



End of Session Bulletin 2020



SHARED ADVOCACY
GOALS SET BY CITIES
AND TOWNS



DETAILED
BREAKDOWNS OF
BILLS TRACKED
THROUGHOUT THE
SESSION



540+ MUNICIPALITIES
WORKING AS ONE TO
ADVANCE ALL

DEAR FELLOW MUNICIPAL OFFICIALS,

2020 has been a year like none other. It's been a year for the history books as we have faced one crisis after another that has taxed our resources. One wonders when things might become normal again. Or are these times the new normal? As of this writing, we're still very much in progress with the effects of a global pandemic that have hard-hit our cities and towns on levels fiscal, social, emotional, educational, procedural and probably in ways we've yet to realize, not to mention its clear impacts on health at home. The terrible death of George Floyd in police custody in Minneapolis touched off a worldwide resurgence of protests against racial injustices and reinvigorated dialogue about symbology, language and government policies, prompting immediate attention from town halls of all sizes. A particularly turbulent general election cycle continues to garner around-the-clock news attention. A hugely important decennial census — gauging community funding eligibility — has fallen behind on public participation. And, with fingers crossed, we're keeping our eyes on the Atlantic Ocean for formations we hope remain far offshore. 2020 has given us enough to focus on.

This potent mix of factors served as the backdrop — if one can call it that — for the 2020 legislative session in North Carolina, which lawmakers had scheduled for regular business before any popular recognition of COVID-19. Think of it this way: legislators in “normal” times would have gaveled into session, prepared bills on the pressing topics, debated substantial budget points, and headed home with priorities put away. This time, while the backdrop was mosaical, it was almost a single-issue session around COVID-19 and protecting North Carolina from it. A separate entry in this Bulletin will put the legislation session in context and explain where our municipalities fit in.

You're well aware that our cities and towns have felt revenue pain from the effects of pandemic controls on consumer activity, scooping holes in the projections that were the basis for your budgeting and threatening the stability of essential services. Revenues from sales taxes, accommodations taxes, utility usage and other sources are badly impacted — scary, considering we don't know the future of this.

But one thing's for sure — the leadership we've seen from you, fellow municipal officials, is champion-level and shows with no doubt that you care deeply for your communities with nonpartisan minds. Consider the League's revenue-replacement campaign that kicked off when the budget hits became clear; so many of you jumped to work alongside the League with your local media markets to bring the facts forward in op-eds or stories explaining why it's bad for our entire state's economy when our municipalities hurt. Some of these stories even rose to the pages of national publications, like the Washington Post, helping to influence the conversation on Capitol Hill. In this Bulletin, you'll find a detailed lookback at this revenue replacement campaign and the vital work you did with the League to spread awareness. This Bulletin also breaks out General Assembly bills of municipal relevance that garnered news attention, including the COVID-19 Recovery Act. In the best sense of things, this year of unthinkable challenge showed how cities and towns can

adapt to speedy change and uphold services for the people, businesses and stakeholders that depend on strong local government. We also saw how it works best when we work as one. Challenges remain, for everyone. But we're fortunate to have you at the helm in your communities as we walk together toward a happier, healthier, more equitable and flourishing day.

Thank you for the work you do. So much depends on it.

Sincerely,

The Officers of the League's Board of Directors



Jennifer Robinson

President
Council Member,
Cary



Karen Alexander

First Vice President
Mayor,
Salisbury



Scott Neisler

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Please note: This document will be updated after the September reconvening of the General Assembly and will include an internally-linked bill appendix.

LEGISLATIVE SESSION IN CONTEXT

It is a rare legislative session that a single issue completely dominates the discussion. Then, again, it's a rare time that one takes place during a global pandemic.

In 2020, the COVID-19 pandemic completely dominated both the policy and process at the North Carolina General Assembly. Remote or sparsely-attended committee meetings became the rule of the day. And many of those committee meetings were focused on either addressing the health effects caused by the virus, doing the same for the economic impact, or legislation designed to draw partisan distinctions between legislative leaders and Gov. Roy Cooper when it came to how to approach business re-openings.

Initially, at least, during a four-day start to the session prior to a two-and-a-half-week break, partisanship was put aside as legislators quickly adopted some early steps and sent out portions of federal relief dollars aimed at combating COVID-19. A \$1.6 billion spending plan included \$150 million sent to local governments, but through counties and with no guarantees that money would reach municipalities.

Once that four-day session was over, the pleasantries were over. It is an election year, and Cooper was front and center leading the state's response to the pandemic. With his more cautious approach to business reopening, legislative leaders sent a number of bills Cooper's way calling for quicker reopenings for some businesses. With the legislature lacking a veto-proof majority, the governor promptly vetoed the bills.

Despite that acrimony, legislators still managed to push out well over \$2 billion from federal CARES Act relief to various state programs and to meet the myriad of needs facing the state due to the virus, including dollars for infrastructure and business grants. With a budget impasse between the governor and legislative leaders continuing, other targeted spending bills were also approved.

MUNICIPAL-RELATED LEGISLATION

Legislators approved HB 1023 Coronavirus Relief Funds/Additions and Revisions, which released another \$150 million in federal CARES Act funding to local governments and mandated that 25 percent of the total \$300 million be shared with municipal governments.

Other COVID-related measures affecting municipalities included: Clarification of a state law on remote meetings so that local government boards could safely meet amid the virus without running afoul of public meeting requirements; an extension of authority for remote notarizations necessary for land-use permitting and other governmental functions; special obligation bond authority was reinstated, improving borrowing capacity for local capital projects; a measure delaying motor vehicle property tax payments by months meant yet another hit to municipal revenue, delaying as much as \$200 million in revenue for cities.

While all of these actions were occurring, League lobbyists and members held meetings with legislative leaders, called legislators and sent letters making clear that North

Carolina's cities and towns faced substantial challenges caused by declining sales and occupancy tax collections and delinquent utility payments. Discussions were also held with Governor Cooper and his staff about the effects of his executive orders on those customer delinquencies. By July, the governor had agreed to allow the provisions affecting those water, sewer and electricity utilities expire.

The legislative session was not all COVID-19.

Among measures affecting municipalities, most important may have been the approval of a new Viable Utility Reserve fund in legislation that focused on addressing financially struggling water and sewer systems. Legislators set aside only \$9 million for the fund. But HB 1087/SB 810 Water/Wastewater Public Enterprise Reform sets up a framework for a statewide approach to find solutions for dozens of rural municipal water and sewer systems across the state that to have seen erosions of customer base and, consequently, maintenance and upkeep.

Elsewhere on the utility front, legislators tweaked the law dealing with system development fees to change the timing of some fee payments. That change came only after input by the League.

