

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 183
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Short Title: Various Local Provisions II.

(Local)

Sponsors:

Referred to:

February 25, 2025

A BILL TO BE ENTITLED
AN ACT TO MAKE VARIOUS CHANGES TO LOCAL LAWS IN NORTH CAROLINA.
The General Assembly of North Carolina enacts:

PART I. RESTRICT WAKE SURFING IN LAKE GLENVILLE

SECTION 1.1.(a) Definition. – For purposes of this section, wake surfing means the operation of a motorboat, as defined in G.S. 75A-2, to which weight has been added in the stern via water-filled tanks or other ballasts for the purpose of creating an artificially enlarged wake that is or is intended to be surfed by another person towed behind the motorboat.

SECTION 1.1.(b) Prohibition. – No person may engage in wake surfing within 200 feet of the shoreline or any structure, moored vessel, kayak, canoe, paddleboard, or swimmer.

SECTION 1.2. Violation. – A violation of this Part is a Class 1 misdemeanor punishable by a fine of not less than one hundred dollars (\$100.00) in addition to any other punishment prescribed for that offense.

SECTION 1.3. Enforcement. – This Part is enforceable by law enforcement officers of the Wildlife Resources Commission, by sheriffs and deputy sheriffs, and by other peace officers with general subject matter jurisdiction.

SECTION 1.4. Applicability. – This Part applies only to the waters of Lake Glenville in Jackson County.

SECTION 1.5. This Part becomes effective October 1, 2025, and applies to offenses committed on or after that date.

PART II. TRANSYLVANIA RURAL DEVELOPMENT AUTHORITY

SECTION 2.1. 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 2.2. 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



1 successor is appointed and qualified. Vacancies for unexpired terms shall be promptly filled by
2 the appointing authority, and the person appointed shall serve for the remainder of the unexpired
3 term. A member shall receive no compensation for the member's services but shall, within the
4 limit of available funds, be entitled to reimbursement of necessary expenses, including travel
5 expenses, incurred in the discharge of duties.

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

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

18 **SECTION 2.3.** Staff; Employees. – Within the limits of available funds, the
19 Authority shall appoint the Transylvania Economic Alliance to operate the Authority. The
20 Authority may delegate to one or more of its members, agents, or employees the powers and
21 duties which it deems necessary to carry out its powers and duties, subject always to the
22 supervision and control of the Authority.

23 **SECTION 2.4.** Interest of Members or Employees. – No member or employee of the
24 Authority shall (i) acquire any interest, direct or indirect, in any development project or any
25 property included, or planned to be included, in any development project, or in any area which
26 the member or employee may have reason to believe may be included in any development project
27 or (ii) have any interest, direct or indirect, in any contract or proposed contract for materials or
28 services to be furnished or used by the Authority or in connection with any development project.
29 The acquisition of any interest in a development project or in any property or contract as
30 described in this section shall constitute misconduct in office. If any member or employee of the
31 Authority shall have already owned or controlled within the preceding two years any interest,
32 direct or indirect, in any property later included or planned to be included in any development
33 project under the jurisdiction of the Authority, or has any interest in any contract for material or
34 services to be furnished or used in connection with any development project, the member or
35 employee shall disclose the interest in writing to the Authority, and the disclosure shall be entered
36 upon the minutes of the Authority. Failure to make a disclosure required by this section shall
37 constitute misconduct in office.

38 **SECTION 2.5.** Certificate of Incorporation. – The Authority shall file a copy of this
39 act with the Secretary of State and, upon receipt of the act, the Secretary of State shall issue a
40 certificate of incorporation. In any suit, action, or proceeding involving or relating to the validity
41 or enforcement of any contract or act of the Authority, a copy of the certificate of incorporation
42 duly certified by the Secretary of State shall be admissible in evidence and shall be conclusive
43 proof of the legal establishment of the Authority.

44 **SECTION 2.6.** Environmental Issues. – Notwithstanding any other provision of law,
45 neither Transylvania County or any other county, the State of North Carolina, or any other
46 governmental unit that provides funds to the Authority for a development project or other project
47 shall be liable for any environmental issues, known or unknown, related to the project solely
48 because of providing funds.

49 **SECTION 2.7.** This Part applies only to Transylvania County.

