideration of one dollar (\$1.00), all its rights, titles, and interests in that portion of the former Davie County Correctional Center property that resides in Parcels J-4-23 and J-3-24, Davie County Tax Maps, as seen in the Office of the Tax Administrator's office in Davie County, North Carolina, that lies west of the western right-of-way of Westside Drive in Mocksville, North Carolina. This property consists of approximately 23.62 acres. The conveyance is subject to a reversionary interest reserved by the State. The property shall be conveyed to the Davie County Board of Commissioners for so long as it is utilized for county government purposes.

**SECTION 2.** The State of North Carolina shall convey the real property described in Section 1 of this act "as is" and "where is" without warranty. The State makes no representations or warranties concerning the title to the property, the boundaries of the property, the uses to which the property may be put, zoning, local ordinances, or any physical, environmental, health, and safety conditions relating to the property. All costs associated with the conveyance of the property shall be borne by Davie County.

**SECTION 3.** The conveyance of the State's rights, titles, and interests in the real property described in Section 1 of this act shall be exempt from the provisions of Article 7 of Chapter 146 of the General Statutes. The conveyance shall comply with the provisions of Article 16 of Chapter 146 of the General Statutes, provided that the provisions of G.S. 146-74 shall not apply.

**SECTION 4.** This act becomes effective October 1, 2016.





# HOUSE BILL 1009: Wake Cty Towns Donate Retired Service Animals.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	May 11, 2016
<b>Introduced by:</b>	Reps. Adcock, Dollar, Malone, Avila	<b>Prepared by:</b>	Erika Churchill
<b>Analysis of:</b>	First Edition		Committee Co-Counsel

**SUMMARY:** *House Bill 1009 would allow the Towns of Apex, Cary, Garner, Knightdale, Wake Forest and Zebulon to donate retired public service animals used by a Town agency to the officer or employee who had normal custody and control of the animal during its service to the Town.*

[As introduced, this bill was identical to S849, as introduced by Sens. Barringer, Chaudhuri, Foushee, which is currently in Senate State and Local Government.]

**CURRENT LAW:** Article 12 of Chapter 160A of the North Carolina General Statutes establishes the procedures city and county governments to generally dispose of real and personal property. Subject to certain limitations, a city may dispose of property belonging to the city only by:

- Private negotiation and sale;
- Advertisement for sealed bids;
- Negotiated offer, advertisement, and upset bid;
- Public auction; or
- Exchange.

Additionally, G.S. 20-187.2 authorizes law enforcement agencies to, in their discretion and upon request, award the service side arm of a retiring law enforcement officer, to that retiring member or the surviving relatives, at a price determined by such governing body if the governing body determines that the person receiving the weapon may own, possess, or receive a firearm under the provisions of State or federal law, or the weapon has been rendered incapable of being fired. Badges of law enforcement officers may also be given, upon request to a retiring officer or the surviving family of an officer killed in the line of duty under that statute.

**BILL ANALYSIS:** House Bill 1009 is a local act that authorizes the town councils of Apex, Cary, Garner, Knightdale, Wake Forest and Zebulon to donate an animal to the officer or employee who had normal custody and control of the animal during its service to the Town, if that animal has been deemed no longer fit for public service by the Town.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** S.L. 2015-174 granted similar authority to the City of Raleigh and the municipalities in Mecklenburg County.

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1009

Short Title: Wake Cty Towns Donate Retired Service Animals. (Local)

Sponsors: Representatives Adcock, Dollar, Malone, and Avila (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 2, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW THE TOWNS OF APEX, CARY, GARNER, KNIGHTDALE, WAKE  
3 FOREST, AND ZEBULON TO DONATE RETIRED SERVICE ANIMALS USED BY THE  
4 POLICE DEPARTMENT OR ANY OTHER TOWN AGENCY TO THE POLICE OFFICER  
5 OR EMPLOYEE WHO HAD NORMAL CUSTODY AND CONTROL OF THE ANIMAL.  
6 The General Assembly of North Carolina enacts:  
7 **SECTION 1.** Section 2 of S.L. 2015-174 reads as rewritten:  
8 "SECTION 2.(a) The governing body of a municipality may donate any horse, dog, or other  
9 animal used by the municipality's police department or any other municipal agency to the officer  
10 or employee who had normal custody and control of the animal during its service to the  
11 municipality when the animal is deemed no longer fit for public service.  
12 "SECTION 2.(b) This section applies only to the Towns of Apex, Cary, Garner, Knightdale,  
13 Wake Forest, and Zebulon and to the municipalities in Mecklenburg County."  
14 **SECTION 2.** This act is effective when it becomes law.





## HOUSE BILL 1022: Town of Maxton Deannexation.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government. If favorable, re- refer to Finance	<b>Date:</b>	May 11, 2016
<b>Introduced by:</b>	Rep. Pierce	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 1022 deannexes three parcels from the corporate limits of the Town of Maxton in Robeson County.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable." Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. In addition, the General Assembly may annex property by local act. The General Assembly has not enacted any method for municipalities to *deannex* property; that power remains with the General Assembly.

### BILL ANALYSIS:

**Section 1** of House Bill 1022 removes, or deannexes, three parcels from the Town of Maxton in Robeson County. The three parcels consist of an undeveloped lot, a lot with a mobile home, and a lot with a house.

**Section 2** of the bill preserves any outstanding property tax liens or special assessments of the Town of Maxton on the deannexed properties.

**EFFECTIVE DATE:** This act becomes effective June 30, 2016.

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1022

Short Title: Town of Maxton Deannexation. (Local)

Sponsors: Representative Pierce.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government, if favorable, Finance

May 4, 2016

- 1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
3 LIMITS OF THE TOWN OF MAXTON.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** The following described property, referenced by the Robeson County  
6 Tax Office Parcel Identification Number, is removed from the corporate limits of the Town of  
7 Maxton: 331202045; 331202046; and 331202047.  
8 **SECTION 2.** This act has no effect upon the validity of any liens of the Town of  
9 Maxton for ad valorem taxes or special assessments outstanding before the effective date of this  
10 act. Such liens may be collected or foreclosed upon after the effective date of this act as though the  
11 property were still within the corporate limits of the Town of Maxton.  
12 **SECTION 3.** This act becomes effective June 30, 2016.



\* H 1 0 2 2 - V - 1 \*



# HOUSE BILL 1037: Lincolnton Airport Authority/Contract Length.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Saine  
**Analysis of:** PCS to First Edition  
H1037-CSST-100

**Date:** May 11, 2016  
**Prepared by:** Erika Churchill  
Committee Co-Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 1037 would amend the length of time for which the Lincolnton-Lincoln County Airport Authority may contract for lease of property, and to make a technical correction to the session laws related to the Airport Authority.*

**CURRENT LAW:** In 1977, the General Assembly authorized the creation of the City of Lincolnton-County of Lincoln Airport Authority. According to the Airport Authority, an airport was opened in 1986.

In 1996, without repealing the 1977 session law, the General Assembly created the Lincolnton-Lincoln County Airport Authority (the "Airport Authority"). The Airport Authority consists of seven members, three appointed to staggered three-year terms by the Lincolnton City Council, three appointed to staggered three-year terms by the Lincoln County Board of Commissioners, and one appointed by the other six members of the Airport Authority. The members appointed by the Lincolnton City Council must be qualified voters of the City of Lincolnton, and the members appointed by the Lincoln County Board of Commissioners and the Airport Authority must be qualified voters of the County of Lincoln.

Via the 1996 Session, the Airport Authority is granted certain powers and authorities that include:

- Establishing, maintaining, and operating airports and landing fields for the use of airplanes and other aircraft within the limits of Lincoln County.
- To sue and be sued, and make contracts, in the name of the Airport Authority.
- Charging and collecting reasonable and adequate fees and rents for the use of airport property.
- Making reasonable rules and regulations for the proper maintenance, use, operation, and control of the airport.
- Issuing bonds pursuant to Article 5 of Chapter 159 of the General Statutes.
- Selling, leasing, or otherwise disposing of any real or personal property belonging to the Airport Authority, in accordance the General Statutes and with the approval of the Lincoln County Board of Commissioners and the Lincolnton City Council.
- Purchasing any insurance that the Federal Aviation Administration or the Airport Authority deems necessary.
- Investing funds as provided by the Local Government Finance Act.
- Purchase any of its outstanding bonds or notes.
- Operating, owning, leasing, or granting to others, for a period not to exceed 25 years, the right to operate on any airport premises restaurants, snack bars, vending machines, food and beverage dispensing outlets, rental car services, catering services, novelty shops, insurance sales, advertising media, merchandising outlets, motels,

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1037  
PROPOSED COMMITTEE SUBSTITUTE H1037-CSST-100 [v.2]  
05/11/2016 04:36:50 PM

Short Title: Lincolnton Airport Authority/Contract Length.

(Local)

Sponsors:

Referred to:

May 5, 2016

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE LINCOLNTON-LINCOLN COUNTY AIRPORT  
AUTHORITY TO ENTER INTO CERTAIN CONTRACTS FOR A PERIOD GREATER  
THAN TWENTY-FIVE YEARS AND TO MAKE TECHNICAL CORRECTIONS TO THE  
SESSION LAWS RELATED TO THE AIRPORT AUTHORITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Subsection (a) of Section 4 of Chapter 10 of the Session Laws of the  
1996 Second Extra Session reads as rewritten:

"Sec. 4. (a) The Airport Authority shall constitute a body, both corporate and politic, and shall  
have the following powers and authority:

- ...
- (10) To operate, own, lease, control, regulate, or grant to others, for a period not to  
exceed 25~~50~~ years, the right to operate on any airport premises restaurants,  
snack bars, vending machines, food and beverage dispensing outlets, rental car  
services, catering services, novelty shops, insurance sales, advertising media,  
merchandising outlets, motels, hotels, barber shops, automobile parking and  
storage facilities, automobile service establishments, and all other types of  
facilities as may be directly or indirectly related to the maintenance and  
furnishing to the general public of a complete air terminal installation.
  - (11) To contract with persons, firms, or corporations for terms not to exceed 25~~50~~  
years, for the operation of airline-scheduled passenger and freight flights,  
nonscheduled flights, and any other airplane activities not inconsistent with the  
grant agreements under which the airport property is held.
  - (12) To erect and construct buildings, hangars, shops, and other improvements and  
facilities, not inconsistent with or in violation of the agreements applicable to  
and the grants under which the real property of the airport is held; to lease these  
improvements and facilities for a term or terms not to exceed 25~~50~~ years; to  
borrow money for use in making and paying for these improvements and  
facilities, secured by and on the credit only of the lease agreements in respect to  
these improvements and facilities, and to pledge and assign the leases and lease  
agreements as security for the authorized loans.

...."

**SECTION 2.** Chapter 286 of the Session Laws of 1977 is repealed.

**SECTION 3.** This act is effective when it becomes law.



\* H 1 0 3 7 - C S S T - 1 0 0 \*

# House PCS 1037

Page 2

hotels, barber shops, automobile parking and storage facilities, automobile service establishments, and all other types of facilities related to the airport.

- Contracting, for terms not to exceed 25 years, for the operation of airline-scheduled passenger and freight flights, nonscheduled flights, and any other airplane activities.
- Constructing buildings, hangars, shops, and other improvements and facilities, and lease those improvements and facilities for a term or terms not to exceed 25 years.
- Subject to the limitations of S.L. 1996es-10, to have all the same power and authority granted to cities and counties under Chapter 63 of the General Statutes, Aeronautics.
- To have a corporate seal, which may be altered at will.

**BILL ANALYSIS:** House Bill 1037 would do all of the following:

- Amend the powers and duties of the Airport Authority to permit that body to enter into certain contracts for a period of up to 50 years, rather than the current authorization for up to 25 years.
- Repeals the 1977 session law that is no longer in active use governing the Airport Authority.

**EFFECTIVE DATE:** Effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 956

Short Title: Henderson County/Community College Projects. (Local)

Sponsors: Representatives McGrady and Whitmire (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Education - Community Colleges

April 26, 2016

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT HENDERSON COUNTY IS AUTHORIZED TO CONSTRUCT  
COMMUNITY COLLEGE BUILDINGS ON THE CAMPUS OF BLUE RIDGE  
COMMUNITY COLLEGE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Notwithstanding G.S. 115D-9, 115D-15.1, 143-341(3), or any other provision of law, Henderson County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campus of Blue Ridge Community College (hereinafter "College") located within Henderson County. Henderson County may finance the construction of these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. In constructing the buildings, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Article 3D of Chapter 143 of the General Statutes (Procurement of Architectural, Engineering, and Surveying Services) and Article 8 of Chapter 143 of the General Statutes (Public Contracts). The College does not have to comply with the provisions of G.S. 115D-15.1 when conveying to the County property owned by the College which will be the site of the construction and will be pledged as collateral pursuant to G.S. 160A-20. The County shall consult with the Board of Trustees of the College about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress. Upon the completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and College.

**SECTION 2.** The Board of Trustees of the College shall transfer title to the following property to the County for the life of the debt incurred by the County for the construction of the community college buildings authorized by Section 1 of this act:

BEING all of Lot 1, consisting of 3.33 acres, more or less, as shown on survey of Plat recorded at Plat Slide 10120 (also Book 2016, Page 10120(1)) in the Office of the Register of Deeds for Henderson County, North Carolina, which survey is incorporated herein by reference for greater certainty of description. Upon the satisfaction of the debt, the County shall transfer title to the property back to the Board of Trustees of the College.

**SECTION 3.** The County and the Board of Trustees of the College may enter into a memorandum of understanding to allow for the construction of community college buildings by the County on the campus of the College located within the County, if deemed appropriate by the County and College and if the terms of the memorandum will allow for the construction to be completed in a timely fashion and cost-efficient manner.



\* H 9 5 6 - V - 1 \*

1           **SECTION 4.** The County and the Board of Trustees of the College may enter into a  
2 memorandum of understanding for the lease of space in County-owned buildings to the College, if  
3 the buildings are located within the County and if the lease is deemed appropriate by the County  
4 and College.

5           **SECTION 5.** Sections 1 through 3 of this act are effective when they become law and  
6 apply only to construction projects and renovations funded entirely with County funds and  
7 coordinated by the County for College uses and purposes between January 1, 2014, and December  
8 31, 2020. The remainder of this act is effective when it becomes law.

**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB	956	Henderson County/Community College Projects.
		Draft Number: H956-PCS10528-ST-99
		Serial Referral: None
		Recommended Referral: None
		Long Title Amended: No
		Floor Manager: McGrady
HB	957	Hendersonville Charter Amendment.
		Draft Number: H957-PCS10527-TY-9
		Serial Referral: None
		Recommended Referral: None
		Long Title Amended: No
		Floor Manager: McGrady
HB	1037	Lincolnton Airport Authority/Contract Length.
		Draft Number: H1037-PCS40619-ST-100
		Serial Referral: None
		Recommended Referral: None
		Long Title Amended: Yes
		Floor Manager: Saine

TOTAL REPORTED: 3



\* C M R 6 2 9 - V - 1 \*



NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair

Representative Carl Ford, Co-Chair

FAVORABLE

HB 1009

Wake Cty Towns Donate Retired Service Animals.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Adcock

FAVORABLE AND RE-REFERRED

HB 984

Transfer of Davie County Correctional Center.

Draft Number: None  
**Serial Referral: APPROPRIATIONS**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Howard

HB 1022

Town of Maxton Deannexation.

Draft Number: None  
**Serial Referral: FINANCE**  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Pierce

TOTAL REPORTED: 3



\* C M R 6 2 6 - V - 1 \*



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

05/12/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

JACK COZORT	CARY
Penny Hill	SOH
India Silver	Williford Elementary school - Rocky Mount
Brenda Collins	Williford Family Res. Gr. / WES
Monica Bony	Williford
Joni Fletcher	Williford Elem. School, Rocky Mount
Kathy Battle	NCLM.
Erin Wynia	NCLM



Name of Committee

Date \_\_\_\_\_

NAME \_\_\_\_\_

Samantha Wright

AKC Canine Health Fnd. Raleigh

Courtney Lockamy

Randolph Clad & Assoc.

Kevin Faushee

INTERN - REP. LANGDON



**House Committee on Local Government**  
**Wednesday, May 18, 2016 at 10:30 AM**  
**Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:30 AM on May 18, 2016 in Room 643 of the Legislative Office Building. Representatives Ager, Boles, Brown, Burr, Cleveland, Davis, Faircloth, Fisher, Floyd, Ford, Graham, Holley, Jeter, Langdon, Luebke, Pendleton, Ross, Setzer, Szoka, Warren, and Watford attended.

Representative Carl Ford, Chair, presided.

The Committee considered House Bill (HB) 1058, "Tobaccoville Recall Elections." Representative Conrad was recognized to present the bill to the Committee and the Committee discussed the bill. Representative Davis moved to provide HB 1058 a favorable report. The Chair called for a voice vote and the motion carried.


The Committee considered HB 989, "Red Cross Charter Amendments." Representative Burr was recognized to present the bill to the Committee. Representative Cleveland moved to provide HB 989 a favorable report. The Chair called for a voice vote and the motion carried.

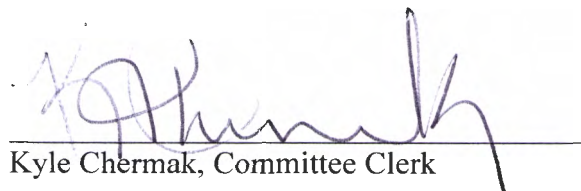
The Committee considered HB 952, "Honor Our Service Animals/Sheriff Contracts." The Chair brought forth a Proposed Committee Substitute (PCS) for HB 952 without objection. Representative Hastings was recognized to present the bill. Representative Davis was recognized to send forth Amendment 1. Representative Davis moved to adopt the amendment. The Chair called for a voice vote and the motion carried. Representative Setzer was recognized to send forth Amendment 2. Representative Jeter moved to adopt the amendment. The Chair called for a voice vote and the motion carried. Representative Cleveland moved to roll the amendments into a new PCS for HB 952 and to provide that PCS for a favorable report and an unfavorable report as to the original bill. The Chair called for a voice vote and the motion carried.

The Committee considered HB 1023, "Municipal Service Districts/Statutory Changes." Representative Davis was recognized to present the bill and the Committee discussed the bill. Ms. Erin Wynia, League of Municipalities, was recognized to speak in favor of the bill. Representative Jeter moved to provide HB 1023 a favorable report. The Chair called for a voice vote and the motion carried.

The Committee considered HB 1083, "Wilmington/Ordinance Initiative & Referendum." Representatives Davis and Hamilton were recognized to present the bill to the Committee. Representative Warren moved to provide HB 1083 a favorable report. The Chair called for a voice vote and the motion carried.

The meeting adjourned at 11:15 AM.

  
Representative Carl Ford, Chair  
Presiding

  
Kyle Chermak, Committee Clerk



## **Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Tuesday, May 17, 2016 04:03 PM  
**To:** Rep. Kelly Hastings; Rep. Ted Davis; Rep. Debra Conrad; Rep. Susi Hamilton; Rep. Rick Catlin; Rep. Justin Burr  
**Cc:** James Jenkins (Rep. Kelly Hastings); Judy Lowe (Rep. Ted Davis); Danielle Brinton (Rep. Debra Conrad); Ruth Merkle (Rep. Susi Hamilton); Laura Holt-Kabel (Rep. Rick Catlin); Dina Long (Rep. Justin Burr)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Wednesday, May 18, 2016 at 10:30 AM - CORRECTED #1  
**Attachments:** Add Meeting to Calendar\_LINC\_ics

**Corrected #1: Added HB 989 "Red Cross Charter Amendments"**

### **NORTH CAROLINA HOUSE OF REPRESENTATIVES COMMITTEE MEETING NOTICE AND BILL SPONSOR NOTIFICATION 2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Wednesday, May 18, 2016

**TIME:** 10:30 AM

**LOCATION:** 643 LOB

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 952	Honor Our Service Animals/Sheriff Contracts.	Representative Hastings
HB 1023	Municipal Service Districts/Statutory Changes.	Representative Davis
HB 1058	Tobacconville Recall Elections.	Representative Conrad
HB 1083	Wilmington/Ordinance Initiative & Referendum.	Representative Davis Representative Hamilton Representative Catlin
HB 989	Red Cross Charter Amendments.	Representative Burr



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:00 PM on Tuesday, May 17, 2016.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government  
Wednesday, May 18, 2016, 10:30 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 952	Honor Our Service Animals/Sheriff Contracts.	Representative Hastings
HB 989	Red Cross Charter Amendments.	Representative Burr
HB 1023	Municipal Service Districts/Statutory Changes.	Representative Davis
HB 1058	Tobaccoville Recall Elections.	Representative Conrad
HB 1083	Wilmington/Ordinance Initiative & Referendum.	Representative Davis Representative Hamilton Representative Catlin

**Adjournment**



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 952  
PROPOSED COMMITTEE SUBSTITUTE H952-CSST-101 [v.2]

05/17/2016 08:44:36 AM

Short Title: Honor Our Service Animals/Sheriff Contracts.

(Local)

Sponsors:

Referred to:

April 26, 2016

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT THE CLEVELAND COUNTY SHERIFF'S OFFICE MAY CONTRACT FOR THE PURCHASE OF FOOD AND FOOD SERVICES SUPPLIES FOR THE COUNTY'S DETENTION FACILITY WITHOUT BEING SUBJECT TO THE REQUIREMENTS OF CERTAIN STATE PURCHASE AND CONTRACT LAWS AND AUTHORIZING CLEVELAND COUNTY AND THE MUNICIPALITIES IN CLEVELAND COUNTY MAY TRANSFER RETIRED SERVICE ANIMALS OWNED BY THE LOCAL GOVERNMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of S.L. 2015-158 reads as rewritten:

"**SECTION 2.** This act applies only to the following counties: ~~Jones~~, Cherokee, Cleveland, Haywood, Henderson, Iredell, Jones, Lincoln, Madison, Orange, Transylvania, and Yancey."

**SECTION 2.** Article 12 of Chapter 160A of the General Statutes is amended by adding a new section to read:

**"§ 160A-279.5. Disposition of animals.**

(a) Upon the governing body determining any horse, dog, or other animal owned by the local government is no longer fit or needed for public service, the governing body may transfer ownership of the animal at a price determined by the governing body and upon any other terms and conditions as the governing body deems appropriate, to any of the following individuals, if that individual agrees to accept ownership, care, and custody of the animal:

(1) The officer or employee who had normal custody and control of the animal during the animal's public service to the local government.

(2) A surviving spouse, or in the event such officer or employee dies unsurvived by a spouse, surviving children of the officer or employee killed in the line of duty who had normal custody and control of the animal during the animal's public service to the local government.

(3) An organization or program dedicated to the assistance or support of animals retired from public service.

(b) This section applies only to the County of Cleveland and all of the municipalities that lie in whole, or in part, in Cleveland County.

**SECTION 3.** This act is effective when it becomes law.



\* H 9 5 2 - C S S T - 1 0 1 \*



## HOUSE BILL 952: Honor Our Service Animals/Sheriff Contracts.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Hastings  
**Analysis of:** PCS to First Edition  
H952-CSST-101

**Date:** May 17, 2016  
**Prepared by:** Erika Churchill  
Committee Co-Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 952 would permit the Cleveland County sheriff to purchase food and food supplies for the county's detention facility without complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a) and allow the County of Cleveland and any municipality in Cleveland County to transfer retired public service animals used by a local government in that county to the officer or employee who had normal custody and control of the animal during its service.*

[As introduced, this bill was identical to S809, as introduced by Sen. Daniel, which is currently in Senate State and Local Government.]

### CURRENT LAW & BILL ANALYSIS:

**Section 1:** Article 8 of Chapter 143 sets out the current general law for public bidding contracts.

The relevant sections of Article 8 for bidding of contracts for goods are:

- G.S. 143-129, regarding formal bidding for public construction over \$500,000 and goods over \$90,000.
- G.S. 143-131, regarding informal bidding procedures for goods of \$30,000-\$90,000.

A public school is not required to comply with the requirement to purchase all supplies under Article 8 of Chapter 143 when purchasing supplies and food for such school food services. G.S. 115C-264(c).

S.L. 2015-158 permits the Sheriff's Offices in Cherokee, Haywood, Henderson, Iredell, Jones, Lincoln, Madison, Orange, Transylvania, and Yancey Counties to purchase food and food supplies for the county's detention facility without complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a). S.L. 2015-156 and S.L. 2015-157 granted the same authority to Sheriff's Offices in Alamance, Anson, Beaufort, Caswell, Chowan, Craven, Cumberland, Currituck, Dare, Davidson, Granville, Guilford, Onslow, Pamlico, Pasquotank, Randolph, Rockingham, Stanly, Washington and Wake Counties.

Section 1 would amend S.L. 2015-158 to add the Cleveland County Sheriff's Office to the list of sheriffs permitted to purchase food and supplies for the detention facility without complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a).

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House PCS 952

Page 2

**Section 2:** Article 12 of Chapter 160A of the North Carolina General Statutes establishes the procedures city and county governments generally follow to dispose of real and personal property. Subject to certain limitations, a city may dispose of property belonging to the city only by:

- Private negotiation and sale;
- Advertisement for sealed bids;
- Negotiated offer, advertisement, and upset bid;
- Public auction; or
- Exchange.

Additionally, G.S. 20-187.2 authorizes law enforcement agencies to, in their discretion and upon request, award the service side arm of a retiring law enforcement officer, to that retiring member or the surviving relatives, at a price determined by such governing body if the governing body determines that the person receiving the weapon may own, possess, or receive a firearm under the provisions of State or federal law, or the weapon has been rendered incapable of being fired. Badges of law enforcement officers may also be given, upon request to a retiring officer or the surviving family of an officer killed in the line of duty under that statute.

Section 2 would authorize the County of Cleveland and all of the municipalities that lie, wholly or in part, in that County to transfer a retired service animal, at a price determined by the governing body and upon any other terms and conditions as the governing body deems appropriate, to any of the following:

- The handler.
- A surviving spouse, or child if none, of the handler.
- An organization or program dedicated to retired service animals.

The individual to whom ownership of the animal is transferred must agree to accept ownership, care, and custody of the animal.

**EFFECTIVE DATE:** Effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 952

Short Title: Honor Our Service Animals/Sheriff Contracts. (Local)

Sponsors: Representative Hastings.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

April 26, 2016

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT THE CLEVELAND COUNTY SHERIFF'S OFFICE MAY CONTRACT FOR THE PURCHASE OF FOOD AND FOOD SERVICES SUPPLIES FOR THE COUNTY'S DETENTION FACILITY WITHOUT BEING SUBJECT TO THE REQUIREMENTS OF CERTAIN STATE PURCHASE AND CONTRACT LAWS AND PROVIDING THAT CLEVELAND COUNTY AND THE MUNICIPALITIES IN CLEVELAND COUNTY MAY DONATE RETIRED SERVICE ANIMALS USED BY THE SHERIFF'S OFFICE OR POLICE DEPARTMENT OR ANY OTHER COUNTY OR MUNICIPAL AGENCY TO THE SHERIFF, DEPUTY, POLICE OFFICER, OR EMPLOYEE WHO HAD NORMAL CUSTODY AND CONTROL OF THE ANIMAL.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of S.L. 2015-158 reads as rewritten:

"**SECTION 2.** This act applies only to the following counties: ~~Jones~~, Cherokee, Cleveland, Haywood, Henderson, Iredell, Jones, Lincoln, Madison, Orange, Transylvania, and Yancey."

**SECTION 2.** Section 2 of S.L. 2015-174 reads as rewritten:

"**SECTION 2.(a)** The governing body of a county or municipality may donate any horse, dog, or other animal used by the county's sheriff office or the municipality's police department or any other county or municipal agency to the ~~officer-sheriff, deputy, police officer,~~ or employee who had normal custody and control of the animal during its service to the county or municipality when the animal is deemed no longer fit for public service.

"**SECTION 2.(b)** This section applies only to the following counties: Cleveland and to the following municipalities: municipalities in Cleveland and Mecklenburg County.~~Counties.~~"

**SECTION 3.** This act is effective when it becomes law.





## HOUSE BILL 989: Red Cross Charter Amendments.

2016-2017 General Assembly

Committee: House Local Government  
Introduced by: Rep. Burr  
Analysis of: First Edition

Date: May 17, 2016  
Prepared by: Augustus Willis  
Committee Counsel

**SUMMARY:** *House Bill 989 would amend the charter of the Town of Red Cross to, (1) in the event of a vacancy on the Town Council, allow the remaining members of the Council to appoint a qualified person to serve for the unexpired term and (2) require the Town Council to choose one of its members to serve as Mayor Pro Tempore to perform the duties of the mayor in the mayor's absence.*

**CURRENT LAW:** The Red Cross Town Council consists of four councilmembers and the mayor, who serve 4-year terms. There is currently no provision in the charter for filling a vacancy in the term of a councilmember or the mayor. Where a charter is silent as to the filling of a vacancy on a city council, the general law of G.S. 160A-63 applies, generally requiring a vacancy to be filled by appointment of the city council.

**BILL ANALYSIS:** House Bill 989 would amend the charter of the Town of Red Cross to provide that if any elected member of the Town Council shall refuse to be qualified, or if there is a vacancy in the office of a member of the Town Council, the remaining members of the Town Council must, by majority vote, appoint some qualified person to serve for the unexpired term.

The change in the charter would also require the Town Council to choose one of its members to serve as Mayor Pro Tempore, who would be required to perform the duties of the mayor in the mayor's absence of disability. The Mayor Pro Tempore would have no fixed term of office, but would serve in that capacity at the pleasure of the remaining members of the Town Council.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Karen Cochran-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 989

Short Title: Red Cross Charter Amendments.

(Local)

Sponsors: Representative Burr.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Elections

April 28, 2016

A BILL TO BE ENTITLED

AN ACT AMENDING THE CHARTER OF THE TOWN OF RED CROSS TO AUTHORIZE  
THE TOWN COUNCIL TO FILL A VACANCY ON THE COUNCIL AND TO CHOOSE  
ONE OF ITS MEMBERS TO SERVE AS MAYOR PRO TEMPORE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article III of the Charter of the Town of Red Cross, being S.L. 2002-56,  
as amended by S.L. 2015-253, reads as rewritten:

"ARTICLE III. GOVERNING BODY.