With the state Department of Transportation facing major financial issues, even before COVID-19 decimated gas tax collections, the state agency furloughed hundreds of employees and stopped a number of construction projects. Legislators made their own reform path, approving cash management reforms as well as providing additional funding. That legislation, HB 77 DOT 2020-21 FY Budget/Governance, also set a temporary floor on the state gas tax to shore up road construction revenue and made cuts including all funding for public transit.

The General Assembly, though, failed to pass a major bond referendum that would have pushed hundreds of millions more at transportation needs, as the Senate failed to take up the bill after it overwhelmingly passed the House.

Other legislation that failed to pass included several proposed local unfunded mandates that could have affected local government employee retirement and workers compensation benefits.

RACIAL EQUITY

As legislators worked through those issues, Governor Cooper - in response to widespread protests calling for racial justice in the wake of the death of George Floyd at the hands of Minneapolis police - created The Task Force for Racial Equity in Criminal Justice, which started meeting almost immediately. The state House formed a separate Task Force on Justice, Law Enforcement and Community Relations to begin exploring policy approaches to policing issues raised by the death of Floyd and others.

The General Assembly concluded much of its business in July. But with Congress considering another round of COVID-19 relief, legislators were set to return to Raleigh in early September. What that return to business looks like will very much be determined, once again, by the circumstances dictated by a global pandemic and the next response by Congress.

MUNICIPAL-RELATED LEGISLATION IN THE NEWS

HB 1043 COVID-19 Recovery Act

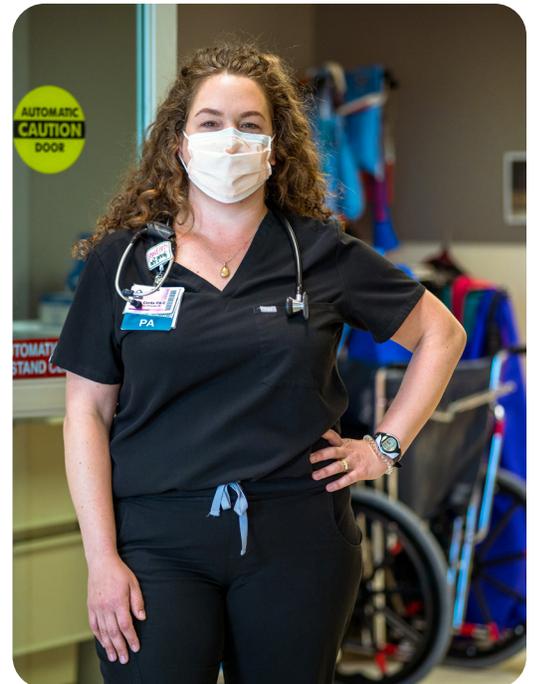
The first order of business when legislators returned for the 2020 short session in May was to address needs created by the COVID-19 crisis, whether with state dollars or those provided by Congress through the Coronavirus Aid, Relief, and Economic Security (CARES) Act. This bill included the legislature's first effort to share that federal money with local governments. Legislators provided \$150 million to county governments, providing them with the option of sharing that money with municipalities. That decision prompted considerable criticism from the League and municipal officials statewide. The bill did put another \$150 million in reserve, stating the General Assembly's intent to appropriate the money to local governments if and when Congress provided more flexibility for the federal funds.

HB 1023 Coronavirus Relief Funds/Additions and Revisions

After passage of HB 1043, the General Assembly sent another round of federally-provided assistance to local governments in HB 1023. This time, the additional \$150 million in CARES Act dollars came with a stipulation that of all of those federal funds distributed through counties — \$300 million in all — 25 percent must be shared with municipalities. The money still came with a number of restrictions in the original federal legislation, but U.S. treasury guidance had loosened some of those by the time of this bill's passage. Those changes included allowing more money to go to first responder salaries.

HB 258/SB 158 Open Amusement Parks/Arcades/Venues

This bill was among several pieces of similar legislation that served as markers in the battle between Gov. Roy Cooper and legislative leaders over how and when business re-openings should occur in light of the COVID-19 pandemic. All were vetoed by Cooper, and none of those vetoes were overridden. All of the bills called for changes to aspects of Cooper's executive orders, issued as a result of the COVID-19 state of emergency that he had declared. At the Legislative Building, heavily partisan debate had Republican sponsors accusing the governor of harming the economy and Democrats accusing Republicans of ignoring North Carolinians' health.



A pandemic-ready nurse at Wake Med in Cary.

HB 431 FIBER NC Act

The FIBER NC Act, filed in 2019, was not acted on, but the legislation remained in the news as COVID-19 work-from-home orders and remote schooling put a spotlight on the lack of broadband access as never before. The bill would create more robust solutions to that problem by removing hurdles to public-private partnerships between local governments and private internet service providers. Just prior to the legislative session, and as the COVID-19 crisis was beginning, a WRAL documentary produced in coordination with the League, “Disconnected,” laid out the problem in detail in eastern North Carolina. The large telecommunications companies continue to oppose the bill even though it would not prohibit them from participating in such partnerships. To watch the full documentary, visit: <https://www.wral.com/wral-documentary-disconnected/18999023/>.

HB 1087/SB 810 Water/Wastewater Public Enterprise Reform

After more than a year of discussion, legislators approved this bill which creates a framework for addressing the problems of financially distressed public water and wastewater systems, partly by creating a “Viable Utility Fund.” The bill follows numerous public and media reports detailing how dozens of rural water and wastewater systems – facing decreases in jobs, industry and population – have seen systems maintenance needs accumulate as revenues have fallen. The law is the result of a yearlong legislative study and stakeholder process that focused on the more than \$17 billion in water and sewer infrastructure needs statewide and also includes a study of the feasibility of authorizing historical charters for units of local government. The bill includes only a \$9 million appropriation, but the framework that it will create should serve as an effective means to push additional appropriations or bond receipts to address these needs.

REVENUE REPLACEMENT CAMPAIGN

The COVID-19 pandemic and its damaging effects on the economy thrust the League's Public and Government Affairs team into the federal political arena as never before in 2020.

With state government experiencing its own financial troubles associated with the pandemic, it quickly became apparent that for local COVID-19 costs and revenue shortfalls to be addressed, that Congress and federal legislation would hold the key.

As a result, the Public & Government Affairs team in April began putting together and executing a strategy to inform the state's congressional delegation and the larger public about how the revenue needs of cities would, if not addressed, slow economic recovery and further harm private-sector businesses.

The efforts began with a series of virtual meetings set up between members of the state's congressional delegation, their staff members, League staff and League member representatives. In each, questions were submitted by League member representatives querying members of Congress about the prospects of various proposals that could assist cities and towns in addressing the crisis.

Those meetings began just after Congress had passed the CARES Act, which set aside \$150 billion for state and local governments. But except for some direct appropriations to the country's largest cities and counties, the legislation essentially left local governments at the mercy of state governments when it came to distributing the money.

