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The Weekly Recap

WHAT HAPPENED: With the 2023 General Assembly session underway and gaining steam, the League held its fifth Town & State Dinner on Wednesday, uniting municipal and legislative officials from across the state for conversation and common ground as the lawmaking session unfolds over the coming months. The event was a tremendous success in relationship-building for the betterment of North Carolina and its variety of communities.

WHAT IT MEANS: More than 500 attendees discussed issues with their lawmakers and other fellow officials over dinner at the Raleigh Convention Center, and House and Senate leaders from both sides of the aisle took to the stage for feature conversations moderated by municipal leaders.

ON TAP: The filing of bills continues at the General Assembly, with deadlines that vary by subject and chamber. [See this sheet](#) clarifying bill-filing deadlines. Below in this Bulletin, we report on some of the proposals that have come forward that are of interest to cities and towns. Note also that CityVision 2023 registration is open, with full information following in this Bulletin.

THE SKINNY: Overall, it was an exciting and inspiring week for North Carolina's cities and towns, working as one to advance all. Read on for coverage from this week's event and bill-filing, and thank you for your participation.



Packed House for Town & State Dinner

More than 500 elected and staff government officials filled the Raleigh Convention Center on Wednesday for the fifth installment of the League's popular Town & State Dinner, uniting municipal and legislative leaders for relationship-building, the talking-through of various timely issues, and to hear updates and perspective from House and Senate majority and minority leaders on the shape of North Carolina. Over a meal, and following a networking social, attendees from areas across the state utilized the occasion to strengthen intergovernmental connections as the General Assembly carries out its annual lawmaking session, which speakers noted can include a wide variety of issues, making communication between local and state officials a priority. "We may not always agree on the exact path, but we all do this to try to make our state better," said event emcee William Harris, the commissioner from Fuquay-Varina and NCLM Board of Directors first vice-president. Commissioner Harris introduced question-and-answer panels featured over the evening, starting with House Speaker Tim Moore and House Democratic Leader Rep. Robert Reives, moderated by NCLM President and Kings Mountain Mayor Scott Neisler.

"Keep up with what's going on with us," Rep. Reives said as encouragement for municipal officials to monitor and interact with the legislative process. He urged local officials to keep communication channels open with their lawmakers for clear understandings of issues or needs. "We don't know everything, and because we don't know everything, we've got to have folks on the ground that tell us here's what's going on with it, here's what we need, here's how you can best serve us," Reives said, noting those

might be hard conversations sometimes. "But you're the folks on the ground touching the communities every day, and there's nothing more important for us than to get information." Speaker Moore also urged healthy local-state communication, and noted that all officials have common ground in that they're working for the best that North Carolina can be. "It is the highest honor that I've had, to serve in this role," Speaker Moore said. "When I travel around, I tell people they're my boss. And I mean it." He said there are always tough days on the job, "but at the same time, we all know we're in it - - and I know that the folks on the other side of the aisle and the other side of the building -- are there for the right reasons, and that is caring about this great state. So while there's always those days that are tough, in the end, the good always outweighs those tough times."

