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Bulletin #11-12

Friday, April 15, 2011

## OUR TAKE

*"You start messing around with our fund balance, it's like talking about my mama. You don't go there." – Randolph County Manager Richard Wells during the NCACC's April 14 District Meeting in Randolph County.*

## ANNEXATION REFORM – TAKE II

**S627** has been placed on the Senate Calendar for introduction by Sens. Jim Davis (Macon), Tom Apodaca (Henderson) and Bill Rabon (Brunswick). You may recall that a similar bill was introduced last week by the same bill sponsors, but due to an error in the text of the bill, that bill was held and the correction has come in the form of a new piece of legislation. S627 reflects the goals as adopted by the NCACC with two exceptions. First, the vote provision included in S627 requires a vote of the people for any involuntary annexation. The NCACC goal suggests that the Board of Commissioners have the authority to request a referendum for any involuntary annexation. Second, S627 requires service delivery of water and sewer utilities be delivered within two years; the NCACC goal recommends three years. Both changes were requested by the bill sponsors because they felt strongly about these positions.

**H845**, sponsored by Reps. LaRoque (Lenoir), Dollar (Wake) and Owens (Pasquotank), has been scheduled for a hearing in the House Rules Committee on April 19. There is an understanding that H845 is the vehicle being used to offer a compromise on annexation reform by the House leadership. Reports indicate that the compromise bill includes two main provisions: It would require municipalities to offer free water and sewer hookups to citizens, and would include a protest petition that would void the annexation if the petition is signed by 60 percent of property owners within the annexed area. The actual text of the proposed House compromise has not been released.

## NCACC BOARD VISITS SENATE TO HEAR HUMAN SERVICES BILL

The NCACC Board of Directors visited the Senate on Wednesday to hear floor debate on **S433** (Local Human Services Administration), legislation that would accomplish a major goal for counties in the health and human services arena. The bill would eliminate the population threshold of 425,000 contained in G.S. 153A-77(f), which allows only counties of that size to consider combining its human services functions into one board. Wake, Mecklenburg and Guilford are the only counties that meet this threshold, and Wake and Mecklenburg have each exercised the option.

Wednesday's vote was postponed after a lengthy debate on the continuing resolution bill that forced the session to run long.

Meanwhile, another narrowly written bill (**H438** – Accountable Co. Comms./Expand Loc. Bd. Auth.) that would give any coastal county with a population in excess of 200,000 (currently only New Hanover County meets this criteria) the ability to adopt a combined human services board passed second and third reading in the House on Thursday. The NCACC has a legislative goal

to “allow county flexibility to organize local human services.”

## MISDEMEANANT SHIFT STILL A CONCERN IN JUSTICE REINVESTMENT ACT

**H642** (Justice Reinvestment Act) was heard in House Judiciary Subcommittee B this week. The bill’s sponsors are Reps. David Guice (Transylvania), John Faircloth (Guilford), Alice Bordsen (Alamance) and Earline Parmon (Forsyth). This bill attempts to revise state criminal laws and probation statutes based upon the recommendations of the Justice Reinvestment Project. Of particular concern to counties are provisions in the bill that implicate offenders serving time in county jails. One section of the bill provides for “Quick Dips” that give to probation officers the ability to cite an immediate violation of certain probationers and place them in county jails for up to six days each month.

In addition, the bill provides that all misdemeanants with less than six months of confinement to be served (sentence less any credits) to serve their sentence in county jails. These provisions have the potential to cost the counties \$30 million or more. NCACC staff addressed the House Committee and expressed opposition to a shift to the counties. Also of significant concern is that 50 percent of county jails are over capacity – meaning there is no room in county jails for additional misdemeanants. The bill received a favorable report from committee. NCACC staff continues to work with the bill sponsors to address county concerns.

## HOUSE BEGINS ROLLOUT OF STATE BUDGET PROPOSAL

The chairs of the House Subcommittees on Appropriations rolled out their respective budget proposals Wednesday afternoon and largely rejected those proposed cost and service shifts recommended in the governor’s proposal. Still of concern to counties – and still unresolved – is the fate of county lottery funds for school construction and the potential transfer of more misdemeanants to county jails. The subcommittees are scheduled to discuss and debate these proposals over the next two weeks, with full House budget consideration by month’s end or during the first week of May.

## YOU’VE GOT QUESTIONS? NEW PERSONNEL RECORDS BILL HAS ANSWERS

**S544** (Personnel Records Technical Changes) was introduced this week by Sen. Pete Brunstetter (Forsyth). This bill addresses the NCACC’s legislative goal to “seek legislation that will better clarify issues regarding privacy of public employee personnel records and release of other public records.” Last session, **H961** was enacted by the General Assembly. The bill contained personnel records provisions that became effective on Oct. 1, 2010. As a result of questions about how the personnel records provisions were to be implemented, a request was made of the North Carolina Attorney General to clarify these provisions. The AG’s opinion created additional questions and concerns for counties and, as a result, S544 has been introduced to address these concerns.

The bill clarifies that notices of dismissal created prior to the effective date of the law are not public record. Release of previously confidential written notices of dismissal raises issues of due process and privacy rights of employees who believed these documents were confidential. Notices of dismissal will become public record prospectively, but counties do not need to create such notices unless required by law. In addition, S544 clarifies that certain records specified in H961 are public records moving forward from Oct. 1, 2010, but counties are not subject to an unlimited look-back of these records, rather a three-year look-back to Oct. 1, 2007. An unlimited look-back of records that were not previously public complicates the administration of this law and has the potential to be especially costly to taxpayers because local governments would have to take the time and expense to comb through personnel files just to see if the requested records exist. This bill has been referred to the Senate Judiciary I Committee.