The North Carolina General Assembly eventually passed on \$300 million of the more than \$3 billion that the state received to local governments, with 25 percent required to be sent to municipalities. The federal legislation, though, limited those dollars to expenses primarily related to the health effects and offered little relief for revenue losses.

Against that backdrop, the League's campaign to push Congress to assist in funding these losses kicked into high gear. In coordination with the National League of Cities' "Cities are Essential Campaign," the League's effort focused on direct letter-writing to members of Congress, targeted calls by members, op-eds placed in newspapers and other media outreach, and the use of social media to amplify all of those efforts and make direct appeals with some innovative messages.



A Campbell University med student checks the vitals in the early days of the pandemic.

Grassroots and communications staff worked with more than 250 mayors in the state, who signed on to letters to their U.S. House member and U.S. Sens. Thom Tillis and Richard Burr, with the letters organized by congressional district. As the U.S. House had, in late May, approved its own bill that included additional, direct and flexible funding for local government, Tillis and Burr had become key audiences for the effort.

“Cities and towns did not cause the situation that they now find themselves in; a global pandemic did. Their needs are neither Republican nor Democratic. Their needs are the needs of the citizens of our state, in small towns and in larger cities,” the letters concluded.

Media outlets across the state picked up on the correspondence. Meanwhile, a handful of mayors and members of the NLCM Board of Directors worked with League staff to place op-eds in newspapers around the state to continue making those points. Those opinion pieces appeared in many of the state’s major newspapers, as well as the most-visited news website in the state, WRAL.com. A separate editorial in June, quoting NLCM president Jennifer Robinson and Executive Director Paul Meyer, appeared in Sunday editions of the state’s two largest newspapers – The Charlotte Observer and Raleigh News & Observer.

The League also used videos – including an animated motion graphic which it created to emphasize cities’ role in building infrastructure that the private-sector relies on – to reach wide audiences to make the case for revenue replacement. The two videos are available for viewing on the League’s Facebook page, www.facebook.com/ncleague.

Across platforms and across media markets, this months-long advocacy campaign resonated across the state. The results of those efforts were still playing out as of this writing, with Congressional negotiators and the White House still in disagreement about the scope of a new relief package.

BILL SUMMARIES

Bills tracked by the Public and Government
Affairs Team throughout the 2020 Short Session

BILL SUMMARY – OVERVIEW

Over the course of the 2020 session of the North Carolina General Assembly, the League’s Public and Government Affairs Team tracked some 412 bills that had implications for cities and towns, with 91 of those deemed to be of “critical” or “high” importance. You will find summaries of many of those bills below, including descriptions of how they could affect governance of cities and towns and some of the political considerations that affected their ultimate outcome. The bill numbers and titles are linked below. Because the General Assembly planned to return in September, it is possible that some of the bills listed that have not become law could still be acted upon. Nevertheless, most legislative action for this session is believed to have concluded at the end of August. The bill links will take you to actual copies of the bill on the General Assembly website. Beside each bill title here is a designation explaining the status of the bill.

The designations indicate the following:

- **Law:** Passed by the General Assembly and now Session Law, either with the Governor’s signature, the Governor’s inaction regarding the bill, with an override of his veto, or as a local bill over which the Governor has no say.
- **Vetoed:** Bills vetoed by the Governor, with that veto not overridden by the General Assembly.
- **Passed House:** Passed the House but not voted on by the Senate.
- **Passed Senate:** Passed the Senate but not voted on by the House.
- **Not Passed:** Legislation not taken up by either full chamber.

The bills below are divided into five general categories: Tax & Finance, Local Bills, General Government, Planning & Land Use, and Environment and Utilities. If you do not see a bill summarized that you are interested in, please contact any member of the League’s Public and Government Affairs team or visit the League’s bill tracking site. A number of these bills address advocacy goals chosen by cities and towns as their top legislative priorities for the 2019-2020 legislative session. For a full list of Municipal Advocacy Goals, see Appendix I.

(Please note that this document will be updated after the September reconvening of the General Assembly. That update will include an internal index of bills, and internal linking through that index to individual bills in this section. It will also include an assessment of Advocacy Goal achievements.)



TAX & FINANCE/BUDGET

[HB 77 DOT 2020-2021 FY Budget/Governance](#) (Reps. Torbett, Presnell, Iler and Shepard) - Law - SL 2020-91 effective various dates

Facing financial concerns prior to the global pandemic, the N.C. Department of Transportation (NCDOT) saw revenues decline even more significantly following lockdowns in the early part of 2020. The resulting legislation to adjust the department's budget also included additional restructuring, reporting, and oversight changes that will alter NCDOT operations going forward.

Among the many budgetary adjustments in this bill were at least two of particular interest to N.C. municipalities. First, the Powell Bill appropriation for FY2020-21 was reduced to just over \$137 million. Every municipality's individual appropriation for this fiscal year will be held flat at FY2019-20 levels with the exception of the two municipalities with a population over 400,000 - Charlotte and Raleigh - whose appropriations will be reduced by one-third. Secondly, funding for the State Maintenance Assistance Program - which many cities rely on for public transportation funding - was eliminated in the coming fiscal year. These were just two aspects of a wide-ranging bill that remade the NCDOT budget in numerous other areas and also restructured the Board of Transportation and introduced new financial reporting and audit requirements for the department.



NCLM Executive Director Paul Meyer at the General Assembly.

[HB 118 COVID-19 Liab. Safe Harbor](#) (Reps. Warren, Corbin, D. Hall and Potts) - Law - SL 2020-89, effective upon becoming law

Backed by a coalition of business interest groups, HB 118 granted all N.C. private businesses and units of government immunity from lawsuits alleging an act or omission that led to contraction of COVID-19. The immunity would not apply in instances of gross negligence, willful or wanton conduct, or intentional wrongdoing. It also would not apply to worker's compensation claims. The law applies to claims arising no later than 180 days after the expiration of Executive Order No. 116 issued March 10, 2020.