...

"Section 3.3. **Manner of Electing Town Council; Term of ~~Office~~.Office; Vacancy.** (a) The  
qualified voters of the entire Town shall elect the members of the Town Council and, except as  
provided in this section, they shall be elected to four-year terms. In 2015, two members shall be  
elected for five-year terms, and the two members whose terms expire in 2017 shall continue to  
serve until 2018. In 2018, and biennially thereafter, two members shall be elected to four-year  
terms.

(b) If any elected member of the Town Council shall refuse to be qualified, or if there is a  
vacancy in the office of a member of the Town Council after election and qualification, the  
remaining members of the Town Council shall, by majority vote, appoint some qualified person to  
serve for the unexpired term. A member of the Town Council appointed under this subsection  
shall have the same authority and powers as if regularly elected.

...

"Section 3.4A. **Mayor Pro Tempore.**

The Town Council shall choose one of its members to serve as Mayor Pro Tempore and that person  
shall perform the duties of the Mayor in the Mayor's absence or disability. The Mayor Pro Tempore  
shall have no fixed term of office but shall serve in that capacity at the pleasure of the remaining  
members of the Town Council.

...."

**SECTION 2.** This act is effective when it becomes law.





# HOUSE BILL 1023: Municipal Service Districts/Statutory Changes.

2016-2017 General Assembly

Committee: House Local Government  
Introduced by: Rep. Davis  
Analysis of: First Edition

Date: May 13, 2016  
Prepared by: Erika Churchill  
Committee Co-Counsel

**SUMMARY:** *House Bill 1023 would require additional accounting of certain contractors of cities with respect to municipal service districts, require that an ordinance to establish a municipal service district be adopted at two separate meetings of the city council, and establish a process by which property owners may petition for creation or reduction of a municipal service district.*

[As introduced, this bill was identical to S803, as introduced by Sen. Wade, which is currently in Senate State and Local Government.]

**CURRENT LAW:** The North Carolina Constitution generally requires that a municipality's or county's property tax rate be uniform throughout the unit, meaning that all property is taxed at the same rate throughout the jurisdiction. Article V, Sec. 2(2). However, the Constitution also carves out an exception to this requirement. The General Assembly is authorized to permit municipalities and counties to define special service districts within their jurisdiction, and to levy additional taxes in those areas to provide services or facilities that are not offered throughout the unit or that are offered at a lower level in the rest of the unit. Article V, Sec. 2(4).

The General Assembly has enacted a process under Article 23 of Chapter 160A for cities to establish municipal service districts. A municipal service district is a defined geographic area within a municipality in which the city council levies an additional property tax in order to provide extra services to that defined geographic area. A municipal service district is not a separate government; rather it is a mechanism whereby a city raises revenue from property owners to pay for services or projects that most directly benefit from those services or projects.

Under general law, a municipality may define one or more service districts for any of the following functions:

- Beach erosion control and flood and hurricane protection works
- Downtown revitalization projects
- Urban revitalization projects
- Transit-oriented development projects
- Drainage projects
- Sewage collection and disposal systems
- Off-street parking facilities
- Watershed improvement, drainage, and water resources development projects

There are a few additional authorized purposes for certain municipalities—conversion of private residential streets to public streets, subject to several prerequisites and restrictions and general preservation of the character of an historic district.<sup>1</sup>

<sup>1</sup> Cities located primarily in a county that has a population of 750,000 or more and also located in an adjacent county with a population of 250,000 or more and to cities located primarily in a county that has a population of 250,000 or more and also located in an adjacent county that has a population of 750,000 or more may establish one or more municipal service districts to fund costs related to the conversion of private residential streets to public streets, subject to several prerequisites and restrictions. And, in 1987, the General Assembly authorized those cities having a population in excess of 150,000 which are

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House Bill 1023

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A city may establish a service district by following these procedural requirements:

1. Prepare a report on the proposed district containing the following:
  - o A map of the proposed district, showing its proposed boundaries.
  - o A statement attesting that the proposed district is in need of one or more of the authorized functions or services to a demonstrably greater extent than the rest of the city and meets other required statutory standards.
  - o A plan for providing one or more of the authorized functions or services in the proposed district.
2. Make the report available for public inspection in the city clerk's office at least 4 weeks before holding a public hearing on establishing the district.
3. Publish notice that a public hearing will be held on establishing the district at least 1 week before the date of the hearing, and mail notice to all property owners in the proposed district at least 4 weeks before the date of the hearing.
4. Hold a public hearing on establishing the district.
5. Adopt a resolution establishing the district to take effect at the beginning of a future fiscal year, July 1st.

Once a municipal service district is established, the city council may levy an ad valorem property tax each fiscal year against all property located in the geographic area of the municipal service district. G.S. 160A-542 and G.S. 160A-44. The city council may alter the district tax rate each year, or opt not to levy the tax in a particular fiscal year without abolishing the district. There is no specific limit on the amount of a municipal service district tax rate. However, a service district tax, when added to the unit's ad valorem property tax rate(s) may not exceed \$1.50 per \$100 valuation, unless the portion of the rate in excess of the limit is submitted to and approved by a majority of the qualified voters in the district. For all municipal service districts, the city is to develop long-range plans and goals, set the tax rate in accordance with those plans and goals, and use the moneys collected for the purposes set forth in those plans and goals.

Once a city levies a municipal service district tax, it must "provide, maintain, or let contracts for the services for which the residents of the district are being taxed within a reasonable time, not to exceed one year, after the effective date of the definition of the district." G.S. 160A-540. For municipal service districts created for historical districts, downtown revitalization, and urban area revitalization, the city must comply with all of the following when contracting with private agencies:

- Prior to entering into the contract the city must:
  - o Solicit input from the residents and property owners as to the needs of the service district.
  - o Use a bid process to determine which private agency is best suited to achieve the needs of the service district. If the city determines that a multi-year contract with a private agency is in the best interest of the city and the service district, the city may enter into a multiyear contract not to exceed 5 years in length.
  - o Hold a public hearing.

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located in counties having two or more cities each of which has a population in excess of 60,000; those cities where, at the time of creation of the district, the city had a population of not less than 20,000 nor more than 25,000, was not a county seat, and was located in two counties one of which had eight incorporated municipalities; and those cities where, at the time of creation of the district, the city is located in a county with a population of more than 100,000, which county has an area of less than 250 square miles to establish one or more municipal service districts to funds costs related any service, facility, or function which the municipality may by law provide in the city that generally preserve the character of an historic district which, at the time of its creation, had the same boundaries as an historic district created under Part 3A of Article 19 of Chapter 160A of the General Statutes.

# House Bill 1023

Page 3

- The city must require the private agency to report annually to the city, by presentation in a city council meeting and in a written report, regarding the needs of the service district, completed projects, and pending projects.
- The contract is to specify the scope of services to be provided by the private agency. Any changes to the scope of services must be approved by the city council.

Upon finding that there is no longer a need to include a tract or parcel of land within a particular municipal service district, or that there is no longer a need for an entire municipal service district, the city council may, by resolution, redefine or abolish a service district after a public hearing for which notice is published at least once, but not less than 1 week before the date of the public hearing. The removal of any tract or parcel of land or the abolition of an entire district must take effect at the end of a fiscal year, June 30th.

**BILL ANALYSIS:** House Bill 1023 would do all of the following:

1. Require an ordinance to be adopted at two meetings of the city council to establish a municipal service district, or to amend the boundaries of an established municipal service district. The action could be taken at a regular meeting, special meeting, or emergency meeting of the city council.
2. Require the appropriate accounting component of the contract between the city and any private agency administering a municipal service district to include the following information with respect to each subcontractor:
  - a. Name.
  - b. Location.
  - c. Purpose.
  - d. Amount paid.
3. Establish a process by which the property owners may petition the city council for creation of a municipal service district. The city may establish a policy to hear such petitions on a periodic basis, no less than once per year. The petition is to contain all of the following:
  - a. The names, addresses, and signatures of the real property owners within the proposed area.
  - b. A description of the proposed area.
  - c. A detailed statement of the services, facilities, or functions listed in G.S. 160A-536 (reasons for creating a municipal service district) which would serve as the basis for establishing the proposed district.
4. Establish a process by which a property owner may request to be excluded from the geographic boundaries of a municipal service district upon its creation, or after the municipal service district is established. The property owner is to submit a written request for exclusion on the basis that the tract or parcel is not in need of the services, facilities, or functions of the district to a demonstrably greater extent than the remainder of the city and may include any other information the property owner deems relevant. If the city council finds that the property is not in need of the services, facilities, or functions of the district to a demonstrably greater extent than the remainder of the city, the city council may, by ordinance, exclude the tract or parcel from the municipal service district.

**EFFECTIVE DATE:** Effective when it becomes law, and applies to contracts entered into on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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1

HOUSE BILL 1023\*

Short Title: Municipal Service Districts/Statutory Changes.

(Public)

Sponsors: Representative Davis.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 4, 2016

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT (I) A MUNICIPAL SERVICE DISTRICT MAY BE DEFINED BY THE CITY COUNCIL UPON RECEIPT OF A PETITION FROM REAL PROPERTY OWNERS; (II) A CITY MAY EXCLUDE PROPERTY FROM A MUNICIPAL SERVICE DISTRICT PRIOR TO OR AFTER THE CREATION OF THE DISTRICT IF THE PROPERTY DOES NOT BENEFIT FROM THE SERVICES, FACILITIES, OR FUNCTIONS OF THE DISTRICT; (III) A MUNICIPAL SERVICE DISTRICT MAY BE DEFINED, EXTENDED, CONSOLIDATED, AND ABOLISHED ONLY BY ORDINANCE; AND (IV) A CONTRACT FOR SERVICES IN A MUNICIPAL SERVICE DISTRICT WITH A PRIVATE AGENCY SHALL INCLUDE A REQUIREMENT THAT THE AGENCY REPORT THE IDENTITY OF ANY SUBCONTRACTORS, AS RECOMMENDED BY THE LRC COMMITTEE ON MUNICIPAL SERVICE DISTRICTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 160A-536 reads as rewritten:

**"§ 160A-536. Purposes for which districts may be established.**

...

(d) Contracts. – A city may provide services, facilities, functions, or promotional and developmental activities in a service district with its own forces, through a contract with another governmental agency, through a contract with a private agency, or by any combination thereof. Any contracts entered into pursuant to this subsection shall comply with all of the following criteria:

- (1) The contract shall specify the purposes for which city moneys are to be used for that service district.
- (2) The contract shall require an appropriate accounting for those moneys at the end of each fiscal year or other appropriate period. The appropriate accounting shall include the name, location, purpose, and amount paid to any person or persons with whom the private agency contracted to perform or complete any purpose for which the city moneys were used for that service district.

...."

**SECTION 2.** G.S. 160A-537 reads as rewritten:

**"§ 160A-537. Definition of service districts.**

(a) Standards. – The city council of any city may by ~~resolution~~ ordinance define a service district upon finding that a proposed district is in need of one or more of the services, facilities, or functions listed in G.S. 160A-536 to a demonstrably greater extent than the remainder of the city.



(a1) Petition to Define District. – The city council may also by ordinance define a service district if a petition submitted by a majority of the owners of real property in a defined area of the city establishes that the area is in need of one or more of the services, facilities, or functions listed in G.S. 160A-536 to a demonstrably greater extent than the remainder of the city. The petition shall contain the names, addresses, and signatures of the real property owners within the proposed district, describe the proposed district boundaries, and state in detail the services, facilities, or functions listed in G.S. 160A-536 which would serve as the basis for establishing the proposed district. The city council may establish a policy to hear all petitions submitted under this subsection at regular intervals, but no less than once per year.

(b) Report. – Before the public hearing required by subsection (c), the city council shall cause to be prepared a report containing:

- (1) A map of the proposed district, showing its proposed boundaries;
- (2) A statement showing that the proposed district meets the standards set out in subsection (a); and
- (3) A plan for providing in the district one or more of the services listed in G.S. 160A-536.

The report shall be available for public inspection in the office of the city clerk for at least four weeks before the date of the public hearing.

(c) ~~Resolution~~ Hearing and Notice. – The city council shall hold a public hearing before adopting any ~~resolution~~ ordinance defining a new service district under this section. Notice of the hearing shall state the date, hour, and place of the hearing and its subject, and shall include a map of the proposed district and a statement that the report required by subsection (b) is available for public inspection in the office of the city clerk. The notice shall be published at least once not less than one week before the date of the hearing. In addition, it shall be mailed at least four weeks before the date of the hearing by any class of U.S. mail which is fully prepaid to the owners as shown by the county tax records as of the preceding January 1 (and at the address shown thereon) of all property located within the proposed district. The person designated by the council to mail the notice shall certify to the council that the mailing has been completed and his certificate is conclusive in the absence of fraud.

(c1) Exclusion From District. – An owner of a tract or parcel of land located within the proposed district may, at the public hearing or no later than five days after the date of the public hearing required by subsection (c) of this section, submit a written request to the city council for the exclusion of the tract or parcel from the proposed district. The owner shall specify the tract or parcel, state with particularity the reasons why the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the city, and provide any other additional information the owner deems relevant. If the city council finds that the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the city, the city council may exclude the tract or parcel from the proposed district.

(d) Effective Date. – Except as otherwise provided in this subsection, the ~~resolution~~ ordinance defining a service district shall take effect at the beginning of a fiscal year commencing after its passage, as determined by the city council. If the governing body in the ~~resolution~~ ordinance states that general obligation bonds or special obligation bonds are anticipated to be authorized for the project, it may make the ~~resolution~~ ordinance effective immediately upon its adoption or as otherwise provided in the ~~resolution~~ ordinance. However, no ad valorem tax may be levied for a partial fiscal year.

(e) ~~In the case of a resolution defining a service district, which is adopted during the period beginning July 1, 1981, and ending July 31, 1981, and which district is for any purpose defined in G.S. 160A-536(1), the city council may make the resolution effective for the fiscal year beginning July 1, 1981. In any such case, the report under subsection (b) of this section need only have been available for public inspection for at least two weeks before the date of the public~~

1 ~~hearing, and the notice required by subsection (c) of this section need only have been mailed at~~  
2 ~~least two weeks before the date of the hearing.~~

3 (f) Passage of Ordinance. – No ordinance defining a service district as provided for in this  
4 section shall be finally adopted until it has been passed at two meetings of the city council by  
5 majority vote of the voting members present, and no service district shall be defined except by  
6 ordinance."

7 **SECTION 3.** G.S. 160A-538 reads as rewritten:

8 **"§ 160A-538. Extension of service districts.**

9 (a) Standards. – The city council may by ~~resolution~~ordinance annex territory to any  
10 service district upon finding that:

11 (1) The area to be annexed is contiguous to the district, with at least one eighth of  
12 the area's aggregate external boundary coincident with the existing boundary of  
13 the district;

14 (2) That the area to be annexed requires the services of the district.

15 (b) Annexation by Petition. – The city council may also by ~~resolution~~ordinance extend by  
16 annexation the boundaries of any service district when one hundred percent (100%) of the real  
17 property owners of the area to be annexed have petitioned the council for annexation to the service  
18 district.

19 (c) Report. – Before the public hearing required by subsection (d), the council shall cause  
20 to be prepared a report containing:

21 (1) A map of the service district and the adjacent territory, showing the present and  
22 proposed boundaries of the district;

23 (2) A statement showing that the area to be annexed meets the standards and  
24 requirements of subsections (a) or (b); and

25 (3) A plan for extending services to the area to be annexed.

26 The report shall be available for public inspection in the office of the city clerk for at least two  
27 weeks before the date of the public hearing.

28 (d) Hearing and Notice. – The council shall hold a public hearing before adopting any  
29 ~~resolution~~ordinance extending the boundaries of a service district. Notice of the hearing shall state  
30 the date, hour and place of the hearing and its subject, and shall include a statement that the report  
31 required by subsection (c) is available for inspection in the office of the city clerk. The notice shall  
32 be published at least once not less than one week before the date of the hearing. In addition, the  
33 notice shall be mailed at least four weeks before the date of the hearing to the owners as shown by  
34 the county tax records as of the preceding January 1 of all property located within the area to be  
35 annexed. The notice may be mailed by any class of U.S. mail which is fully prepaid. The person  
36 designated by the council to mail the notice shall certify to the council that the mailing has been  
37 completed, and his certificate shall be conclusive in the absence of fraud.

38 (e) Effective Date. – The ~~resolution~~ordinance extending the boundaries of the district shall  
39 take effect at the beginning of a fiscal year commencing after its passage, as determined by the  
40 council.

41 (e1) Passage of Ordinance. – No ordinance annexing territory to a service district as  
42 provided for in this section shall be finally adopted until it has been passed at two meetings of the  
43 city council by majority vote of the voting members present, and no territory shall be annexed to a  
44 service district except by ordinance.

45 (f) Historic District Boundaries Extension. – A service district which at the time of its  
46 creation had the same boundaries as an historic district created under Part 3A of Article 19 of this  
47 Chapter may only have its boundaries extended to include territory which has been added to the  
48 historic district."

49 **SECTION 4.** G.S. 160A-538.1 reads as rewritten:

50 **"§ 160A-538.1. Reduction of service districts.**

(a) Reduction by City Council. – Upon finding that there is no longer a need to include within a particular service district any certain tract or parcel of land, the city council may by ~~resolution~~ ordinance redefine a service district by removing therefrom any tract or parcel of land which it has determined need no longer be included in said district. The city council shall hold a public hearing before adopting a ~~resolution~~ an ordinance removing any tract or parcel of land from a district. Notice of the hearing shall state the date, hour and place of the hearing, and its subject, and shall be published at least once not less than one week before the date of the hearing.

(a1) Request for Reduction by Owner. – A property owner may submit a written request to the city council to remove the owner's tract or parcel of land from a service district. The owner shall specify the tract or parcel, state with particularity the reasons why the tract or parcel is not in need of the services, facilities, or functions of the proposed district to a demonstrably greater extent than the remainder of the city, and provide any other additional information the owner deems relevant. Upon receipt of the request, the city council shall hold a public hearing as required by subsection (a) of this section. If the city council finds that the tract or parcel is not in need of the services, facilities, or functions of the district to a demonstrably greater extent than the remainder of the city, the city council may, by ordinance, redefine the service district by removing therefrom the tract or parcel.

(b) Effective Date. – The removal of any tract or parcel of land from any service district shall take effect at the end of a fiscal year following passage of the ~~resolution~~ ordinance, as determined by the city council.

(b1) Passage of Ordinance. – No ordinance reducing a service district as provided for in this section shall be finally adopted until it has been passed at two meetings of the city council by majority vote of the voting members present, and no service district shall be reduced except by ordinance.

(c) Historic District Boundaries Reduction. – A service district which at the time of its creation had the same boundaries as an historic district created under Part 3A of Article 19 of this Chapter may only have its boundaries reduced to exclude territory which has been removed from the historic district."

**SECTION 5.** G.S. 160A-539 reads as rewritten:

**"§ 160A-539. Consolidation of service districts.**

(a) The city council may by ~~resolution~~ ordinance consolidate two or more service districts upon finding that:

- (1) The districts are contiguous or are in a continuous boundary; and
- (2) The services provided in each of the districts are substantially the same; or
- (3) If the services provided are lower for one of the districts, there is a need to increase those services for that district to the level of that enjoyed by the other districts.

(b) Report. – Before the public hearing required by subsection (c), the city council shall cause to be prepared a report containing:

- (1) A map of the districts to be consolidated;
- (2) A statement showing the proposed consolidation meets the standards of subsection (a); and
- (3) If necessary, a plan for increasing the services for one or more of the districts so that they are substantially the same throughout the consolidated district.

The report shall be available in the office of the city clerk for at least two weeks before the public hearing.

(c) Hearing and Notice. – The city council shall hold a public hearing before adopting any ~~resolution~~ ordinance consolidating service districts. Notice of the hearing shall state the date, hour, and place of the hearing and its subject, and shall include a statement that the report required by subsection (b) is available for inspection in the office of the city clerk. The notice shall be published at least once not less than one week before the date of the hearing. In addition, the

1 notice shall be mailed at least four weeks before the hearing to the owners as shown by the county  
2 tax records as of the preceding January 1 of all property located within the consolidated district.  
3 The notice may be mailed by any class of U.S. mail which is fully prepaid. The person designated  
4 by the council to mail the notice shall certify to the council that the mailing has been completed,  
5 and his certificate shall be conclusive in the absence of fraud.

6 (d) Effective Date. – The consolidation of service districts shall take effect at the beginning  
7 of a fiscal year commencing after passage of the ~~resolution~~ ordinance of consolidation, as  
8 determined by the council.

9 (e) Passage of Ordinance. – No ordinance consolidating two or more service districts as  
10 provided for in subsection (a) of this section shall be finally adopted until it has been passed at two  
11 meetings of the city council by majority vote of the voting members present, and no service  
12 districts shall be consolidated except by ordinance."

13 **SECTION 6.** G.S. 160A-541 reads as rewritten:

14 "**§ 160A-541. Abolition of service districts.**

15 Upon finding that there is no longer a need for a particular service district, the city council may  
16 by ~~resolution~~ ordinance abolish that district. The council shall hold a public hearing before  
17 adopting a ~~resolution~~ an ordinance abolishing a district. Notice of the hearing shall state the date,  
18 hour and place of the hearing, and its subject, and shall be published at least once not less than one  
19 week before the date of the hearing. The abolition of any service district shall take effect at the end  
20 of a fiscal year following passage of the ~~resolution~~ ordinance, as determined by the council."

21 **SECTION 7.** Section 1 of this act is effective when it becomes law and applies only  
22 to contracts entered into on or after the effective date of this act. The remainder of this act is  
23 effective when it becomes law.



## HOUSE BILL 1058: Tobaccoville Recall Elections.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Conrad  
**Analysis of:** First Edition

**Date:** May 17, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *House Bill 1058 amends the charter of the Village of Tobaccoville to allow the recall of officers of the Village of Tobaccoville.*

[As introduced, this bill was identical to S823, as introduced by Sen. Krawiec, which is currently in Senate State and Local Government.]

**CURRENT LAW:** The Village of Tobaccoville (Village) was established in 1991 by the General Assembly, subject to a referendum. S.L. 1991-232. The Village is governed by a Mayor and Village Council. The Village Council has four nonpartisan members, elected by the qualified voters of the entire Village. Two of the members of the council serve four year terms and two members of the council serve two year terms. The Village Council chooses a Village Clerk. The clerk keeps the records of the Village Council and performs other duties as required by law or the council.

**BILL ANALYSIS:** The bill amends the charter of the Village of Tobaccoville to allow the Mayor and the members of the Village Council to be subject to removal through the filing of a recall petition and an affirmative majority vote at a recall election.

- A recall petition filed with the Village clerk must bear the signatures of at least 20 percent (20%) of the registered voters of the Village. Upon receipt of a sufficient recall petition the Clerk shall immediately forward the petition to the board of elections that conducts elections for the Village.
- The board of elections will verify the petition signatures and certify its sufficiency to the governing body. The governing body will then adopt a resolution calling for a recall election to be held at the same time as the next primary, general, or special election scheduled to be held more than 60 days after the petition has been certified.

If less than the majority votes for the officer's recall, the officer continues. If the majority votes for the officer's recall, then the officer is removed on the date the board of elections certifies the results of the election.

**EFFECTIVE DATE:** This act is effective when it becomes law.

*\* This summary was contributed to substantially by Tawanda Foster.*

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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1

HOUSE BILL 1058\*

Short Title: Tobaccoville Recall Elections.

(Local)

Sponsors: Representative Conrad.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Elections

May 11, 2016

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE RECALL OF OFFICERS OF THE VILLAGE OF  
TOBACCOVILLE.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Charter of the Village of Tobaccoville, being Chapter 232, Session  
Laws of 1991, is amended by adding a new section to read:

"Sec. 6.3. **Recall.**

(a) The Mayor and members of the Village Council are subject to removal pursuant to this  
section. An officer is removed upon the filing of a sufficient recall petition and the affirmative  
vote of a majority of those voting on the question of removal at a recall election.

A recall petition shall be filed with the Village Clerk, who shall immediately forward the  
petition to the board of elections that conducts elections for the Village of Tobaccoville. A petition  
to recall the Mayor or a member of the Village Council shall bear the signatures equal in number  
to at least 20 percent (20%) of the registered voters of the Village of Tobaccoville.

The board of elections shall verify the petition signatures. If a sufficient recall petition is  
submitted, the board of elections shall certify its sufficiency to the governing body, and the  
governing body shall adopt a resolution calling for a recall election to be held at the same time as  
the next primary, general, or special election scheduled to be held more than 60 days after the  
petition has been certified to the governing body. The board of elections shall conduct the recall  
election, which shall be held as provided in G.S. 163-287. Each petition submitted shall contain  
the name of only one officer to be recalled. Multiple qualified petitions may be filed  
simultaneously with the Village Clerk, in which case the name of the officer on each petition, once  
certified, shall be included in the recall election. The proposition submitted to the voters shall be  
substantially in the following form:

"[ ] FOR [ ] AGAINST

The recall of [name of officer]."

The registered voters of the Village of Tobaccoville are eligible to vote in an election to recall the  
Mayor or a member of the Village Council.

If less than a majority of the votes cast on the question are for the officer's recall, the officer  
continues in office. If a majority of the votes cast on the question are for the officer's recall, the  
officer is removed on the date the board of elections certifies the results of the election. A vacancy  
created by removal of a member of the Village Council or the Mayor shall be filled in accordance  
with the provisions of G.S. 160A-63. An officer who is removed may not be appointed or  
reappointed to any elective office of the village during the remainder of the unexpired term.



\* H 1 0 5 8 - V - 1 \*

1 No petition to recall an officer may be filed during the first six months of the officer's term or  
2 during the six months before the expiration of the officer's term. No more than one election may  
3 be held to recall an officer within a single term of office of that officer.

4 (b) As used in this section 'Village Clerk' includes an officer of the village exercising the  
5 function of Village Clerk."

6 **SECTION 2.** This act is effective when it becomes law.





NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 952

AMENDMENT NO. 1  
(to be filled in by  
Principal Clerk)

H952-AST-171 [v.3]

Page 1 of 1

Amends Title [YES]  
H952-CSST-101

Date 05.18, 2016

Representative

Davis

1 moves to amend the bill on page 1, line 2, by deleting "COUNTY" and substituting " AND  
2 GASTON COUNTIES";

3  
4 and on page 1, line 2, by deleting "OFFICE" and substituting "OFFICES";

5  
6 and on page 1, line 6, by deleting "COUNTY" and substituting "AND GASTON COUNTIES";

7  
8 and on page 1, lines 6-7, by deleting "CLEVELAND COUNTY" and substituting "THOSE  
9 COUNTIES";

10  
11 and on page 1, line 11, by inserting "Gaston," at the end of that line;

12  
13 and on page 1, lines 29-30, by rewriting those lines to read:

14 "(b) This section applies only to the Counties of Cleveland and Gaston, and all of the  
15 municipalities that lie in whole, or in part, in those counties."  
16

SIGNED

Tid Davis Jr.

Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

X

FAILED

TABLED



\* H 9 5 2 - A S T - 1 7 1 - V - 3 \*





NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 952

AMENDMENT NO. 2  
(to be filled in by  
Principal Clerk)

H952-AST-172 [v.1]

Page 1 of 1

Amends Title [NO]  
First Edition

Date 05.18, 2016

Representative Setzer

- 1 moves to amend the bill on page 1, , line 2, by inserting "CATAWBA";  
2  
3 and on page 1, line 11, by inserting "Catawba," at before "Cherokee,";  
4  
5  
6

SIGNED

*Matthew Setzer*  
Amendment Sponsor

SIGNED

\_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED

X

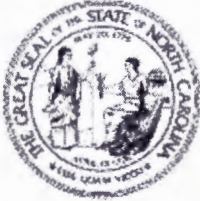
FAILED

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## HOUSE BILL 1083: Wilmington/Ordinance Initiative & Referendum.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Reps. Davis, Hamilton, Catlin  
**Analysis of:** First Edition

**Date:** May 17, 2016  
**Prepared by:** Giles Perry  
Committee Counsel

**SUMMARY:** *House Bill 1083 amends the Wilmington Charter to require initiative ordinance petitions to be signed by 25% of the total number of registered voters residing within the City at the time of the last regular municipal election.*

[As introduced, this bill was identical to S860, as introduced by Sens. Lee, Rabon, which is currently in Senate State and Local Government.]

**CURRENT LAW:** The current City of Wilmington Charter authorizes proposed city ordinances to be submitted by petition to the City Council by voters in the City.

If the petition for the proposed ordinance is signed by voters of the city equal to 25% of the votes cast at the last preceding regular municipal election, the council must do one of the following:

- Pass the ordinance without alteration within 20 days after certification of the accompanying petition; or
- Within 20 days after certification of the petition, call a special election to be held within six months (unless a general election is scheduled within six months), for submittal of the proposed ordinance to the voters.

**BILL ANALYSIS:** House Bill 1083 amends the Wilmington Charter to change the requirement for initiative ordinance petitions to require 25% of the total number of registered voters residing within the City at the time of the last regular municipal election.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Karen Cochrane-  
Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1083\*

Short Title: Wilmington/Ordinance Initiative & Referendum. (Local)

Sponsors: Representatives Davis, Hamilton, and Catlin (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 11, 2016

A BILL TO BE ENTITLED

AN ACT AMENDING THE CHARTER OF THE CITY OF WILMINGTON TO ALLOW  
PROPOSED ORDINANCES TO BE SUBMITTED TO THE CITY COUNCIL BY  
PETITION SIGNED BY ELECTORS OF THE CITY EQUAL IN NUMBER TO  
TWENTY-FIVE PERCENT OF THE TOTAL NUMBER OF REGISTERED VOTERS  
RESIDING WITHIN THE CITY AT THE TIME OF THE LAST REGULAR MUNICIPAL  
ELECTION.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 5.1 of the Charter of the City of Wilmington, being Chapter 495  
of the 1977 Session Laws, as amended by Chapter 367 of the 1983 Session Laws, reads as  
rewritten:

"Sec. 5.1. Initiative ordinances generally.