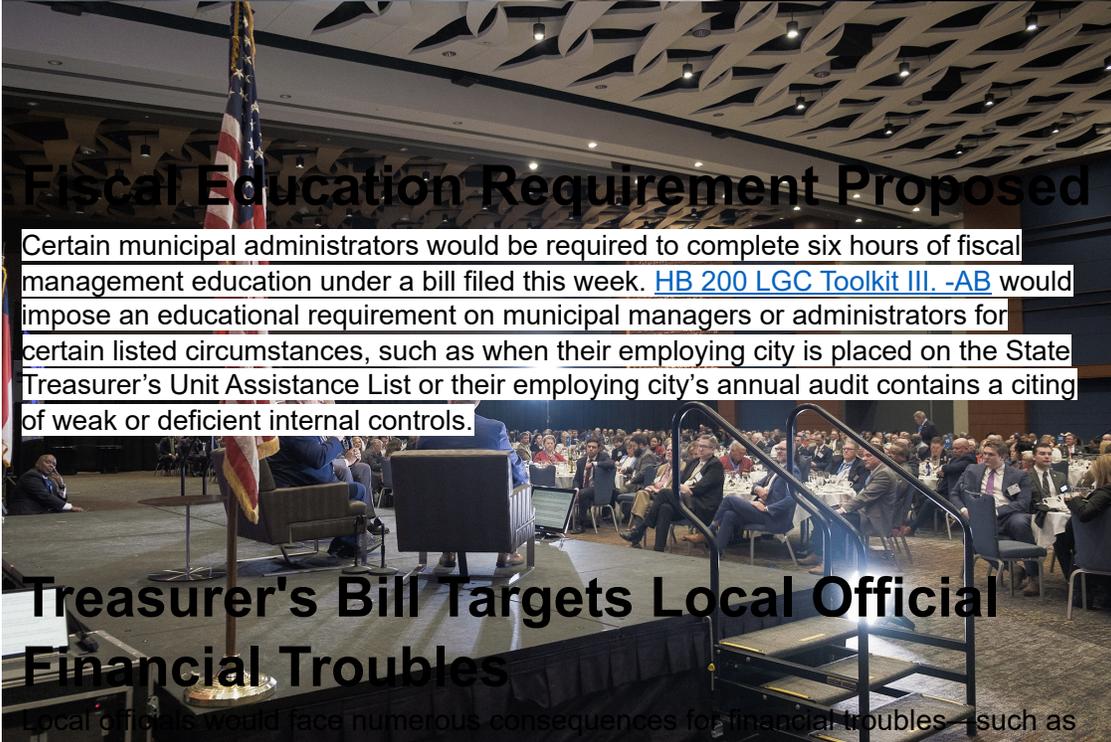
Senate leader Phil Berger and the chamber's minority leader, Sen. Dan Blue, also took the stage for discussion as moderated by Durham Mayor Pro Tem Mark-Anthony Middleton, NCLM's second vice-president. Sen. Blue pointed out the diversity of North Carolina's more-than-540 cities and towns, and how lawmaking that affects cities should bear that in mind. "Each is unique," Blue said, adding he's appreciated the help of the League and its members for serving as resources clarifying the nuance and effects of proposals that come forward in context with municipalities. Sen. Berger, a former municipal attorney, gave remarks about topics including infrastructure and the state's economy. Sen. Berger agreed with Sen. Blue that North Carolina's economic position in relation to other U.S. states is strong, with a bounce-back measured from the hard days of the pandemic. Sen. Berger pointed out that North Carolina today has 2 million more registered voters than it did 10 years ago, and called that a showing of people planting their roots here to take advantage of all the state has to offer. "We're probably doing most things better than most other states, and we just need to make sure we continue that as we go forward," Sen. Berger said.

The evening was a rousing success, thanks to the participation of North Carolina's local and legislative officials and their interest in working toward positive outcomes. The League thanks all who attended and engaged with the opportunity to work as one.

[View a full photo gallery from the event.](#)







Fiscal Education Requirement Proposed

Certain municipal administrators would be required to complete six hours of fiscal management education under a bill filed this week. [HB 200 LGC Toolkit III. -AB](#) would impose an educational requirement on municipal managers or administrators for certain listed circumstances, such as when their employing city is placed on the State Treasurer's Unit Assistance List or their employing city's annual audit contains a citing of weak or deficient internal controls.

Treasurer's Bill Targets Local Official Financial Troubles

Local officials would face numerous consequences for financial troubles—such as late audits, unbalanced books, or mismanagement—under provisions in [HB 205 Transparent Governance & Integrity Act](#). The bill, filed Thursday, is one of Treasurer Dale Folwell's agency bills. As a member of the Local Government Commission, Treasurer Folwell deals with cases of local governments that are struggling financially.

Of particular note in HB 205, local governments with late annual audits would face a penalty of withheld sales taxes (Section 14), similar to [HB 122 Reimburse Late Audit Costs with Sales Tax Rev.](#), which is calendared for a [House Local Government Committee](#) hearing Tuesday. The bill also mandates six hours of financial management training for all elected city officials who sit on a board that is named to the Unit Assistance List or is under the fiscal control of the Local

Government Commission (Section 18). Finally, the bill would create whistleblower job protections for any state or local government employee that reported instances of violations of the law, fraud, misappropriation of state resources, or “gross mismanagement, a gross waste of monies, or gross abuse of authority” (Section 8).