[HB 1023 Coronavirus Relief Funds/Additions and Revisions](#) (House Rules Committee) - Law - SL 2020-80 effective various dates; [HB 1038 Omnibus COVID-19 Recovery Act](#) (Reps. Lambeth, Carney, Dobson and P. Jones) - Not Passed; [HB 1043 2020 COVID-19 Recovery Act](#) (Reps. Bell, Jackson and Lewis) - Law - SL 2020-4 effective various dates; [SB 704 COVID-19 Recovery Act](#) (Sens. Brown, Harrington, B. Jackson, J. Alexander, T. Alexander, Ballard, Berger, Blue, Britt, Bryan, Burgin, Chaudhuri, Clark, Daniel, D. Davis, J. Davis, deViere, Edwards, Fitch, Ford, Foushee, Gallimore, Garrett, Gunn, Hise, Horner, Johnson, Krawiec, Lowe, Marcus, McInnis, Murdock, Newton, Perry, Peterson, Rabon, Robinson, Sanderson, Sawyer, Searcy, Smith, Steinburg, Tillman, Waddell, Wells and Woodard) - Law - SL 2020-3 effective various dates; [SB 805 Coronavirus Relief Funds/](#)

Create Offset (Sens. Brown, Harrington and B. Jackson) – Not Passed; SB 836 State Operations/Increase Federal Funds Use (Sens. Brown, Harrington and B. Jackson) – Law – SL 2020-32 effective June 19, 2020; SB 848 COVID-19 Economic Recovery Grants (Sens. Newton, Hise and Tillman) – Not Passed

Multiple bills responding to the global pandemic were introduced throughout the 2020 legislative session, with several of them eventually becoming state law. The bills covered both administrative and policy changes needed as a result of the pandemic, as well as appropriations of state and federal dollars to assist in relief efforts. Pandemic response was among the first orders of business when legislators returned to Raleigh this year. The third session law of the year (S.L. 2020-3) addressed a number of policy changes related to the pandemic, such as ensuring state tax law mirrored federal tax changes, waiving or adjusting certain education-related deadlines and requirements, and making changes to the operations of state government. One of these changes – delaying vehicle registration renewal requirements for five months – impacted local revenue streams by also delaying the payment of local vehicle property taxes that are remitted at the time of renewal.

The next session law passed, S.L. 2020-4, began appropriating funds to aid in the pandemic response. Among a wide variety of appropriations across state government, the law also appropriated \$150 million of funds from the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act to counties, stating that counties had the option of sharing these funds with municipalities. This resulted in counties retaining a sizable majority of these funds. This law also held \$150 million in reserve for local governments, with the General Assembly stating that its intent was to appropriate these funds to local governments if and when greater spending flexibility for CARES Act funds was granted at the federal level. S.L. 2020-4 also established the N.C. Pandemic Recovery Office (NC PRO), which is overseeing pandemic response spending efforts around the state.

After passing S.L. 2020-32 that increased appropriations to state government for pandemic response, the General Assembly passed one final bill directing federal coronavirus relief funds around the state. S.L. 2020-80 increased total COVID-19 pandemic relief funding to almost \$2.1 billion. This included increasing appropriations to counties to a total of \$300 million and, after a strong lobbying effort by city officials around the state, a requirement that counties share a minimum of 25 percent of these appropriations with municipalities. Still, the total amount appropriated to local governments represented just 8 percent of total available federal funds, a far cry from the 45 percent the federal government said that state government “should” appropriate to local governments.



Sylva Mayor Lynda Sossamon overlooks her downtown alongside NCLM’s Jack Cassidy.

HB 1056 WC/COVID-19/Cover Essential Workers (Rep. Richardson) – Not Passed; HB 1057 WC/COVID-19 Front Line Coverage/Funds (Reps. Jackson, Boles and R. Smith) – Not Passed; HB 1085 Front Line State Employee Hazard Pay/Funds (Reps. Hunt, Harrison, Fisher and Autry) – Not Passed; HB 991 First Responders/WC Benefits Duration (Rep. Wray) – Not Passed.

A variety of bills were filed in the House this session related to workers' benefits in light of the COVID-19 pandemic; however, none of these bills were considered. Both HB 1056 and HB 1057 would create a workers' compensation presumption in favor of essential workers who contracted an infection such as COVID-19, changing the structure of current workers' compensation laws for just those employees. While both bills included a subset of municipal employees in public safety, HB 1057 also included any other employee of a business declared to be essential during a pandemic.



Rep. Steve Ross, a former mayor, on the N.C. House floor.

Current law requires the employee to prove that he or she has a condition which arose due to employment and that their condition is not an ordinary disease of life to which the general public is equally exposed. These bills would instead require that the employer has the burden of proving that the condition was caused by some means other than the occupation — majorly changing the workers compensation system in North Carolina and significantly increasing employers' costs.

There were bills in the 2019 Long Session that similarly sought to change the presumption in the workers' compensation system for first responders for a variety of diseases, but ultimately did not pass and were not considered in the Short Session. Those bills were HB 520 Firefighters Fighting Cancer Act, HB 573 Give WC for PTSD in First Responders, HB 622 Provide WC for PTSD in First Responders. HB 1085 would have required a state study of the practices of private and local governmental employers in regard to hazard pay for their employees, but was not considered.

HB 1075 UI Modifications/Increase Benefits/Funds (Reps. Alston, Batch, Holley and Hunt) - Not Passed

This bill would have increased the unemployment weekly benefit amount to \$450 based on the average of the wages paid in the two highest paid quarters. The maximum amount of time an individual could receive unemployment benefits was increased to 26 weeks. Lastly, it would have allocated \$100,000 to notify individuals statewide about the modifications.

HB 1079 Various Sales Tax Changes (Reps. Howard, Ross, Setzer and Szoka) - Law - SL 2020-6 effective various dates

The Revenue Laws Study Committee recommended this legislation, which made relatively minor updates to various sections of the sales tax statutes. Included in the bill were clarifications regarding how the sales tax applies to auctioneers, large fulfillment facilities, and online learning opportunities. There was no fiscal note associated with the bill, likely indicating that the changes are expected to have minimal impacts on state and local revenues. The bill passed both legislative chambers unanimously.

HB 1080 Revenue Laws Recommendations (Reps. Howard, Ross, Setzer and Szoka) - Law - SL 2020-58 effective various dates

A more extensive update recommended by the Revenue Laws Study Committee, HB 1080 contained numerous statutory changes over its 17 pages. It included important provisions for the state such as updating the reference to the Internal Revenue Code to match the

most recently passed federal tax laws, and extending the sunset on the Job Development Investment Grant (JDIG) program. Most relevant for local governments, it extended the authority for municipalities to finance certain infrastructure improvements through special assessments through July 1, 2025, and it updated language to ensure that third-party food delivery services such as GrubHub and Postmates were collecting local meals taxes where applicable. The bill's fiscal note did not project a financial impact for local governments from any of the changes.