(a) Any proposed ordinance may be submitted to the council by petition signed by electors  
of the city equal in number to the percentages hereinafter required. If the petition accompanying  
the proposed ordinance is signed by electors of the city equal in number to twenty-five percent  
(25%) of the ~~votes cast at the last preceding~~ total number of registered voters residing within the  
City of Wilmington at the time of the last regular municipal election and contains a request that  
such ordinance be submitted to a vote of the people, if not passed by the council, the council shall  
either:

- (1) Pass the ordinance without alteration within 20 days after the city clerk and the  
New Hanover County Board of Elections have certified the sufficiency of the  
accompanying petition; or
- (2) Within 20 days after the city clerk and the New Hanover County Board of  
Elections have certified the sufficiency of the petition, the council shall call a  
special election to be held within six months, unless a general election is fixed  
within six months thereafter. At such special or general election the ordinance  
shall be submitted without alteration to the vote of the electors of the city.

...."

**SECTION 2.** This act is effective when it becomes law.



\* H 1 0 8 3 - V - 1 \*

**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT**

**Representative Ted Davis, Jr., Co-Chair**

**Representative Carl Ford, Co-Chair**

**FAVORABLE**

HB 989	Red Cross Charter Amendments.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Burr
HB 1023	Municipal Service Districts/Statutory Changes.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Davis
HB 1058	Tobaccoville Recall Elections.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Conrad
HB 1083	Wilmington/Ordinance Initiative & Referendum.
	Draft Number: None
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: No
	Floor Manager: Davis

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

HB 952	Honor Our Service Animals/Sheriff Contracts.
	Draft Number: H952-PCS40623-ST-101
	Serial Referral: None
	Recommended Referral: None
	Long Title Amended: Yes
	Floor Manager: Hastings

TOTAL REPORTED: 5





## VISITOR REGISTRATION SHEET

● House Comm. on Local Gov.

05/18/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Andrew Ziperski	Senator Tillman Intern
Lucy Russell	Senator Tillman Intern
Cameron Hanley	MUA
Allen Hardison	NC-SWANA
Kelsey Byerly	Laurie Owens LLC
Phoebe Landon	mwc
Brian Capps	Governor's Office
Ben Helt-	SOG
Tim Allen	NC Home Builders
Steven Wenz	NHBY



## VISITOR REGISTRATION SHEET

● House Comm. on Local Gov.

05/18/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

<del>Fred Bazzett</del>	Police Chief Ann
Rick Zechini	Williams Muller
Michelle Frazer	MFS
Mia Bailey	ElectriCities
Johnny Tillett	MWC
<del>Harry Ford</del>	11
Dana Fenton	Charlotte
Tony McEwen	Wilmington
Philip Dey	BMG
Jim McConachie	City of Raleigh



02

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## VISITOR REGISTRATION SHEET

● House Comm. on Local Gov.

05/18/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Erin Wynia	NCLM
Sarah Collins	NCLM
Robert G. P. 12	R. P. 12 & Assoc.
Courtney Lockamy	II
Sue Ann Forrest	NCLCU
DAVID JORDAN	NCHFA
Amanda Donovan	TSS



**House Committee on Local Government**  
**Thursday, June 2, 2016 at 9:00AM**  
**Room 643**

**MINUTES**

The House Committee on Local Government met at 9:00AM on June 2, 2016 in Room 643. Representatives Boles, Brown, Burr, Davis, Farmer-Butterfield, Fisher, Floyd, Ford, Graham, Holley, Langdon, Luebke, Pendleton, Setzer, Warren, and Watford attended.

Representative Ted Davis, Jr., Chairman, presided.

The Chairman introduced the Sergeant's-at-Arms and thanked them for their services. He also introduced and thanked the pages in attendance.

The first item on the agenda was **HB1126—Red Light Cameras/City of Greenville**. Representative Murphy was recognized to explain the bill. He stated that it makes changes to the City of Greenville's existing authorization to use red light cameras and makes technical changes only. There was no discussion and Representative Setzer moved for an unfavorable report to the original bill and favorable to the Proposed Committee Substitute. The motion was seconded and passed unanimously.

The Chairman recognized Representative Adcock to explain **HB1009—Wake Ctg. Towns Donate Retired Service Animals**. She stated that the only change made by the PCS was to add 4 counties to the bill. These counties are Guilford, Moore, Randolph and Surry and all of the municipalities in those counties. There was no further comment or questions from members. Representative Pendleton moved for an unfavorable report to the original bill and favorable to the Proposed Committee Substitute. The motion was seconded and carried unanimously.

**HB1035—LCG/Training for Local Gov't Finance Officers**. Representative Allen McNeill stated that Proposed Committee Substitute would authorize the Local Government Commission (LGC) to require a finance officer, or other employee performing the duties of a finance officer, of a local government or public authority to attend training as to the powers, duties and responsibilities of a finance officer. Representative Luebke asked if there had been a problem with this. Representative McNeill responded that it was simply a request by local governments. Representative Floyd made a motion for an unfavorable report to the original bill and favorable to the Proposed Committee Substitute. The motion was seconded and carried.

**HB1045—New Bern Charter/Revised & Consolidated**. Representative Speciale was called upon to explain the bill. He stated that the bill revises and consolidates the acts constituting the Charter of the City of New Bern and they are now combined into a single new Charter. Staff member, Giles Perry, noted that there is already a procedure. Representative Setzer moved for a favorable report with a serial referral to Finance which was seconded and carried.

**HB1131—Town of Andrews/ETJ Authority**. Representative West was called by the Chairman to explain the bill. He stated it would require the Town of Andrews to obtain the approval of the

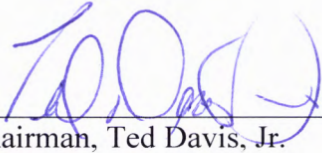


Board of County Commissioners prior to exercising its power of extraterritorial jurisdiction within a mile of the Town's corporate limits. Representative Langdon moved for a favorable report. The motion carried unanimously.

**HB1143—Spencer Mountain Charter.** Representative Torbett stated that the purpose of the Proposed Committee Substitute was to temporarily suspend the Charter of the Town of Spencer Mountain. It would suspend the applicability of the Charter for three fiscal years beginning July 1, 2016 until June 30, 2019. There was no discussion and Representative Setzer moved for an unfavorable report to the original bill, favorable to the Proposed Committee Substitute. The motion passed unanimously.

**HB1132—Ten Alpine Deannexation.** The last bill on the Committee's agenda was HB1132 explained by Representative Blackwell. The bill would deannex from the corporate limits of the Town of Glen Alpine a 1.8 acre parcel of property as described in the bill. An amendment by Representative Burr stated that the 1.8 acre parcel was located at 1378 N. Powerhouse Road and referenced by Burke County Tax Office Bill Number 0016866. The sponsor noted that the Town is in agreement with the amendment. A motion by Representative Setzer for an unfavorable report to the original bill, favorable to the PCS with a serial referral to Finance, was seconded and passed unanimously.

The meeting adjourned at 9:25AM.

  
Chairman, Ted Davis, Jr.  
Presiding

  
Judy Lowe, Committee Clerk



**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Thursday, June 2, 2016

**TIME:** 10:00 AM

**LOCATION:** 643 LOB

**COMMENTS:** Representative Ted Davis, Jr. will be presiding

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
✓HB 1009	Wake Cty Towns Donate Retired Service Animals.	Representative Adcock Representative Dollar Representative Malone Representative Avila
✓HB 1035	LGC/Training for Local Gov't Finance Officers.	Representative McNeill Representative L. Johnson Representative Iler
✓HB 1045	New Bern Charter/Revised & Consolidated.	Representative Speciale Representative J. Bell Representative G. Graham
✓HB 1126	Red Light Cameras/City of Greenville.	Representative Murphy Representative S. Martin Representative Farmer-Butterfield
HB 1131	Town of Andrews/ETJ Authority.	Representative West
HB 1132	Glen Alpine Deannexation.	Representative Blackwell
HB 1143	Spencer Mountain Charter.	Representative Torbett



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:21 PM on Tuesday, May 31, 2016.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Thursday, June 2, 2016, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 1009	Wake Cty Towns Donate Retired Service Animals.	Representative Adcock Representative Dollar Representative Malone Representative Avila
HB 1035	LGC/Training for Local Gov't Finance Officers.	Representative McNeill Representative L. Johnson Representative Iler
HB 1045	New Bern Charter/Revised & Consolidated.	Representative Speciale Representative J. Bell Representative G. Graham
HB 1126	Red Light Cameras/City of Greenville.	Representative Murphy Representative S. Martin Representative Farmer-Butterfield
HB 1131	Town of Andrews/ETJ Authority.	Representative West
HB 1132	Glen Alpine Deannexation.	Representative Blackwell
HB 1143	Spencer Mountain Charter.	Representative Torbett

**Other Business**

**Adjournment**



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1009  
Second Edition Engrossed 5/17/16  
PROPOSED COMMITTEE SUBSTITUTE H1009-PCS30510-ST-104

Short Title: Retired Service Animals/Certain Local Gov'ts.

(Local)

Sponsors:

Referred to:

May 2, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW THE TOWNS OF APEX, CARY, GARNER, KNIGHTDALE,  
3 MORRISVILLE, ROLESVILLE, WAKE FOREST, AND ZEBULON AND THE  
4 COUNTIES OF GUILFORD, MOORE, RANDOLPH, AND SURRY, AND ALL OF THE  
5 MUNICIPALITIES IN THOSE COUNTIES, TO TRANSFER RETIRED SERVICE  
6 ANIMALS USED BY THE POLICE DEPARTMENT OR ANY OTHER TOWN AGENCY  
7 TO THE POLICE OFFICER OR EMPLOYEE WHO HAD NORMAL CUSTODY AND  
8 CONTROL OF THE ANIMAL.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. Article 12 of Chapter 160A of the General Statutes is amended by  
11 adding a new section to read:

12 "**§ 160A-279.5. Disposition of animals.**

13 (a) Upon the governing body determining any horse, dog, or other animal owned by the  
14 local government is no longer fit or needed for public service, the governing body may transfer  
15 ownership of the animal at a price determined by the governing body and upon any other terms  
16 and conditions as the governing body deems appropriate to any of the following individuals, if that  
17 individual agrees to accept ownership, care, and custody of the animal:

- 18 (1) The officer or employee who had normal custody and control of the animal  
19 during the animal's public service to the local government.  
20 (2) A surviving spouse, or in the event such officer or employee dies unsurvived by  
21 a spouse, surviving children of the officer or employee killed in the line of duty  
22 who had normal custody and control of the animal during the animal's public  
23 service to the local government.  
24 (3) An organization or program dedicated to the assistance or support of animals  
25 retired from public service.

26 (b) This section applies only to the Towns of Apex, Cary, Garner, Knightdale, Morrisville,  
27 Rolesville, Wake Forest, and Zebulon and to the counties of Guilford, Moore, Randolph, and  
28 Surry, and all of the municipalities that lie in whole, or in part, in those counties."

29 SECTION 2. This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

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HOUSE BILL 1009  
Second Edition Engrossed 5/17/16  
PROPOSED COMMITTEE SUBSTITUTE H1009-CSST-104 [v.2]  
05/24/2016 07:05:02 PM

Short Title: Retired Service Animals/Certain Local Gov'ts.

(Local)

Sponsors:

Referred to:

May 2, 2016

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE TOWNS OF APEX, CARY, GARNER, KNIGHTDALE, MORRISVILLE, ROLESVILLE, WAKE FOREST, AND ZEBULON AND THE COUNTIES OF GUILFORD, MOORE, RANDOLPH, AND SURRY, AND ALL OF THE MUNICIPALITIES IN THOSE COUNTIES TO TRANSFER RETIRED SERVICE ANIMALS USED BY THE POLICE DEPARTMENT OR ANY OTHER TOWN AGENCY TO THE POLICE OFFICER OR EMPLOYEE WHO HAD NORMAL CUSTODY AND CONTROL OF THE ANIMAL.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 12 of Chapter 160A of the General Statutes is amended by adding a new section to read:

**"§ 160A-279.5. Disposition of animals.**

(a) Upon the governing body determining any horse, dog, or other animal owned by the local government is no longer fit or needed for public service, the governing body may transfer ownership of the animal at a price determined by the governing body and upon any other terms and conditions as the governing body deems appropriate to any of the following individuals, if that individual agrees to accept ownership, care, and custody of the animal:

(1) The officer or employee who had normal custody and control of the animal during the animal's public service to the local government.

(2) A surviving spouse, or in the event such officer or employee dies unsurvived by a spouse, surviving children of the officer or employee killed in the line of duty who had normal custody and control of the animal during the animal's public service to the local government.

(3) An organization or program dedicated to the assistance or support of animals retired from public service.

(b) This section applies only to the Towns of Apex, Cary, Garner, Knightdale, Morrisville, Rolesville, Wake Forest, and Zebulon and to the counties of Guilford, Moore, Randolph, and Surry, and all of the municipalities that lie in whole, or in part, in those counties."

**SECTION 2.** This act is effective when it becomes law.



\* H 1 0 0 9 - C S S T - 1 0 4 \*

# House PCS 1009

*Page 2*

The individual to whom ownership of the animal is transferred must agree to accept ownership, care, and custody of the animal.

**EFFECTIVE DATE:** Effective when it becomes law.

**BACKGROUND:** House Bill 1009, applicable only to Apex, Cary, Garner, Knightdale, Wake Forest and Zebulon, was previously given a favorable report by House Local Government and reported to the House Floor. The bill was referred to House Local Government. The PCS adds Morrisville, Rolesville, and the counties of Guilford, Moore, Randolph, and Surry, and all of the municipalities that lie, wholly or in part, in those counties.

House Bill 952, Honor Our Service Animals/Sheriff's Contracts, grants the same authority for service animals to Cleveland and Gaston Counties, and all of the municipalities that lie, wholly or in part, in those counties. That bill passed the House on 5/18/2016, and is currently in Senate State and Local Government.

Senate Bill 831, Duplin/Sampson/Detention Contracts/Animals, grants the same authority for service animals to Duplin and Sampson Counties, and all of the municipalities that lie, wholly or in part, in those counties. That bill passed the Senate on 5/25/16.



## HOUSE BILL 1009: Retired Service Animals/Certain Local Gov'ts.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	May 24, 2016
<b>Introduced by:</b>	Reps. Adcock, Dollar, Malone, Avila	<b>Prepared by:</b>	Erika Churchill
<b>Analysis of:</b>	PCS to Second Edition H1009-CSST-104		Committee Co-Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 1009 would allow the Towns of Apex, Cary, Garner, Knightdale, Morrisville, Rolesville, Wake Forest and Zebulon and the counties of Guilford, Moore, Randolph, and Surry and all of the municipalities in those counties, to transfer retired public service animals used by the local government to the officer or employee who had normal custody and control of the animal during its public service.*

[As introduced, this bill was identical to S849, as introduced by Sens. Barringer, Chaudhuri, Foushee, which is currently in Senate State and Local Government.]

**CURRENT LAW:** Article 12 of Chapter 160A of the North Carolina General Statutes establishes the procedures city and county governments generally follow to dispose of real and personal property. Subject to certain limitations, a city may dispose of property belonging to the city only by:

- Private negotiation and sale;
- Advertisement for sealed bids;
- Negotiated offer, advertisement, and upset bid;
- Public auction; or
- Exchange.

Additionally, G.S. 20-187.2 authorizes law enforcement agencies to, in their discretion and upon request, award the service side arm of a retiring law enforcement officer, to that retiring member or the surviving relatives, at a price determined by such governing body if the governing body determines that the person receiving the weapon may own, possess, or receive a firearm under the provisions of State or federal law, or the weapon has been rendered incapable of being fired. Badges of law enforcement officers may also be given, upon request to a retiring officer or the surviving family of an officer killed in the line of duty under that statute.

The PCS would authorize the towns of Apex, Cary, Garner, Knightdale, Morrisville, Rolesville, Wake Forest and Zebulon and the Counties of Guilford, Moore, Randolph, and Surry, and all of the municipalities that lie, wholly or in part, in those Counties, to transfer a retired service animal, at a price determined by the governing body and upon any other terms and conditions as the governing body deems appropriate, to any of the following:

- The handler.
- A surviving spouse of the handler, or child if no surviving spouse.
- An organization or program dedicated to retired service animals.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

2

HOUSE BILL 1009  
Second Edition Engrossed 5/17/16

Short Title: Wake Cty Towns Donate Retired Service Animals. (Local)

Sponsors: Representatives Adcock, Dollar, Malone, and Avila (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 2, 2016

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE TOWNS OF APEX, CARY, GARNER, KNIGHTDALE, WAKE  
FOREST, AND ZEBULON TO DONATE RETIRED SERVICE ANIMALS USED BY THE  
POLICE DEPARTMENT OR ANY OTHER TOWN AGENCY TO THE POLICE OFFICER  
OR EMPLOYEE WHO HAD NORMAL CUSTODY AND CONTROL OF THE ANIMAL.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 12 of Chapter 160A of the General Statutes is amended by  
adding a new section to read:

**"§ 160A-279.5. Disposition of animals.**

(a) Upon the governing body determining any horse, dog, or other animal owned by the  
local government is no longer fit or needed for public service, the governing body may transfer  
ownership of the animal at a price determined by the governing body and upon any other terms  
and conditions as the governing body deems appropriate to any of the following individuals, if that  
individual agrees to accept ownership, care, and custody of the animal:

- (1) The officer or employee who had normal custody and control of the animal  
during the animal's public service to the local government.
- (2) A surviving spouse, or in the event such officer or employee dies unsurvived by  
a spouse, surviving children of the officer or employee killed in the line of duty  
who had normal custody and control of the animal during the animal's public  
service to the local government.
- (3) An organization or program dedicated to the assistance or support of animals  
retired from public service.

(b) This section applies only to the Towns of Apex, Cary, Garner, Knightdale, Wake  
Forest, and Zebulon."

**SECTION 2.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1035  
PROPOSED COMMITTEE SUBSTITUTE H1035-PCS40639-STf-103

Short Title: LGC/Training for Local Gov't Finance Officers.

(Public)

Sponsors:

Referred to:

May 5, 2016

A BILL TO BE ENTITLED  
AN ACT AUTHORIZING THE LOCAL GOVERNMENT COMMISSION TO REQUIRE  
BASIC FINANCIAL TRAINING FOR FINANCE OFFICERS OF CERTAIN LOCAL  
GOVERNMENTS AND PUBLIC AUTHORITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 159-25 reads as rewritten:

"§ 159-25. Duties of finance officer; dual signatures on checks; internal control procedures  
subject to Commission regulation.

(a) The finance officer shall have the following powers and duties:

- (1) ~~He shall keep~~Keep the accounts of the local government or public authority in accordance with generally accepted principles of governmental accounting and the rules and regulations of the Commission.
- (2) ~~He shall disburse~~Disburse all funds of the local government or public authority in strict compliance with this Chapter, the budget ordinance, and each project ordinance and shall preaudit obligations and disbursements as required by this Chapter.
- (3) ~~As often as may be requested by the governing board or the manager, he shall prepare~~Prepare and file with the board a statement of the financial condition of the local government or public authority, as often as may be requested by the governing board or the manager.
- (4) ~~He shall receive~~Receive and deposit all moneys accruing to the local government or public authority, or supervise the receipt and deposit of money by other duly authorized officers or employees.
- (5) ~~He shall maintain~~Maintain all records concerning the bonded debt and other obligations of the local government or public authority, determine the amount of money that will be required for debt service or the payment of other obligations during each fiscal year, and maintain all sinking funds.
- (6) ~~He shall supervise~~Supervise the investment of idle funds of the local government or public authority.
- (7) ~~He shall perform~~Perform such other duties as may be assigned to him by law, by the manager, budget officer, or governing board, or by rules and regulations of the Commission.
- (8) Attend any training required by the Local Government Commission under this section.

All references in other portions of the General Statutes, local acts, or city charters to county, city, special district, or public authority accountants, treasurers, or other officials performing any of the



\* H 1 0 3 5 - P C S 4 0 6 3 9 - S T F - 1 0 3 \*

1 duties conferred by this section on the finance officer shall be deemed to refer to the finance  
2 officer.

3 (b) Except as otherwise provided by law, all checks or drafts on an official depository shall  
4 be signed by the finance officer or a properly designated deputy finance officer and countersigned  
5 by another official of the local government or public authority designated for this purpose by the  
6 governing board. If the board makes no other designation, the chairman of the board or chief  
7 executive officer of the local government or public authority shall countersign these checks and  
8 drafts. The governing board of a unit or authority may waive the requirements of this subsection if  
9 the board determines that the internal control procedures of the unit or authority will be  
10 satisfactory in the absence of dual signatures.

11 (c) The Local Government Commission has authority to issue rules and regulations having  
12 the force of law governing procedures for the receipt, deposit, investment, transfer, and  
13 disbursement of money and other assets by units of local government and public authorities, may  
14 inquire into and investigate the internal control procedures of a local government or public  
15 authority, and may require any modifications in internal control procedures which, in the opinion  
16 of the Commission, are necessary or desirable to prevent embezzlements or mishandling of public  
17 moneys.

18 (d) The Local Government Commission has the authority to require any finance officer or  
19 any other employee who performs the duties of a finance officer to participate in training related to  
20 the powers, duties, and responsibilities of the finance officer, if the Commission is exercising its  
21 authority under Article 10 of this Chapter with respect to the employing local government or  
22 public authority or the employing local government or public authority has received a unit letter  
23 from the Commission due to a deficiency in complying with this Chapter. The Commission may  
24 collaborate with the School of Government at the University of North Carolina, the North Carolina  
25 Community College System, and other educational institutions in the State to develop and deliver  
26 the training required by this subsection."

27 **SECTION 2.** G.S. 159-6 is amended by adding a new subsection to read:

28 "(f) The Commission may charge and collect fees for expenses incurred in developing and  
29 delivering the training for finance officers and other employees who perform the duties of a  
30 finance officer under G.S. 159-25."

31 **SECTION 3.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1035  
PROPOSED COMMITTEE SUBSTITUTE H1035-CSSTf-103 [v.7]  
05/25/2016 04:26:38 PM

Short Title: LGC/Training for Local Gov't Finance Officers.

(Public)

Sponsors:

Referred to:

May 5, 2016

A BILL TO BE ENTITLED  
AN ACT AUTHORIZING THE LOCAL GOVERNMENT COMMISSION TO REQUIRE  
BASIC FINANCIAL TRAINING FOR FINANCE OFFICERS OF CERTAIN LOCAL  
GOVERNMENTS AND PUBLIC AUTHORITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 159-25 reads as rewritten:

"§ 159-25. Duties of finance officer; dual signatures on checks; internal control procedures  
subject to Commission regulation.

(a) The finance officer shall have the following powers and duties:

- (1) ~~He shall keep~~ Keep the accounts of the local government or public authority in accordance with generally accepted principles of governmental accounting and the rules and regulations of the Commission.
- (2) ~~He shall disburse~~ Disburse all funds of the local government or public authority in strict compliance with this Chapter, the budget ordinance, and each project ordinance and shall preaudit obligations and disbursements as required by this Chapter.
- (3) ~~As often as may be requested by the governing board or the manager, he shall prepare~~ Prepare and file with the board a statement of the financial condition of the local government or public authority, ~~as often as may be requested by the governing board or the manager.~~
- (4) ~~He shall receive~~ Receive and deposit all moneys accruing to the local government or public authority, or supervise the receipt and deposit of money by other duly authorized officers or employees.
- (5) ~~He shall maintain~~ Maintain all records concerning the bonded debt and other obligations of the local government or public authority, determine the amount of money that will be required for debt service or the payment of other obligations during each fiscal year, and maintain all sinking funds.
- (6) ~~He shall supervise~~ Supervise the investment of idle funds of the local government or public authority.
- (7) ~~He shall perform~~ Perform such other duties as may be assigned to him by law, by the manager, budget officer, or governing board, or by rules and regulations of the Commission.
- (8) Attend any training required by the Local Government Commission under this section.

All references in other portions of the General Statutes, local acts, or city charters to county, city, special district, or public authority accountants, treasurers, or other officials performing any of the



\* H 1 0 3 5 - C S S T F - 1 0 3 \*

1 duties conferred by this section on the finance officer shall be deemed to refer to the finance  
2 officer.

3 (b) Except as otherwise provided by law, all checks or drafts on an official depository shall  
4 be signed by the finance officer or a properly designated deputy finance officer and countersigned  
5 by another official of the local government or public authority designated for this purpose by the  
6 governing board. If the board makes no other designation, the chairman of the board or chief  
7 executive officer of the local government or public authority shall countersign these checks and  
8 drafts. The governing board of a unit or authority may waive the requirements of this subsection if  
9 the board determines that the internal control procedures of the unit or authority will be  
10 satisfactory in the absence of dual signatures.

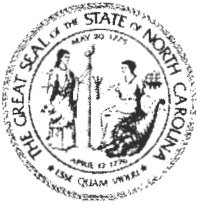
11 (c) The Local Government Commission has authority to issue rules and regulations having  
12 the force of law governing procedures for the receipt, deposit, investment, transfer, and  
13 disbursement of money and other assets by units of local government and public authorities, may  
14 inquire into and investigate the internal control procedures of a local government or public  
15 authority, and may require any modifications in internal control procedures which, in the opinion  
16 of the Commission, are necessary or desirable to prevent embezzlements or mishandling of public  
17 moneys.

18 (d) The Local Government Commission has the authority to require any finance officer or  
19 any other employee who performs the duties of a finance officer to participate in training related to  
20 the powers, duties, and responsibilities of the finance officer, if the Commission is exercising its  
21 authority under Article 10 of this Chapter with respect to the employing local government or  
22 public authority or the employing local government or public authority has received a unit letter  
23 from the Commission due to a deficiency in complying with this Chapter. The Commission may  
24 collaborate with the School of Government at the University of North Carolina, the North Carolina  
25 Community College System, and other educational institutions in the State to develop and deliver  
26 the training required by this subsection."

27 **SECTION 2.** G.S. 159-6 is amended by adding a new subsection to read:

28 "(f) The Commission may charge and collect fees for expenses incurred in developing and  
29 delivering the training for finance officers and other employee who performs the duties of a  
30 finance officer under G.S. 159-25."

31 **SECTION 3.** This act is effective when it becomes law.



# HOUSE BILL 1035: LGC/Training for Local Gov't Finance Officers.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	May 25, 2016
<b>Introduced by:</b>	Reps. McNeill, L. Johnson, Her	<b>Prepared by:</b>	Erika Churchill
<b>Analysis of:</b>	PCS to First Edition H1035-CSSTf-103		Committee Co-Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 1035 would authorize the Local Government Commission to require certain local government and public authority finance officers, and other employees who perform the duties of a finance officer, to attend training as to the powers, duties and responsibilities of a finance officer, and charge a fee for the training.*

**CURRENT LAW:** The Local Government Commission (LGC) is located within the State Treasurer's Office, and provides assistance to local governments and public authorities in North Carolina. Generally, the LGC focuses on three components of operations of the local governments and public authorities:

1. Whether a local government or public authority is financially healthy enough to borrow money.
2. Selling debt on behalf of the local government or public authority.
3. Oversight of the annual audit/financial reporting required of local governments and public authorities.

Each local government and public authority is required to appoint a finance officer to hold office at the pleasure of the appointing board or official. That finance officer may be titled "accountant," "treasurer," "finance director," "finance officer," or any other reasonably descriptive title. The duties of the finance officer may be imposed on the budget officer, or any other officer or employee on whom the duties of budget officer may be imposed. G.S. 159-24.

**BILL ANALYSIS:** The PCS would do all of the following:

- Authorize the LGC to require a finance officer, or other employee performing the duties of a finance officer, of a local government or public authority to attend training as to the powers, duties and responsibilities of a finance officer if either of the following apply to the local government or public authority:
  - The LGC has issued a unit letter due to a deficiency in that local government or public authority's compliance with Chapter 159 of the General Statutes, Local Government Finance.
  - The LGC is exercising its authority to assist defaulting units in refinancing and paying debts.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# House PCS 1035

*Page 2*

- Authorize the LGC to charge and collect fees for the training of finance officers. The fees would become part of the State Treasurer's budget and must be expended for costs incurred by the LGC in carrying out its statutory duties in the issuance of revenue bonds.
- Makes technical changes to the statute, to remove gender references.

**EFFECTIVE DATE:** Effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1035

Short Title: LGC/Training for Local Gov't Finance Officers. (Public)

Sponsors: Representatives McNeill, L. Johnson, and Iler (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 5, 2016

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE LOCAL GOVERNMENT COMMISSION TO REQUIRE  
BASIC FINANCIAL TRAINING FOR FINANCE OFFICERS OF LOCAL  
GOVERNMENTS AND PUBLIC AUTHORITIES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 159-25 reads as rewritten:

"§ 159-25. **Duties of finance officer; dual signatures on checks; internal control procedures  
and financial training** subject to Commission regulation.

...

(d) The Local Government Commission has authority to develop a curriculum and offer  
classroom instruction on local government finance for the purpose of providing financial training  
to finance officers and other employees who perform the duties of a finance officer. In developing  
the curriculum and offering classroom instruction, the Commission may work with the University  
of North Carolina School of Government, the North Carolina Community College System, and  
any other educational institutions in the State. The Commission may open the classes to all finance  
officers and employees who perform the duties of a finance officer in the State. However, the  
Commission is authorized to require a finance officer or employee who performs the duties of a  
finance officer to attend the classes if the Commission finds deficiencies in their ability to perform  
the duties required by this Chapter. The Commission may charge fees sufficient to recover the  
costs it incurs under this subsection."