50
51 **PART III. HERTFORD COUNTY RURAL DEVELOPMENT AUTHORITY**

1 **SECTION 3.1.** Section 23 of Chapter 988 of the 1965 Session Laws, as amended by
2 Chapter 931 of the 1969 Session Laws, and by Section 14 of S.L. 2023-143, reads as rewritten:

3 **"Sec. 23.** This Act shall only apply to the counties of Cherokee, Clay, Graham, Hertford,
4 Jackson, Macon, Swain, Transylvania, and Yancey."

5
6 **PART IV. TOWN OF MOORESVILLE PROPERTY CONVEYANCES**

7 **SECTION 4.1.** Article XI of the Charter of Mooresville, being Chapter 239 of the
8 Session Laws of 1975, as amended, is amended by adding a new section to read:

9 "Sec. 11.4. Conveyance of property. (a) Notwithstanding any other provision of law, the
10 Board of Commissioners may, with or without consideration, and upon such terms as it deems
11 wise, convey real property owned by the Town for one or more of the following purposes: (i)
12 affordable housing for low- and moderate-income persons, (ii) housing for veterans, and (iii)
13 housing for emergency responders; provided, however, no real property acquired by the exercise
14 of eminent domain may be conveyed under this section. The deed conveying the real property
15 may contain a restriction which provides that the real property shall revert to the Town if it ceases
16 to be used for increasing the supply of housing, as authorized in this section, prior to the
17 expiration of the time period established by the Board of Commissioners. Any conveyance of
18 real property under this section may be made only pursuant to a resolution adopted by the Board
19 of Commissioners at a regular or special meeting authorizing a municipal official designated by
20 the Board of Commissioners in accordance with this Charter or general or local law to make the
21 conveyance for one or more of the purposes authorized in this section. The resolution shall be
22 posted on the Town's website at least 10 calendar days prior to the date the conveyance is
23 executed by the municipal official.

24 (b) For purposes of this section, the following definitions shall apply:

25 (1) Emergency responder. – A firefighter, law enforcement officer, paramedic,
26 emergency medical technician, or other individual, including an employee of
27 a legally organized and recognized volunteer organization, whether
28 compensated or not, who, in the course of his or her professional duties,
29 responds to fire, medical, hazardous material, or other similar emergencies.

30 (2) Veteran. – A person who served as a member of the United States Armed
31 Forces in active duty, as defined by 38 U.S.C. § 101, and who was either
32 separated from the United States Armed Forces under honorable conditions or
33 who is currently serving in a second or subsequent enlistment. The term also
34 means a person who was separated from the United States Armed Forces
35 under honorable conditions with a disability that was incurred (i) as a direct
36 result of armed conflict or (ii) while the person was engaged in
37 extra-hazardous service, including service under conditions simulating war."

38
39 **PART V. CITY OF WILMINGTON PROPERTY CONVEYANCES**

40 **SECTION 5.1.** Section 13.8 of the Charter of the City of Wilmington, as amended
41 by Chapter 615 of the Session Laws of 1991, reads as rewritten:

42 **"Sec. 13.8. Conditions and Restrictions on the Sale of Property.** (a) The City of
43 Wilmington may make any sale, exchange, or transfer of property pursuant to G.S. 160A-268,
44 160A-269, 160A-270, or 160A-271 in any manner authorized by general or local law, subject to
45 such covenants, conditions, and restrictions as the City Council may deem to be in the public
46 interest.

47 (b) Conveyance of real property with restrictions. The City Council may, in addition to
48 other authorized means, approve the sale, exchange, or transfer of the fee or any lesser interest
49 in real property, either by public sale or by negotiated private sale. The transfer shall be in
50 furtherance of adopted City policies or plans for the area. The City may attach to the transfer and
51 to the interest conveyed any covenants, conditions, or restrictions, or a combination of them, the