[HB 1103 2020 Omnibus Appropriations Act](#) (Reps. Lambeth, Saine and McGrady) - Not Passed; [HB 1112 2020 Omnibus Appropriations Act](#) (Reps. Lambeth, Saine, Dobson and Faircloth) - Not Passed; [HB 1114 2020 Omnibus Appropriations Act](#) (Reps. Lambeth, Saine, Arp and Brisson) - Not Passed; [HB 1185 2020 Omnibus Appropriations Act](#) (Reps. Saine, Lambeth, Arp and Brisson) - Not Passed; [HB 1186 2020 Omnibus Appropriations Act](#) (Reps. Saine, Lambeth, Dobson and Faircloth) - Not Passed; [HB 1187 Raise the Age Funding](#) (Reps. Saine, Lambeth and McGrady) - Law - SL 2020-15 effective various dates

Numerous bills were filed this session as placeholders for a possible state budget bill. However, given the state of the global pandemic and the uncertainty surrounding state revenues, no such budget was ever passed. Instead, individual agency funding needs were handled in specifically targeted bills. S.L. 2020-15 was one example of that. Though it also began as a 2020 appropriations bill in HB 1187, it evolved into a law appropriating funds to help implement the previously passed Raise the Age law.



The world on Jones Street, Raleigh.

[HB 1124 Funding for NC Housing Trust Fund](#) (Reps. Montgomery and Holley) - Not Passed; [HB 1134/SB 827 Housing and Foreclosure Prevention Assistance](#) (Reps. Autry, Holley, Harris and Butler; Sens. Mohammed, Robinson and deViere) - Not Passed; [HB 1135/SB 826 Housing & Utilities Assistance/COVID-19](#) (Reps. Autry, Holley, Harris and Butler; Sens. Mohammed, Robinson and deViere) - Not Passed; [HB 1200 Foreclosure Prev.Grants/Rental & Utility Asst](#) (Reps. Szoka, Saine, Baker and P. Jones) - Not Passed; [HB 1208 Funding for Workforce Housing Loan Program](#) (Rep. Lambeth) - Law - SL 2020-28, effective July 1, 2020.

Legislators acted unanimously to shore up one of the state's main affordable housing programs by providing a \$20 million one-time infusion to the Workforce Housing Loan Program in HB 1208. Other housing measures introduced this session, however, did not receive votes. Still, members of the House Appropriations Committee held a single non-voting discussion on HB 1200, a measure that designated \$100 million for rental and mortgage assistance. Because the funding included in that proposal came to the State from Congress in the CARES Act, the assistance would have benefitted qualifying individuals affected by circumstances caused by COVID-19.

[HB 1142 Benefit Parity for EMS/TSERS/LGERS](#) (Rep. Logan) - Not Passed

This bill sought to expand retirement benefits for full-time "Emergency medical services personnel" or "EMS personnel" who meet the definition of emergency services personnel

under G.S. 131E-155, including mandating that the employer pay for a new retirement benefit called a “special separation allowance” until the retiree reaches the age of 62. It would also require that employers provide a 5% match to this category of employees’ supplemental retirement plans. These mandated benefits would be in addition to the employee’s pension. The bill would have appropriated \$40 million to cover employer costs, but it is unclear if this appropriation would fully cover those costs. The bill was not considered.

This bill is similar to legislation from the 2019 long session that sought to mandate that municipalities provide and pay for a special separation allowance for firefighters without funding the benefit. That bill was HB 278 and was converted to a study to consider how it could be funded, but ultimately never passed and was not considered in the short session. League members adopted a policy goal to oppose mandated new retirement benefits unless funding is provided.

[SB 379 Retiree Amendments](#) (Sens. Wells and Johnson) - Law - SL 2020-29 effective various dates; [SB 719 Retirement Tech./Protect/& Other Changes](#) (Sens. Wells, Edwards and Perry) - Law - SL 2020-48 effective various dates; [HB 1074 Omitted Membership Service/TSERS/LGERS](#) (Reps. Belk, Gill, Martin and Hurley) - Not Passed

A variety of bills were passed that would make technical, administrative, and other changes to statutes governing state-administered pension systems. SB 719 included the Treasurer’s Office’s suggested technical changes to the retirement systems, including a provision that would clarify that the required contribution base benefit cap (“pension spiking”) report is not a public record. SB 379 makes administrative changes to the state pension systems to promote financial accountability, integrity, and recovery of assets, including changes to credible service purchase provisions and requiring an employer to pay a portion of a return-to-work overpayment if employer caused the overpayment; that provision was also the subject of HB 1074.

[SB 743: Expand Fire Grant Fund](#) (Sens. deViere, Fitch and Lowe) - Not Passed

This bill would have appropriated \$5 million in nonrecurring funds to the Volunteer Fire Department Fund. Only counties designated as tier one would be eligible to receive the grants. Counties that receive grants must match the grant with \$1.00 for every \$3.00 of grant funds. The maximum amount for each allocated grant would have been \$50,000.00

[SB 801 Military Presence Stabilization Fund/Funding](#) (Sens. Brown, Harrington and B. Jackson) - Law - SL 2020-24 effective July 1, 2020

SB 801 appropriates \$2 million from the film grants program to the Military Presence Stabilization Fund. This fund supports the military’s presence in N.C. The \$2 million in appropriated funds can be used throughout FY2020-21 for purposes such as making grants to local communities and conducting federal advocacy, among other items.



NCLM'S ROSE VAUGHN WILLIAMS UPDATES MAYORS ON BILLS MOVING THROUGH THE GENERAL ASSEMBLY.

LOCAL BILLS

[HB 477/SB198 Four-Year Terms/Town of Bethel](#) (Reps. K. Smith and Humphrey; Sen. D. Davis) - Law - SL 2020-308 effective June 25, 2020



House Rules Chairman David Lewis addresses his chamber in floor discussion.

This noncontroversial, bipartisan bill extended the terms of office for the five Bethel town commissioners and mayor from two to four years. The change is effective beginning with the 2021 election.

[HB 1055 City of Jacksonville/Deannexation](#) (Rep. Shepard) - Not Passed; [SB 201 Bolton, Dunn, Jacksonville Boundaries](#) (Sen. Britt) - Law - SL 2020-36 effective various dates

These two bills were the extent of legislation affecting municipal boundaries, and the provisions affecting Dunn and Jacksonville were noncontroversial and undertaken with the cooperation of local officials. That was not the case for the Bolton de-annexation, which was opposed by the town council. SB 201, which initially included only the Bolton de-annexation, had been successfully opposed in 2019, passing the Senate but not the House. After all three municipal boundary-related measures were placed into the bill in the House, the legislation cleared both chambers.

[HB 1144/SB 822 CARES Act Funds for Winston-Salem](#) (Reps. Montgomery and Terry; Sen. Lowe) - Not Passed; [HB 1166/SB 830 CARES Act Funds for Greensboro](#) (Reps. Harrison, Clemmons, Quick and Brockman; Sens. Robinson and Garrett) - Not Passed

These bills were filed due to disparities in the distribution of federal CARES Act dollars to address local government COVID-19 needs. Forsyth County had received only \$6.4 million at the time of the bill's filing, compared to a direct federal appropriation to neighboring Guilford County of \$94 million, with no guarantees initially that Winston-Salem would receive any of those dollars from Forsyth County. Ultimately, state legislators doubled that distribution to Forsyth County, along with those of other counties, with a stipulation that municipalities receive at least 25 percent of the sum. Greensboro faced a completely different situation. With Guilford County receiving a direct federal appropriation, but Greensboro not meeting the population threshold to receive direct aid, the city remained completely dependent on county government for any sharing of the dollars - as state distributions were directed only at the 97 counties not receiving direct appropriations. Neither bill was taken up by the General Assembly.

