

NORTH CAROLINA GENERAL ASSEMBLY
1979 SESSION

CHAPTER 1262
HOUSE BILL 1152

AN ACT TO PROVIDE FOR FISCAL INFORMATION ON ACTIONS AFFECTING
LOCAL GOVERNMENT FINANCES.

The General Assembly of North Carolina enacts:

Section 1. Short title. This act may be cited as the "Local Government Fiscal Information Act".

Sec. 2. Definitions. For the purposes of this act, "unit of local government" means counties, cities, towns, and incorporated villages, sanitary districts, mosquito control districts, hospital districts, metropolitan sewerage districts, metropolitan water districts, county water and sewer districts, special airport districts, water and sewer authorities, county boards of education and city boards of education.

Sec. 3. Purpose. It is the purpose of this act to provide procedures for the preparation and distribution of fiscal information on bills, resolutions, amendments to bills and resolutions or rules which if enacted or adopted would have a fiscal impact on the units of local government of this State.

Sec. 4. Fiscal note defined. For purposes of this act, "fiscal note" means a realistic statement of the estimated effect on the expenditures or revenues of units of local government of implementing or complying with a proposed bill, resolution or rule.

Sec. 5. Fiscal note on legislation. At the request of the sponsor of any bill or resolution affecting the expenditures or revenues of units of local government of this State, or of the chairman of the committee to which such a measure is referred, or of any of the chairmen of the Local Government Committees, or of any of the chairmen of the Appropriations, Finance, Rules, or Senate Ways and Means Committees, the Fiscal Research Division shall prepare a fiscal note containing an estimate of the impact of the measure on the finances of the units of local government affected during the ensuing two fiscal years. The Office of State Budget and Management, the Department of Revenue, the Department of the State Treasurer, the Department of the State Auditor, the State department most directly concerned, and, where appropriate, officials of units of local government, upon the request of Fiscal Research Division, shall assist the Fiscal Research Division in the preparation of the fiscal note.

Copies of fiscal notes prepared by the Fiscal Research Division shall be furnished to the sponsor of the bill or resolution, the chairmen of the Local Government Committees, and the chairmen of the Appropriations, Finance, Rules, or the Senate Ways and Means Committees as appropriate.

Sec. 6. Fiscal information related to requests for State appropriations. Any State department, institution, agency, or other authority making requests for State appropriations to fund changes in existing programs or for implementing new programs shall, if such changes or new programs would require local expenditures, incorporate as a part of the information submitted in support of the request a statement of the estimated fiscal effect on the units of local government.

Sec. 7. Legislation introduced by request. Any State department, institution, agency, or other authority requesting a member or members of the General Assembly to introduce legislation which if enacted would have a fiscal impact on the units of local

government of this State shall furnish to such member or members, and to the Fiscal Research Division, a fiscal note containing a realistic estimate of the effect of the measure for the ensuing two fiscal periods.

Sec. 8. Fiscal impact of administrative actions, (a) Any agency as defined in G.S. 150A-2(1) which is subject to Article 2 of Chapter 150A of the General Statutes (the rule-making provisions of the Administrative Procedure Act) shall not conduct any public hearing under G.S. 150A-12 on any proposed rule, or amendment or repeal of a rule, which can affect the expenditures or revenues of a unit of local government without first filing a fiscal note with the Fiscal Research Division, Office of State Budget and Management, the North Carolina Association of County Commissioners, the North Carolina League of Municipalities, and any unit of local government or other person which has requested on an annual basis that copies of fiscal notes be sent to it. The fiscal note shall be made available as provided above at the same time as the notice of a public hearing under G.S. 150A-12, provided, that nothing herein shall void the action of the agency if such fiscal note prepared in good faith is erroneous.

(b) This section shall not affect any emergency rule under G.S. 150A-13.

Sec. 9. This act shall become effective January 1, 1981.

In the General Assembly read three times and ratified, this the 25th day of June, 1980.