City deems necessary to further the adopted policies or plans. The consideration received by the City for the conveyance may reflect the restricted use of the property resulting from the covenants, conditions, or restrictions. The City may invite bids or written proposals, including detailed development plans and site plans, for the purchase of any such property or property interest, whether by sale, exchange, or other transfer, pursuant to the specifications as may be approved by the City. A sale, exchange, or other transfer of real property, or interest therein, pursuant to this section may be made contingent upon any necessary rezoning of the property. Any conveyance under this section may be made only pursuant to a resolution of the City Council authorizing the conveyance. Notice by publication of the proposed transaction shall be given at least 10 days prior to adoption of the resolution, and the notice shall generally describe (i) the property involved, (ii) the nature of the interest to be conveyed, and (iii) all of the material terms of the proposed transaction, including any covenants, conditions, or restrictions which may be applicable. The notice shall give the time and place of the City Council meeting where the proposed transaction will be considered and shall announce the Council's intention to authorize the proposed transaction. The authority contained in this section is in addition to, and not in limitation of, any other authority granted by this Charter or any other general or local law."

PART VI. ALLOW ONSLOW COUNTY TO DELEGATE REZONING AUTHORITY

SECTION 6.1. G.S. 160D-602 reads as rewritten:

"§ 160D-602. Notice of hearing on proposed zoning map amendments.

...

(f) Delegation. – The governing board may, by ordinance, delegate to the planning board the authority to conduct the hearing required under this Article and make the final decision on zoning map amendment proposals, including the adoption of a consistency statement pursuant to this Article. The governing board may prescribe procedures for the hearing that are not inconsistent with this Article. The planning board shall make its final decision by majority vote of the members of the planning board. Any person with standing may appeal a decision of the planning board made pursuant to this subsection to the governing board by providing written notice to the clerk to the governing board within 15 days of the final decision. On appeal, the governing board shall review the decision of the planning board de novo. If no notice of appeal of the planning board decision is provided within 15 days of the final decision, then the decision of the planning board shall be final and equivalent to the final decision of the governing board. The governing board may, by ordinance, rescind or modify any authority delegated to the planning board pursuant to this subsection."

SECTION 6.2. This Part applies only to Onslow County.

PART VII. HENDERSONVILLE PUBLIC ENTERPRISE CHANGES

SECTION 7.1. G.S. 160A-312 reads as rewritten:

"§ 160A-312. Authority to operate public enterprises.

(a) A city shall have authority to acquire, construct, establish, enlarge, improve, maintain, own, operate, and contract for the operation of any or all of the public enterprises as defined in this Article to furnish services to the city and its ~~citizens~~. citizens and other areas and their citizens located outside the corporate limits of the city. Subject to Part 2 of this Article, a city may acquire, construct, establish, enlarge, improve, maintain, own, and operate any public enterprise outside its corporate limits, within reasonable ~~limitations, but in no case shall a city be held liable for damages to those outside the corporate limits for failure to furnish any public enterprise service.~~ limitations.

(b) A city shall have full authority to protect and regulate any public enterprise system belonging to or operated by it by adequate and reasonable rules. The rules shall be adopted by ordinance, and shall comply with all of the following:

- (1) The rules shall apply equally to the public enterprise system both within and outside the corporate limits of the city, and city.
- (2) The rules may not apply differing treatment within and outside the corporate limits of the city.
- (3) The rules shall make access to public enterprise services available to the city and its citizens and other areas and their citizens located outside the corporate limits of the city equally.
- (4) The rules may prioritize the continuation of the provision of services based on availability of excess capacity to provide the service.
- (5) The rules may be enforced with the remedies available under any provision of law.

...
(d) A city shall account for a public enterprise in a separate fund and may not transfer any money from that fund to another except for a capital project fund established for the construction or replacement of assets for that public enterprise. Obligations of the public enterprise may be paid out of the separate fund. Obligations shall not include any other fund or line item in the city's budget."

SECTION 7.2. G.S. 160A-31 reads as rewritten:

"§ 160A-31. Annexation by petition.

(a) The governing board of any municipality may annex by ordinance any area contiguous to its boundaries upon presentation to the governing board of a petition signed by the owners of all the real property located within such area. The petition shall be signed by each owner of real property in the area and shall contain the address of each such ~~owner~~ owner and a statement that the owner's petition for annexation is not based upon any representation by the municipality that a public enterprise service available outside the corporate limits of that municipality would be withheld from the owner's property without the petition for annexation.

...."

SECTION 7.3. G.S. 160A-58.1 reads as rewritten:

"§ 160A-58.1. Petition for annexation; standards.

...