[HB 1154 Greater Asheville Regional Airport Authority](#) (Reps. McGrady and Fisher) - Law - SL 2020-11 effective June 17, 2020; [SB 795 Laurinburg-Maxton Airport Commission](#) effective June 16, 2020 (Sen. McInnis) - Law - SL 2020-19

These two bills made changes to the governing boards of two local airport commissions. HB 1154 changed how terms are staggered among the governing board for the Greater Asheville Regional Airport Authority. SB 795 made changes to the make-up and duties of the Laurinburg-Maxton Airport Commission, also renaming it the Southeast Regional Airport Authority.

HB 1165 Modify City Council/City of Winston-Salem (Rep. Montgomery) - Not Passed

This bill would have established two at-large seats on the Winston-Salem City Council, expanding the council seats from eight to 10. It was not taken up.

SB 286 Amend Fire Prot. Fees/Union/Brunswick (Sens. Rabon and Johnson) - Law - SL 2020-37 effective June 25, 2020

This legislation prevents any areas of Union and Brunswick counties annexed by cities or towns within local fire districts and that are noncontiguous to those municipalities to be removed from the fire districts.

SB 736 Williamston Emergency Facility Funds (Sen. Smith) - Not Passed

This bill would have provided the Town of Williamston with \$270,000 in order to receive matching federal dollars to upgrade police, fire and rescue facilities. It was not taken up.



Jones Street: Where the laws are made.

GENERAL GOVERNMENT

[HB 258/SB 158 Open Amusement Parks/Arcades/Venues](#) (Reps. Boles and McNeill; Sen. McInnis) – Vetoed; [HB 536 Temp Outdoor Restaurants for Outdoor Seating](#) (Reps. McGrady, Boles and Hardister) – Vetoed; [HB 594 Temp Open Gyms/Health Clubs/Fitness Cts.](#) (Reps. K. Hall, Howard, D. Hall and Richardson) – Vetoed; [HB 633 Temp. Outdoor Restaurant/Bar](#) (Reps. Davis, Faircloth, McNeill and Richardson) – Not Passed; [HB 686 Freedom to Celebrate the Fourth of July](#) (Rep. Stevens) – Vetoed; [HB 806 Open Exercise and Fitness Facilities](#) (Reps. Saine and Strickland) – Vetoed; [SB 105 Clarifying Emergency Powers](#) (Sens. J. Jackson, J. Davis and Britt) – Vetoed; [SB 599 Open Skating Rinks/Bowling Alleys](#) (Sens. Edwards, Wells and Horner) – Vetoed

Legislators – nearly all in the Republican governing majority – attempted eight times to negate Democratic Gov. Roy Cooper’s many executive orders, and all local states of emergency, issued in response to the COVID-19 state of emergency. Debates on these bills drew out fraught partisan differences, with each side accusing the other of not doing enough to support either the economy or public health during the state of emergency. In this set of proposals, with two exceptions, legislators focused on business sectors closed or otherwise limited under Cooper’s executive orders. In the other two examples, legislators preempted local control over certain fireworks displays in their jurisdictions (HB 686) or required consent by the Council of State for any statewide executive order to remain in effect if it lasted longer than 48 hours (SB 105). Cooper vetoed each bill that made it to his desk. Subsequently, legislative Democrats supported those vetoes in significant enough numbers that each of the veto override votes then called by legislative leadership failed.

[HB 425 Implement Conner’s Law](#) (Reps. Faircloth, McNeill, Ross and Boles) – Law – SL 2020-86 effective date July 1, 2020

Established in 2019 through the passage of House Bill 283, Conner’s Law increases the punishment for assault on law enforcement officers, parole officers and emergency personnel. It also provides an additional \$100,000 death benefit for public safety employees who are murdered in the line of duty. House bill 425 transfers \$1.2 million to the Department of State Treasurer to implement Conner’s Law.

[HB 431 FIBER NC Act](#) (Reps. Dobson, Lewis, Szoka and Corbin) – Not Passed; [HB 1105 COVID/Supplementary G.R.E.A.T. Grant Period](#) (Reps. Arp, Saine, B. Jones and Reives) – Passed House; [HB 1122 Provide Affordable Broadband Access to NC](#) (Reps. Queen, Russell, Brewer and Hunt) – Not Passed; [HB 1205 Expedited State Leasing-Broadband](#) (Reps. Arp and Saine) – Passed House; [HB 1228](#)



League President Jennifer Robinson listens to remarks from Immediate Past President William Pitt at a board meeting.

Satellite Broadband Grants (Reps. Saine, B. Jones, Wray and Szoka) - Not Passed; SB 212 Capital Appropriations/R&R/DIT/Cybersecurity (Sens. Krawiec and Hise) - Law - SL 2020-81, effective upon becoming law; SB 284 County Cybersec./Satellite Broadband Grants (Sen. Hise) - Not Passed

Heading into this legislative session, the topic of inadequate broadband remained at the forefront of public discussion, heightened by inadequacies revealed as the public adjusted to COVID-19 restrictions. Despite calls for solutions to the persistent lack of broadband access and infrastructure, legislators did not advance substantive solutions, such as those contained in last year's HB 431 FIBER NC Act or HB 1122, introduced this session. City officials considered the FIBER NC Act to be a top legislative priority, and it would have authorized local governments to build broadband infrastructure when leasing it to a private partner. In turn, the private partner could then use the leased infrastructure to provide broadband service. Instead of taking action on those more impactful policies, legislators instead passed only one of the broadband proposals introduced this session, HB 320/SB 212. That bill created a new funding category for satellite broadband providers in the state's G.R.E.A.T. grant program and in Section 9.(b) appropriated \$1 million to that category for this fiscal year.



Muni services carry on in COVID times.

HB 1063 Fund VIPER Tower Hardware Upgrades (Reps. McNeill, Boles and Davis) - Law - SL 2020-14 effective July 1, 2020

HB 1063 allocates \$19.8 million to VIPER, the Voice Interoperability Plan for Emergency Responders, which serves as the state's emergency response network, enabling first responders and others involved in emergency response to coordinate communication. The money, from federal CARES Act dollars, will go toward tower hardware upgrades.