**SECTION 2.** This act is effective when it becomes law.







# HOUSE BILL 1045: New Bern Charter/Revised & Consolidated.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government. If favorable, re- refer to Finance	<b>Date:</b>	June 2, 2016
<b>Introduced by:</b>	Reps. Speciale, J. Bell, G. Graham	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 1045 revises and consolidates the Charter of the City of New Bern.*

**CURRENT LAW:** The Charter of the City of New Bern was last revised and consolidated in 1957. The current New Bern City Charter consists of the 1957 act, and numerous additional local laws<sup>1</sup> enacted by the General Assembly since that time.

The power to create or amend the powers of a municipality is found in Article VII, Sec. 1 of the State Constitution. That section authorizes the following: "*The General Assembly shall provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable.*"

**BILL ANALYSIS:** House Bill 1045 revises and consolidates the acts constituting the Charter of the City of New Bern, and combines them into a single new Charter.

The revised and consolidated Charter contains the following provisions:

- Creating and naming the City.
- 4-year terms for the Mayor and 6-member Board of Alderman, elected from wards, in nonpartisan elections.
- A Council-Manager form of government.
- Appointment of a City Manager, City Attorney, and City Finance Director by the Board of Alderman.
- A Police Civil Service Board.
- Repeal of prior acts, the provisions of which are incorporated into the revised and consolidated Charter.

**EFFECTIVE DATE:** This act is effective when it becomes law.

<sup>1</sup> Listed in Sections 4 and 5 of the bill.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 1045

Short Title:	New Bern Charter/Revised & Consolidated.	(Local)
<hr/>		
Sponsors:	Representatives Speciale, J. Bell, and G. Graham (Primary Sponsors).	
	<i>For a complete list of sponsors, refer to the North Carolina General Assembly web site.</i>	
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Referred to:	Local Government	
<hr/>		

May 9, 2016

A BILL TO BE ENTITLED

AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE CITY OF NEW BERN.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Charter of the City of New Bern is revised and consolidated to read as follows:

"THE CHARTER OF THE CITY OF NEW BERN.

"ARTICLE I. ORGANIZATION AND POWERS

"Section 1.1. Incorporation and corporate powers. The City shall continue to be a body politic and corporate by the name of "City of New Bern." Under that name, the City shall continue to have and may exercise all of the powers, duties, rights, privileges, and immunities which are now or hereafter may be conferred, either expressly or by implication, upon the City of New Bern specifically or upon municipal corporations generally by this Charter, by the State constitution, or by general law.

"Section 1.2. Existing corporate boundaries. The corporate boundaries of the City shall be those existing at the time of ratification of this Charter and as the same may be altered from time to time in accordance with applicable laws.

"ARTICLE II. MAYOR AND BOARD OF ALDERMEN

"Section 2.1. Governing body. The Mayor and Board of Aldermen, elected and constituted as set forth in this Charter, shall be the governing body of the City of New Bern. On behalf of the City, and in conformity with applicable laws, the mayor and board of aldermen may provide for the exercise of all municipal powers, and shall be charged with the general government of the City, except that the City Manager shall have the authority specified in Section 4.2 of this Charter.

"Section 2.2. Mayor; term of office; duties; right to vote. The Mayor shall be elected, by and from the qualified voters of the City, for a term of four years in the manner provided for in Article III of this Charter. The Mayor shall be the official head of City government for all ceremonial purposes, shall preside at all meetings of the Board of Aldermen, and shall have the powers and duties of Mayor, as prescribed by this Charter and general or local law. The Mayor shall have the right to vote on all matters before the Board of Aldermen, and shall do so as if the Mayor were a member of the Board of Aldermen.

"Section 2.3. Board of Aldermen; terms of office. The Board of Aldermen shall be composed of six members, each of whom shall be elected for terms of four years in the manner provided for in Article III of this Charter. Members of the Board of Aldermen shall serve until their successors are elected and qualified.

"Section 2.4. Mayor Pro Tempore. At its first meeting in the month of December, the Board of Aldermen shall choose one of its members as Mayor Pro Tempore to serve for a term of one year.



1 The Mayor Pro Tempore shall perform the duties of the Mayor during the Mayor's absence or  
2 disability, as prescribed by this Charter and general or local law.

3 "Section 2.5. Board of Aldermen rules of procedure. The Board of Aldermen shall determine  
4 its own rules of procedure for all meetings of the Board of Aldermen. The rules of procedure  
5 adopted shall not be inconsistent with the provisions of this Charter or general or local law.

6 "Section 2.6. Meetings of the Board of Aldermen. In accordance with the provisions of  
7 G.S. 160A-71, the Board of Aldermen shall establish a suitable time and place for its regular  
8 meetings. Special meetings, organizational meetings, and emergency meetings shall also be held  
9 in accordance with G.S. 160A-71.

10 "Section 2.7. Introduction and passage of ordinances and resolutions. Ordinances and  
11 resolutions shall be introduced in the Board of Aldermen only in written or printed form. All  
12 ordinances, except ordinances making appropriations and ordinances codifying or rearranging  
13 existing ordinances or enacting a code of ordinances, shall be confined to one subject, and the  
14 subject or subjects of all ordinances shall be clearly expressed in the title. Ordinances making  
15 appropriations shall be confined to the subject of appropriations. The yeas and nays shall be taken  
16 upon the passage of all ordinances and resolutions and entered upon the journal of the proceedings  
17 of the Board of Aldermen. Notwithstanding the provisions of G.S. 160A-75, an ordinance or any  
18 action having the effect of an ordinance may be finally adopted on the date on which it is  
19 introduced by the affirmative vote of a majority of the members of the Board of Aldermen. All  
20 ordinances and resolutions shall take effect upon adoption unless otherwise provided therein, and  
21 shall be entered unto an official code of ordinances or other record as prescribed by the Board of  
22 Aldermen. The enacting clause of all ordinances shall be: "Be it ordained by the Board of  
23 Aldermen of the City of New Bern." All ordinances heretofore adopted by the City of New Bern  
24 shall remain in full force and effect unless and until any shall be repealed.

#### 25 "ARTICLE III. ELECTIONS

26 "Section 3.1. Method of election. Regular municipal elections shall be held in the City every  
27 four years in odd-numbered years, and shall be conducted in accordance with general laws of the  
28 State governing municipal elections. The Mayor and members of the Board of Aldermen shall be  
29 elected according to the nonpartisan election and runoff method, as provided in G.S. 163-293.

30 "Section 3.2. Election of the Mayor. A Mayor shall be elected for a term of four years by and  
31 from the qualified voters of the City voting at large.

32 "Section 3.3. Election of Aldermen. The qualified voters of each ward shall elect one  
33 alderman who shall be a resident of the ward for which he or she is elected.

34 "Section 3.4. City divided into election wards. The City shall continue to be divided into six  
35 election wards. Once established by the Board of Aldermen, the boundaries of the wards may be  
36 changed as provided by general or local law. The current ward boundaries, at all times, shall be  
37 shown on a map to be retained permanently in the Office of the City Clerk and to be designated, as  
38 the case may be, "Map of New Bern Ward Boundaries." Alterations in these boundaries shall be  
39 indicated by appropriate entries upon or additions to the map. The entries or additions shall be  
40 made by or under the direction of the City Manager. The Board of Aldermen may provide for the  
41 redrawing of the map. A redrawn map shall supersede for all purposes the earlier map or maps  
42 which it is designated to replace.

43 "Section 3.5. Assignment to wards of area annexed. In the event the limits of the City of New  
44 Bern shall hereafter be extended to include additional territory, the Board of Aldermen shall have  
45 the power, authority, and duty to assign the annexed territory to any ward, or to apportion the  
46 annexed territory among the wards, by ordinance duly adopted. Thereafter, the annexed territory  
47 shall be and become a part of the ward or wards to which the annexed territory shall be assigned as  
48 provided in this section.

#### 49 "ARTICLE IV. ORGANIZATION AND ADMINISTRATION

50 "Section 4.1. Form of government. The City shall operate under the council-manager form of  
51 government in accordance with Part 2 of Article 7 of Chapter 160A of the General Statutes.

1 "Section 4.2. City Manager; appointment; duties. The Board of Aldermen shall appoint a City  
2 Manager. The City Manager shall be the administrative head of the City government, and shall  
3 have the powers and duties provided by general law and any additional powers and duties  
4 specifically delegated by the Board of Aldermen in accordance with general or local law. The City  
5 Manager shall serve at the pleasure of the Board of Aldermen, and shall reside in the City during  
6 his or her tenure.

7 "Section 4.3. City Clerk; Deputy Clerk. The City Manager shall appoint a City Clerk to keep a  
8 journal of the proceedings of the Board of Aldermen, to maintain in a safe place all records and  
9 documents pertaining to the affairs of the City, and to perform other duties as may be required by  
10 general or local law or as may be directed by the City Manager. The City Manager may also  
11 appoint a Deputy City Clerk to exercise and perform any of the powers and duties of the City  
12 Clerk.

13 "Section 4.4. City Attorney. The Board of Aldermen shall appoint a City Attorney to serve at  
14 the pleasure of the Board. The City Attorney shall be licensed to practice law in North Carolina.  
15 The City Attorney shall be the chief legal advisor of and attorney for the City and all departments  
16 and officers of the City in matters relating to their official powers and duties. It shall be the City  
17 Attorney's duty, either personally or by any assistants as may be designated, to perform all  
18 services incident to the department of law, and perform other duties required by law or as the  
19 Board of Aldermen may direct.

20 "Section 4.5. Finance Director. The Board of Aldermen shall appoint a City Finance Director  
21 to serve at the pleasure of the Board. The Finance Director shall plan, organize, and direct the  
22 overall financial management functions of the City, to include general accounting, tax  
23 administration, payroll, accounts receivable and payable, utility billing, and perform any other  
24 duties as may be required by law or directed by the Board.

#### 25 "ARTICLE V. POLICE CIVIL SERVICE BOARD

26 "Section 5.1. Civil Service Board continued; members; terms of office. There is hereby  
27 continued a Police Civil Service Board for the City of New Bern, which shall consist of five  
28 members. Members shall serve staggered two-year terms. Terms shall begin on the first day of  
29 July and shall expire on the last day of June.

30 "Section 5.2. Appointment of members; vacancies; reappointments. All members of the Board  
31 shall be appointed by the Board of Aldermen based upon relevant professional experience.  
32 Vacancies on the Board shall be filled by appointment in the same manner, and any member  
33 appointed to fill a vacancy shall serve the remainder of the unexpired term. No member of the  
34 Board after having served a full two-year term shall be eligible for reappointment to the next  
35 succeeding term, but that person may be reappointed after being off the Board for a period of at  
36 least two years.

37 "Section 5.3. Qualifications; removal from office; quorum. Any person who is a qualified  
38 voter in the municipal election in the City shall be eligible for membership on the Board, except  
39 the following: (i) a member of the Board of Aldermen; (ii) an elective officer; (iii) a member or  
40 employee of the police department; (iv) a person who has served as a volunteer in the police  
41 department within the previous 36 months; or (v) an employee of the City. Each member of the  
42 Board shall take an oath or affirmation for the faithful discharge of the duties of the office.  
43 Members of the Board shall be subject to removal from office by a two-thirds vote of the Board of  
44 Aldermen, with or without cause. A majority of the Board shall constitute a quorum.

45 "Section 5.4. Election of chair; clerk duties. The Board shall elect from its membership a chair  
46 who shall preside at all meetings of the Board. The City Clerk shall act as secretary to the Board  
47 and shall be custodian of all papers and records pertaining to the business of the Board. The City  
48 Clerk shall keep the minutes of the Board's meetings and shall perform such other duties as the  
49 Board may require.

50 "Section 5.5. Authority of police chief. (a) Promotions and demotions of officers of the police  
51 department shall be within the discretion of the chief of police.

1 (b) Each new officer of the police department shall serve in a probationary status for a  
2 period of 12 months, during which period the officer may be dismissed by the chief of police, with  
3 or without cause. The officer so dismissed shall have no opportunity for a hearing before the  
4 Board, or otherwise, on the subject of the officer's dismissal.

5 (c) The chief of police may suspend any member of the police department for violating the  
6 rules and regulations of the police department for a period of time not to exceed 30 days at any  
7 one time. The suspension shall be without pay, and shall not be subject to review by the Board, but  
8 may be appealed to the City Manager consistent with the provisions of the City's personnel  
9 ordinance. However, if the officer is subjected to another suspension within 90 days of the first  
10 suspension, the officer shall have the right to appeal the additional suspension to the Board, and  
11 any hearing conducted by the Board pursuant to the appeal shall be covered by the rules provided  
12 in subsection (d) of this section.

13 (d) If the chief of police determines that an officer of the police department should be  
14 discharged or subjected to disciplinary action not within the power of the chief of police under the  
15 provisions of subsections (a), (b), or (c) of this section, the chief of police shall reduce the charges  
16 against the officer to writing, including the chief of police's recommendation relative to discharge,  
17 fine, or suspension without pay, shall file a copy of the writing with the Clerk to the Board, and  
18 shall deliver a copy to the officer personally or by certified mail, return receipt requested. Upon  
19 delivery of the written charges and recommendations to the officer, if the chief's recommendation  
20 is that the officer be discharged or suspended, the chief of police shall immediately suspend the  
21 officer from duty. If the charged police officer does not file a request for hearing by the Board  
22 with the Clerk within five days after delivery of the charges and recommendations to the officer,  
23 the chief's recommendation shall become effective as of the date of the discharge or suspension. If  
24 the charged officer requests a hearing within the time provided for in this subsection, the hearing  
25 by the Board shall be conducted as soon as is reasonably possible, but in no event shall the hearing  
26 be conducted later than 30 days after the written charges have been filed with the Clerk, unless the  
27 suspended officer files with the Clerk a written request for delay beyond the 30-day time period  
28 which states the reason for the proposed delay. In the event of a request for delay, the Board shall  
29 grant a reasonable postponement if, in its opinion, it is merited by the request, keeping in mind the  
30 welfare of the officer and the police department. If a charged officer who has requested a hearing  
31 under this subsection withdraws the request, the recommendation of the chief of police shall  
32 become effective immediately, and no hearing shall be conducted by the Board. The provisions of  
33 this subsection do not apply to the chief of police. The City Manager shall be responsible for the  
34 hiring, firing, discipline, and termination of the chief of police.

35 "Section 5.6. Board powers and duties. (a) The Board shall have the power to subpoena  
36 witnesses, administer oaths, and compel the production of evidence. The subpoenas may be  
37 directed to any law enforcement officer within the State of North Carolina for service. If a person  
38 fails or refuses to obey a subpoena issued pursuant to this section, the Board may apply to the  
39 General Court of Justice, Superior Court Division, for an order requiring that its subpoena be  
40 obeyed, and the court shall have jurisdiction to issue these orders after notice to all parties.

41 (b) The Board, in its discretion, may make rules and regulations, from time to time, with  
42 respect to the manner in which hearings authorized under this Article shall be conducted. The  
43 hearings shall be closed to spectators. Witnesses who are to appear before the Board may be  
44 sequestered. Testimony offered before the Board shall be recorded by mechanical process or by  
45 court reporter. The ordinary rules of evidence shall not apply, but the hearing shall be conducted  
46 with decorum. The decision of the Board shall be final.

47 (c) In the event the charged police officer is found guilty of violating the rules and  
48 regulations of the police department, the Board may discharge, fine, or suspend the officer without  
49 pay for a period not to exceed 90 days. In addition, the Board may attach any conditions to the  
50 officer's reinstatement to duty as it deems advisable, as long as those conditions are not otherwise

1 prohibited by law. If the Board discharges the officer, the date of discharge shall be the effective  
2 date of the suspension from duty imposed by the chief of police.

3 "Section 5.7. Employment of officers of police department; equal opportunity. Officers of the  
4 police department shall be hired consistent with the City's hiring policies. The Board shall  
5 maintain a program to insure that all employment decisions made by any person under this Article  
6 shall be made without regard to race, religion, color, creed, national origin, sex, age, or disability.

7 "Section 5.8. Compensation. The members of the Board shall serve without compensation.

8 "Section 5.9. Decisions final. Decisions regarding disciplinary actions made by the chief of  
9 police, where no right to appeal exists, and all decisions of the Board under this Article shall be  
10 final and not subject to judicial review.

11 "Section 5.10. Position elimination. This Article shall not apply to position eliminations due to  
12 workforce reductions."

13 **SECTION 2.** The purpose of this act is to revise the Charter of the City of New Bern  
14 and to consolidate certain acts concerning the property, affairs, and government of the City. It is  
15 intended to continue without interruption those provisions of prior acts which are expressly  
16 consolidated into this act so that all rights and liabilities which have accrued are preserved and  
17 may be enforced.

18 **SECTION 3.** This act does not repeal or affect any acts concerning the property,  
19 affairs, or government of public schools or any acts validating official actions, proceedings,  
20 contracts, or obligations of any kind.

21 **SECTION 4.** The following acts, having served the purposes for which they were  
22 enacted or having been consolidated into this act, are expressly repealed:

23 Chapter 1281 of the 1957 Session Laws

24 Chapter 934 of the 1959 Session Laws

25 Chapter 1111 of the 1961 Session Laws

26 Chapter 1162 of the 1963 Session Laws

27 Chapter 693 of the 1965 Session Laws

28 Chapter 213 of the 1969 Session Laws

29 Chapter 324 of the 1969 Session Laws

30 Chapter 785 of the 1971 Session Laws

31 Chapter 1104 of the 1973 Session Laws

32 Chapter 170 of the 1981 Session Laws

33 Chapter 1168 of the 1981 Session Laws

34 Chapter 174 of the 1983 Session Laws

35 Chapter 266 of the 1983 Session Laws

36 Chapter 364 of the 1983 Session Laws, Section 2 only

37 Chapter 64 of the 1985 Session Laws

38 Chapter 177 of the 1993 Session Laws

39 Chapter 605 of the 1993 Session Laws, Section 1 only

40 Chapter 629 of the 1993 Session Laws

41 Chapter 630 of the 1993 Session Laws

42 Chapter 118 of the 1995 Session Laws

43 Chapter 231 of the 1995 Session Laws

44 S.L. 2000-42

45 S.L. 2011-101.

46 **SECTION 5.** Notwithstanding any other provision of this act, the following acts  
47 (including any amendments thereto) are not repealed and the provisions of these acts remain  
48 effective as to the City of New Bern as if this act had not been enacted:

49 Chapter 115 of the 1983 Session Laws

50 Chapter 364 of the 1983 Session Laws, except Section 2

51 Chapter 876 of the 1985 Session Laws

Chapter 838 of the 1985 Session Laws

Chapter 291 of the 1987 Session Laws

Chapter 382 of the 1989 Session Laws

Chapter 93 of the 1993 Session Laws

Chapter 277 of the 1993 Session Laws, as amended by Chapter 553 of the 1993 Session Laws

Chapter 605 of the 1993 Session Laws, except Section 1

S.L. 1998-29

S.L. 2007-32.

**SECTION 6.** This act does not repeal by implication any local acts otherwise applicable to the City of New Bern.

**SECTION 7.** The Mayor and Board of Aldermen serving on the date of ratification of this act shall serve until the expiration of their terms or until their successors are elected and qualified. Thereafter, those offices shall be filled as provided in Articles II and III of the Charter of the City of New Bern, as enacted in Section 1 of this act.

**SECTION 8.** The members of the Police Civil Service Board for the City of New Bern serving on the date of ratification of this act shall continue to serve until their terms expire in order for the terms to be staggered, with two terms expiring in even-numbered years and three terms expiring in odd-numbered years.

**SECTION 9.** This act does not affect any rights or interests that arose under any provisions repealed by this act.

**SECTION 10.** All existing ordinances, resolutions, and other provisions of the City of New Bern not inconsistent with the provisions of this act shall continue in effect until repealed or amended.

**SECTION 11.** No action or proceeding pending on the effective date of this act by or against the City or any of its departments or agencies shall be abated or otherwise affected by this act.

**SECTION 12.** Whenever a reference is made in this act to a particular provision of the General Statutes, and the provision is later amended, superseded, or recodified, the reference shall be deemed amended to refer to the amended General Statute or to the General Statute that most clearly corresponds to the statutory provision which is superseded or recodified.

**SECTION 13.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1126  
PROPOSED COMMITTEE SUBSTITUTE H1126-CSRW-59 [v.2]

05/24/2016 09:26:40 AM

Short Title: Red Light Cameras/City of Greenville.

(Local)

Sponsors:

Referred to:

May 17, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE CHANGES TO THE LAW GOVERNING RED LIGHT CAMERAS IN  
3 THE CITY OF GREENVILLE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Section 3 of S.L. 2007-341 reads as rewritten:

6 "SECTION 3. Section 1 of this act applies to the Cities of Albemarle, Charlotte, Durham,  
7 Fayetteville, Greenville, Locust, and Rocky Mount and to the municipalities in Union County."

8 **SECTION 2.** G.S. 160A-300.1(c), as amended by S.L. 2007-341, is amended by  
9 adding a new subdivision to read:

10 "(4a) A municipality enacting an ordinance implementing a traffic control  
11 photographic system may enter into a contract with a contractor for the lease,  
12 lease-purchase, or purchase of the system. The municipality may enter into only  
13 one contract for the lease, lease-purchase, or purchase of the system, and the  
14 duration of the contract may be for no more than 60 months. After the period  
15 specified in the contract has expired, the system shall either be the property of  
16 the municipality, or the system shall be removed and returned to the  
17 contractor."

18 **SECTION 3.** G.S. 160A-300.1(c)(2), as amended by S.L. 2007-341, and by Section 1  
19 of this act, reads as rewritten:

20 "(2) A violation detected by a traffic control photographic system shall be deemed a  
21 noncriminal violation for which a civil penalty of ~~seventy five dollars~~  
22 ~~(\$75.00)~~ one hundred dollars (\$100.00) shall be assessed, and for which no  
23 points authorized by G.S. 20-16(c) shall be assigned to the owner or driver of  
24 the vehicle nor insurance points as authorized by G.S. 58-36-65."

25 **SECTION 4.** The City of Greenville and the Pitt County Board of Education may  
26 enter into an interlocal agreement necessary and proper to effectuate the purpose and intent of  
27 G.S. 160A-300.1 and this act. Any agreement entered into pursuant to this section may include  
28 provisions on cost-sharing and reimbursement that the Pitt County Board of Education and the  
29 City of Greenville freely and voluntarily agree to for the purpose of effectuating the provisions of  
30 G.S. 160A-300.1 and this act.

31 **SECTION 5.** This act applies only to the City of Greenville and the Pitt County Board  
32 of Education.

33 **SECTION 6.** Section 3 of this act becomes effective October 1, 2016, and applies to  
34 violations committed on or after that date. The remainder of this act becomes effective July 1,  
35 2016.







## HOUSE BILL 1126: Red Light Cameras/City of Greenville.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	June 2, 2016
<b>Introduced by:</b>	Reps. Murphy, S. Martin, Farmer-Butterfield	<b>Prepared by:</b>	Giles Perry
<b>Analysis of:</b>	PCS to First Edition H1126-CSRW-59		Committee Counsel

**SUMMARY:** *House Bill 1126 makes changes to the City of Greenville's existing authorization to use red light cameras.*

*The proposed committee substitute makes technical changes only.*

[As introduced, this bill was identical to S877, as introduced by Sens. Pate, D. Davis, which is currently in Senate State and Local Government.]

**CURRENT LAW:** *Red Light Cameras Currently Authorized:* G.S. 160A-300.1 authorizes certain municipalities, including the City of Greenville, to use traffic control photographic systems to enforce the State law prohibiting a driver from entering an intersection when a traffic light is emitting a steady red signal. G.S. 20-158.<sup>1</sup>

**Notice/Penalty:** Current law applicable to the City of Greenville provides that the owner is notified of the violation and must pay the civil penalty of \$50.00<sup>2</sup> in the time specified in the citation. If the owner fails to pay the civil penalty or respond to the citation within the time specified, it is increased to up to \$100.00 and the right to contest the citation is forfeited. The municipality is required to establish a nonjudicial administrative hearing process to allow the citation and penalty to be contested.

**Yellow Light Interval:** Current law, G.S. 160A-300.1(c1), regulates the authorized yellow light interval at red light camera intersections. It provides that the duration of the yellow light change interval "shall be no less than the yellow light change interval duration specified on the traffic signal plan of record signed and sealed by a professional engineer, licensed in accordance with the provisions of Chapter 89C of the General Statutes, and shall comply with the provisions of the Manual on Uniform Traffic Control Devices."

**BILL ANALYSIS:** House Bill 1126 (proposed committee substitute) does the following:

- **Section 1** of the bill makes changes enacted in 2007 to several other red light camera authorizations also applicable to Greenville. This section has the effect of mandating that the clear proceeds of the red light penalties must be paid to the local school board, subject only to deductions for costs of materials and postage directly related to the printing and mailing of

<sup>1</sup> Greenville's authorization to utilize red light cameras is based on the following session law: S.L. 2000-37

<sup>2</sup> The authorized penalty for a red light violation varies by municipality. The current authorized penalty for Greenville is \$50. Sections 1 and 3 of this bill, when read together, raise the penalty for Greenville to \$100. It has been raised for other municipalities to \$75 (Albemarle, Charlotte, Durham, Locust, and Rocky Mount; S.L. 2007-341)<sup>1</sup> and \$100 (Fayetteville; S.L. 2014-84)

Karen Cochran-Brown  
Director



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# House PCS 1126

Page 2

required notices and computer services directly related to the production and mailing of the notices. The deductions may not exceed 10% of the civil penalty.<sup>3</sup>

- **Section 2** of the bill provides that Greenville may enter into a contract with a contractor for the lease, lease purchase, or purchase of a traffic control photographic system. Greenville may enter into only one contract, and the duration of the contract may be for no more than 60 months. After the period specified in the contract has expired, the system shall either be the property of the Greenville, or the system shall be removed and returned to the contractor.
- **Section 3** of the bill raises the penalty for a violation to \$100.00 (effective October 1, 2016).
- **Section 4** authorizes the City of Greenville and the Pitt County Board of Education to enter into an interlocal agreement to carry out the purposes of the Act. The agreement may include provisions on cost sharing and reimbursement that both parties freely and voluntarily agree to.

**EFFECTIVE DATE:** This act would become effective July 1, 2016, except for the increase in the penalty, which becomes effective October 1, 2016.

**BACKGROUND:** Similar legislation applicable to the City of Fayetteville was enacted in 2014. [S.L. 2014-84]

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<sup>3</sup> This requirement is intended to comply with the State Constitution and applicable case law. Art IX., Sec 7, NC Constitution; *Shavitz v. City of High Point*, 117 N.C. App 465 (2006)

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1126

Short Title: Red Light Cameras/City of Greenville. (Local)

Sponsors: Representatives Murphy, S. Martin, and Farmer-Butterfield (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 17, 2016

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO THE LAW GOVERNING RED LIGHT CAMERAS IN  
THE CITY OF GREENVILLE.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of S.L. 1997-216, as amended by S.L. 1999-17, S.L. 1999-181, S.L. 1999-456, S.L. 2000-37, and S.L. 2000-97, reads as rewritten:

"**SECTION 2.(a)** This act applies to the Cities of Charlotte, Fayetteville, Greensboro, High Point, Rocky Mount, and Wilmington, ~~Greenville~~, and Lumberton, and the Towns of Chapel Hill, Cornelius, Huntersville, and Matthews, and Pineville only.

"**SECTION 2.(b)** The Town of Chapel Hill may only use the authority granted by this section for violation of statutes or ordinances related to traffic signals."

**SECTION 2.** Section 3 of S.L. 2007-341 reads as rewritten:

"**SECTION 3.** Section 1 of this act applies to the Cities of Albemarle, Charlotte, Durham, Fayetteville, ~~Greenville~~, Locust, and Rocky Mount and to the municipalities in Union County."

**SECTION 3.** G.S. 160A-300.1(c), as amended by S.L. 2007-341, is amended by adding a new subdivision to read:

"(4a) A municipality enacting an ordinance implementing a traffic control photographic system may enter into a contract with a contractor for the lease, lease-purchase, or purchase of the system. The municipality may enter into only one contract for the lease, lease-purchase, or purchase of the system, and the duration of the contract may be for no more than 60 months. After the period specified in the contract has expired, the system shall either be the property of the municipality, or the system shall be removed and returned to the contractor."

**SECTION 4.** G.S. 160A-300.1(c)(2), as amended by S.L. 2007-341, reads as rewritten:

"(2) A violation detected by a traffic control photographic system shall be deemed a noncriminal violation for which a civil penalty of ~~seventy-five dollars (\$75.00)~~ one hundred dollars (\$100.00) shall be assessed, and for which no points authorized by G.S. 20-16(c) shall be assigned to the owner or driver of the vehicle nor insurance points as authorized by G.S. 58-36-65."

**SECTION 5.** The City of Greenville and the Pitt County Board of Education may enter into an interlocal agreement necessary and proper to effectuate the purpose and intent of G.S. 160A-300.1 and this act. Any agreement entered into pursuant to this section may include provisions on cost-sharing and reimbursement that the Pitt County Board of Education and the



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1 City of Greenville freely and voluntarily agree to for the purpose of effectuating the provisions of  
2 G.S. 160A-300.1 and this act.

3 **SECTION 6.** This act applies only to the City of Greenville and the Pitt County Board  
4 of Education.

5 **SECTION 7.** Section 4 of this act becomes effective October 1, 2016, and applies to  
6 violations committed on or after that date. The remainder of this act becomes effective July 1,  
7 2016.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1131

Short Title: Town of Andrews/ETJ Authority.