(c) The petition shall contain the names, addresses, and signatures of all owners of real property within the proposed satellite corporate limits (except owners not required to sign by subsection (a)), shall describe the area proposed for annexation by metes and bounds, and shall have attached thereto a map showing the area proposed for annexation with relation to the primary corporate limits of the annexing city. The petition shall also contain a statement from the owner that the owner's petition for annexation is not based upon any representation by the municipality that a public enterprise service available outside the corporate limits of that municipality would be withheld from the owner's property without the petition for annexation. When there is any substantial question as to whether the area may be closer to another city than to the annexing city, the map shall also show the area proposed for annexation with relation to the primary corporate limits of the other city. The city council may prescribe the form of the petition.

...."

SECTION 7.4. This Part applies only to the City of Hendersonville. Section 7.1 of this Part shall not apply to the operation of public transportation systems or off-street parking facilities and systems as public enterprises.

SECTION 7.5. This Part becomes effective June 30, 2025. Section 7.1 of this Part applies to the 2025-2026 fiscal year and to each fiscal year thereafter. Any assets, liabilities, or equity of a public enterprise operated or held by the City of Hendersonville in the 2025-2026 fiscal year shall be transferred to a separate fund in accordance with G.S. 160A-312, as amended

by Section 7.1 of this Part, when this Part becomes law. Sections 7.2 and 7.3 of this Part apply to petitions for annexation received by the City of Hendersonville on or after June 30, 2025.

PART VIII. MILLS RIVER UNIFIED DEVELOPMENT ORDINANCE

SECTION 8.1.(a) Notwithstanding G.S. 160D-601, as amended by Section 3K.1(a) of S.L. 2024-57, the Town of Mills River may adopt the unified development ordinance initiated by the Town Council in October 2024.

SECTION 8.1.(b) This Part is effective when it becomes law, and any adoption of the unified development ordinance shall occur on or before July 1, 2026.

PART IX. HENDERSON COUNTY UDO DEFINITIONS

SECTION 9.1.(a) Notwithstanding G.S. 160D-601, as amended by Section 3K.1(a) of S.L. 2024-57, Henderson County may amend definitions in its unified development ordinance, not inconsistent with Chapter 160D of the General Statutes, to eliminate or modify uses allowed by right in all zoning districts.

SECTION 9.1.(b) This Part is effective when it becomes law, and any amendment of the unified development ordinance shall occur on or before October 1, 2025.

PART X. ELIMINATE ETJ IN HENDERSON COUNTY

SECTION 10.1.(a) Notwithstanding the provisions of G.S. 160D-202, no municipality in Henderson County shall exercise any of the powers granted to cities under Chapter 160D of the General Statutes or its predecessor, Article 19 of Chapter 160A of the General Statutes, beyond its contiguous corporate limits.

SECTION 10.1.(b) The relinquishment of jurisdiction over an area that a municipality in Henderson County is regulating under the authority of Chapter 160D of the General Statutes or its predecessor, Article 19 of Chapter 160A of the General Statutes, shall become effective July 1, 2025.

SECTION 10.1.(c) Upon relinquishment of jurisdiction over an area that a municipality in Henderson County is regulating under the authority of Chapter 160D of the General Statutes or its predecessor, Article 19 of Chapter 160A of the General Statutes, the following shall apply:

- (1) The municipality's regulations and powers of enforcement shall remain in effect until (i) Henderson County has adopted the regulation or (ii) a period of 60 days has elapsed following July 1, 2025, the date the relinquishment becomes effective, whichever is sooner. Prior to the transfer of jurisdiction, Henderson County may hold hearings and take other measures consistent with G.S. 160D-204 that may be required in order to adopt and apply its development regulations for the area at the same time it assumes jurisdiction.
- (2) Any person who has acquired vested rights in a municipality in Henderson County may exercise those rights as if no change of jurisdiction had occurred. Henderson County, in acquiring jurisdiction over the area, may take any action regarding the development approval, certificate, or other evidence of compliance that could have been taken by the municipality pursuant to its development regulations. Except as provided in this subdivision, any building, structure, or other land use in an area over which Henderson County has acquired jurisdiction is subject to the development regulations of Henderson County.