HB 1226/SB 855 Recodification of Criminal Laws (Rep. Riddell; Sens. Wells, Daniel and Britt) - Not Passed

A longstanding push to decriminalize local ordinances and many other state laws continued this short session with SB 855. Promoted most heavily by the conservative interest group The John Locke Foundation, the topic of decriminalization would have received further scrutiny if this proposal had moved beyond its single Senate hearing. This bill would have created a new nine-member legislative working group to review penalties for violations of local ordinances, among other tasks related to cataloging and streamlining the state's criminal laws. Under the proposal, the working group would also oversee the work of a new Criminal Justice Innovation Lab. Housed at the School of Government but taking direction from the working group, the Lab would draft legislation and create a "streamlined, comprehensive, orderly, and principled criminal code." Specifically for local governments, the bill would direct the Lab to present policy options for "addressing ordinance crimes" consistent with the goals of the working group. To gain the perspective of local officials, the bill would require the working group to solicit feedback from groups such as the N.C. Association of Chiefs of Police. League requests to add other city officials to the list of consulted organizations were turned down by the bill sponsors.

**SB 739 Personal Delivery Device/PDD/
Delivery Robots (Sens. Perry, Searcy and
Sawyer) - Law - SL 2020-73, various
effective dates**

Retail delivery robots – or “personal delivery devices,” as they’re called in this new law – are now allowed to operate in the state, but only under the specific regulatory framework laid out in SB 739. The robots operate autonomously on sidewalks and streets to make retail deliveries to homes and businesses. Delivery services such as FedEx and Amazon pushed for this bill, and the League worked with the bill sponsors and company representatives to ensure local control when appropriate. Negotiations culminated in a compromise whereby local governments would retain the authority to regulate the devices as to time and place of operation, though local governments could not ban their use. This ordinance-making authority expires Dec. 1, 2022, but a local ordinance passed before that date would remain effective until repealed. Committee discussions of the proposal were lighthearted and overwhelmingly supportive of allowing the new technology in the state, and only one legislator voted against the bill as it made its way to the Governor’s desk.



L-R: NCLM Immediate Past President William Pitt, NCLM First Vice President Karen Alexander, Congressman Ted Budd and NCLM President Jennifer Robinson.

PLANNING & LAND USE

[SB 720 GSC Conforming Amends./2019 Land-Use Changes](#) (Sens. Edwards, Wells and D. Davis) - Law - SL 2020-25, various effective dates

The state's rewritten planning and land use statutes took a step closer to full implementation with SB 720, a proposal that incorporated planning legislation that passed into law after lawmakers began in 2019 to transition the state's statutes to a new Chapter 160-D. While lengthy, this year's law only made technical changes and corrections. Importantly for local governments, though, this year's law offered a six-month extension of the time allowed for them to bring their local codes in compliance with the new 160-D statutory language. Now, as a result of SB 720, local governments may take until July 1, 2021, to conform their local ordinances with 160-D. Ordinances in conflict with 160-D after that date would no longer be effective.

ENVIRONMENT & UTILITIES

[HB 308 Regulatory Reform Act of 2020](#) (Reps. Dixon, Strickland, Barnes and Conrad) - Law - SL 2020-74 effective various dates

This session's package of regulatory reforms was much smaller than past sessions, including only the non-controversial provisions from last session's vetoed bill. Included was a provision that extends the temporary lifting of the earnings caps for LGERS and TSERS retirees to return to work that was originally found in the COVID-19 Recovery Act (S.B. 704/S.L. 2020-3) from August 1, 2020 to August 31, 2020.

[HB 873 System Development Fee/Clarify Time of Charge](#) (Reps. Arp, Boles and McNeill) - Law - SL 2020-61, various effective dates

Changes to the laws governing payment and use of system development fees and changes to the laws authorizing sewer connections for accessory dwelling units made their way into law with the passage of HB 873. First, the point in time at which some water systems collect system development fees changed under new compromise language in Section 2 of the bill. The timing change was first proposed by the N.C. Home Builders Association (NCHBA), and the League negotiated with NCHBA and the bill sponsors to reduce the impact of the timing change on local government processes. As a result, water systems affected by the timing change are now only those that collected system development fees at the time of plat recordation. Those systems now must switch their collection time to a point later in the development process: either when an applicant applies for a building permit or when the water service was committed by the water system—whichever point is later. Then, Section 3 of the bill contained language requested by the League to clarify another part of the system development fee law and ensure that some water systems could utilize fee revenue to repay capital debt. Finally, the bill included an unrelated provision crafted with input from city officials which would streamline sewer connections for a form of affordable housing called “accessory dwelling units.”



NCLM lobbyist Erin Wynia addressing mayors in Pinehurst.

[HB 1087/SB 810 Water/Wastewater Public Enterprise Reform](#) (Rep. Lambeth; Sens. Brown, Harrington and B. Jackson) - Law - SL 2020-79 effective various dates

SL 2020-79 creates a new grant program that would support financially distressed public water and wastewater systems by facilitating viable operations and encouraging regionalization, providing \$9 million in non-recurring state funds. The law is the result of a yearlong legislative study and stakeholder process that focused on the more than [\\$17 billion in water and sewer infrastructure needs statewide](#) and also includes a study of the

feasibility of authorizing historical charters for units of local government. The final version of the bill included a variety of additional unrelated provisions, including reallocating some existing funds to specific local water and wastewater utility projects and addressing flood storage capacity.

In reating the new grant program, the language directs the type of water and wastewater system projects it can fund, including assistance for physical interconnection of systems; rehabilitation of existing infrastructure; decentralization; and the study rates, asset inventory, merger and regionalization options. In their discussions about system challenges, legislators noted the changing demographics of North Carolina, the lessening of federal funding to utilities, and the inability in some areas to charge ratepayers what is needed to keep the system in good condition. Also discussed was the fact that merger, consolidation, and regionalization are often impracticable because a utility in good financial standing will not burden its existing ratepayers by merging with a struggling utility. Legislators also recognized that there should be a structure in place to give viability grants to utilities to get them back to a baseline where merger, regionalization, or a sale of the system could even be possible without mandating such measures.

[HB 1088: Invest NC Bond Act of 2020](#) (Reps. Harris, von Haefen, R. Smith, and K. Smith) - Not Passed; **[HB 1225: Education & Transportation Bond Act of 2020](#) (Reps. Moore, Elmore, Torbett, Wray) - Passed House; **[SB 766: Rebuild a Better NC Bond Act](#) (Sens. Chaudhuri, Garrett, and deViere) - Not Passed****

This session saw multiple bond proposals that if passed would have put a question on the ballot this fall of whether to provide funding for various infrastructure needs through general obligation bonds. However, the only bill that received any consideration was HB 1225, which was sponsored by House Speaker Tim Moore. HB 1225 would authorize the issuance of \$3.1 billion in general obligation bonds - if approved by voters - to provide funding for both transportation and education needs across the state. The bill reserves \$1.5 billion for transportation infrastructure projects that included construction and renovation of highways, roads, bridges “and related road infrastructure.”

