

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 185
Committee Substitute Favorable 3/11/25
PROPOSED COMMITTEE SUBSTITUTE H185-PCS40566-CO-14

Short Title: Transylvania Rural Development Authority.

(Local)

Sponsors:

Referred to:

February 26, 2025

A BILL TO BE ENTITLED
AN ACT ESTABLISHING THE TRANSYLVANIA RURAL DEVELOPMENT
AUTHORITY.

The General Assembly of North Carolina enacts:

SECTION 1. Establishment. – There is established a separate and independent body corporate and politic to be known as the Transylvania Rural Development Authority (the "Authority"). The Authority shall have all the powers and duties granted to a rural development authority established under Chapter 988 of the Session Laws of 1965, as amended by Chapter 931 of the Session Laws of 1969 and S.L. 2023-143. The board of commissioners of Transylvania County shall have no authority over the Authority.

SECTION 2. Membership; Organization; Removal. – (a) There shall be nine members of the Authority who shall be appointed by the Transylvania Economic Alliance. Each member shall be a resident of Transylvania County and shall serve a term of five years. In order to stagger the members' terms, the appointing authority shall, in appointing the initial members, appoint one member to serve a term of two years, one member to serve a term of three years, and one member to serve a term of five years. A member shall hold office until the member's successor is appointed and qualified. Vacancies for unexpired terms shall be promptly filled by the appointing authority, and the person appointed shall serve for the remainder of the unexpired term. A member shall receive no compensation for the member's services but shall, within the limit of available funds, be entitled to reimbursement of necessary expenses, including travel expenses, incurred in the discharge of duties.

(b) The members of the Authority shall select from among their membership a person to serve as chair, vice-chair, and any other officers they deem necessary to conduct the business of the Authority. The Authority shall adopt rules and regulations consistent with the provisions of Chapter 988 of the Session Laws of 1965, as amended, as necessary for the proper discharge of its duties. The chair may appoint committees that are authorized by the Authority's rules and regulations. The Authority shall meet regularly at the times and places specified in its rules and regulations, and special meetings may be called pursuant to those rules. All meetings shall be open to the public. A majority of the members shall constitute a quorum for all purposes.

(c) A member of the Authority may only be removed by the appointing authority for inefficiency or neglect of duty or misconduct in office. No member shall be removed unless the member has been given a copy of the charges at least 10 days prior to the hearing and has been given an opportunity to be heard in person or by counsel.

SECTION 3. Staff; Employees. – Within the limits of available funds, the Authority shall appoint the Transylvania Economic Alliance to operate the Authority. The Authority may



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1 delegate to one or more of its members, agents, or employees the powers and duties which it
2 deems necessary to carry out its powers and duties, subject always to the supervision and control
3 of the Authority.

4 **SECTION 4.** Interest of Members or Employees. – No member or employee of the
5 Authority shall (i) acquire any interest, direct or indirect, in any development project or any
6 property included, or planned to be included, in any development project, or in any area which
7 the member or employee may have reason to believe may be included in any development project
8 or (ii) have any interest, direct or indirect, in any contract or proposed contract for materials or
9 services to be furnished or used by the Authority or in connection with any development project.
10 The acquisition of any interest in a development project or in any property or contract as
11 described in this section shall constitute misconduct in office. If any member or employee of the
12 Authority shall have already owned or controlled within the preceding two years any interest,
13 direct or indirect, in any property later included or planned to be included in any development
14 project under the jurisdiction of the Authority, or has any interest in any contract for material or
15 services to be furnished or used in connection with any development project, the member or
16 employee shall disclose the interest in writing to the Authority, and the disclosure shall be entered
17 upon the minutes of the Authority. Failure to make a disclosure required by this section shall
18 constitute misconduct in office.

19 **SECTION 5.** Certificate of Incorporation. – The Authority shall file a copy of this
20 act with the Secretary of State and, upon receipt of the act, the Secretary of State shall issue a
21 certificate of incorporation. In any suit, action, or proceeding involving or relating to the validity
22 or enforcement of any contract or act of the Authority, a copy of the certificate of incorporation
23 duly certified by the Secretary of State shall be admissible in evidence and shall be conclusive
24 proof of the legal establishment of the Authority.

25 **SECTION 6.** Environmental Issues. – Notwithstanding any other provision of law,
26 neither Transylvania County or any other county, the State of North Carolina, or any other
27 governmental unit that provides funds to the Authority for a development project or other project
28 shall be liable for any environmental issues, known or unknown, related to the project solely
29 because of providing funds.

30 **SECTION 7.** This act applies only to Transylvania County.

31 **SECTION 8.** This act is effective when it becomes law.