PART XI. HENDERSON COUNTY REZONING APPROVAL

SECTION 11.1.(a) If a municipality in Henderson County annexes property under Part 1 or Part 4 of Article 4A of Chapter 160A of the General Statutes, no rezoning under Chapter

160D of the General Statutes of any area that includes the annexed property, or any part thereof, may occur without the approval of both the governing body of the municipality and the Henderson County Board of Commissioners.

SECTION 11.1.(b) This Part applies only to Henderson County and any municipality located wholly or partly in Henderson County seeking to annex an area located wholly within Henderson County.

SECTION 11.1.(c) This Part becomes effective July 1, 2025, and applies to annexations initiated on or after that date.

PART XII. HENDERSON COUNTY/BLUE RIDGE COMMUNITY COLLEGE CONSTRUCTION

SECTION 12.1.(a) Notwithstanding G.S. 115D-9, 115D-15.1, and 143-341(3) or any other provision of law, Henderson County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campuses of Blue Ridge Community College (hereinafter "College") located within the County. For purposes of this Part, the term "construct" and "construction" includes making additions, improvements, renovations, or repairs to all or any part of a community college building. The County may finance the construction of these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. If the County finances the construction of any building on the College's campuses, the College Board of Trustees may, in connection with the construction, transfer any of its property to the County to be used as security for the financing agreement. The County shall transfer the property back to the College Board of Trustees when any financing agreement entered into by the County to finance the construction, including any additions, improvements, renovations, and repairs, has been satisfied. The County may also construct the community college buildings using other funding sources, including appropriations made by the General Assembly. Upon the completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and College.

SECTION 12.1.(b) In constructing buildings as authorized by this Part, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Article 3D of Chapter 143 of the General Statutes and Article 8 of Chapter 143 of the General Statutes. The County shall consult with the College Board of Trustees about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress.

SECTION 12.1.(c) The County and College Board of Trustees may enter into a memorandum of understanding to allow for the construction of community college buildings by the County on the campuses of the College located within the County, if deemed appropriate by the County and College, and if the terms of the memorandum will allow for the construction to be completed in a timely fashion and cost-efficient manner.

SECTION 12.2. This Part is effective when it becomes law and applies only to construction projects, including additions, improvements, renovations, and repairs, coordinated by the County for College uses and purposes.

PART XIII. JOHNSTON COUNTY/JOHNSTON COMMUNITY COLLEGE CONSTRUCTION

SECTION 13.1.(a) Notwithstanding G.S. 115D-9, 115D-15.1, and 143-341(3) or any other provision of law, Johnston County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campuses of Johnston Community College (hereinafter "College"). For the purposes of this Part, the terms "construct" and "construction" include making additions, improvements, renovations, or repairs to all or any part of a community college building. The County may finance the construction of

these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. If the County finances the construction of any building on the College's campuses, the College Board of Trustees may, in connection with the construction, transfer any of its property to the County to be used for security for the financing agreement. The County shall transfer the property back to the College Board of Trustees when any financing agreement entered into by the County to finance the construction has been satisfied. The County may also construct the community college buildings using other funding sources, including appropriations made by the General Assembly. Upon completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and the College.

SECTION 13.1.(b) In constructing buildings as authorized by this Part, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Articles 3D and 8 of Chapter 143 of the General Statutes. The County shall consult with the College Board of Trustees about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress.

SECTION 13.1.(c) Prior to the construction of any building authorized by this Part, the County and College Board of Trustees shall enter into a memorandum of understanding that sets forth the roles and responsibilities of each party for the construction of community college buildings on the campuses of the College so that construction is completed in a timely fashion and cost-efficient manner.

SECTION 13.2. This Part is effective when it becomes law and applies only to construction projects, including additions, improvements, renovations, and repairs, coordinated by the County for College uses and purposes.

PART XIV. RUTHERFORD COUNTY/ISOTHERMAL COMMUNITY COLLEGE CONSTRUCTION

SECTION 14.1.(a) Notwithstanding G.S. 115D-9, 115D-15.1, and 143-341(3) or any other provision of law, Rutherford County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campuses of Isothermal Community College (hereinafter "College") located within the County. For purposes of this Part, the terms "construct" and "construction" include making additions, improvements, renovations, or repairs to all or any part of a community college building. The County may finance the construction of these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. If the County finances the construction of any building on the College's campuses, the College Board of Trustees may, in connection with the construction, transfer any of its property to the County to be used as security for the financing agreement. The County shall transfer the property back to the College Board of Trustees when any financing agreement entered into by the County to finance the construction, including any additions, improvements, renovations, and repairs, has been satisfied. The County may also construct the community college buildings using other funding sources, including appropriations made by the General Assembly. Upon the completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and College.