The House passed HB 1225 almost unanimously. However, amidst the economic downturn, the Senate did not consider the proposal. President Pro Tem Phil Berger told the Insider State Government News Service, “If your boss has told you that he’s cutting your pay next week, do you go out and borrow money to buy a new car? I just don’t know that that’s the answer.” HB 1088 and SB 766 were not considered in their respective chambers, but would have provided similar funding for various infrastructure needs through general obligation bonds, but also included water and wastewater infrastructure.

[HB 1108/SB 837 PFAS Contamination Mitigation Measures](#) (Reps. Harrison, Butler, Hunt and Clark; Sens. Garrett, Peterson and Woodard) - Not Passed); **[HB 1110/SB 838 PFAS Studies](#) (Reps. Harrison, Russell, Lofton and Reives; Sens. Garrett, Peterson and Woodard) - Not Passed**

Companion bills were introduced in both chambers related to study and regulation of the presence of certain perfluoroalkyl



L-R: NCLM Second Vice President Scott Neisler, NCLM Executive Director Paul Meyer and Speaker Tim Moore.

by and polyfluoroalkyl substances (PFAS chemicals) found in drinking water supplies, including studying the estimated costs incurred the State, local governments, businesses, and individuals in response to human and ecological exposure to PFAS. The bills were not considered by their respective chambers.

[HB 1163: Guilford Funds/Cabarrus Land/Brunswick Shellfish](#) (Reps. Faircloth and Hardister) - Law - SL 2020-63 effective various dates

This bill, as it affects municipalities, would take any unspent portions of an appropriation made to Guilford County and the towns of Oak Ridge, Stokesdale and Summerfield in 2016 and redistribute it to the three towns only with an equal share going to each. The funds were initially appropriated to regionalize and interconnect water systems. The redistributed money can be spent on the municipalities' water infrastructure projects, but must be spent by June 30, 2022 or revert back to the state's General Fund.

[SB 315 North Carolina Farm Act of 2019-20](#) (Sens. B. Jackson, Sanderson, Johnson) - Law - SL 2020-18 effective various dates

The chambers agreed to a large package of various agricultural related reforms after removing controversial provisions from the 2019 long session related to the regulation of hemp production and sale in the State through the implementation of a state hemp program.

[SB 750: Funds/Water & Sewer Bonds for Prison](#) (Sen. Steinburg) - Not Passed; [SB 753: Water Infrastructure Funds](#) (Sen. Steinburg) - Not Passed

Prior to the bill being altered in its entirety, SB 750 appropriated funds to pay off the principal water and sewer infrastructure for prisons. The bill would have appropriated \$3.253 million to Tyrell County and \$2.074 million to the town of Columbia to pay off sewer bonds. SB 753 provided a total of \$5.427 million to financially distressed public systems. Of the total allotment, \$3.353 million would go to Tyrell County for a federal loan used to construct a wastewater treatment and for emergency coverage of operating deficits. The remaining \$2.074 million would go to the town of Columbia to pay off principal for a federal loan for a wastewater treatment plant.

In 2011, Tyrell County and Columbia took out \$5.4 million in bonds to fund improvements to water and sewer infrastructure to serve the prison. Last December, the Department of Public Safety made the decision to close Tyrell Prison. This put Tyrell County and the town of Columbia in high risk of defaulting on debt. Although the aforementioned legislation did not pass, Governor Cooper and his administration allocated \$323,504 to assist the two entities. Of the total allotment, \$209,901 went to Tyrell County and the remaining \$113,603 went to the town of Columbia. The funds from the Cooper administration were intended to help cover the annual debt service payments associated with the water/sewer systems.

APPENDIX I

Municipal Advocacy Goals



Municipal Advocacy Goals

PUBLIC INFRASTRUCTURE

- Seek legislation granting local governments the authority to build broadband infrastructure and to partner with private internet service providers using long-term infrastructure leases.
- Seek legislation to ensure that the amount of Powell Bill funds appropriated by the state are sustained and distributions to municipalities are increased and grow over time.
- Seek legislation to boost funding availability for public transit and transportation programs.
- Seek legislation to provide additional grant funding to municipalities for equipment and facility needs for public safety (fire, police, EMS).
- Support measures, such as additional funding, to enhance cities' ability to meet federal and state stormwater control mandates.

FISCAL HEALTH AND ECONOMIC GROWTH

- Seek legislation that provides additional tools and financial resources for addressing the affordable housing crisis.
- Seek legislation to alter the current statutes governing distribution of local sales taxes by requiring a one-year delay in implementation when a county or the legislature changes its method of distributing sales tax revenue.
- Seek legislation to provide municipalities with authority for additional locally controlled revenue options and flexibility in the use of those options, including – but not limited to – city-only sales tax, city occupancy taxes, prepared meals taxes, and impact fees for transportation.
- Seek legislation that supports adequate, fair school funding between state and county in all school systems across the state by repealing municipal authority to fund schools.
- Support legislation which defends the fiscal integrity of the Local Government Employees' Retirement System and its defined benefit structure, promotes reasonable pension reforms that are prospective in nature, and meets the needs of local employees, employers, and retirees.
- Support legislation that will provide sufficient funding at the state level for incentive programs such as a competitive film incentive program, state historic preservation tax credits, and the Main Street Solutions fund necessary to grow jobs and the economy.

- Only support legislation providing additional post-employment benefits to public employees that includes a funding mechanism to fully support the cost and liability of the benefit and support the study of existing post-employment benefits, such as special separation allowance programs, to ensure that the liability of providing the benefit isn't solely borne by the last employer.
- Support legislation to revise the current methods of determining economic needs that are used by the state to allocate funds so that additional areas of the state in need may benefit from increased economic development, jobs, and see more entrepreneurial innovation.
- Support a system of spirituous liquor sales that maintains a local referendum about the decision to sell, preserves local control over the location and density of outlets, and preserves the local revenue stream.

MUNICIPAL AUTHORITY

- Oppose legislation that shifts to taxpayers the costs of overseeing development and completing development-initiated infrastructure.
- Oppose legislation that interferes with local management or ownership of local assets.
- Seek changes to the law governing the disclosure and release of law enforcement recordings to clarify that disclosure to a municipal manager is allowed and to allow disclosure to a city or town council or citizen review board in a closed session and under confidentiality agreements.

APPENDIX II

NCLM Public and Government Affairs Team

NCLM Public and Government Affairs Team

The League’s Government Affairs Team embodies the organization’s ideal of, “Working as one. Advancing all.” We are working on your behalf to make sure that the concerns of all North Carolina cities and towns are represented at the General Assembly, before state agencies during regulatory process, and wherever policies are considered that affect the state’s municipalities. If you have any questions, please do not hesitate to contact any team member.

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