



Bulletin #13-12
Friday, April 19, 2013

SENATE COMMITTEE PASSES ELECTRONIC NOTICE BILL

S287 Highlights

- Local bill impacts 10 counties
- Bill provides option to counties; does not mandate change
- Allows citizens to sign up to receive notices via mail or email
- Will save taxpayer dollars

The Senate State and Local Government Committee on Tuesday passed a bill that would provide a handful of counties and the municipalities located within those counties the option of posting some or all of its required legal notices on its local government website in lieu of purchasing ads in the newspaper. The bill will increase the accessibility of the ads by making them available 24 hours a day, seven days a week in one location. **S287** (Notice Publication by Some Local Govs) would affect Burke, Graham, Guilford, Haywood, Jackson, Macon, Mecklenburg, Swain, Union, and Wake counties and any municipality located entirely within those counties as well as the City of High Point and the Town of Morrisville. The bill would allow a local government to choose which

notices it decides to publish in a newspaper and which ones it decides to publish on the official local government website. If counties find it economically feasible to continue publishing the list of delinquent taxpayers in a local newspaper every year because the ad helps them collect more in delinquent taxes than the actual cost of the ad, then the county would be able to continue publishing the notice in the newspaper. If it chooses to publish a notice on its website, a link to the notice must be posted prominently on the main page of the county website, the notice must remain on the website for one year, and must meet all existing deadlines for notices that are placed in a newspaper. In addition, the county must email or mail a notice to any citizen who has requested to receive public notices. The bill does not preclude newspapers from continuing to publish the notices in their newspaper or place them on their own website. If this bill were implemented statewide, it could save local governments millions of dollars a year.

The bill is an attempt by local governments to adapt to the changing ways that citizens receive news. A 2012 survey by the Pew Research Center showed that the percentage of people who get their news from a newspaper or a newspaper website has declined by almost half over the last 20 years, from 56 percent in 1991 to 29 percent in 2012. Conversely, the percentage of the population who gets their news online or via a mobile device has gone from 24 percent to 39 percent since 2002, and the percentage of citizens who say they learned about news via a social networking site more than doubled in just two years, going from 9 percent in 2010 to 19 percent in 2012.

GOVERNOR RELEASES TRANSPORTATION PLAN

Governor Pat McCrory rolled out his 10-year funding plan for the state's transportation system Thursday. The Strategic Mobility Fund creates three main tiers of transportation infrastructure and changes the long-standing equity formula, but does not identify new sources of revenue. Forty percent of the dollars in the Highway Trust Fund will be assigned to statewide level projects such as Interstate and US highways, 40 percent to regional projects, and 20 percent to what the department is calling division-level projects. Across all tiers, the department will shift funding away from maintenance toward construction, with the Highway Fund carrying the bulk of maintenance responsibility. Decisions on how to prioritize projects will be 100 percent data-driven at the statewide tier. A split of 70 percent data-driven and 30 percent local input will determine priorities at the regional tier, and division projects will be determined with a 50 percent data/50 percent local input mix. Any final plan will have to be set by the legislature in state statutes, so look for legislation soon that spells out details of a state transportation plan. Your NCACC staff will continue to monitor the progress of this plan, working with NCDOT and transportation leaders in the House and Senate to ensure the appropriate level of local involvement.

TAG & TAX TOGETHER

In the next month vehicle owners will receive the first combined notices with both vehicle registration renewals and property tax bills. Legislation to repeal this new program, under development since 2005, has not moved. However, **S305** (DMV Commission Contract Changes) does pose a threat to the new program. A provision of this legislation changes the structure of fees paid to DMV's contract license plate agencies, in effect increasing the cost to the counties of each property tax collection transaction by more than two and a half times. NCACC advocates are working with the bill sponsor and other stakeholders to make changes to S305 to ensure the financial viability of the new collection system.

HOUSE AMENDS BILL TO INCREASE NOTICE OF COSTS OF BONDS

A bill that will require counties to provide more information about the total cost of a bond referendum to include estimated interest costs passed the House this week. The House Committee on Finance revised [H248](#) (Taxpayer Debt Information Act) after counties expressed concern over the original language, which would have required the estimated interest costs to be included in the general obligation bond ballot question. While counties welcomed the measures to improve transparency and voter awareness, bond attorneys warned that requiring interest estimates to be included in the ballot language could make investors skittish, given possible court challenges should interest payments over the seven-year life span of the debt issuance exceed investment assumptions. Responding to these concerns, Rep. Debra Conrad, a former Forsyth County Commissioner, pulled together a stakeholder's group to rework the language. The revised bill now directs the county finance officer to include estimated interest costs throughout the board action and public notice requirements leading up to the referendum, and the ballot question will reference interest and possible tax levies needed to repay debt issuance. The revised bill represents a true win/win outcome, with better and more standardized information for county voters which enhances rather than endangers the bond referenda process. The Association expresses its appreciation to Rep. Conrad and the other stakeholders for the efforts to move a bill from the county's "oppose" category to the one of "support."