SECTION 14.1.(b) In constructing buildings as authorized by this Part, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Article 3D of Chapter 143 of the General Statutes and Article 8 of Chapter 143 of the General Statutes. The County shall consult with the College Board of Trustees about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress.

1 **SECTION 14.1.(c)** The County and College Board of Trustees may enter into a
2 memorandum of understanding to allow for the construction of community college buildings by
3 the County on the campuses of the College located within the County if deemed appropriate by
4 the County and College and if the terms of the memorandum will allow for the construction to
5 be completed in a timely fashion and cost-efficient manner.

6 **SECTION 14.2.** This Part is effective when it becomes law and applies only to
7 construction projects, including additions, improvements, renovations, and repairs, coordinated
8 by the County for College uses and purposes.

9
10 **PART XV. TOWN OF BOILING SPRINGS CHARTER/OCCUPANCY TAX**

11 **SECTION 15.1.(a)** The Charter of the Town of Boiling Springs is revised and
12 consolidated to read:

13 "THE CHARTER OF THE TOWN OF BOILING SPRINGS.

14 "ARTICLE I. INCORPORATION AND CORPORATE POWERS.

15 "Section 1.1. Incorporation. The Town of Boiling Springs, in Cleveland County, North
16 Carolina, and the inhabitants thereof, shall continue to be a municipal body politic and corporate,
17 under the name of the "Town of Boiling Springs," hereinafter referred to as the "Town."

18 "Section 1.2. Powers. The Town shall continue to be vested with all of the property and
19 rights in property belonging to the Town; shall have perpetual succession; may sue and be sued;
20 may contract and be contracted with; may acquire and hold any property, real and personal,
21 devised, bequeathed, sold, or in any manner conveyed, dedicated to, or otherwise acquired by it;
22 and, from time to time, may hold, invest, sell, or dispose of the same, may have a common seal,
23 and alter and renew the same at will. The enumeration of any particular powers, rights,
24 immunities, or authorities shall not be held or deemed to be exclusive. In addition to any powers,
25 rights, or authorities enumerated or implied under this Charter, the Town shall have and may
26 exercise all the powers, functions, duties, rights, privileges, and immunities of every kind and
27 nature whatsoever conferred upon the Town now or in the future under the general laws of the
28 State of North Carolina, local acts applicable to the Town, and this Charter.

29 "ARTICLE II. CORPORATE BOUNDARIES.

30 "Section 2.1. Corporate Boundaries. The corporate limits of the Town shall be those existing
31 at the time of ratification of this Charter, as the same are set forth on an official map of the Town,
32 and as such limits may be altered from time to time in accordance with law. An official map of
33 the Town, showing the current municipal boundaries, shall be maintained permanently in the
34 office of the Town Clerk and shall be available for public inspection. Upon alteration of the limits
35 pursuant to law, the appropriate changes to the official map of the Town shall be made and copies
36 shall be filed in the office of the Secretary of State, the Cleveland County Register of Deeds, and
37 the Cleveland County Board of Elections.

38 "ARTICLE III. GOVERNING BODY.

39 "Section 3.1. Governing Body. The Town Council (hereinafter "Council") and the Mayor
40 shall be the governing body of the Town. When the context of this Charter requires it, "the Town"
41 shall mean the governing body of the Town.

42 "Section 3.2. Composition of Town Council. The Council shall consist of five members,
43 each to be elected at large by the qualified voters of the Town in the manner provided in Article
44 IV of this Charter.

45 "Section 3.3. Mayor. The Mayor shall be elected by the qualified voters of the Town voting
46 at large in the manner provided in Article IV of this Charter. The Mayor shall be the official head
47 of the Town government and shall preside at all meetings of the Council. The Mayor shall vote
48 only in the case of a tie.

49 "Section 3.4. Mayor Pro Tempore. In accordance with general law, the Council shall elect
50 one of its members to act as Mayor Pro Tempore to perform the duties of the Mayor during the
51 Mayor's absence.