(Local)

Sponsors: Representative West.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 19, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING THE TOWN OF ANDREWS TO EXERCISE  
3 EXTRATERRITORIAL PLANNING JURISDICTION WITHIN A MILE OF THE TOWN'S  
4 CORPORATE LIMITS WITH THE APPROVAL OF THE BOARD OF COMMISSIONERS  
5 OF CHEROKEE COUNTY.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 160A-360 reads as rewritten:

8 **"§ 160A-360. Territorial jurisdiction.**

9 (a) All of the powers granted by this Article may be exercised by any city within its  
10 corporate limits. In addition, with the approval of the board of county commissioners, any city  
11 may exercise these powers within a defined area extending not more than one mile beyond its  
12 limits. With the approval of the board or boards of county commissioners with jurisdiction over  
13 the area, a city of 10,000 or more population but less than 25,000 may exercise these powers over  
14 an area extending not more than two miles beyond its limits and a city of 25,000 or more  
15 population may exercise these powers over an area extending not more than three miles beyond its  
16 limits. The boundaries of the city's extraterritorial jurisdiction shall be the same for all powers  
17 conferred in this Article. No city may exercise extraterritorially any power conferred by this  
18 Article that it is not exercising within its corporate limits. In determining the population of a city  
19 for the purposes of this Article, the city council and the board of county commissioners may use  
20 the most recent annual estimate of population as certified by the Secretary of the North Carolina  
21 Department of Administration.

22 ...."

23 **SECTION 2.** This act applies to the Town of Andrews only.

24 **SECTION 3.** This act is effective when it becomes law.



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## HOUSE BILL 1131: Town of Andrews/ETJ Authority.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. West  
**Analysis of:** First Edition

**Date:** June 1, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *House Bill 1131 would require the approval of the board of county commissioners before the Town of Andrews may exercise its power of extraterritorial jurisdiction within a mile of the Town's corporate limits.*

**CURRENT LAW:** Extraterritorial Jurisdiction (ETJ) is the power of a municipality to exercise specified regulatory functions in an area beyond its corporate limits. A municipality is authorized to enact an ordinance to extend its extraterritorial jurisdiction (ETJ) one mile beyond its municipal limits, unless the county is regulating subdivisions, has adopted a zoning ordinance, and is enforcing the State Building Code. If the county has undertaken all three of these activities, then the municipality must get approval of the county commissioners prior to extension of the one mile planning and zoning jurisdiction.

**BILL ANALYSIS:** House Bill 1131 would require the Town of Andrews to obtain the approval of the board of county commissioners prior to exercising its power of extraterritorial jurisdiction in any case – regardless of whether the county is regulating subdivisions, has adopted a zoning ordinance, or is enforcing the State Building Code.

**EFFECTIVE DATE:** This act would be effective when it becomes law.

*\*Giles Perry contributed substantially to the preparation of this summary*

Karen Cochrane-Brown  
Director



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919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1132  
PROPOSED COMMITTEE SUBSTITUTE H1132-PCS40641-TY-14

Short Title: Glen Alpine Deannexation.

(Local)

Sponsors:

Referred to:

May 19, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
3 LIMITS OF THE TOWN OF GLEN ALPINE.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.** The 1.8 acre property located at 1378 N. Powerhouse Road and  
6 referenced by Burke County Tax Office Bill Number 0016866 is removed from the corporate  
7 limits of the Town of Glen Alpine.  
8 **SECTION 2.** This act has no effect upon the validity of any liens of the Town of Glen  
9 Alpine for ad valorem taxes or special assessments outstanding before the effective date of this  
10 act. Such liens may be collected or foreclosed upon after the effective date of this act as though the  
11 property were still within the corporate limits of the Town of Glen Alpine.  
12 **SECTION 3.** This act becomes effective June 30, 2016.



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NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 1132\*

H1132-ATY-13 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2016

Representative

1 moves to amend the bill on page 1, lines 5 – 7 by rewriting those lines to read:

2 "SECTION 1. The 1.8 acre property located at 1378 N. Powerhouse Road and  
3 referenced by Burke County Tax Office Bill Number 0016866, is removed from the corporate  
4 limits of the Town of Glen Alpine."  
5  
6

SIGNED \_\_\_\_\_

Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



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NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 1132\*

H1132-ATY-13 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2016

Representative \_\_\_\_\_

- 1 moves to amend the bill on page 1, lines 5 – 7 by rewriting those lines to read:  
2 "SECTION 1. The 1.8 acre property located at 1378 N. Powerhouse Road and  
3 referenced by Burke County Tax Office Bill Number 0016866, is removed from the corporate  
4 limits of the Town of Glen Alpine."  
5  
6

SIGNED \_\_\_\_\_  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



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## HOUSE BILL 1132: Glen Alpine Deannexation.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government. If favorable, re- refer to Finance	<b>Date:</b>	June 1, 2016
<b>Introduced by:</b>	Rep. Blackwell	<b>Prepared by:</b>	Augustus Willis
<b>Analysis of:</b>	First Edition		Committee Counsel

**SUMMARY:** *House Bill 1132 would deannex a 1.8 acre tract of land from the corporate limits of the Town of Glen Alpine in Burke County.*

[As introduced, this bill was identical to S882, as introduced by Sen. Daniel, which is currently in Senate State and Local Government.]

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable." Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexations. In addition, the General Assembly may annex property by local act. The General Assembly has not enacted any method for municipalities to deannex property; that power remains with the General Assembly.

**BILL ANALYSIS:** House Bill 1132 would deannex from the corporate limits of the Town of Glen Alpine a 1.8 acre parcel of property described in the bill.

**EFFECTIVE DATE:** This act would become effective June 30, 2016

*\*Giles Perry contributed substantially to the preparation of this bill summary.*

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1132\*

Short Title: Glen Alpine Deannexation. (Local)

Sponsors: Representative Blackwell.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government, if favorable, Finance

May 19, 2016

A BILL TO BE ENTITLED

AN ACT TO REMOVE CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
LIMITS OF THE TOWN OF GLEN ALPINE.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property, referenced by the Burke County Tax  
Office Parcel Identification Number, is removed from the corporate limits of the Town of Glen  
Alpine: 1764469329.

**SECTION 2.** This act has no effect upon the validity of any liens of the Town of Glen  
Alpine for ad valorem taxes or special assessments outstanding before the effective date of this  
act. Such liens may be collected or foreclosed upon after the effective date of this act as though the  
property were still within the corporate limits of the Town of Glen Alpine.

**SECTION 3.** This act becomes effective June 30, 2016.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1143  
PROPOSED COMMITTEE SUBSTITUTE H1143-PCS40640-ST-109

Short Title: Spencer Mountain Charter.

(Local)

Sponsors:

Referred to:

May 23, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT TO TEMPORARILY SUSPEND THE CHARTER OF THE TOWN OF SPENCER  
3 MOUNTAIN.  
4 The General Assembly of North Carolina enacts:  
5 **SECTION 1.(a)** The Charter of the Town of Spencer Mountain, being Chapter 473 of  
6 the 1963 Session Laws, as amended by Chapter 567 of the 1967 Session Laws, is suspended.  
7 **SECTION 1.(b)** No audit shall be required for any fiscal year, or portion thereof,  
8 during the period of suspension.  
9 **SECTION 1.(c)** The Gaston County Board of Elections shall not conduct any  
10 elections for mayor or commissioner of the Town during the period of suspension. The individuals  
11 elected in 2015 to serve as elected officials for the Town of Spencer Mountain may continue to  
12 use their public titles and participate as elected officials in organizations dedicated to serving  
13 municipalities during the period of suspension.  
14 **SECTION 2.(a)** All monies and assets held by the Town of Spencer Mountain shall  
15 be placed under the control of the State Treasurer to be held for the Town of Spencer Mountain.  
16 Article 3 of Chapter 159 of the General Statutes, The Local Government Budget and Fiscal  
17 Control Act, shall not apply. Any monies due to the Town from the State shall be delivered to the  
18 Gaston County Board of Commissioners for use by the County, and all other monies due and  
19 payable to the Town shall be collected by the State Treasurer to be held for the Town.  
20 **SECTION 2.(b)** The State Treasurer shall determine how the monies and assets  
21 placed under the control of the State Treasurer shall be held and may require an annual report or  
22 accounting on those monies and assets.  
23 **SECTION 3.** This act becomes effective July 1, 2016, and expires June 30, 2019.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1143  
PROPOSED COMMITTEE SUBSTITUTE H1143-CSST-109 [v.3]  
06/01/2016 05:06:20 PM

Short Title: Spencer Mountain Charter.

(Local)

Sponsors:

Referred to:

May 23, 2016

A BILL TO BE ENTITLED  
AN ACT TO TEMPORARILY SUSPEND THE CHARTER OF THE TOWN OF SPENCER  
MOUNTAIN.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The Charter of the Town of Spencer Mountain, being Chapter 473 of the Session Laws of 1963, as amended by Chapter 567 of the Session Laws of 1967, is suspended.

**SECTION 1.(b)** No audit shall be required for any fiscal year, or portion thereof, during the period of suspension.

**SECTION 1.(c)** The Gaston County Board of Elections shall not conduct any elections for mayor or commissioner of the Town during the period of suspension. The individuals elected in 2015 to serve as elected officials for the Town of Spencer Mountain may continue to use their public titles and participate as elected officials in organizations dedicated to serving municipalities during the period of suspension.

**SECTION 2.(a)** All monies and assets held by the Town of Spencer Mountain shall be placed under the control of the State Treasurer, to be held for the Town of Spencer Mountain. Article 3 of Chapter 159 of the General Statutes, The Local Government Budget and Fiscal Control Act, shall not apply. Any monies due to the Town from the State shall be delivered to the Gaston County Board of Commissioners for use by the County, and all other monies due and payable to the Town shall be collected by the State Treasurer to be held for the Town.

**SECTION 2.(b)** The State Treasurer shall determine how the monies and assets placed under the control of the State Treasurer shall be held and may require an annual report or accounting on those monies and assets.

**SECTION 3.** This act becomes effective July 1, 2016, and expires June 30, 2019.







## HOUSE BILL 1143: Spencer Mountain Charter.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Rep. Torbett  
**Analysis of:** PCS to First Edition  
H1143-CSST-109

**Date:** June 1, 2016  
**Prepared by:** Erika Churchill  
Committee Co-Counsel

**SUMMARY:** *The proposed committee substitute for House Bill 1143 would temporarily suspend the charter of the Town of Spencer Mountain.*

**CURRENT LAW:** Spencer Mountain, located in Gaston County, was incorporated in 1963. According to the 2010 Census, the population was 37. According to the 2014 population estimates of the NC Office of Budget and Management, the population was 0.

### BILL ANALYSIS:

The PCS would suspend the applicability of the Charter of the Town of Spencer Mountain for three fiscal years, from July 1, 2016 until June 30, 2019. During that time, compliance with the Local Government Budget and Fiscal Control Act would not be required, no audit would be required for any fiscal year, or portion thereof, and no elections for mayor or commissioner would be conducted. The individuals elected in 2015 may continue to use their public titles and participate as elected officials in organizations dedicated to serving municipalities during the period of suspension.

The monies and assets held by the Town of Spencer Mountain would be placed under the control of the State Treasurer, to be held for the Town of Spencer Mountain. Any monies due to the Town from the State would be delivered to the Gaston County Board of Commissioners for use by the County. All other monies due and payable to the Town would be collected by the State Treasurer to be held for the Town. The State Treasurer would be authorized to determine how the monies and assets would be held and accounted for.

**EFFECTIVE DATE:** July 1, 2016, and expires June 30, 2019.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1143

Short Title: Spencer Mountain Charter. (Local)

Sponsors: Representative Torbett.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 23, 2016

A BILL TO BE ENTITLED

AN ACT TO TEMPORARILY SUSPEND THE CHARTER OF THE TOWN OF SPENCER MOUNTAIN.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Charter of the Town of Spencer Mountain, being Chapter 473 of the Session Laws of 1963, as amended by Chapter 567 of the Session Laws of 1967, is repealed.

**SECTION 2.(a)** All monies and assets held by the Town of Spencer Mountain shall be placed under the control of the State Treasurer, to be held for the Town of Spencer Mountain. Article 3 of Chapter 159 of the General Statutes, The Local Government Budget and Fiscal Control Act, shall not apply during the suspension period. Any monies due to the Town from the State shall be delivered to the Gaston County Board of Commissioners for use by the County and all other monies due and payable to the Town shall be collected by the State Treasurer to be held for the Town.

**SECTION 2.(b)** The State Treasurer shall determine how the monies and assets placed under the control of the State Treasurer shall be held and may require an annual report or accounting on those monies and assets.

**SECTION 3.(a)** The Gaston County Board of Elections shall not conduct any elections for mayor or commissioner of the Town during the suspension.

**SECTION 3.(b)** The individuals holding elected office in the Town of Spencer Mountain on the effective date of this act may continue to hold themselves out as elected officials of the Town until an election is next certified for the Town.

**SECTION 4.** This act becomes effective July 1, 2016, and expires June 30, 2019. No audit shall be required for any fiscal year, or portion thereof, during the period of repeal.



NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES

LOCAL GOVERNMENT COMMITTEE REPORT

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

FAVORABLE

HB 1131 Town of Andrews/ETJ Authority.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: West

FAVORABLE AND RE-REFERRED

HB 1045 New Bern Charter/Revised & Consolidated.  
Draft Number: None  
Serial Referral: FINANCE  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Speciale

FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL

HB 1009 Wake Cty Towns Donate Retired Service Animals.  
Draft Number: H1009-PCS30510-ST-104  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Adcock

HB 1035 LGC/Training for Local Gov't Finance Officers.  
Draft Number: H1035-PCS40639-STf-103  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: McNeill

HB 1143 Spencer Mountain Charter.  
Draft Number: H1143-PCS40640-ST-109  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Torbett



\* C M R 6 8 0 - V - 1 1 \*



FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED

HB 1132

Glen Alpine Deannexation.

Draft Number: H1132-PCS40641-TY-14

Serial Referral: FINANCE

Recommended Referral: None

Long Title Amended: No

Floor Manager: Blackwell

TOTAL REPORTED: 6



\* C M R 6 8 0 - V - 1 1 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 1126**

Red Light Cameras/City of Greenville.

Draft Number: H1126-PCS40642-RW-59

Serial Referral: None

Recommended Referral: None

Long Title Amended: No

Floor Manager: Murphy

TOTAL REPORTED: 1



\* C M R 6 8 3 - V - 2 \*



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

06/02/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Allen Hardison	CRSWMA
Jack Covert	MS/Cary
Jack Covert	CARY
Lana Hygh	Cary
Kathy Hawkes	Duke Energy
Susan Vick	Duke Energy
NICHOLAS Wonnacott	Rep TED DAVIS
Rhian Menwald	Wm
Katy Kingsbury	OP
Mark Lanier	UNCW
STEVEN WEAVER	NCRA
Sherrre Cannon	Citizen



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

06/02/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Flint + Benson	SEANC
Daniel Jordan	NCHFA
Samir O	SS HNC
Chris Broughton	MWC
Julie White	NCHNC
Miss Bailey	Electricities
John Cashin	NCC
Arthur Babcock	NCC



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

Name of Committee

06/02/16

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

[illegible]



**House Committee on Local Government  
Wednesday, June 15, 2016 at 11:00 AM  
Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 11:00 AM on June 15, 2016 in Room 643 of the Legislative Office Building. Representatives Ager, Boles, Brawley, R. Brown, Burr, Cleveland, Davis, Cleveland, Faircloth, Farmer-Butterfield, Fisher, Floyd, Ford, G. Graham, Holley, Jeter, Luebke, Pendleton, Ross, Setzer, Szoka, Warren, and Watford attended.

Representative Carl Ford, Chair, presided.

The Committee considered House Bill (HB) 1088, "Allow Election Day Service - Retired LEOs." Without objection, the Chair brought the PCS of HB 1088 before the Committee for the purpose of discussion. The Chair recognized Representative Fraley and Bradford to present the bill.

The Chair recognized Representative Burr, who moved that the Committee provide the PCS of HB 1088 a favorable report and an unfavorable report as to the original bill. The Chair called for a voice vote and the motion carried.

The Committee considered HB 1128, "Cornelius Limits." Without objection, the Chair brought the PCS of HB 1128 before the Committee for the purpose of discussion. The Chair recognized Representative Bradford to present the bill.

The Chair recognized Representative Pendleton, who moved that the Committee provide the PCS of HB 1128 a favorable report and an unfavorable report as to the original bill and to refer the bill to the Committee on Finance. The Chair called for a voice vote and the motion carried.

The Committee considered Senate Bill (SB) 733, "Certain Towns Sewer Fee Collections." Without objection, the Chair brought the PCS of SB 733 before the Committee for the purpose of discussion. The Chair recognized Senator Smith to present the bill.

The Chair recognized Representative Burr, who moved that the Committee provide the PCS of SB 733 a favorable report and an unfavorable report as to the original bill and to refer the bill to the Committee on Finance. The Chair called for a voice vote and the motion carried.

The Committee considered SB 852, "Town of Bakersville/Town of Clyde/Deannex." Without objection, the Chair brought the PCS of SB 852 before the Committee for the purpose of discussion. The Chair recognized Representative Dobson and Presnell to present the bill.

The Chair recognized Representative Burr, who moved that the Committee provide the PCS of SB 852 a favorable report and an unfavorable report as to the original bill and to refer the bill to the Committee on Finance. The Chair called for a voice vote and the motion carried.



The Committee considered SB 330, "Change Orders on School Construction Projects." Without objection, the Chair brought the PCS of SB 330 before the Committee for the purpose of discussion. The Chair recognized Representative Arp to present the bill.

The Chair recognized Representative Burr, who moved that the Committee provide the PCS of SB 330 a favorable report and an unfavorable report as to the original bill. The Chair called for a voice vote and the motion carried.


The Committee considered SB 774, "Marvin and Asheboro/Deannexation." Without objection, the Chair brought the PCS of SB 774 before the Committee for the purpose of discussion. The Chair recognized Senator Tucker to present the bill.

The Chair recognized Representative Pendleton, who moved that the Committee provide the PCS of SB 774 a favorable report and an unfavorable report as to the original bill and to refer the bill to the Committee on Finance. The Chair called for a voice vote and the motion carried.

The Committee considered SB 881, "Union County School Funding." The Chair recognized Representative Arp to present the bill.

The Chair recognized Representative Burr, who moved that the Committee provide SB 881 a favorable report. The Chair called for a voice vote and the motion carried.

The meeting adjourned at 11:40.



---

Representative Carl Ford, Chair  
Presiding



---

Kyle Chermak, Committee Clerk



**Judy Lowe (Rep. Ted Davis)**

---

**From:** Kyle Chermak (Rep. Carl Ford)  
**Sent:** Tuesday, June 14, 2016 03:37 PM  
**To:** Rep. Bert Jones; Rep. Rena Turner; Rep. John Fraley; Rep. John Bradford; Sen. Jerry W. Tillman; Sen. Tom McInnis; Sen. Jane Smith; Sen. Tommy Tucker; Sen. Ralph Hise; Sen. Jim Davis  
**Cc:** Brenda Olls (Rep. Bert Jones); Barbara Gaiser (Rep. Rena Turner); Carol Wakely (Rep. John Fraley); Anita Spence (Rep. John Bradford); Suzanne Castleberry (Sen. Jerry Tillman); Ginny Taylor (Sen. Jerry W. Tillman); Libby Spain (Sen. Tom McInnis); Cindy Davis (Sen. Jane Smith); Joseph Stansbury (Sen. Tommy Tucker); Susan Fanning (Sen. Ralph Hise)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Wednesday, June 15, 2016 at 11:00 AM - CORRECTED #3  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

**Corrected #3: Removed SB 795 and added SB 881.**

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Wednesday, June 15, 2016  
**TIME:** 11:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ford presiding.

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 1088	Allow Election Day Service - Retired LEOs.	Representative Fraley Representative Jones Representative R. Turner Representative Bradford Representative Bradford
HB 1128	Cornelius Limits/Mecklenburg County Police.	
SB 330	Change Orders on School Construction Projects.	Senator McInnis Senator Tillman
SB 733	Town of Proctorville/Sewer Fee Collections.	Senator Smith



SB 774	Marvin and Asheboro/Deannexation.	Senator Tucker
SB 852	Town of Bakersville/Town of Clyde/Deannex.	Senator Hise
SB 881	Union County School Funding.	Senator Tucker

Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 3:23 PM on Tuesday, June 14, 2016.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Kyle Chermak (Committee Assistant)



**House Committee on Local Government  
Wednesday, June 15, 2016, 11:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
HB 1088	Allow Election Day Service - Retired LEOs.	Representative Fraley Representative Jones Representative R. Turner Representative Bradford Representative Bradford
HB 1128	Cornelius Limits/Mecklenburg County Police.	
SB 330	Change Orders on School Construction Projects.	Senator McInnis Senator Tillman
SB 733	Town of Proctorville/Sewer Fee Collections.	Senator Smith
SB 774	Marvin and Asheboro/Deannexation.	Senator Tucker
SB 852	Town of Bakersville/Town of Clyde/Deannex.	Senator Hise
SB 881	Union County School Funding.	Senator Tucker

**Adjournment**





## HOUSE BILL 1088: Allow Election Day Service - Retired LEOs.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government	<b>Date:</b>	June 14, 2016
<b>Introduced by:</b>	Reps. Fraley, Jones, R. Turner, Bradford	<b>Prepared by:</b>	Erika Churchill
<b>Analysis of:</b>	PCS to First Edition H1088-CSST-118		Committee Counsel

**SUMMARY:** *House Bill 1088 authorizes retired law enforcement officers to work for a county board of elections in election day service, with no effect on their special separation allowance benefit.*

*The proposed committee substitute makes technical changes only.*

**CURRENT LAW:** Under current law, retired local law enforcement officers who qualify are entitled to a special separation allowance benefit under G.S. 143-166.42, in addition to their participation in the retirement system.

The separation allowance will cease on the first day the retired officer is reemployed by a local government, unless that retired officer is re-employed in a public safety position not requiring participation in the Local Government Employees' Retirement System.

Each county board of elections is tasked with appointing all chief judges, judges, assistants, and other officers of elections and paying those individuals for their service. G.S. 163-33. G.S. 163-46 sets forth the amounts that are to be paid by the counties for the services of the chief judges, judges, assistants and ballot counters. For administering the election, chief judges, judges, and assistants are paid the State minimum wage for their services. For appearances on canvass day, chief judges receive \$20, and judges \$15. Each are paid \$15 for attending instructional meetings required under the law. The State minimum wage is \$6.15 per hour, as set by G.S. 95-25.3.

**BILL ANALYSIS:** The PCS provides that a retired a law enforcement office can be employed by a county board of elections in connection with any election day service, with no impact on their special separation allowance benefit.

**EFFECTIVE DATE:** Effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2015

Legislative Retirement Note

**BILL NUMBER:** House Bill 1088 (First Edition)

**SHORT TITLE:** Allow Election Day Service - Retired LEOs.

**SPONSOR(S):** Representatives Fraley, Jones, R. Turner, and Bradford

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**FUNDS AFFECTED:** Local government funds

**SYSTEM OR PROGRAM AFFECTED:** Local Governmental Employees' Retirement System (LGERS), Special Separation Allowance for Local Officers.

**BILL SUMMARY:** House Bill 1088 (First Edition) amends G.S. 143-166.42 concerning special separation allowances for local law-enforcement officers (LEOs), making organizational and clarifying changes and also adding language that allows a retired officer to be employed by county boards of elections in connection to Election Day service without suspending the retired officers' special separation allowance. The special separation allowance is a benefit of 0.85% of compensation times years of creditable service that is paid by the local government between unreduced retirement and age 62.

**EFFECTIVE DATE:** The bill is effective when it becomes law.

**ESTIMATED IMPACT ON STATE:**

Buck Consultants, the actuary for the Retirement Systems, notes that there is no data available which will allow an estimate of the potential number of individuals eligible to receive the allowance that might avail them of the employment opportunity, nor is there data available on the suspension of current separation allowances due to Election Day service. However, they estimate that the average monthly separation allowance for those whose monthly allowance is less than a month of employment at the N.C. minimum wage (\$7.25 per hour) is \$840, so they estimate that in the first year, the amount paid in separation allowances would increase by \$840 times the number of recipients performing Election Day service.

Hartman & Associates, the actuary for the General Assembly, estimates that the bill will have a negligible impact on the amount paid in special separation allowances.

**ASSUMPTIONS AND METHODOLOGY:**

The cost estimates of the System's Actuary are based on the employee data, actuarial assumptions and actuarial methods used to prepare the December 31, 2014 actuarial valuations. Significant membership and financial statistics, assumptions, and methods are shown in the following tables:

Membership Statistics (as of 12/31/2014 unless otherwise noted, M = millions)	
	<u>LGERS</u>
Active Members	
Count	123,184 (20,633 are LEOs)
General Fund Compensation	
Valuation Compensation (Total)	\$5,652M
Average Age	44
Average Service	10.3
Inactive Members	
Count	55,298
Retired Members	
Count	60,408 (9,238 were LEOs)
Annual Benefits	\$1,109M
Average Age	68
New Retirees During 2015	4,100

Financial Statistics (as of 12/31/2014 unless otherwise noted, M = millions)	
	<u>LGERS</u>
Accrued Liability (AL)	Not meaningful
Actuarial Value of Assets (AVA)	\$22,682M
Market Value of Assets (MVA)	\$22,745M
Unfunded Accrued Liability (AL - AVA)	Not meaningful
Funded Status (AVA / AL)	Not meaningful
Annual Required Contribution (ARC) for FY 2016-17 (as % of pay)	7.25% (non-LEO)
Assumed Rate of Investment Return	7.25%
Salary Increase Assumption (includes 3.50% inflation and productivity)	3.50% - 6.71%
Cost Method	Frozen Entry Age
Amortization	Not applicable
Demographic assumptions based on 2010-2014 experience, RP-2014 mortality, and projection of future mortality improvement with scale MP-2015	

Benefit Provisions	
	<u>LGERS</u>
Formula	1.85% x Service x 4 Year Avg Pay
Unreduced retirement age/service	Any/30; 60/25; 65 (55 for LEO)/5
Employee contribution (as % of pay)	6%

Further detailed information concerning these assumptions and methods is shown in the actuary's report, which is available upon request from David Vanderweide.

**SOURCES OF DATA:**

Buck Consultants, "Allow Election Day Service – Retired LEOs – House Bill 1088", June 7, 2016, original of which is on file in the General Assembly's Fiscal Research Division.

Hartman & Associates, LLC, "House Bill 1088: An Act to Allow Retired Law Enforcement Officers to be Employed For Election Day Service Without Causing Suspension of the Separation Allowance", June 3, 2016, original of which is on file in the General Assembly's Fiscal Research Division.

**TECHNICAL CONSIDERATIONS:**

**FISCAL RESEARCH DIVISION: (919) 733-4910.**

The above information is provided in accordance with North Carolina General Statute 120-114 and applicable rules of the North Carolina Senate and House of Representatives.

**PREPARED BY:** David Vanderweide

**APPROVED BY:**

Mark Trogon, Director  
Fiscal Research Division

**DATE:** June 8, 2016



Signed Copy Located in the NCGA Principal Clerk's Offices

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1088  
PROPOSED COMMITTEE SUBSTITUTE H1088-CSST-118 [v.1]

06/14/2016 06:46:58 PM

Short Title: Allow Election Day Service - Retired LEOs.

(Public)

Sponsors:

Referred to:

May 11, 2016

A BILL TO BE ENTITLED

AN ACT TO ALLOW RETIRED LAW ENFORCEMENT OFFICERS TO BE EMPLOYED BY  
A COUNTY BOARD OF ELECTIONS FOR ELECTION DAY SERVICE WITHOUT  
CAUSING THE SUSPENSION OF THE RETIRED OFFICERS' SPECIAL SEPARATION  
ALLOWANCE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143-166.42 reads as rewritten:

**"§ 143-166.42. Special separation allowances for local officers.**

(a) On and after January 1, 1987, every sworn law enforcement officer as defined by G.S. 128-21(11d) or G.S. 143-166.50(a)(3) employed by a local government employer who qualifies under this section shall receive, beginning in the month in which the officer retires on a basic service retirement under the provisions of G.S. 128-27(a), an annual separation allowance equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The allowance shall be paid in equal installments on the payroll frequency used by the employer. To qualify for the allowance, the officer shall:

- (1) Have (i) completed 30 or more years of creditable service or (ii) have attained 55 years of age and completed five or more years of creditable service; and
- (2) Not have attained 62 years of age; and
- (3) Have completed at least five years of continuous service as a law enforcement officer as herein defined immediately preceding a service retirement. Any break in the continuous service required by this subsection because of disability retirement or disability salary continuation benefits shall not adversely affect an officer's qualification to receive the allowance, provided the officer returns to service within 45 days after the disability benefits cease and is otherwise qualified to receive the allowance.

(b) As used in this section, "creditable service" means the service for which credit is allowed under the retirement system of which the officer is a member, provided that at least fifty percent (50%) of the service is as a law enforcement officer as herein defined.

(c) Payment to a retired officer under the provisions of this section shall cease at the first of:

- (1) The death of the officer;
- (2) The last day of the month in which the officer attains 62 years of age; or
- (3) The first day of reemployment by a local government employer in any capacity.

(c1) Notwithstanding the provisions of ~~subdivision (3)~~ subdivision (c)(3) of this ~~subsection, section,~~ a local government employer may employ retired officers in a ~~public safety~~



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1 ~~position in a capacity not requiring participation in the Local Governmental Employees'~~  
2 ~~Retirement System, in any of the following capacities, and doing so shall not cause payment to~~  
3 ~~cease to those officers under the provisions of this section.~~

4 (1) In a public safety position in a capacity not requiring participation in the Local  
5 Governmental Employees' Retirement System.

6 (2) In connection with election day service for the county board of elections.

7 (d) This section does not affect the benefits to which an individual may be entitled from  
8 State, local, federal, or private retirement systems. The benefits payable under this section shall  
9 not be subject to any increases in salary or retirement allowances that may be authorized by local  
10 government employers or for retired employees of local governments.

11 (e) The governing body of each local employer shall determine the eligibility of  
12 employees for the benefits provided herein.

13 (f) The governing body of each local employer shall make the payments set forth in  
14 subsection (a) of this section to those persons certified under subsection (e) of this section from  
15 funds available."