## ELECTRONIC NOTICE BILL WOULD CUT COUNTIES’ PRINT AD COSTS

**H472** (City/County Electronic Notice) has been tentatively scheduled for a hearing on April 28 in the House General Government Committee. If enacted, the new law would annually save counties an estimated \$2 million statewide. Municipal officials estimate their aggregated savings to be roughly \$4 million annually. Presently, law requires cities and counties to purchase advertisement in the newspaper to give public notice. The legislation would allow local governments the ability post all public notices, including tax liens, on their county-run websites. The North Carolina Press Association is opposing the bill, stating that by posting notices only on websites, counties are severely limiting distribution of public notices. Rep. Chuck McGrady (Henderson), the bill sponsor and a former county commissioner, has stated that his bill would actually heighten awareness of these notices due to the increased use of the Internet as a tool to access news-related material, and would provide a searchable database and archive of notices on the county’s website. The NCACC encourages its membership to speak with their legislative delegation and ask them

to support H472. This issue was included as part of the 2011-2012 legislative goals package.

## CHECK US OUT ON YOUTUBE, TWITTER AND FACEBOOK

The Association has several ways members can receive up-to-date legislative information. The NCACC's Twitter feed has almost 500 followers. Sign up to follow us at [twitter.com/ncacc](https://twitter.com/ncacc). You can also view our latest Twitter posts on the NCACC Web site ([www.ncacc.org](http://www.ncacc.org)). If you are on Facebook, search for "NCACC" and click on the "Like" button to receive our updates. The Association posts breaking news on both the Twitter and Facebook pages. The Association is also creating weekly legislative video reports for the NCACC's YouTube Channel ([www.youtube.com/ncacc1908](https://www.youtube.com/ncacc1908)). "This Week at the General Assembly" will be posted each Friday afternoon and will feature interviews with legislators and NCACC staff, reports on legislation impacting counties and updates on county legislative priorities.

## BILLS OF INTEREST

The Association maintains a section on its website to track bills of interest to county officials. Visit [www.ncacc.org/legislation/about.html](http://www.ncacc.org/legislation/about.html) for updates on these and other bills we are tracking. Bills added this week include:

Bill	Title	Committee
<a href="#">H861</a>	Local Option Tax Menu	Tax and Finance
<a href="#">S551</a>	Establish State Public Health Authority	Health and Human Services
<a href="#">S552</a>	Regional Public Health Authority Pilot	Health and Human Services
<a href="#">S554</a>	Personnel Records Technical Changes	Intergovernmental Relations
<a href="#">S562</a>	Standards For Some Nursery Stock Purchases	Environment
<a href="#">S563</a>	Stormwater Best Mgmt. Responsibility/Asscs	Environment
<a href="#">S564</a>	Study Water & Sewer Service Providers	Environment
<a href="#">S570</a>	End Ct. Orders/Est. Local Intake Procedures	Justice and Public Safety
<a href="#">S572</a>	Omnibus County Bill	Tax and Finance/Intergovernmental Relations
<a href="#">S575</a>	Higher Education Efficiency and Flexibility	Public Education
<a href="#">S578</a>	Lme Minimum Population	Health and Human Services
<a href="#">S579</a>	Clarify Property Tax For Conservation Land	Tax and Finance
<a href="#">S580</a>	Aoc Omnibus Courts Act	Justice and Public Safety
<a href="#">S584</a>	Ui/Implement Eb Three-Year Look Back	Tax and Finance
<a href="#">S589</a>	Hazardous Waste Amends	Environment
<a href="#">S594</a>	Firearms/State Of Emergency	Justice and Public Safety
<a href="#">S595</a>	Voter Identification At Polls	Intergovernmental Relations

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**Bill:** [H332](#)

**Sponsors:** Mills (R95); Killian (R105); Crawford (D32); Hamilton (D18)

**Title:** CLARIFY DEVELOPMENT MORATORIA AUTHORITY

**Status:** 04/14/2011 – Reported by House committee

**Comments:** This bill would take away a county's authority to implement a temporary moratorium on planning/development requests while it updates its ordinances.

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**Bill:** [H796](#)

**Sponsor:** Moffitt (R116)

**Title:** STUDY PROPERTY TAX VALUATION PROCESS

**Status:** 04/13/2011 – House Committee On Rules, Calendar, and Operations of the House

**Comments:** This bill would establish a study committee to examine "the current exemptions and deferral programs that affect property tax liability, the use of true value as a standard for valuation, current bases for altering a determined property tax value, and differences that exist or are permitted to exist between county procedures that affect property taxation." The committee would make its report to the 2012 Short Session.

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**Bill:** [S537](#)

**Sponsor:** Hartsell (R36)

**Title:** INCREASE IN REM FORECLOSURE FEE

**Related:** 2011: [H449](#)

**Status:** 04/12/2011 – Senate Committee On Finance

**Position:** Support

**Category:** Legislative Goal

**Comments:** This bill would accomplish an Association legislative goal by increasing the in rem foreclosure fee from \$50 to \$250.

– David F. Thompson, Executive Director  
– Kevin Leonard, Director of Government Relations

