



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER
STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

JANET COWELL
TREASURER

T. VANCE HOLLOMAN
DEPUTY TREASURER

Memorandum # 2012-02

TO: Local Government Officials

FROM: T. Vance Holloman, Deputy Treasurer

DATE: July 25, 2011

SUBJECT: Recent Enactment of Session Law 2011-291 (House Bill 595) Requiring Reporting of Certain Local Government Proposed Debt Issuances to Newly Created Joint Legislative Committee on Local Government

This memo is to advise you that, on June 24, 2011, the North Carolina General Assembly enacted a new statute G.S. 120-157.1 through 157.9 creating a Joint Legislative Committee on Local Government consisting of 14 members appointed by each chamber. The Committee's purpose and power is as follows:

“to review and monitor local government capital projects that are required to go before the Local Government Commission and require debt to be issued over one million dollars (\$1,000,000), with the exception of schools, jails, courthouses, and administrative buildings.”

The bill requires that all projects fitting the criteria above must be reported to the Joint Legislative Committee Chairs, Committee Assistant, and the Fiscal Research Division at least 45 days before presentation before the Local Government Commission. For the upcoming September 13 meeting of the Local Government Commission, that would require a filing by July 29, 2011.

Upon consultation with the State's public finance counsel, we believe this new reporting duty falls to the local governmental units. Although the Joint Legislative Committee has not yet been appointed, we recommend that proposed debt issuances meeting the criteria in this law (more than \$1 million dollars and outside the listed exception areas) be reported to the N. C. General Assembly by sending a letter to the following addresses:

325 NORTH SALISBURY STREET, RALEIGH, NORTH CAROLINA 27603-1385
Courier #56-20-45 Telephone (919) 807-2350 Fax (919) 807-2352

Physical Address: 4505 Fair Meadow Lane, Blue Ridge Plaza, Suite 102, Raleigh, NC 27607

Website: www.nctreasurer.com

Joint Legislative Committee on Local Government
Committee Chair and Committee Assistant
N. C. General Assembly
16 W. Jones Street
Raleigh, North Carolina 27601

AND

Fiscal Research Division
N. C. General Assembly
Suite 619
Legislative Office Bldg
300 N. Salisbury Street
Raleigh, North Carolina 27603-5925

Please also send a copy of your letter to:

Vance Holloman, Secretary
Local Government Commission
N. C. Department of State Treasurer
325 N. Salisbury Street
Raleigh, North Carolina 27603-1385

Each local government unit should also consult its own attorney or the unit's bond counsel for further legal advice on complying with the requirements of this new statute, particularly if any unit had a debt issuance meeting these criteria approved at the Commission's last meeting in July, 2011, or has such debt scheduled for consideration at the Commission's August, 2011 meeting.