County Assembly Day 2013

The NCACC has designated May 22, 2013, as County Assembly Day. [Registration](#) is now open for the event. County officials must pre-register by May 15 to get the early rate of \$95. After May 15, county officials must register on-site at \$125.



OTHER BILL ACTIVITY

A bill was filed in the House last week that would authorize the "design-build" option and public-private partnerships for counties to use on construction projects, accomplishing an NCACC legislative goal to "Authorize design build option for all counties." [H857](#) (Public Contracts/Construction Methods/Design-Build/Public Private Partnership) has a sunset date of July 1, 2019. Association staff is working with the bill sponsor to analyze this complex legislation and consider any needed changes.

[H659](#) (County and City Ethics) passed the House Government committee this week. Among other provisions, the legislation requires the members of all local governing boards to file with their local clerk the same Statement of Economic Interest required of state covered persons. After several legislative years of conversation, several House members introduced legislation addressing commercial dog breeding operations. [H930](#) sets minimum standards of operation for businesses maintaining at least 10 female dogs of breeding age and creates misdemeanors out of violations.

BILLS OF INTEREST

The Association maintains a [section on its website](#) to track bills of interest to county officials. For past editions of the Legislative Bulletin, visit the NCACC's Legislative Bulletin Blog at <http://www.ncacc.org/Blog.aspx?CID=3>.

Bill: HB321

Sponsors: McGrady (R117); McElraft (R13); Graham, G. (D12); Speciale (R3)

Title: AMEND LOCAL SOLID WASTE PLANNING

Position: Support

Category: Legislative Goal

Comments: This bill would accomplish an NCACC legislative goal to "eliminate requirement for a 10-year solid waste management plan" by eliminating G.S. 130A-309.09A(b). It also adds several items that must be included in the required annual report, including a "description of the disaster debris management program," descriptions of scrap tires and white goods procedures and information on how the entity tries to prevent "illegal disposal and management of litter." The bill was approved by the House on April 15.

Bill: HB439

Sponsors: Howard (R79); Moffitt (R116); Murry (R41); Tine (D6)

Title: ECONOMIC DEVELOPMENT JOBSITES PROGRAM

Comments: This bill adds a new classification of property to the state's deferred property tax program. "Site infrastructure land" would apply to tracts that are at least 100 contiguous acres, are zoned for either industrial or office use (or both), have no building or structure on the land and no building permits have been issued for the site. If the property owner makes any changes to the land that increases the property's value, he may defer paying the taxes on the increased value. An owner cannot defer the taxes for more than 10 years and must repay all the taxes if any portion of the land is rezoned for a use other than industrial or office. This bill passed the House on April 11.

Bill: HB948

Sponsors: Lewis (R53)

Title: NOTICE FOR TAX LEVIES

Comments: This bill would require counties to mail notice to all lien holders of a property at least 10 days before the tax collector intends to sell the property in an attempt to collect unpaid taxes. "The tax collector shall include on the notice a statement that none of the taxpayer's tangible personal property shall be levied upon if the delinquent taxes, together with any costs, interest, and penalties incurred, are paid."

Bill: HB952

Sponsors: Hamilton (D18)

Title: DELAY SALES TAX DISTRIB. CHANGE EFFECT. DATE

Comments: This bill would change the notice required by counties if they intend to change the distribution method of the Article 39 sales tax from either per capita to property tax base or vice versa. Currently, if a county wants to change how it distributes sales tax revenues, it must adopt a resolution in April stating its intent to change for the upcoming fiscal year. The bill would require a county to make the change in April for the fiscal year after the upcoming fiscal year.

Bill: HB955

Sponsors: Gill (D33); Richardson (D7); McManus (D54); Carney, B. (D102)

Title: SCHOOL BOARD FISCAL ACCOUNTABILITY ACT

Comments: This bill would give local boards of education the authority to levy taxes for public schools, beginning with the 2014-15 fiscal year, provided the board of commissioners and the board of education each adopts a resolution that gives this authority to the school board. The school board would also have authority to issue debt, and the bill directs the Department of Revenue to divert the portion of county sales tax revenue that is devoted to school construction to the school board.

- Johanna Reese, Government Relations Director

- David F. Thompson, Executive Director



If you are having problems viewing this e-mail, please visit our Web site to view [this bulletin](#).