



Bulletin #13-14
Friday, May 3, 2013

SENATE STILL WORKING ON BUDGET, TAX REFORM PROPOSALS

The Senate is taking its time developing its budget proposal, and Senate leaders now say that their plan will probably not be ready for public consumption for at least another week. In the past two years, the House and Senate had wrapped up their budget work by early June, but they had extra motivation to do so. With Democrat Beverly Perdue in the Governor's Mansion, legislative leaders wanted to finish work on the budget early to allow for time to react in case of a veto by Gov. Perdue. In 2012, legislators sent their budget to Gov. Perdue on June 21. She vetoed the budget on June 29, and legislators overrode her veto on July 2. In the last long session in 2011, the House sent its version of the budget to the Senate on May 4, and legislators wrapped up their budget work by June 4. Gov. Perdue vetoed the bill on June 12, and the veto was overridden June 15. The Senate's tax reform proposal is expected to be unveiled next week. We have received numerous assurances from legislators that county revenues will be protected in any tax reform plan, but Association staff will monitor this issue and provide information on potential impacts to counties as needed.



is Week at the General Assembly

Watch the latest episode of This Week at the General Assembly on the NCACC's [Youtube Channel](#). The show is uploaded each Friday afternoon and features a recap of the week's news from the Legislature as well as interviews with key state lawmakers and Association lobbyists. The program is also broadcast on many PEG channels across the state.

COUNTY OMNIBUS BILL MOVES FORWARD IN SENATE

A bill that would accomplish three NCACC legislative goals was passed by the Senate State and Local Government Committee this week. **S372** (Omnibus County Bill) is sponsored by former Macon County Commissioner Sen. Jim Davis and would require the Environment Management Commission to solicit comments from a county when the commission is considering an application to treat an area with "sludge resulting from operation of a wastewater treatment facility." The Association has a legislative goal to "Authorize some county oversight of bio-solids application." The bill also extends to \$2.5 million from \$1.2 million the threshold for informal contracts for NCDOT projects, satisfying the NCACC goal to "Increase informal let bid threshold for NCDOT local projects." The bill also creates a "State Payment in Lieu of Taxes Study Commission" that would consist of 13 members, six of whom would be recommended by the NCACC. The Commission would study "the development of a State payment in lieu of taxes for State properties, including wildlife and games lands." The NCACC has a goal to "Compensate counties for property acquired by the state and removed from the ad valorem tax base." The commission would issue its report prior to the convening of the 2014 Short Session. The House companion bill (H458) passed the House Environment Committee last week.

SECOND PRIMARY ELECTIONS BILL MOVES FORWARD

A bill that would give counties a more cost-effective option for conducting second primary, or runoff, elections passed the House on Thursday. **H648** (Vote Centers for Second Primaries) would allow a county to open only the election places used for early voting if there is a need for a second primary. Counties have expressed concerns about the costs of opening all the precincts in a county for a runoff election, which typically have extremely low turnouts. The statewide second primary in 2012 had a voter turnout of 3.6 percent, and 30 counties had voter turnout of less than 2 percent, even though there were three Republican Council of State contests and one Democrat Council of State race. If a county wishes to exercise this option, it would have to receive permission from the state Board of Elections and would have to take steps to educate voters about the change by "a posting on the wall of the voting place, a printed handout for each voter voting in person during the first primary, or both." The bill was amended on the floor to stipulate that a county can only use the early voting system if the primary involves only statewide or federal races.

SENATE RPO/MPO ETHICS BILL STARTS TO MOVE IN HOUSE

A Senate bill that adds certain ethics disclosure requirements to "voting members" of Metropolitan Planning Organizations

(MPO) and Rural Planning Organizations (RPO) is expected to begin moving in the House very soon. S411 (Ethics Requirement for MPO/RPOs) makes the elected members of an MPO or RPO file a statement of economic interest, but it does not require them to be covered by the State Ethics Act unless they are also a member of the State Transportation Board. The bill was passed by the Senate on April 10 and has been referred to the House. It is believed that this bill will start moving forward in the House soon.

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: HB200

Sponsors: Brawley, W. (R103); Cotham (D100)

Title: REQUIRE CERTAIN GENERAL REAPPRAISALS

Comments: This bill would require counties to reassess property if several conditions are met: "the county has independent evidence that the majority of commercial neighborhoods in the county reviewed by a qualified appraisal company possess significant issues of inequity; the county has independent evidence that for residential neighborhoods instances of inequity or erroneous data had an impact on the valuation of the neighborhood as a whole; (and) the county's last general reappraisal was performed for the 2008 tax year, 2009 tax year, 2010 tax year, 2011 tax year, or 2012 tax year; (and) the independent, corroborating evidence resulted from a review performed by a qualified appraisal company selected and retained by the county and registered with the Department of Revenue and had a sample size of no less than 375 properties, the relevant characteristics of which were reviewed on location at the property." If a county reassesses property because all these conditions exist, then the county would have to backdate the new property values to the date of the last reassessment. Homeowners whose homes were overvalued would be eligible for a refund of the overpaid property taxes, plus interest. Homes that were undervalued would face paying additional taxes on the new value. The bill was passed by the House on May 2.

Bill: SB58

Sponsors: Brown, H. (R6)

Title: INCREASE FUNDING FOR DREDGING

Position: Support

Category: Legislative Goal

Comments: This bill creates a Shallow Draft Navigation Channel Dredging Fund, which is funded by fees credited to it under G.S. 75A-3 and 75A-38 and a portion of the Highway Fund under G.S. 105-449.126. The revenue can only be used "to provide the State's share of the costs associated with any dredging project designed to keep a shallow draft navigation channel located in State waters navigable and safe" and requires a one-to-one match with non-state dollars. The bill would accomplish the NCACC legislative goal to "Explore and authorize use of alternate, sustainable revenue options and funding sources for beach, inlet and waterway maintenance." It passed second reading in the Senate on May 2.

Bill: SB368

Sponsors: Bingham (R33)

Title: INMATES PRESCRIPTIONS/PISTOL PERMITS

Comments: This bill authorizes a sheriff to charge a \$10 fee for each pistol permit application and authorizes a sheriff to charge up to a \$10 copay for a prescription refill for an inmate in a county jail. The bill passed the Senate on May 1.

- **Johanna Reese, Government Relations Director**
- **David F. Thompson, Executive Director**



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