16 **SECTION 2.** This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 1088

Short Title: Allow Election Day Service - Retired LEOs. (Public)

Sponsors: Representatives Fraley, Jones, R. Turner, and Bradford (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government

May 11, 2016

A BILL TO BE ENTITLED

AN ACT TO ALLOW RETIRED LAW ENFORCEMENT OFFICERS TO BE EMPLOYED BY  
A COUNTY BOARD OF ELECTIONS FOR ELECTION DAY SERVICE WITHOUT  
CAUSING THE SUSPENSION OF THE RETIRED OFFICERS' SPECIAL SEPARATION  
ALLOWANCE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143-166.42 reads as rewritten:

**"§ 143-166.42. Special separation allowances for local officers.**

(a) On and after January 1, 1987, every sworn law enforcement officer as defined by G.S. 128-21(11d) or G.S. 143-166.50(a)(3) employed by a local government employer who qualifies under this section shall receive, beginning in the month in which the officer retires on a basic service retirement under the provisions of G.S. 128-27(a), an annual separation allowance equal to eighty-five hundredths percent (0.85%) of the annual equivalent of the base rate of compensation most recently applicable to the officer for each year of creditable service. The allowance shall be paid in equal installments on the payroll frequency used by the employer. To qualify for the allowance, the officer shall:

- (1) Have (i) completed 30 or more years of creditable service or (ii) have attained 55 years of age and completed five or more years of creditable service; and
- (2) Not have attained 62 years of age; and
- (3) Have completed at least five years of continuous service as a law enforcement officer as herein defined immediately preceding a service retirement. Any break in the continuous service required by this subsection because of disability retirement or disability salary continuation benefits shall not adversely affect an officer's qualification to receive the allowance, provided the officer returns to service within 45 days after the disability benefits cease and is otherwise qualified to receive the allowance.

(b) As used in this section, "creditable service" means the service for which credit is allowed under the retirement system of which the officer is a member, provided that at least fifty percent (50%) of the service is as a law enforcement officer as herein defined.

(c) Payment to a retired officer under the provisions of this section shall cease at the first of:

- (1) The death of the officer;
  - (2) The last day of the month in which the officer attains 62 years of age; or
  - (3) The first day of reemployment by a local government employer in any capacity.
- This subdivision shall not apply to the following circumstances, and



\* H 1 0 8 8 - V - 1 \*

1 employment under these circumstances shall not cause payment to officers  
2 under this section to cease:

3 Notwithstanding the provisions of subdivision (3) of this subsection,

4 a. A retired officer employed by a local government employer may  
5 employ retired officers in a public safety position in a capacity not  
6 requiring participation in the Local Governmental Employees'  
7 Retirement System, and doing so shall not cause payment to cease to  
8 those officers under the provisions of this section.

9 b. A retired officer employed by a county board of elections in connection  
10 with election day service.

11 (d) This section does not affect the benefits to which an individual may be entitled from  
12 State, local, federal, or private retirement systems. The benefits payable under this section shall  
13 not be subject to any increases in salary or retirement allowances that may be authorized by local  
14 government employers or for retired employees of local governments.

15 (e) The governing body of each local employer shall determine the eligibility of  
16 employees for the benefits provided herein.

17 (f) The governing body of each local employer shall make the payments set forth in  
18 subsection (a) of this section to those persons certified under subsection (e) of this section from  
19 funds available."

20 **SECTION 2.** This act is effective when it becomes law.



## HOUSE BILL 1128: Cornelius Limits.

2016-2017 General Assembly

<b>Committee:</b>	House Local Government. If favorable, re- refer to Finance	<b>Date:</b>	June 14, 2016
<b>Introduced by:</b>	Rep. Bradford	<b>Prepared by:</b>	Augustus D. Willis Committee Counsel
<b>Analysis of:</b>	PCS to First Edition H1128-CSTYxr-19		

**SUMMARY:** *House Bill 1128 would add certain described property referenced by Mecklenburg County Tax Office Parcel Identification Number (PIN) to the corporate limits of the Town of Cornelius.*

*The Proposed Committee Substitute (PCS) removes Section 2 of the bill, which would have authorized police officers of the Towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville to exercise the same jurisdiction, authority, powers and rights throughout the unincorporated areas of Mecklenburg County as they do within the corporate boundaries of their own municipality. The PCS also makes a technical change to the effective date to clarify that the property being annexed would be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2016.*

[As introduced, this bill was identical to S879, as introduced by Sen. Tarte, which is currently in Senate State and Local Government.]

**CURRENT LAW:** Article VII, Section 1 of the North Carolina Constitution states the General Assembly "shall provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Article 4A of Chapter 160A of the General Statutes governs municipal annexations. North Carolina law sets forth four basic ways in which a municipality may annex an area.

- Voluntary Annexation. – The owners of all real property in an area contiguous to the municipality desiring to be annexed sign a petition requesting annexation.
- Voluntary Satellite Annexation. – The owners of all real property in the area desiring to be annexed sign a petition requesting annexation, if it otherwise meets the statutory requirements.
- Municipal Initiated Annexation subject to a referendum. – The municipality initiates annexation proceeding, pursuant to statutory requirements.
- Legislative Act. – The General Assembly has the authority to extend the boundaries of any municipality.

**BILL ANALYSIS:** The PCS to House Bill 1128 would add certain described property referenced by Mecklenburg County Tax Office Parcel Identification Number (PIN) to the corporate limits of the Town of Cornelius.

**EFFECTIVE DATE:** This act would be effective June 30, 2016.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

D

HOUSE BILL 1128  
PROPOSED COMMITTEE SUBSTITUTE H1128-CSTYxr-19 [v.2]  
06/14/2016 06:39:12 PM

Short Title: Cornelius Limits.

(Local)

Sponsors:

Referred to:

May 18, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT ADDING CERTAIN DESCRIBED PROPERTY TO THE CORPORATE LIMITS OF  
3 THE TOWN OF CORNELIUS.  
4 The General Assembly of North Carolina enacts:  
5 SECTION 1. The following described property, referenced by the Mecklenburg  
6 County Tax Office Parcel Identification Number, is added to the corporate limits of the Town of  
7 Cornelius:  
8 00513121 00541108 00502104  
9 00513126 00541102 00502127  
10 00513125 00541105 00502115  
11 00513202 00507104 00502103  
12 00502102 00541101 00533104  
13 00502122 00511105 00533105  
14 00504226 00507197 00533106  
15 00504C99 00507166 00533124  
16 00504225 00507118 00533102  
17 00504C98 00507116 00502109  
18 00504230 00507112 00502114  
19 00504C96 00503214 00502113  
20 00513122 00503206 00502111  
21 00513117 00503201 00502112  
22 00541107 00538386 00506102  
23 00502105 00503204 00502117  
24 00502106 00538385 00502125  
25 00502129 00503288 00502108  
26 00503211 00503209 00502118  
27 00114509 00507115 00513124  
28 00114522 00507114 00513107  
29 00511106 00507109 00513205  
30 00503208 00542301 00502116  
31 00538387 00507110 00182123  
32 00538388 00507119 00182124  
33 00513106 00506101 00182122  
34 00513120 00507117 00182121  
35 00513105 00506110 00182120  
36 00513129 00506111 00182125



\* H 1 1 2 8 - C S T Y X R - 1 9 \*

1           00513119                           00502124                           00182119  
2           00513118                           00502126                           00182118.  
3           **SECTION 2.** This act becomes effective June 30, 2016. Property in the territory  
4 described by Section 1 of this act as of January 1, 2016, is subject to municipal taxes for taxes  
5 imposed for taxable years beginning on or after July 1, 2016.

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

**H**

**1**

**HOUSE BILL 1128\***

Short Title: Cornelius Limits/Mecklenburg County Police. (Local)

Sponsors: Representative Bradford.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Local Government, if favorable, Finance

May 18, 2016

A BILL TO BE ENTITLED

AN ACT ADDING CERTAIN DESCRIBED PROPERTY TO THE CORPORATE LIMITS OF  
THE TOWN OF CORNELIUS AND GRANTING COUNTYWIDE JURISDICTION TO  
THE POLICE DEPARTMENTS OF THE TOWNS OF CORNELIUS, DAVIDSON,  
HUNTERSVILLE, MATTHEWS, MINT HILL, AND PINEVILLE.

The General Assembly of North Carolina enacts:

**SECTION 1.** The following described property, referenced by the Mecklenburg  
County Tax Office Parcel Identification Number, is added to the corporate limits of the Town of  
Cornelius:

10	00513121	00541108	00502104
11	00513126	00541102	00502127
12	00513125	00541105	00502115
13	00513202	00507104	00502103
14	00502102	00541101	00533104
15	00502122	00511105	00533105
16	00504226	00507197	00533106
17	00504C99	00507166	00533124
18	00504225	00507118	00533102
19	00504C98	00507116	00502109
20	00504230	00507112	00502114
21	00504C96	00503214	00502113
22	00513122	00503206	00502111
23	00513117	00503201	00502112
24	00541107	00538386	00506102
25	00502105	00503204	00502117
26	00502106	00538385	00502125
27	00502129	00503288	00502108
28	00503211	00503209	00502118
29	00114509	00507115	00513124
30	00114522	00507114	00513107
31	00511106	00507109	00513205
32	00503208	00542301	00502116
33	00538387	00507110	00182123
34	00538388	00507119	00182124
35	00513106	00506101	00182122
36	00513120	00507117	00182121



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00513105

00506110

00182120

00513129

00506111

00182125

00513119

00502124

00182119

00513118

00502126

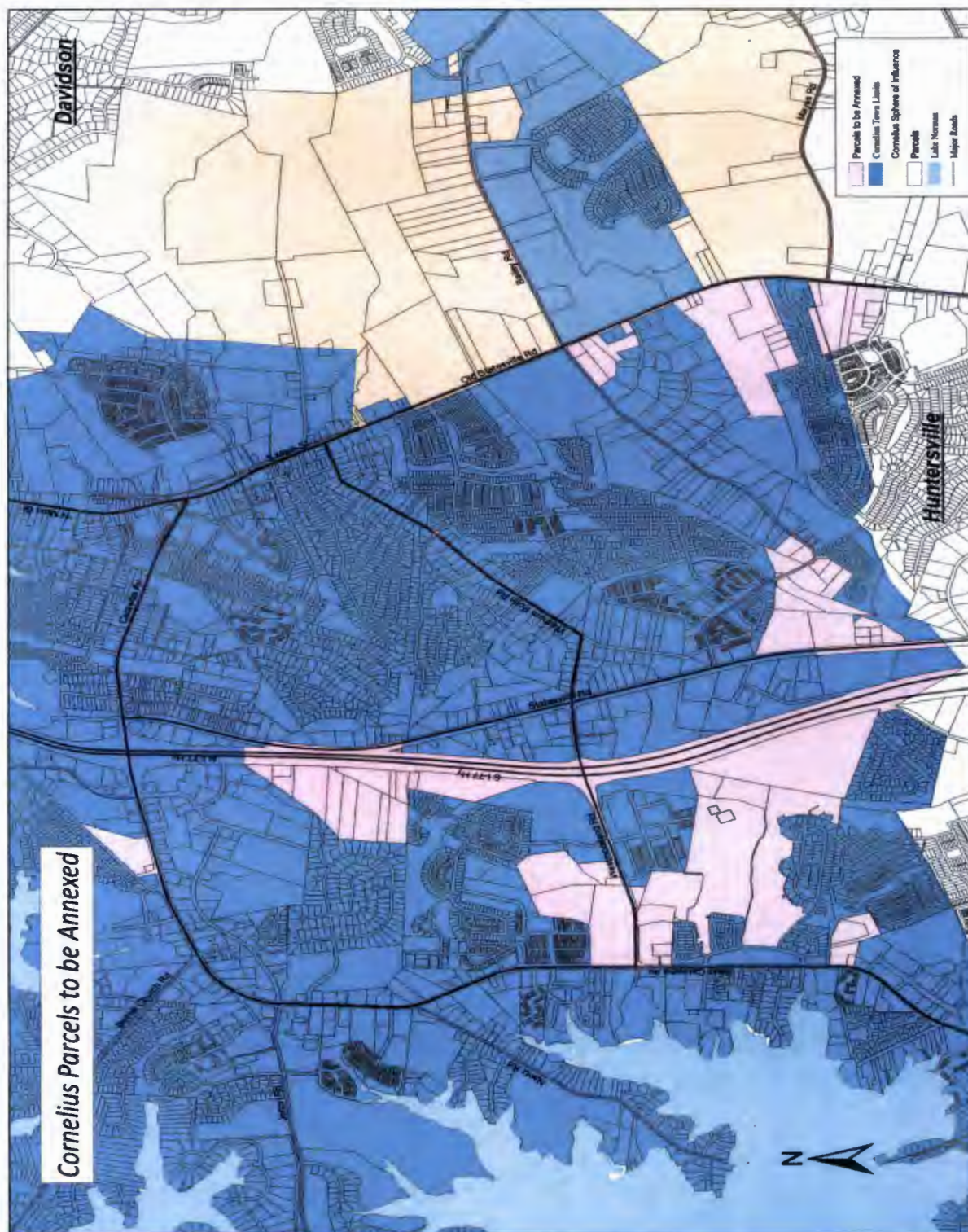
00182118.

**SECTION 2.** Section 1 of Chapter 1170 of the 1969 Session Laws reads as rewritten:

**"Section 1.** Upon approval of the Board of Commissioners of Mecklenburg ~~County~~ County, all ~~policemen~~ police officers of the City of Charlotte and the Towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville shall thereafter be authorized and empowered to exercise throughout the unincorporated areas of the County of Mecklenburg ~~Mecklenburg~~, as designated by the Board of Commissioners, the same jurisdiction, authority, powers and rights, including arrest and service of criminal and civil process, which they are authorized by law to exercise within ~~the City of Charlotte, the corporate boundaries of their own municipality,~~ and shall have the privileges and immunities, including coverage under Workmen's Compensation laws, which they now ~~have within the City of Charlotte,~~ have, provided that the ~~City of Charlotte municipality~~ and Mecklenburg County shall, prior to the exercise of any of ~~said~~ the powers or authority, enter into an agreement setting forth the guidelines and procedures for implementation of this ~~Act~~ act. The Board of Commissioners shall not approve the exercise of powers or authority by a municipality's police officers in an unincorporated area of Mecklenburg County if the area is in another municipality's sphere of influence or extraterritorial planning jurisdiction, unless the governing body of the other municipality consents in writing. However, nothing in this section shall restrict or prohibit the authority granted to the police officers of the City of Charlotte by the Board of Commissioners to exercise powers or authority over an unincorporated area of the County on or before the date this act becomes effective."

**SECTION 3.** Section 1 of this act becomes effective June 30, 2016. The remainder of this act is effective when it becomes law.









# SENATE BILL 330: Change Orders on School Construction Projects.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sens. McInnis, Tillman  
**Analysis of:** PCS to Fourth Edition  
S330-CSST-94

**Date:** June 8, 2016  
**Prepared by:** Erika Churchill  
Committee Counsel

**SUMMARY:** *The proposed committee substitute for Senate Bill 330 would require all local boards of education to adopt a policy governing change orders in construction and repair work contracts, addressing certain processes that the local board will follow in approving the change orders.*

**CURRENT LAW:** A number of local boards of education have adopted policies regarding the approval of change orders on school construction projects and the authority of board employees to make change orders without the approval of the board. The threshold amount varies among the local boards of education throughout the State.

**BILL ANALYSIS:** The PCS would require every local board of education to adopt a policy governing change orders to any construction or repair work for which a contract has been awarded in accordance with any of the following statutes:

- G.S. 143-128 – Requirements for Certain Building Contracts.
- G.S. 143-128.1 – Construction Management at Risk Contracts.
- G.S. 143-128.1A – Design-Build Contracts.
- G.S. 143-128.1B – Design-Build Bridging Contracts.
- G.S. 143-128.1C – Public Private Partnership Construction Contracts.
- G.S. 143-129 – formal bidding for construction or repair work of \$500,000 or more.

The policy must address, at least, all of the following:

- How proposed change orders are submitted by the contractor for approval, including any request for expedited review.
- Identifying who the individual, or individuals, with responsible authority for approving change orders of a particular category of work or amount.
- Identifying the corresponding descriptions and dollar limits for any particular category of work or amount that those individual(s) may approve.
- How a change order that must approved by the local board is submitted to the local board.
- How the local board is notified of all change orders submitted for approval, and the resulting actions taken.

**EFFECTIVE DATE:** October 1, 2016, and applies to contracts awarded on or after that date.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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D

SENATE BILL 330  
Education/Higher Education Committee Substitute Adopted 4/22/15  
Finance Committee Substitute Adopted 4/28/15  
Fourth Edition Engrossed 4/29/15  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S330-CSST-94 [v.4]

Short Title: Change Orders on School Construction Projects.

(Public)

Sponsors:

Referred to:

March 19, 2015

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE LAW REGARDING CHANGE ORDERS ON SCHOOL  
CONSTRUCTION PROJECTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115C-521 is amended by adding a new subsection to read:

"(h) Each local board of education shall adopt a policy governing change orders to any construction or repair work for which a contract has been awarded in accordance with G.S. 143-128, 143-128.1, 143-128.1A, 143-128.1B, 143-128.1C, or 143-129. The policy shall address, at a minimum, all of the following:

- (1) The process by which a proposed change order is submitted by the contractor for approval, including any request for expedited review.
- (2) The individual or individuals with responsible authority for approving change orders of a particular category of work or amount, or a combination thereof, and the corresponding descriptions and dollar limits.
- (3) The process by which any change order that must be reviewed and approved by the local board is submitted to the local board.
- (4) The process by which the local board is notified of all change orders submitted to the individual or individuals identified with responsible authority to approve those orders, and the resulting actions taken."

**SECTION 2.** This act becomes effective October 1, 2016, and applies to contracts awarded, extended, or renewed on or after that date.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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4

SENATE BILL 330  
Education/Higher Education Committee Substitute Adopted 4/22/15  
Finance Committee Substitute Adopted 4/28/15  
Fourth Edition Engrossed 4/29/15

Short Title: Change Orders on School Construction Projects.

(Public)

Sponsors:

Referred to:

March 19, 2015

A BILL TO BE ENTITLED  
AN ACT TO AMEND THE LAW REGARDING CHANGE ORDERS ON SCHOOL  
CONSTRUCTION PROJECTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 115C-521 is amended by adding a new subsection to read:

"(h) All change orders involving school construction contracts shall be approved by the local board of education, except as provided in a policy adopted by a local board of education under this subsection. A change order must be submitted by architect to the superintendent. If a change order that is required to be approved by the local board of education must be approved before the next regularly scheduled board meeting due to (i) a health or safety issue; (ii) a delay of the construction project; or (iii) the risk of increased cost, as determined by the superintendent, the chair of the local board of education or the chair's designee from among the other board members may approve the order at the request of the superintendent. The superintendent shall report the change order to the local board of education at its next regularly scheduled meeting. If the chair of the local board of education or the chair's designee does not approve the change order, a special board meeting shall be called. The local board of education shall adopt a policy providing change orders are not subject to approval by the local board of education but may be approved by the superintendent or superintendent's designee for change orders that do not exceed the following amounts:

- (1) In a local school administrative unit that has had an average of at least fifty million dollars (\$50,000,000) of school construction projects over the prior five years, the amount may not exceed one hundred thousand dollars (\$100,000).
- (2) In a local school administrative unit that has had an average of less than fifty million dollars (\$50,000,000) of school construction projects over the prior five years, the amount may not exceed twenty-five thousand dollars (\$25,000)."

**SECTION 2.** This act becomes effective October 1, 2015.







## SENATE BILL 733: Certain Towns Sewer Fee Collections.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Smith  
**Analysis of:** PCS to First Edition  
S733-CSST-112

**Date:** June 14, 2016  
**Prepared by:** Erika Churchill  
Committee Counsel

**SUMMARY:** *The proposed committee substitute for Senate Bill 733 authorizes the Towns of Fairmont, La Grange, and Proctorville to collect delinquent fees for sewer services in the same manner that property taxes are collected.*

**CURRENT LAW:** Municipalities are authorized to acquire, construct, establish, maintain, own, operate, and contract for the operation of a "public enterprise," which includes wastewater collection, treatment, and disposal systems of all types, including septic tank systems or other on-site collection or disposal facilities. [G.S. 160A-311-312]. Municipalities are also authorized to establish a schedule of rates and fees for the use of or the services furnished by any public enterprise. [G.S. 160A-314].

A municipality has the authority to collect delinquent accounts by any remedy provided by law for collecting and enforcing private debts. [G.S. 160A-314(b)]. A municipality may also discontinue service to any customer whose account remains delinquent for more than 10 days. [G.S. 160A-314(b)]. A municipality may also use the debt set-off collection process to collect taxes, assessments, fees, fines, or any obligation owed to the city that is more than \$50.00. [Chapter 105A.]

Property taxes may be collected in the following ways:

- Placement of a lien on real and personal property, which is superior to all other liens.
- Sale of real or personal property.
- Attachment and garnishment of wages and bank accounts.

**BILL ANALYSIS:** The PCS would authorize the Towns of Fairmont, La Grange, and Proctorville to adopt an ordinance providing that any water fee, sewer fee, or stormwater management fee, imposed by that Town may be billed and collected in the same manner as property taxes. If the ordinance adopted by the Town provides that delinquent fees may be collected in the same manner as delinquent real property taxes, then the delinquent fees are a lien on the real property described on the delinquent bill.

**EFFECTIVE DATE:** Effective when it becomes law.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate PCS 733

*Page 2*

**BACKGROUND:** In addition, the following local legislation regarding delinquent water and sewer fees has been enacted:

- S.L. 1993-768: Authorizes City of Durham to collect delinquent water and sewer fees resulting from leaking or broken pipes of the real property owner in the same manner as property taxes.
- S.L. 2003-270: Authorizes Davie, Duplin, and Lenoir Counties, the municipalities in these counties, and in Columbus County, and water and wastewater authorities in Davie, Duplin, and Lenoir Counties to collect delinquent water and sewer fees in the same manner as delinquent property taxes.
- S.L. 2009-402 Authorizes Montgomery County to collect delinquent water and sewer fees in the same manner as delinquent property taxes.
- S.L. 2010-59 Authorizes the City of Locust and the Towns of New London and Stanfield to collect delinquent sewer fees in the same manner as delinquent property taxes.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 733  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S733-CSST-112 [v.2]  
06/13/2016 02:25:29 PM

Short Title: Certain Towns Sewer Fee Collections. (Local)

Sponsors:

Referred to:

April 26, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING THE TOWNS OF LA GRANGE, FAIRMONT, AND  
3 PROCTORVILLE TO BILL AND COLLECT FEES FOR SEWER SERVICES AS  
4 PROPERTY TAXES.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.** G.S. 160A-314(a1)(4) reads as rewritten:  
7 "(4) A city may adopt an ordinance providing that any fee imposed under this  
8 subsection may be billed with property taxes, may be payable in the same  
9 manner as property taxes, and, in the case of nonpayment, may be collected in  
10 any manner by which delinquent personal or real property taxes can be  
11 collected. If an ordinance states that delinquent fees can be collected in the  
12 same manner as delinquent real property taxes, the fees are a lien on the real  
13 property described on the bill that includes the fee.  
14 This subdivision applies only to the Cities of Creedmoor, Durham and  
15 Winston-Salem, the Towns of Butner, Fairmont, Garner, Kernersville,  
16 Knightdale, La Grange, Morrisville, Proctorville, Stem, Wendell, and Zebulon,  
17 and the Village of Clemmons."  
18 **SECTION 2.** This act is effective when it becomes law.



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GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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1

SENATE BILL 733

Short Title: Town of Proctorville/Sewer Fee Collections. (Local)

Sponsors: Senator Smith (Primary Sponsor).

Referred to: State and Local Government

April 26, 2016

A BILL TO BE ENTITLED

AN ACT AUTHORIZING THE TOWN OF PROCTORVILLE TO ATTACH PERSONAL  
PROPERTY, GARNISH WAGES, AND PLACE LIENS ON CERTAIN REAL PROPERTY  
TO COLLECT UNPAID FEES FOR SEWER SERVICES.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Charter of the Town of Proctorville, being Chapter 369 of the  
Private Laws of 1913, as amended by Chapter 306 of the Session Laws of 1963 and S.L. 2014-25,  
reads as rewritten:

"Sec. 16.1. Unpaid Fees for Sewer Services. If a fee charged by the Town for sewer services  
remains unpaid for a period of at least 90 days, the Town may collect it in any manner by which  
delinquent personal or real property taxes can be collected. If the delinquent fees are collected in  
the same manner as delinquent real property taxes, the delinquent fees are a lien on the real  
property owned by the person contracting with the Town for the service. If a lien is placed on real  
property, the lien shall be valid from the time of filing in the office of the clerk of superior court of  
the county in which the service was provided and shall include a statement containing the name  
and address of the person against whom the lien is claimed, the name of the Town, the specific  
service that was provided, the amount of the unpaid charge for that service, and the date and place  
of furnishing that service. A lien on real property is not effective against an interest in real  
property conveyed after the fees become delinquent if the interest is recorded in the office of the  
register of deeds prior to the filing of the lien for delinquent fees. No lien under this section shall  
be valid unless filed in accordance with this section after 90 days of the date of the failure to pay  
for the service or availability fees and within 180 days of the date of the failure to pay for the  
service or fees. The lien may be discharged as provided in G.S. 44-48. The Town shall adopt an  
appeals process providing notice and an opportunity to be heard in protest of the imposition of a  
lien under this section. The county tax office, once notified of the Town's lien, shall include the  
lien amount on any tax bills printed subsequent to the notification. The county tax office shall add  
or remove liens from the tax bill at the request of the Town (such as in the case of an appeal where  
the Town decides to cancel the lien)."

**SECTION 2.** This act is effective when it becomes law.





## SENATE BILL 774: Marvin and Asheboro/Deannexation.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Tucker  
**Analysis of:** PCS to Second Edition  
S774-CSTYxr-16

**Date:** June 14, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *Senate Bill 774 would remove a 6.9 acre piece of property from the corporate limits of the Village of Marvin in Union County, and remove a 0.456 acre piece of property from the corporate limits of the City of Asheboro in Randolph County.*

*The Proposed Committee Substitute (PCS) makes a technical change to the effective date clarifying that the property being deannexed would no longer be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2016.*

**CURRENT LAW:** Under Section 1 of Article VII of the NC Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexation. The General Assembly has not enacted any method for municipalities to *deannex* property — that power remains with the General Assembly.

### **BILL ANALYSIS:**

Section 1 would remove a 6.9 acre piece of property referenced by Union County Tax Office Parcel Identification Number from the corporate limits of the Village of Marvin.

Section 2 would remove a .456 acre piece of property in the Cedar Grove Township from the corporate limits of the City of Asheboro.

Liens for ad valorem taxes or special assessments imposed by the respective municipalities that are outstanding before the effective date of the act would remain valid and could still be collected or foreclosed upon after the effective date of the act as if the property were still within the municipality's corporate limits.

**EFFECTIVE DATE:** This act would become effective June 30, 2016.

*\*Brad Krehely and Nicholas Giddings contributed substantially to this summary.*

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 774  
Finance Committee Substitute Adopted 5/24/16  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S774-CSTYxr-16 [v.1]  
06/08/2016 04:29:18 PM

Short Title: Marvin and Asheboro/Deannexation.

(Local)

Sponsors:

Referred to:

April 28, 2016

A BILL TO BE ENTITLED

AN ACT REMOVING CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
LIMITS OF THE VILLAGE OF MARVIN AND THE CITY OF ASHEBORO.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The following described property, referenced by the Union County  
Tax Office Parcel Identification Number, is removed from the corporate limits of the Village of  
Marvin: 06222577.

**SECTION 1.(b)** This act has no effect upon the validity of any liens of the Village of  
Marvin for ad valorem taxes or special assessments outstanding before the effective date of this  
act. Such liens may be collected or foreclosed upon after the effective date of this act as though the  
property were still within the corporate limits of the Village of Marvin.

**SECTION 2.(a)** The following described property in the Cedar Grove Township,  
Randolph County, North Carolina, is removed from the corporate limits of the City of Asheboro:

BEGINNING on the existing primary city limits line for the City of Asheboro at a 3/4"  
existing iron pipe that is up 1" at the southeast corner of the Pamela Sue Vuncannon property  
described in Deed Book 2341, Page 258, Randolph County Public Registry (this tract of land is  
proposed for removal from the Asheboro City Limits and will be hereinafter referred to as the  
"Deannexation Tract"), the said beginning point is North 29 degrees 58 minutes 42 seconds West  
679.77 feet from NCGS monument "Bingham" that is located by means of the North Carolina  
Coordinate System at the coordinates of North 703,571.16 feet and East 1,747,119.25 feet (NAD  
83); thence from the said beginning point and following the proposed new primary city limits line  
South 86 degrees 25 minutes 02 seconds West 96.86 feet along the southern boundary line for the  
Deannexation Tract to a 1.5" existing iron rod that is up 2" at the southwest corner of the  
Deannexation Tract; thence departing from the southern boundary line of the Deannexation Tract  
and proceeding along the western boundary line of the territory to be removed from the city limits  
by following the shared boundary line between the Deannexation Tract and the Marcia H. Miller  
property described in Deed Book 1899, Page 2539 (Tracts 1 & 2), Randolph County Public  
Registry the following course and distance: North 00 degrees 11 minutes 13 seconds East 192.56  
feet to a 1/2" existing iron pipe up 7" at the northwest corner of the Deannexation Tract; thence  
departing from the western boundary line for the Deannexation Tract and following the shared  
boundary line between the Deannexation Tract and the Pamela Sue Vuncannon property described  
in Deed Book 1618, Page 671, Randolph County Public Registry the following courses and  
distances: South 87 degrees 58 minutes 06 seconds East 46.61 feet to a computed point; thence  
North 36 degrees 01 minute 44 seconds East 84.59 feet to a 3/4" existing iron pipe up 2" at the  
northeast corner of the Deannexation Tract; thence departing from the northern boundary line of



1 the Deannexation Tract and proceeding along the shared boundary line of the Deannexation Tract  
2 and the Dumont Bunker property described in Deed Book 1911, Page 2210, Randolph County  
3 Public Registry the following course and distance: South 00 degrees 03 minutes 56 seconds West  
4 253.26 feet to the point and place of BEGINNING, and containing a total of 19,861 square feet  
5 (0.456 of an acre) of land, more or less, to be removed from the city limits of the City of  
6 Asheboro.