Zoning Preemption, Local Permitting 'Shot Clocks' Resurface as Legislative Session Heats Up

Issues of municipal concern arose during a [House Regulatory Reform](#) Committee meeting earlier this week as representatives of the North Carolina Home Builders Association (NCHBA) presented their case for local zoning "reforms" and permit review timelines. The organization focused on these changes as a solution to the state's housing affordability crisis, even as their national association has cited building material increases and labor shortages as key causes of escalating construction costs. Several bills were filed during the 2021-2022 General Assembly session, including [HB 291 Commercial Prop. Plan Review](#) and [SB 349 Increasing Housing Opportunity](#), that were designed to roll back local governments' ability to protect the character of their community through thoughtful consideration of commercial building plans and reasonable zoning regulations. Committee Co-Chair Jeff Zenger noted he plans to reintroduce the 21-day shot clock bill this session, and it's expected similar bills will follow.

The League's Government Affairs team will continue monitor the latest developments at the General Assembly. In the meantime, municipal officials are encouraged to connect with their legislative delegation to let them know the value of local decision making in order to protect community character and enhance the economic vitality of North Carolina one city at a time.

NC Agency Proposes Additional Reporting Requirements on Privacy

Cities would be required to notify the North Carolina Department of Information Technology (DIT) of privacy incidents under [HB 196 DIT/Omnibus Law Changes](#). The agency-requested bill, introduced by Rep. Jake Johnson, includes several provisions related to data security. Under current law, local governments are required to report cybersecurity incidents to the state, and under HB 196, this reporting requirement would be expanded to privacy breaches, including unauthorized access or release of personal information. The bill would also establish an Office of Privacy and Data Protection within the Department to coordinate the state's efforts in this area.



CityVision 2023 Registration Open!

Concord | April 25-27

Registration is open for the 2023 CityVision conference in Concord! Here's what to expect:

- **Networking** Meet with other local government professionals to share ideas, challenges, and strategies. We will also be re-instating a traditional exhibit hall providing more time to get to know your peers and local government partners!
- **Learning** Join us for a variety of pre-conference, general, and breakout sessions throughout the conference. Learn more about human resources strategies, grant and funding opportunities, leadership tactics, and more!
- **Exploring** There will be ample opportunity to explore Concord during our social events, off-site tours, and extended afternoon breaks.

NEW: Pre-conference will be on Tuesday, April 25 and includes additional education sessions and an exhibit hall reception included with your conference registration! If you can't make it to the whole conference, join us for pre-conference only and you will still get great networking and learning opportunities.

[REGISTER HERE](#)

Cities: Fill Out Brief Form to Prepare For Upcoming ARP Report

The U.S. Treasury has asked for assistance in confirming the Unique Entity Identifier (UEI) of every municipality in N.C. Your local government's UEI can be obtained by registering with SAM.gov, and you can check your government's UEI status at the same site, here: <https://sam.gov/content/entity-information>. A UEI is required and a SAM.gov account needs to be active to file your American Rescue Plan project and expenditure report with the U.S. Treasury in April. The UEI replaces the previously required federal DUNS number.

The League has prepared a very brief form that you can complete to provide us with your current UEI so that we may send it to the U.S. Treasury for confirmation with their records. **Municipalities, please take just a couple minutes to fill out [this form](#).**

If you do not have an active UEI or registration with SAM.gov, this is a good time to begin that process. We have heard recently that completion of the registration can take multiple weeks, so it is good to start the process early in advance of the April 30 deadline for the ARP project and expenditure report. Please visit [this link](#) and use the green buttons on the right-hand side of the screen to begin the registration or renewal process.

If you have any questions about any aspect of this process, please email arp@nclm.org or email Chris Nida directly at cnida@nclm.org. Thank you for your assistance.



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