7 The above-listed description is in accordance with a plat of survey entitled "Plat of  
8 Proposed Deannexation of Certain Territory at the Request of the City of Asheboro(;) Property of  
9 Pamela Sue Vuncannon" that was drawn under the supervision of Thomas Scaramastra,  
10 Professional Land Surveyor with License Number L-4421. The job number listed on the plat is  
11 16-004, and the said plat of survey's title block bears the date of February 9, 2016.

12 **SECTION 2.(b)** This act has no effect upon the validity of any liens of the City of  
13 Asheboro for ad valorem taxes or special assessments outstanding before the effective date of this  
14 act. Such liens may be collected or foreclosed upon after the effective date of this act as though the  
15 property were still within the corporate limits of the City of Asheboro.

16 **SECTION 3.** This act becomes effective June 30, 2016. Property in the territories  
17 described in Section 1.(a) and Section 2.(a) of this act as of January 1, 2016, is no longer subject to  
18 municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2016.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 774  
Finance Committee Substitute Adopted 5/24/16

Short Title: Marvin and Asheboro/Deannexation.

(Local)

Sponsors:

Referred to:

April 28, 2016

A BILL TO BE ENTITLED

AN ACT REMOVING CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
LIMITS OF THE VILLAGE OF MARVIN AND THE CITY OF ASHEBORO.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The following described property, referenced by the Union County  
Tax Office Parcel Identification Number, is removed from the corporate limits of the Village of  
Marvin: 06222577.

**SECTION 1.(b)** This act has no effect upon the validity of any liens of the Village of  
Marvin for ad valorem taxes or special assessments outstanding before the effective date of this  
act. Such liens may be collected or foreclosed upon after the effective date of this act as though the  
property were still within the corporate limits of the Village of Marvin.

**SECTION 2.(a)** The following described property in the Cedar Grove Township,  
Randolph County, North Carolina, is removed from the corporate limits of the City of Asheboro:

BEGINNING on the existing primary city limits line for the City of Asheboro at a 3/4"  
existing iron pipe that is up 1" at the southeast corner of the Pamela Sue Vuncannon property  
described in Deed Book 2341, Page 258, Randolph County Public Registry (this tract of land is  
proposed for removal from the Asheboro City Limits and will be hereinafter referred to as the  
"Deannexation Tract"), the said beginning point is North 29 degrees 58 minutes 42 seconds West  
679.77 feet from NCGS monument "Bingham" that is located by means of the North Carolina  
Coordinate System at the coordinates of North 703,571.16 feet and East 1,747,119.25 feet (NAD  
83); thence from the said beginning point and following the proposed new primary city limits line  
South 86 degrees 25 minutes 02 seconds West 96.86 feet along the southern boundary line for the  
Deannexation Tract to a 1.5" existing iron rod that is up 2" at the southwest corner of the  
Deannexation Tract; thence departing from the southern boundary line of the Deannexation Tract  
and proceeding along the western boundary line of the territory to be removed from the city limits  
by following the shared boundary line between the Deannexation Tract and the Marcia H. Miller  
property described in Deed Book 1899, Page 2539 (Tracts 1 & 2), Randolph County Public  
Registry the following course and distance: North 00 degrees 11 minutes 13 seconds East 192.56  
feet to a 1/2" existing iron pipe up 7" at the northwest corner of the Deannexation Tract; thence  
departing from the western boundary line for the Deannexation Tract and following the shared  
boundary line between the Deannexation Tract and the Pamela Sue Vuncannon property described  
in Deed Book 1618, Page 671, Randolph County Public Registry the following courses and  
distances: South 87 degrees 58 minutes 06 seconds East 46.61 feet to a computed point; thence  
North 36 degrees 01 minute 44 seconds East 84.59 feet to a 3/4" existing iron pipe up 2" at the  
northeast corner of the Deannexation Tract; thence departing from the northern boundary line of  
the Deannexation Tract and proceeding along the shared boundary line of the Deannexation Tract



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1 and the Dumont Bunker property described in Deed Book 1911, Page 2210, Randolph County  
2 Public Registry the following course and distance: South 00 degrees 03 minutes 56 seconds West  
3 253.26 feet to the point and place of BEGINNING, and containing a total of 19,861 square feet  
4 (0.456 of an acre) of land, more or less, to be removed from the city limits of the City of  
5 Asheboro.

6 The above-listed description is in accordance with a plat of survey entitled "Plat of  
7 Proposed Deannexation of Certain Territory at the Request of the City of Asheboro(;) Property of  
8 Pamela Sue Vuncannon" that was drawn under the supervision of Thomas Scaramastra,  
9 Professional Land Surveyor with License Number L-4421. The job number listed on the plat is  
10 16-004, and the said plat of survey's title block bears the date of February 9, 2016.

11 **SECTION 2.(b)** This act has no effect upon the validity of any liens of the City of  
12 Asheboro for ad valorem taxes or special assessments outstanding before the effective date of this  
13 act. Such liens may be collected or foreclosed upon after the effective date of this act as though the  
14 property were still within the corporate limits of the City of Asheboro.

15 **SECTION 3.** This act becomes effective June 30, 2016.





## SENATE BILL 852: Town of Bakersville/Town of Clyde/Deannex.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Hise  
**Analysis of:** PCS to Second Edition  
S852-CSTYxr-17

**Date:** June 14, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *Senate Bill 852 would remove a 5 acre piece of property from the corporate limits of the Town of Bakersville in Mitchell County, and remove two 1.5 acre pieces of property from the corporate limits of the Town of Clyde in Haywood County.*

*The Proposed Committee Substitute (PCS) makes a technical change to the effective date clarifying that the property being deannexed would no longer be subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2016.*

**CURRENT LAW:** Under Section 1 of Article VII of the North Carolina Constitution, the General Assembly is empowered to "provide for the organization and government and the fixing of boundaries of counties, cities and towns, and other governmental subdivisions, and, except as otherwise prohibited by this Constitution, may give such powers and duties to counties, cities and towns, and other governmental subdivisions as it may deem advisable."

Pursuant to this Section, the General Assembly enacted Article 4A of Chapter 160A of the General Statutes, which governs municipal annexation. The General Assembly has not enacted any method for municipalities to *deannex* property – that power remains with the General Assembly.

**BILL ANALYSIS:** Section 1 would remove a 5 acre piece of property referenced by Mitchell County Tax Office Parcel Identification Number from the corporate limits of the Town of Bakersville.

Section 2 would remove two 1.5 acre pieces of property referenced by Haywood County Tax Office Parcel Identification Numbers from the corporate limits of the Town of Clyde.

Liens for ad valorem taxes or special assessments imposed by the respective municipalities that are outstanding before the effective date of the act would remain valid and could still be collected or foreclosed upon after the effective date of the act as if the property were still within the municipality's corporate limits.

**EFFECTIVE DATE:** This act would become effective June 30, 2016.

*\*Nicholas Giddings contributed substantially to the preparation of this summary.*

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 852  
State and Local Government Committee Substitute Adopted 5/24/16  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S852-CSTYxr-17 [v.1]  
06/08/2016 04:34:15 PM

Short Title: Town of Bakersville/Town of Clyde/Deannex. (Local)

Sponsors:

Referred to:

May 11, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT REMOVING CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE  
3 LIMITS OF THE TOWN OF BAKERSVILLE AND FROM THE CORPORATE LIMITS OF  
4 THE TOWN OF CLYDE.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.(a)** The following described property, referenced by the Mitchell County  
7 Tax Office Parcel Identification Number, is removed from the corporate limits of the Town of  
8 Bakersville: 0874-00-03-1913.  
9 **SECTION 1.(b)** This act has no effect upon the validity of any liens of the Town of  
10 Bakersville for ad valorem taxes or special assessments outstanding before the effective date of  
11 this act. Such liens may be collected or foreclosed upon after the effective date of this act as  
12 though the property were still within the corporate limits of the Town of Bakersville.  
13 **SECTION 2.(a)** The following described property, referenced by the Haywood  
14 County Tax Office Parcel Identification Numbers, is removed from the corporate limits of the  
15 Town of Clyde: 8637-40-3630, 8637-40-3433.  
16 **SECTION 2.(b)** This act has no effect upon the validity of any liens of the Town of  
17 Clyde for ad valorem taxes or special assessments outstanding before the effective date of this act.  
18 Such liens may be collected or foreclosed upon after the effective date of this act as though the  
19 property were still within the corporate limits of the Town of Clyde.  
20 **SECTION 3.** This act becomes effective June 30, 2016. Property in the territories  
21 described by Section 1.(a) and Section 2.(a) of this act as of January 1, 2016, is no longer subject  
22 to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2016.



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GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

S

2

SENATE BILL 852

State and Local Government Committee Substitute Adopted 5/24/16

Short Title: Town of Bakersville/Town of Clyde/Deannex. (Local)

Sponsors:

Referred to:

May 11, 2016

A BILL TO BE ENTITLED

AN ACT REMOVING CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE LIMITS OF THE TOWN OF BAKERSVILLE AND FROM THE CORPORATE LIMITS OF THE TOWN OF CLYDE.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** The following described property, referenced by the Mitchell County Tax Office Parcel Identification Number, is removed from the corporate limits of the Town of Bakersville: 0874-00-03-1913.

**SECTION 1.(b)** This act has no effect upon the validity of any liens of the Town of Bakersville for ad valorem taxes or special assessments outstanding before the effective date of this act. Such liens may be collected or foreclosed upon after the effective date of this act as though the property were still within the corporate limits of the Town of Bakersville.

**SECTION 2.(a)** The following described property, referenced by the Haywood County Tax Office Parcel Identification Numbers, is removed from the corporate limits of the Town of Clyde: 8637-40-3630, 8637-40-3433.

**SECTION 2.(b)** This act has no effect upon the validity of any liens of the Town of Clyde for ad valorem taxes or special assessments outstanding before the effective date of this act. Such liens may be collected or foreclosed upon after the effective date of this act as though the property were still within the corporate limits of the Town of Clyde.

**SECTION 3.** This act becomes effective June 30, 2016.



\* S 8 5 2 - V - 2 \*





## SENATE BILL 881: Union County School Funding.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Tucker  
**Analysis of:** First Edition

**Date:** June 14, 2016  
**Prepared by:** Erika Churchill  
Committee Counsel

**SUMMARY:** *Senate Bill 881 would provide a moratorium on the Union County Board of Education initiating proceedings challenging the appropriation for that school system by the Union County Board of Commissioners for the 2016-17 fiscal year.*

**CURRENT LAW:** Each local board of education is required to operate under an annual balanced budget resolution. A budget resolution is balanced when the sum of estimated net revenues and appropriated fund balances is equal to appropriations. G.S. 115C-425. Generally, local boards of education do not have taxing authority. Instead, local appropriations for current expense and capital are made by the board of county commissioners. The local board of education is required to submit its requested budget to the county commissioners no later than May 15th of each year. The county commissioners are to adopt a budget ordinance, setting the tax rate for the county, on or before July 1st of each year. The budget ordinance adopted by the county commissioners is to address appropriations local current expenses and capital outlays for the local board of education.

G.S. 115C-426 requires local school administrative units to maintain at least the following funds:

- **Local current expense fund.** Includes appropriations sufficient for the current operating expense of the public school system in conformity with the educational goals and policies of the State and the local board of education, within the financial resources and consistent with the fiscal policies of the board of county commissioners.
- **Capital outlay fund.** Includes appropriations for:
  - The acquisition of real property for school purposes, including school sites, playgrounds, athletic fields, administrative headquarters, and garages.
  - The acquisition, construction, reconstruction, enlargement, renovation, or replacement of buildings and other structures, including buildings for classrooms and laboratories, physical and vocational educational purposes, libraries, auditoriums, gymnasiums, administrative offices, storage, and vehicle maintenance.
    - The cost of acquiring or constructing a new building, or reconstructing, enlarging, or renovating an existing building, and includes:
      - Cost of all real property and interests in real property.
      - All plants, works, appurtenances, structures, facilities, furnishings, machinery, and equipment necessary or useful in connection therewith.
      - Financing charges.
      - Cost of plans, specifications, studies, reports, and surveys.
      - Legal expenses.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate Bill 881

Page 2

- All other costs necessary or incidental to the construction, reconstruction, enlargement, or renovation.
- The acquisition or replacement of furniture and furnishings, instructional apparatus, data-processing equipment, business machines, and similar items of furnishings and equipment.
- The acquisition of school buses as additions to the fleet.
- The acquisition of activity buses and other motor vehicles.
- Such other objects of expenditure as may be assigned to the capital outlay fund by the uniform budget format.

Within the capital outlay fund, no contract for the purchase of a site may be executed, nor any funds expended, without the approval of the board of county commissioners as to the amount to be spent for the site. If there is a disagreement between a board of education and a board of county commissioners as to the amount to be spent for the site, the procedure provided in G.S. 115C-431 (see below) is to be used to settle the disagreement, as far as it is applicable.

If there is a dispute over the amount appropriated, G.S. 115C-431 governs the procedure for resolution of that dispute. If the dispute is unresolved after a joint board meeting, the parties must start mediation. If the mediation is unsuccessful, an action may be filed in superior court and will be given precedence over other business of the court. The court must find the facts as to the amount of money necessary to maintain a system of free public schools and the amount of money needed from the county to make up the total. The issues of fact may be tried by a jury and the issue submitted to the jury would be "what amount of money is needed from sources under the control of the board of county commissioners to maintain a system of free public schools." When the facts have been found, the court must enter judgment ordering the board of county commissioners to appropriate a sum to the local school administrative unit and to levy property taxes that may be necessary to make up the sum when added to other available revenues.

The local board of education is required to adopt a budget resolution after the board of county commissioners makes its appropriation, or after the dispute resolution process set out in G.S. 115C-431 (described above) has concluded.

**BILL ANALYSIS:** The bill would do all of the following:

1. Prohibit the Union County Board of Education from filing any legal action under the statutory process for challenging the sufficiency of the funds appropriated by the Union County Board of Commissioners for the 2016-17 fiscal year. This would apply to the local expense fund and the capital outlay fund.
2. Require the Union County Board of Education and the Union County Board of Commissioners to periodically conduct joint meetings during the 2016-17 fiscal year. The Boards are to assess school capital outlay needs and develop a joint 5 year plan for meeting those needs. The plan is to be considered during the 2017-18 fiscal year's budget process.

**EFFECTIVE DATE:** Effective when it becomes law and applies only to Union County for the 2016-17 fiscal year.

**BACKGROUND:** For Union County, S.L. 2014-8 and 2014-9 amended the general process for Union County by prohibiting the Union County Board of Education from initiating litigation over the sufficiency of the local appropriation to the local current expense fund, the capital outlay fund, or both for the 2014-15 and 2015-16 fiscal years. Those local acts also set the amount the Union County Board of Commissioners would appropriate for current expense and capital outlay for those two fiscal years and required the Union County Board of Commissioners and the Union County Board of Education to engage in joint, multi-year planning for capital expenses of the Union County Schools.

S.L. 2015-10 repealed both S.L. 2014-8 and 2014-9, and lifted the moratorium, as it applied to Union County.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

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1

SENATE BILL 881

Short Title: Union County School Funding. (Local)

Sponsors: Senator Tucker (Primary Sponsor).

Referred to: Education/Higher Education

May 19, 2016

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A MORATORIUM ON FILING OF ACTIONS BY THE UNION COUNTY BOARD OF EDUCATION CHALLENGING THE SUFFICIENCY OF LOCAL FUNDS APPROPRIATED TO THE PUBLIC SCHOOLS BY THE UNION COUNTY BOARD OF COMMISSIONERS.

The General Assembly of North Carolina enacts:

**SECTION 1.** The Union County Board of Education shall not file any legal action under G.S. 115C-426, 115C-431, or 115C-432 challenging the sufficiency of the funds appropriated by the Union County Board of Commissioners to the local current expense fund, the capital outlay fund, or both for any budget ordinance adopted for the 2016-2017 fiscal year.

**SECTION 2.** In order to promote greater mutual understanding of immediate and long-term budgetary issues and constraints affecting public schools and county governments, the Union County Board of Education and the Union County Board of Commissioners shall conduct periodic joint meetings during the 2016-2017 fiscal year. In particular, the boards shall assess the school capital outlay needs, develop and update a joint five-year plan for meeting those needs, and consider this plan in the preparation and approval of the budget ordinance for the 2017-2018 fiscal year.

**SECTION 3.** This act is effective when it becomes law and applies only to Union County for the 2016-2017 fiscal year.



\* S 8 8 1 - V - 1 \*



**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE**

**SB 881** Union County School Funding.  
Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Arp

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL**

**HB 1088** Allow Election Day Service - Retired LEOs.  
Draft Number: H1088-PCS40669-ST-118  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Fraley

**FAVORABLE COM SUB , UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**HB 1128** Cornelius Limits/Mecklenburg County Police.  
Draft Number: H1128-PCS40671-TYxr-19  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Bradford

**FAVORABLE HOUSE COM SUB, UNFAVORABLE ORIGINAL BILL AND RE-REFERRED**

**SB 733** Town of Proctorville/Sewer Fee Collections.  
Draft Number: S733-PCS45525-ST-112  
**Serial Referral:** **FINANCE**  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Ford



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## FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB AND RE-REFERRED

SB 774 (CS#1) Marvin and Asheboro/Deannexation.  
Draft Number: S774-PCS45522-TYxr-16  
**Serial Referral:** FINANCE  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Arp

SB 852 (CS#1) Town of Bakersville/Town of Clyde/Deannex.  
Draft Number: S852-PCS45524-TYxr-17  
**Serial Referral:** FINANCE  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Presnell

## FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB NO. 2

SB 330 (CS#2) Change Orders on School Construction Projects.  
Draft Number: S330-PCS45523-ST-94  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Arp

TOTAL REPORTED: 7



★ C M R 7 3 9 - V - 3 ★



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

06/15/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sarah Collins	NCLM
Dave Fenton	City of CT
Sue Ann Forrest	NCICU
Andy Chase	KMA
CASANDRA HOEKSTRA	NCACC
Taylor Knittel	Intern
Cameron Nieters	KTS
Sam Watts	DS7
Starves	OST
Ananna Allen	<del>NCPI</del> NCDPI
Tom West	NCICU



## VISITOR REGISTRATION SHEET

● House Comm. on Local Gov.

06/15/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Millian D Johnson	MWELL
Amy Fulk	30 PR
Day Miskew	PSG
My	
Kara Weishaar	St
John Cashion	Rep Salmon
Karen Kaplan	
Brian Percy	Pep Dobson
Christy Devine	Citizen
Melanie Hudson	Citizen
Meredith Stewart	Citizen



## VISITOR REGISTRATION SHEET

● House Comm. on Local Gov.

06/15/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Adam Pridemore	WOTSA
Bruce Milder	NCSA
Tim Minto	NCHAA
Daniel Baum	Troutman Sanders
Ammanda Donolan	TSS
Hayden Bauguess	FSP
Luan Merwald	WM
Kenneth Phelps	Dept of Public Instruction
Paul Bel	NCDPI
Betsy Bailey	CACC
Wendy Kelly	Rous Cordia

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## VISITOR REGISTRATION SHEET

● House Comm. on Local Gov.

06/15/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Don Allen	WRC
ARON OXENDINE	DIACS
Amanda Smith	NCPC
ACrud	WRC
Hugh Johnson	NCAC
Mrs. Jones	Rep
Troy Robson	FRTV
David Collins	SEANK
Flini Benson	SIANK



## VISITOR REGISTRATION SHEET

● House Comm. on Local Gov.

06/15/16

Name of Committee

Date \_\_\_\_\_

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK**

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Andy Ella

NK



**House Committee on Local Government**  
**Wednesday, June 22, 2016 at 10:00 AM**  
**Room 643 of the Legislative Office Building**

**MINUTES**

The House Committee on Local Government met at 10:00 AM on Wednesday, June 22, 2016 in Room 643. Representatives Ager, Boles, Brawley, Brown, Burr, Davis, Faircloth, Farmer-Butterfield, Fisher, Ford, Graham, Holley, Luebke, Ross, Warren, and Watford attended.

Chairman Ted Davis, Jr. presided.

The Chairman introduced the Sergeant's-at-Arms, Young Bae, Jim Moran, Martha Gadison, and Will Crocker, and thanked them for their service to the Committee. He also introduced the pages and thanked them for their interest in paging for the NC House.

The Committee began with **SB215—Abolish Brunswick County Coroner**. The Chairman recognized Senator Rabon to present the bill which would abolish the Office of Coroner in Brunswick County at the end of the current term of office in 2016. There was no discussion on the bill. Representative Boles moved for a favorable report and the motion passed unanimously.

**SB787—Stokes County/Local Acts—By Request**. Representative Kyle Hall, in the absence of bill sponsor, Senator Randleman, explained the bill. It authorizes the Town of Walnut Cove to compel the termination of an irrevocable trust established by the Town for the purpose of paying law enforcement special separation allowance benefits for retiring local law enforcement officers. There was no discussion by the Committee and Representative Burr moved for a favorable report; the motion passed unanimously.

**SB795—Clay County Courthouse**. The Chairman recognized Representative West to explain the bill. He stated the bill will exempt Clay County from specified State contracting laws for renovating and restoring the county's courthouse. Representative Ford offered an amendment which changes the effective date from June 30, 2019 to June 30, 2018. Representative Warren moved to roll the amendment into a new PCS and to provide the new PCS a favorable report and an unfavorable report as to the original bill. The motion passed unanimously.

**SB831—Duplin Sampson/Detention Contracts/Animals**. Representative Dixon was recognized to explain the bill which would permit the Duplin/Sampson County Sheriffs to purchase food and food supplies for their detention facilities without complying with the formal and informal bidding requirements and also allow the transfer of retired public service animals used by a local government in the county to the officer or employee who had custody and control of the animal during its years of service. An amendment by Representative Faircloth repealed Section 2 of the bill if HB550 becomes law during the 2016 Regular Session. Following discussion among the Committee members, Representative Warren moved to roll the amendment into a new PCS and to provide the new PCS a favorable report and an unfavorable report as to the original bill. The Chairman called for the vote and the "ayes" were on the prevailing side.

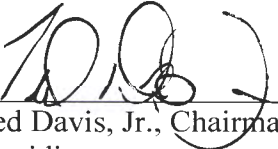


**SB849—Wake Cty Towns Donate Retired Service Animals.** Senator Barringer explained that this bill would allow the Towns of Apex, Cary, Garner, Knightdale, Morrisville, Roseville, Wake Forest and Zebulon to transfer retired public service animals used by local government to the officer or employee who had normal custody and control of the animal during its public service. An amendment by Representative Faircloth repealed Section 2 of the bill if HB550 becomes law during the 2016 Regular Session. Representative Boles moved to roll the amendment into a new PCS and to provide the new PCS a favorable report, unfavorable as to the original bill. The motion passed unanimously.

**SB880—Abolish Caswell County Coroner.** Senator Woodard stated the bill would abolish the office of the Caswell County coroner at the end of the current term of office or upon a vacancy in that office, whichever comes first. There was no discussion by members of the committee and Representative Luebke moved for a favorable report. The motion carried unanimously.

**SB883—Northampton County/WRC Shooting Ranges.** Representative Wray explained that the bill authorizes Wildlife Resources Commission shooting ranges in Northampton County. There was no discussion on the bill and Representative Boles moved for an unfavorable report to the original bill, and favorable to the Proposed Committee Substitute. The motion carried.

The meeting adjourned at 10:35 AM.

  
\_\_\_\_\_  
Ted Davis, Jr., Chairman  
Presiding

  
\_\_\_\_\_  
Judy Lowe, Committee Clerk



**Judy Lowe (Rep. Ted Davis)**

---

**From:** Judy Lowe (Rep. Ted Davis)  
**Sent:** Tuesday, June 21, 2016 04:35 PM  
**To:** Sen. Bill Rabon; Sen. Shirley B. Randleman; Sen. Jim Davis; Sen. Brent Jackson; Sen. Tamara Barringer; Sen. Valerie Foushee; Sen. Jay Chaudhuri; Sen. Mike Woodard; Sen. Jane Smith  
**Cc:** Paula Fields (Sen. Bill Rabon); Jeb Kelly (Sen. Shirley B. Randleman); Patrick Limer (Sen. Shirley B. Randleman); Kaye Culberson (Sen. Jim Davis); Ross Barnhardt (Sen. Brent Jackson); Alexander Fagg (Sen. Brent Jackson); Gloria Whitehead (Sen. Tamara Barringer); James Spivey (Sen. Valerie Foushee); Candy Finley (Sen. Jay Chaudhuri); Carol Resar (Sen. Mike Woodard); Cindy Davis (Sen. Jane Smith)  
**Subject:** <NCGA> House Local Government Committee Meeting Notice for Wednesday, June 22, 2016 at 10:00 AM - CORRECTED #2  
**Attachments:** Add Meeting to Calendar\_LINC\_.ics

**Corrected #2: SB883 is added**

**NORTH CAROLINA HOUSE OF REPRESENTATIVES  
COMMITTEE MEETING NOTICE  
AND  
BILL SPONSOR NOTIFICATION  
2015-2016 SESSION**

You are hereby notified that the **House Committee on Local Government** will meet as follows:

**DAY & DATE:** Wednesday, June 22, 2016  
**TIME:** 10:00 AM  
**LOCATION:** 643 LOB  
**COMMENTS:** Representative Ted Davis, Jr. will be chairing

The following bills will be considered:

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
SB 215	Abolish Brunswick County Coroner.	Senator Rabon
SB 787	Stokes County/Local Acts - By Request.	Senator Randleman
SB 795	Clay County Courthouse.	Senator J. Davis
SB 831	Duplin/Sampson/Detention Contracts/Animals.	Senator B. Jackson
SB 849	Wake Cty Towns Donate Retired Service Animals.	Senator Barringer Senator Chaudhuri Senator Foushee
SB 880	Abolish Caswell County Coroner.	Senator Woodard



Respectfully,

Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 4:34 PM on Tuesday, June 21, 2016.

\_\_\_\_ Principal Clerk  
\_\_\_\_ Reading Clerk – House Chamber

Judy Lowe (Committee Assistant)



**House Committee on Local Government  
Wednesday, June 22, 2016, 10:00 AM  
643 Legislative Office Building**

**AGENDA**

**Welcome and Opening Remarks**

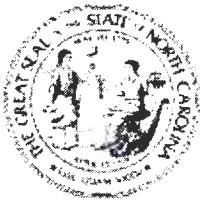
**Introduction of Pages**

**Bills**

<b>BILL NO.</b>	<b>SHORT TITLE</b>	<b>SPONSOR</b>
SB 215	Abolish Brunswick County Coroner.	Senator Rabon
SB 787	Stokes County/Local Acts - By Request.	Senator Randleman
SB 795	Clay County Courthouse.	Senator J. Davis
SB 831	Duplin/Sampson/Detention Contracts/Animals.	Senator B. Jackson
SB 849	Wake Cty Towns Donate Retired Service Animals.	Senator Barringer Senator Chaudhuri Senator Foushee
SB 880	Abolish Caswell County Coroner.	Senator Woodard
SB 883	Chadbourne Charter/Town Appointment.	Senator Smith

**Adjournment**





## SENATE BILL 215: Abolish Brunswick County Coroner.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Rabon  
**Analysis of:** First Edition

**Date:** June 21, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *House Bill 215 provides that the Office of Coroner in Brunswick County shall be abolished at the end of the current term or upon a vacancy of that office, whichever occurs first.*

**CURRENT LAW:** Chapter 152 of the General Statutes sets out the laws relating to coroners in North Carolina, including election and vacancies in office, oaths, bonds, powers and duties.

**BILL ANALYSIS:** House Bill 215 provides that the Office of Coroner in Brunswick County shall be abolished at the earlier of a vacancy in that office or end of the current term. The bill further provides that Chapter 152 of the General Statutes does not apply to Brunswick County.

**EFFECTIVE DATE:** This act becomes effective on the earlier of a vacancy in the office of the coroner in Brunswick County or the expiration of the current term of office in 2016.

**BACKGROUND:** The state-wide medical examiner system was put into place through Session Law 1965-639. Since the late 1960s, counties have abolished the Office of the Coroner. Most recently, Session Law 2010-48 abolished the Office of the Coroner in Rutherford County. There remain eight counties with an elected coroner: Avery, Bladen, Brunswick, Caswell, Cleveland, Columbus, Hoke, and Yadkin.

*Amy Jo Johnson, Staff Attorney in the Bill Drafting Division, substantially contributed to this summary.*

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 215

Short Title: Abolish Brunswick County Coroner. (Local)

Sponsors: Senator Rabon (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 11, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO ABOLISH THE OFFICE OF CORONER IN BRUNSWICK COUNTY.  
3 The General Assembly of North Carolina enacts:  
4 **SECTION 1.** The office of coroner in Brunswick County is abolished.  
5 **SECTION 2.** Chapter 152 of the General Statutes is not applicable to Brunswick  
6 County.  
7 **SECTION 3.** This act is effective on the earlier of a vacancy in the office of  
8 coroner in Brunswick County or the expiration of the current term of office in 2016.



\* S 2 1 5 - V - 1 \*





## SENATE BILL 787: Stokes County/Local Acts - By Request.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Randleman  
**Analysis of:** First Edition

**Date:** June 21, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

### ***SUMMARY: Senate Bill 787:***

- *Authorizes the Town of Walnut Cove in Stokes County to compel termination of an irrevocable trust established by the Town to fund special separation allowance benefits for their retired local law enforcement officers, if they have disbanded their law enforcement department.*
- *Authorizes Stokes County to regulate, restrict or prohibit possession or consumption of alcoholic beverages on or within 50 feet of navigable rivers in the County.*

Senate Bill 787 makes two changes affecting Stokes County only:

#### Section 1

**CURRENT LAW:** Under current law, retired local law enforcement officers who qualify are entitled to a special separation allowance benefit under G.S. 143-166.42. Municipalities are authorized by G.S. 159-30.2 to establish and fund an irrevocable trust for the purpose of paying this benefit.

**BILL ANALYSIS:** Section 1 of the bill would authorize the Town of Walnut Cove to compel the termination of an irrevocable trust established by the Town to fund special separation allowance benefits for their retired local law enforcement officers, if they have disbanded their law enforcement department. Remaining funds in the trust would be distributed to the Town, for use for any lawful purpose.

**EFFECTIVE DATE:** Section 1 of this act is effective when it becomes law.

#### Section 2

**CURRENT LAW:** G.S. 18B-300 authorizes a city or county by ordinance to regulate or prohibit the consumption of malt beverages and unfortified wine on property owned, occupied, or controlled by that city or county.

**BILL ANALYSIS:** Section 2 of the bill:

- authorizes Stokes County to enact an ordinance to regulate, restrict, or prohibit the possession or consumption of any alcoholic beverage on the waters of any navigable river in Stokes County, or within 50 feet of the banks of any navigable river in Stokes County, unless the possession or consumption is in a venue licensed and approved by the State.
- provides that any ordinance of this type shall not apply to: (i) the actions of a landowner, the landowner's lessee, or the landowner's or lessee's guests on the landowner's property if that

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578

# Senate Bill 787

Page 2

property is adjacent to a navigable river or (ii) the waters in Stokes County that have been impounded to form Belews Lake, which is owned by Duke Energy Corporation.

- provides that any ordinance of this type shall be enforceable by law enforcement officers of the Wildlife Resources Commission, sheriffs and deputy sheriffs, and peace officers with general subject matter jurisdiction.
- provides that a violation of an ordinance of this type is a Class 3 misdemeanor punishable by a fine of not less than fifty dollars (\$50.00), plus court costs.

**EFFECTIVE DATE:** Section 2 of this act becomes effective August 1, 2016, and applies to offenses committed on or after that date.

*\* Giles Perry contributed substantially to the preparation of this bill summary.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 787

Short Title: Stokes County/Local Acts - By Request. (Local)  
Sponsors: Senator Randleman (Primary Sponsor).  
Referred to: State and Local Government

May 2, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT AUTHORIZING THE TOWN OF WALNUT COVE IN STOKES COUNTY TO  
3 COMPEL THE TERMINATION OF AN IRREVOCABLE TRUST ESTABLISHED BY  
4 THE TOWN FOR THE PURPOSE OF PAYING LAW ENFORCEMENT SPECIAL  
5 SEPARATION ALLOWANCE BENEFITS AND AUTHORIZING THE GOVERNING  
6 BODY OF STOKES COUNTY TO ADOPT ORDINANCES REGULATING,  
7 RESTRICTING, OR PROHIBITING THE POSSESSION OR CONSUMPTION OF  
8 ALCOHOL ON NAVIGABLE RIVERS IN THE COUNTY.

9 The General Assembly of North Carolina enacts:

10 SECTION 1.(a) G.S. 159-30.2 reads as rewritten:

11 "§ 159-30.2. Trust for law enforcement special separation allowance benefits.

12 (a) Trust. – A unit of local government employing local law enforcement officers may  
13 establish and fund an irrevocable trust for the purpose of paying law enforcement special  
14 separation allowance benefits for which the unit of local government is liable. The irrevocable  
15 trust must be established by resolution or ordinance of the unit's governing board. The resolution  
16 or ordinance must state the purposes for which the trust is created and the method of determining  
17 and selecting the Fund's trustees. The resolution or ordinance establishing the trust may be  
18 amended from time to time, but an amendment may not authorize the use of monies in the trust for  
19 a purpose not stated in the resolution or ordinance establishing the trust.

20 (b) Restrictions. – Monies in an irrevocable trust established under subsection (a) of this  
21 section may be appropriated only for the purposes for which the trust was established. Monies in  
22 the trust are not subject to the claims of creditors of the entity that established the trust. A unit of  
23 local government that establishes a trust may not deposit money in the trust if the total amount  
24 held in trust would exceed the unit's actuarial liability, determined in accordance with the  
25 standards of the Governmental Accounting Standards Board, for the purpose for which the trust  
26 was established.

27 (c) Termination. – A unit of local government may compel the termination of an  
28 irrevocable trust established under this section if the unit (i) disbands its law enforcement agency  
29 or department and (ii) presents to the Fund's trustee a resolution or ordinance adopted by the unit's  
30 governing body stating the same and providing that the unit does not employ any person in a  
31 public safety position that would qualify that person for a special separation allowance under  
32 G.S. 143-166.42. Upon receipt of the resolution or ordinance, the Fund's trustee shall distribute the  
33 trust property, including principal and undistributed income, to the finance officer of the unit of  
34 local government. Trust property distributed to the finance officer may be appropriated for any  
35 purpose authorized by law. Nothing in this section shall be construed to relieve a unit of local



1 government from paying special separation allowance benefits for which the unit is liable under  
2 G.S. 143-166.42."

3 **SECTION 1.(b)** This section applies to the following municipalities: Town of Walnut  
4 Cove.

5 **SECTION 2.** The governing body of Stokes County may, by ordinance, regulate,  
6 restrict, or prohibit the possession or consumption of any alcoholic beverage on the waters of any  
7 navigable river in Stokes County or within 50 feet of the banks of any navigable river in Stokes  
8 County unless the possession or consumption is in a venue licensed and approved by the State.  
9 The ordinance shall not apply to either of the following: (i) the actions of a landowner, the  
10 landowner's lessee, or the landowner's or lessee's guests on the landowner's property if that  
11 property is adjacent to a navigable river or (ii) the waters in Stokes County that have been  
12 impounded to form Belews Lake, which is owned by Duke Energy Corporation. The provisions of  
13 any ordinance adopted pursuant to this section shall be enforceable by law enforcement officers of  
14 the Wildlife Resources Commission, sheriffs and deputy sheriffs, and peace officers with general  
15 subject matter jurisdiction. Violation of an ordinance adopted pursuant to this section is a Class 3  
16 misdemeanor punishable by a fine of not less than fifty dollars (\$50.00) plus court costs.

17 **SECTION 3.** Section 1 of this act is effective when it becomes law. Section 2 of this  
18 act becomes effective August 1, 2016, and applies to offenses committed on or after that date. The  
19 remainder of this act is effective when it becomes law.



## SENATE BILL 795: Clay County Courthouse.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. J. Davis  
**Analysis of:** First Edition

**Date:** June 21, 2016  
**Prepared by:** Giles Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 795 exempts Clay County from specified State contracting laws for the renovation and restoration of the county's old courthouse.*

**CURRENT LAW:** Article 8 of Chapter 143 of the General Statutes governs the bidding and awarding of public construction contracts.

**BILL ANALYSIS:** Senate Bill 795 exempts Clay County from the specified State contracting laws listed below, for renovation and restoration of the County's old courthouse in the Town of Hayesville. The bill authorizes the County to contract for the renovation and restoration as it deems appropriate. The bill exempts the county from the following statutes:

- G.S. 143-128-Requirements for certain building contracts.
- G.S. 143-129-Procedure for letting of public contracts.
- G.S. 143-131-When counties, cities, towns and other subdivisions may let contracts on informal bids.
- G.S. 143-132-Minimum number of bids for public contracts.

**EFFECTIVE DATE:** This act is effective when it becomes law and expires on June 30, 2019.

*Tawanda Foster, counsel to Senate State and Local Government, substantially contributed to this summary.*

Karen Cochrane-Brown  
Director



S 7 9 5 - S M R W - 1 7 7 E 1 - V - 2

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10



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 795

Short Title: Clay County Courthouse. (Local)

Sponsors: Senator J. Davis (Primary Sponsor).

Referred to: State and Local Government

May 2, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT EXEMPTING CLAY COUNTY FROM CERTAIN STATE CONTRACT LAWS IN  
3 THE RENOVATION AND RESTORATION OF THE COUNTY'S OLD COURTHOUSE  
4 BUILDING.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. Clay County may, upon terms and conditions that it deems appropriate,  
7 and without being subject to the requirements of G.S. 143-128, 143-129, 143-131, and 143-132,  
8 enter into contracts and/or leases that contain provisions requiring lessees to renovate and/or  
9 restore the County's old courthouse building located on the square in the Town of Hayesville so  
10 that the building can be leased and/or used as a multipurpose facility.

11 SECTION 2. This act is effective when it becomes law and expires on June 30, 2019.



\* S 7 9 5 - V - 1 \*

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14



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 795

S795-ARW-90 [v.1]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
First Edition

Date \_\_\_\_\_, 2016

Representative FORD

- 1 moves to amend the bill on page 1, line 11, by deleting "2019" and substituting "2018".  
2  
3

SIGNED

Amendment Sponsor

SIGNED

Committee Chair if Senate Committee Amendment

ADOPTED

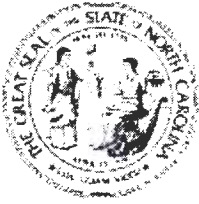
FAILED

TABLED



\* S 7 9 5 - A R W - 9 0 - V - 1 \*





# SENATE BILL 831: Duplin/Sampson/Detention Contracts/Animals.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. B. Jackson  
**Analysis of:** Second Edition

**Date:** June 21, 2016  
**Prepared by:** Erika Churchill  
Committee Counsel

**SUMMARY:** *Senate Bill 831 would permit the Duplin and Sampson County Sheriffs to purchase food and food supplies for the county's detention facility without complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a) and allow the Counties of Duplin and Sampson, and any municipality in those counties, to transfer retired public service animals used by a local government in that county to the officer or employee who had normal custody and control of the animal during its service.*

## CURRENT LAW & BILL ANALYSIS:

**Section 1:** Article 8 of Chapter 143 sets out the current general law for public bidding contracts.

The relevant sections of Article 8 for bidding of contracts for goods are:

- G.S. 143-129, regarding formal bidding for public construction over \$500,000 and goods over \$90,000.
- G.S. 143-131, regarding informal bidding procedures for goods of \$30,000-\$90,000.

A public school is not required to comply with the requirement to purchase all supplies under Article 8 of Chapter 143 when purchasing supplies and food for such school food services. G.S. 115C-264(c).

S.L. 2015-158 permits the Sheriff's Offices in Cherokee, Haywood, Henderson, Iredell, Jones, Lincoln, Madison, Orange, Transylvania, and Yancey Counties to purchase food and food supplies for the county's detention facility without complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a). S.L. 2015-156 and S.L. 2015-157 granted the same authority to Sheriff's Offices in Alamance, Anson, Beaufort, Caswell, Chowan, Craven, Cumberland, Currituck, Dare, Davidson, Granville, Guilford, Onslow, Pamlico, Pasquotank, Randolph, Rockingham, Stanly, Washington and Wake Counties.

Section 1 would amend S.L. 2015-158 to add the Duplin and Sampson County Sheriff's Offices to the list of sheriffs permitted to purchase food and supplies for the detention facility without complying with the formal and informal bidding requirements of G.S. 143-129 and G.S. 143-131(a).

**Section 2:** Article 12 of Chapter 160A of the North Carolina General Statutes establishes the procedures city and county governments generally follow to dispose of real and personal property. Subject to certain limitations, a city may dispose of property belonging to the city only by:

- Private negotiation and sale;
- Advertisement for sealed bids;
- Negotiated offer, advertisement, and upset bid;

Karen Cochrane-Brown  
Director



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# Senate Bill 831

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- Public auction; or
- Exchange.

Additionally, G.S. 20-187.2 authorizes law enforcement agencies to, in their discretion and upon request, award the service side arm of a retiring law enforcement officer, to that retiring member or the surviving relatives, at a price determined by such governing body if the governing body determines that the person receiving the weapon may own, possess, or receive a firearm under the provisions of State or federal law, or the weapon has been rendered incapable of being fired. Badges of law enforcement officers may also be given, upon request to a retiring officer or the surviving family of an officer killed in the line of duty under that statute.

Section 2 would authorize the Counties of Duplin and Sampson, and all of the municipalities that lie, wholly or in part, in those Counties to transfer a retired service animal, at a price determined by the governing body and upon any other terms and conditions as the governing body deems appropriate, to any of the following:

- The handler.
- A surviving spouse, or child if none, of the handler.
- An organization or program dedicated to retired service animals.

The individual to whom ownership of the animal is transferred must agree to accept ownership, care, and custody of the animal.

**EFFECTIVE DATE:** Effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 831  
State and Local Government Committee Substitute Adopted 5/24/16

Short Title: Duplin/Sampson/Detention Contracts/Animals.

(Local)

Sponsors:

Referred to:

May 11, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW THE DUPLIN AND SAMPSON COUNTY SHERIFF'S OFFICES TO  
3 CONTRACT FOR THE PURCHASE OF FOOD AND FOOD SERVICES SUPPLIES FOR  
4 THEIR COUNTY'S DETENTION FACILITY WITHOUT BEING SUBJECT TO THE  
5 REQUIREMENTS OF CERTAIN STATE PURCHASE AND CONTRACT LAWS AND  
6 AUTHORIZING DUPLIN AND SAMPSON COUNTIES AND THE MUNICIPALITIES IN  
7 THOSE COUNTIES TO TRANSFER RETIRED SERVICE ANIMALS OWNED BY THE  
8 LOCAL GOVERNMENT.

9 The General Assembly of North Carolina enacts:

10 SECTION 1. Section 2 of S.L. 2015-158 reads as rewritten:

11 "SECTION 2. This act applies only to the following counties: ~~Jones~~, Cherokee, Duplin,  
12 Haywood, Henderson, Iredell, Jones, Lincoln, Madison, Orange, Sampson, Transylvania, and  
13 Yancey."

14 SECTION 2. Article 12 of Chapter 160A of the General Statutes is amended by  
15 adding a new section to read:

16 "§ 160A-279.5. Disposition of animals.

17 (a) Upon the governing body determining any horse, dog, or other animal owned by the  
18 local government is no longer fit or needed for public service, the governing body may transfer  
19 ownership of the animal at a price determined by the governing body and upon any other terms  
20 and conditions as the governing body deems appropriate to any of the following individuals, if that  
21 individual agrees to accept ownership, care, and custody of the animal:

22 (1) The officer or employee who had normal custody and control of the animal  
23 during the animal's public service to the local government.

24 (2) A surviving spouse, or in the event such officer or employee dies unsurvived by  
25 a spouse, surviving children of the officer or employee killed in the line of duty  
26 who had normal custody and control of the animal during the animal's public  
27 service to the local government.

28 (3) An organization or program dedicated to the assistance or support of animals  
29 retired from public service.

30 (b) This section applies only to the counties of Duplin and Sampson and all of the  
31 municipalities that lie in whole, or in part, in those counties."

32 SECTION 3. This act is effective when it becomes law.







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 831

S831-ATE-3 [v.3]

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

Page 1 of 1

Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2016

Representative Faircloth

1 moves to amend the bill on page 1, lines 31-32, by adding between the lines a new section to read:

2  
3 "SECTION 2.5. If House Bill 550, 2016 Regular Session, becomes law, Section 2 of  
4 this act is repealed."

SIGNED \_\_\_\_\_

Amendment Sponsor

SIGNED \_\_\_\_\_

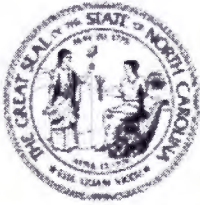
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_



\* S 8 3 1 - A T E - 3 - V - 3 \*





## SENATE BILL 849: Wake Cty Towns Donate Retired Service Animals.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sens. Barringer, Chaudhuri, Foushee  
**Analysis of:** Second Edition

**Date:** June 21, 2016  
**Prepared by:** Giles Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 849 would allow the Towns of Apex, Cary, Garner, Knightdale, Morrisville, Rolesville, Wake Forest and Zebulon to transfer retired public service animals used by the local government to the officer or employee who had normal custody and control of the animal during its public service.*

[As introduced, this bill was identical to H1009, as introduced by Reps. Adcock, Dollar, Malone, Avila, which is currently in Senate State and Local Government.]

**CURRENT LAW:** Article 12 of Chapter 160A of the North Carolina General Statutes establishes the procedures city and county governments generally follow to dispose of real and personal property. Subject to certain limitations, a city may dispose of property belonging to the city only by:

- Private negotiation and sale;
- Advertisement for sealed bids;
- Negotiated offer, advertisement, and upset bid;
- Public auction; or
- Exchange.

Additionally, G.S. 20-187.2 authorizes law enforcement agencies to, in their discretion and upon request, award the service side arm of a retiring law enforcement officer, to that retiring member or the surviving relatives, at a price determined by such governing body if the governing body determines that the person receiving the weapon may own, possess, or receive a firearm under the provisions of State or federal law, or the weapon has been rendered incapable of being fired. Badges of law enforcement officers may also be given, upon request to a retiring officer or the surviving family of an officer killed in the line of duty under that statute.

### BILL ANALYSIS:

Senate Bill 849 would authorize the towns of Apex, Cary, Garner, Knightdale, Morrisville, Rolesville, Wake Forest and Zebulon to transfer a retired service animal, at a price determined by the governing body and upon any other terms and conditions as the governing body deems appropriate, to any of the following:

- The handler.
- A surviving spouse of the handler, or child if there is no surviving spouse.

Karen Cochrane-Brown  
Director



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# Senate Bill 849

Page 2

- An organization or program dedicated to retired service animals.

The individual to whom ownership of the animal is transferred must agree to accept ownership, care, and custody of the animal.

**EFFECTIVE DATE:** Effective when it becomes law.

**BACKGROUND:** House Bill 952, Honor Our Service Animals/Sheriffs Contracts, grants the same authority for service animals to Cleveland, Gaston and Yancey Counties, and all of the municipalities that lie, wholly or in part, in those counties. That bill was ratified as SL 2016-20.

Senate Bill 831, Duplin/Sampson/Detention Contracts/Animals, grants the same authority for service animals to Duplin and Sampson Counties, and all of the municipalities that lie, wholly or in part, in those counties. That bill passed the Senate on 5/25/16, and is currently in House Local Government.

*Erika Churchill, counsel to the Senate State and Local Government and House Local Government Committees, substantially contributed to this summary.*

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

2

SENATE BILL 849\*

State and Local Government Committee Substitute Adopted 6/2/16

Short Title: Wake Cty Towns Donate Retired Service Animals.

(Local)

Sponsors:

Referred to:

May 11, 2016

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE TOWNS OF APEX, CARY, GARNER, KNIGHTDALE, MORRISVILLE, ROLESVILLE, WAKE FOREST, AND ZEBULON AND THE COUNTY OF YANCEY, AND ALL OF THE MUNICIPALITIES IN THAT COUNTY, TO TRANSFER RETIRED SERVICE ANIMALS OWNED BY THAT TOWN TO THE OFFICER OR EMPLOYEE WHO HAD NORMAL CUSTODY AND CONTROL OF THE ANIMAL.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 12 of Chapter 160A of the General Statutes is amended by adding a new section to read:

**"§ 160A-279.5. Disposition of animals.**

(a) Upon the governing body determining any horse, dog, or other animal owned by the local government is no longer fit or needed for public service, the governing body may transfer ownership of the animal at a price determined by the governing body and upon any other terms and conditions as the governing body deems appropriate to any of the following individuals, if that individual agrees to accept ownership, care, and custody of the animal:

- (1) The officer or employee who had normal custody and control of the animal during the animal's public service to the local government.
- (2) A surviving spouse, or in the event such officer or employee dies unsurvived by a spouse, surviving children of the officer or employee killed in the line of duty who had normal custody and control of the animal during the animal's public service to the local government.
- (3) An organization or program dedicated to the assistance or support of animals retired from public service.

(b) This section applies only to the Towns of Apex, Cary, Garner, Knightdale, Morrisville, Rolesville, Wake Forest, and Zebulon and the County of Yancey and all of the municipalities that lie in whole, or in part, in that county."

**SECTION 2.** This act is effective when it becomes law.







NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 849\*

AMENDMENT NO. \_\_\_\_\_  
(to be filled in by  
Principal Clerk)

S849-ATE-4 [v.2]

Page 1 of 1

Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2016

Representative Faircloth

1 moves to amend the bill on page 1, lines 27-28, by adding between the lines a new section to read:

2  
3 "SECTION 1.5. If House Bill 550, 2016 Regular Session, becomes law, this act is  
4 repealed."  
5

SIGNED \_\_\_\_\_

Amendment Sponsor

SIGNED \_\_\_\_\_

Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_

FAILED \_\_\_\_\_

TABLED \_\_\_\_\_



\* S 8 4 9 - A T E - 4 - V - 2 \*





## SENATE BILL 880: Abolish Caswell County Coroner.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Woodard  
**Analysis of:** First Edition

**Date:** June 21, 2016  
**Prepared by:** Augustus Willis  
Committee Counsel

**SUMMARY:** *Senate Bill 880 would abolish the office of coroner in Caswell County at the end of the current term of office or upon a vacancy in that office, whichever occurs first.*

**CURRENT LAW:** Chapter 152 of the General Statutes sets out the laws relating to coroners in North Carolina, including election and vacancies in office, oaths, bonds, powers and duties.

**BILL ANALYSIS:** Senate Bill 880 provides that the office of coroner in Caswell County is abolished. The bill further provides that Chapter 152 of the General Statutes does not apply to Caswell County.

**EFFECTIVE DATE:** The act is effective on the earlier of a vacancy in the office of coroner in Caswell County or the expiration of the current term of office in 2016.

**BACKGROUND:** The state-wide medical examiner system was put into place through Session Law 1965-639. Since the late 1960s, counties have abolished the Office of the Coroner. Recently, Session Law 2010-48 abolished the Office of the Coroner in Rutherford County. There remain eight counties with an elected coroner: Avery, Bladen, Brunswick, Caswell, Cleveland, Columbus, Hoke, and Yadkin.

Amy Jo Johnson, Attorney for the Bill Drafting Division, contributed to this summary.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

1

SENATE BILL 880

Short Title: Abolish Caswell County Coroner. (Local)

Sponsors: Senator Woodard (Primary Sponsor).

Referred to: State and Local Government

May 18, 2016

1 A BILL TO BE ENTITLED  
2 AN ACT TO ABOLISH THE OFFICE OF CORONER IN CASWELL COUNTY.  
3 The General Assembly of North Carolina enacts:  
4 **SECTION 1.** The office of coroner in Caswell County is abolished.  
5 **SECTION 2.** Chapter 152 of the General Statutes is not applicable to Caswell County.  
6 **SECTION 3.** This act is effective on the earlier of a vacancy in the office of coroner  
7 in Caswell County or the expiration of the current term of office in 2016.



★ S 8 8 0 - V - 1 ★





## SENATE BILL 883: Northampton County / WRC Shooting Ranges.

2016-2017 General Assembly

**Committee:** House Local Government  
**Introduced by:** Sen. Smith  
**Analysis of:** PCS to Second Edition  
S883-CSTQ-51

**Date:** June 21, 2016  
**Prepared by:** Giles Perry  
Committee Counsel

**SUMMARY:** *Senate Bill 883 (proposed committee substitute) authorizes Wildlife Resources Commission shooting ranges in Northampton County.*

[As introduced, this bill was identical to H1139, as introduced by Rep. Waddell, which is currently in House Local Government.]

**CURRENT LAW:** S.L. 1973-78, as amended by S.L. 1979-548 makes it unlawful to fire any rifle larger than a .22 without written permission of the landowner where the shooting occurs. It is also unlawful to fire any rifle unless the person is at least eight feet above the ground. These provisions apply to Northampton County.

**BILL ANALYSIS:** Senate Bill 883 (proposed committee substitute) clarifies that the current local law does not apply to shooting ranges managed by the North Carolina Wildlife Resources Commission or to individuals properly permitted on lands owned or managed by the North Carolina Wildlife Resources Commission.

**EFFECTIVE DATE:** Effective when it becomes law.

Karen Cochrane-Brown  
Director



S 8 8 3 - S M R W - 1 8 1 C S T Q - 5 1 - V - 1

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919-733-2578

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

S

D

SENATE BILL 883  
State and Local Government Committee Substitute Adopted 6/8/16  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S883-CSTQ-51 [v.2]

06/21/2016 05:16:10 PM

Short Title: Northampton County / WRC Shooting Ranges. (Local)

Sponsors:

Referred to:

May 23, 2016

A BILL TO BE ENTITLED

AN ACT TO ALLOW WILDLIFE RESOURCES COMMISSION SHOOTING RANGES IN  
NORTHAMPTON COUNTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 1 of Chapter 78 of the 1973 Session Laws, as amended by  
Chapter 548 of the 1979 Session Laws, reads as rewritten:

"**Section 1.** It shall be unlawful for any person to discharge (shoot) any rifle of a calibre larger  
than .22 for any purpose whatsoever, including but not limited to hunting or target practice, within  
Northampton County, without first securing the express written permission of the owner or lessee  
of the land on which such discharge is to occur. Furthermore, it shall be unlawful to discharge  
(shoot) any rifle as herein prescribed unless the person discharging (shooting) such rifle is  
positioned at least eight feet from the ground. This section shall not apply to shooting ranges  
managed by the North Carolina Wildlife Resources Commission or to individuals properly  
permitted on lands owned or managed by the North Carolina Wildlife Resources Commission."

**SECTION 2.** This act is effective when it becomes law.



GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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2

SENATE BILL 883\*  
State and Local Government Committee Substitute Adopted 6/8/16

Short Title: Chadbourn Charter/Town Appointment.

(Local)

Sponsors:

Referred to:

May 23, 2016

A BILL TO BE ENTITLED  
AN ACT AMENDING THE CHARTER OF THE TOWN OF CHADBOURN TO AUTHORIZE  
THE TOWN COUNCIL TO APPOINT THE TOWN CLERK.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article IV of the Charter of the Town of Chadbourn, being Chapter 895 of the 1989 Session Laws, as amended by S.L. 2007-271, reads as rewritten:

"ARTICLE IV. ORGANIZATION AND ADMINISTRATION

"Sec. 4.1. Form of Government. The Town shall operate under the council-manager form of government, in accordance with Part 2 of Article 7 of Chapter 160A of the General Statutes.

"Sec. 4.2. Town Manager. The Council shall appoint a Town Manager who shall be responsible for the administration of all departments of the Town government. The Town Manager shall have all the powers and duties conferred by general law, except as expressly limited by the provisions of this Charter, and the additional powers and duties conferred by the Council, so far as authorized by general law.

"Sec. 4.3. Town Clerk. The ~~Town Manager~~ Council shall appoint a Town Clerk to keep a journal of the proceedings of the Council, to maintain official records and documents; to give notice of meetings; and to perform such other duties required by law or as the Council may direct.

"Sec. 4.4. Tax Collector. The Town Manager shall appoint a Tax Collector pursuant to G.S. 105-349 to collect all taxes owed to the Town, subject to general law, this Charter and Town ordinances.

"Sec. 4.5. Town Attorney. The Council shall appoint a Town Attorney licensed to practice law in North Carolina. It shall be the duty of the Town Attorney to represent the Town, advise Town officials and perform other duties required by law or as the Council may direct.

"Sec. 4.6. Fire Chief. The Council shall appoint a Fire Chief qualified to perform the duties of chief of the Chadbourn Volunteer Fire Department and Rescue Squad.

"Sec. 4.7. Other Administrative Officers and Employees. The Council may authorize other positions to be filled by appointment by the Town Manager, and may organize the Town government as deemed appropriate, subject to the requirements of general law."

**SECTION 2.** This act is effective when it becomes law.





**NORTH CAROLINA GENERAL ASSEMBLY  
HOUSE OF REPRESENTATIVES**

**LOCAL GOVERNMENT COMMITTEE REPORT  
Representative Ted Davis, Jr., Co-Chair  
Representative Carl Ford, Co-Chair**

**FAVORABLE**

**SB 215**

Abolish Brunswick County Coroner.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Iler

**SB 787**

Stokes County/Local Acts - By Request.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: K. Hall

**SB 880**

Abolish Caswell County Coroner.

Draft Number: None  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Jones

**FAVORABLE HOUSE COM SUB, UNFAVORABLE ORIGINAL BILL**

**SB 795**

Clay County Courthouse.

Draft Number: S795-PCS15393-RW-74  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: West

**FAVORABLE HOUSE COM SUB, UNFAVORABLE SENATE COM SUB**

**SB 831 (CS#1)**

Duplin/Sampson/Detention Contracts/Animals.

Draft Number: S831-PCS15394-BD-2  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Dixon



\* C M R 7 7 7 - V - 1 1 \*



SB 849 (CS#1)

Wake Cty Towns Donate Retired Service Animals.

Draft Number: S849-PCS45538-BD-1  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: No  
Floor Manager: Dollar

SB 883 (CS#1)

Chadbourn Charter/Town Appointment.

Draft Number: S883-PCS45536-TQ-51  
Serial Referral: None  
Recommended Referral: None  
Long Title Amended: Yes  
Floor Manager: Wray

TOTAL REPORTED: 7



\* C M R 7 7 7 - V - 1 1 \*



## VISITOR REGISTRATION SHEET

House Comm. on Local Gov.

06/22/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Erin Wynia	NCLM
Johanna Reese	NCACC
Stephen Kouba	CCS
Andy Walsch	JA
Ann Hui-Ho Hara	Student
Flint Benson	SEANC
Jack Coyne	NSS
Jack Cooper	WGS
Tom West	NCICA
Bruce Midwest	NCSTA



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House Comm. on Local Gov.

06/22/16

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Mr. GABORSKI	STATE HEALTH DEPT
Al	WRC
Rian Menwald	WM
GERRY COHEN	<del>DA</del> NM
Henry Jones	John Price
Betsy Bailey	CHGC
John Clark	JRC st d st
Jessica Ivaggio	FEU
Cameron Wickers	KTS
Candace Speller	UNC law student
Elizabeth Windham	UNC law student



## VISITOR REGISTRATION SHEET

## House Comm. on Local Gov.

06/22/16

Name of Committee

Date \_\_\_\_\_

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME \_\_\_\_\_

FIRM OR AGENCY AND ADDRESS

Tim Mathew

WC LBA

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Andrew Kirby

UNC Law

Tyler Owens

UNC Law