"Section 3.5. Terms and Vacancies. Members of the Council shall serve staggered four-year terms with three members elected in the same election every four years and two members and the Mayor elected in the same election two years thereafter. The Mayor shall serve a four-year term. Vacancies that occur in any elective office of the Town shall be filled in accordance with G.S. 160A-63.

"Section 3.6. Meetings. In accordance with general law, the Council shall establish a suitable time and place for its regular meetings. Special and emergency meetings may be held as provided by general law. Official actions of the Council and all votes shall be taken in accordance with the applicable provisions of general law.

"ARTICLE IV. ELECTIONS.

"Section 4.1. Regular Municipal Elections. Regular municipal elections shall be held in each odd-numbered year in accordance with the uniform municipal election laws of North Carolina. The election of members of the Council and the Mayor shall be conducted on a nonpartisan basis, and the results determined using the nonpartisan plurality method as provided by G.S. 163-292.

"ARTICLE V. ORGANIZATION AND ADMINISTRATION.

"Section 5.1. Form of Government. The Town shall operate under the council-manager form of government in accordance with Part 2 of Article 7 of Chapter 160A of the General Statutes.

"Section 5.2. Town Manager. The Council shall appoint a Town Manager to serve at its pleasure who shall be the chief administrative official of Town government, and who shall be responsible to the Council for the proper administration of the affairs of the Town. The Town Manager shall have those powers and duties provided by general law. In addition, the Town Manager shall appoint the Town Clerk, Finance Officer, Tax Collector, and Chief of Police and may create new positions or departments or assign additional functions to offices, positions, or departments as provided by general law.

"Section 5.3. Town Attorney. The Council shall appoint a Town Attorney who shall represent the Town, advise Town officials, and perform other duties required by law or as the Council may direct."

SECTION 15.1.(b) The purpose of this section is to revise the Charter of the Town of Boiling Springs and to consolidate certain acts concerning the property, affairs, and government of the Town. It is intended to continue without interruption those provisions of prior acts that are expressly consolidated into this section and those provisions of prior acts which are not inconsistent with the foregoing so that all rights and liabilities which have accrued are preserved and may be enforced.

SECTION 15.1.(c) This section does not repeal or affect any acts concerning the property, affairs, or government of public schools or any acts validating official actions, proceedings, contracts, or obligations of any kind.

SECTION 15.1.(d) The following acts, having served the purposes for which they were enacted or having been consolidated into this section, are expressly repealed:

- (1) Chapter 279 of the Private Laws of 1911.
- (2) Chapter 273 of the Private Laws of 1913.
- (3) Chapter 1188 of the 1951 Session Laws.
- (4) Chapter 668 of the 1957 Session Laws.

SECTION 15.1.(e) This section does not affect any rights or interests that arose under any provisions repealed by this section.

SECTION 15.1.(f) All existing ordinances, resolutions, and other provisions of the Town of Boiling Springs not inconsistent with the provisions of this section shall continue in effect until repealed or amended.

SECTION 15.1.(g) Whenever a reference is made in this section to a particular provision of the General Statutes and such provision is later amended, superseded, or recodified, the reference shall be deemed amended to refer to the amended General Statute or to the General Statute that most clearly corresponds to the statutory provision that is superseded or recodified.

1 **SECTION 15.1.(h)** If any provision of this section or application thereof is held
2 invalid, such invalidity shall not affect other provisions or applications of this section that can be
3 given effect without the invalid provision or application and, to this end, the provisions of this
4 Part are declared to be severable.

5 **SECTION 15.2.(a)** Part II of S.L. 2006-148 reads as rewritten:

6 **"PART II. BOILING SPRINGS OCCUPANCY TAX**

7 **"SECTION 2.1.** Occupancy Tax. – (a) Authorization and Scope. – The Boiling Springs
8 Town Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts
9 derived from the rental of ~~any room, lodging, or an accommodation furnished by a hotel, motel,~~
10 ~~inn, tourist camp, or similar place~~ within the town that is subject to sales tax imposed by the State
11 under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. ~~This tax does~~
12 ~~not apply to accommodations furnished by nonprofit charitable, educational, or religious~~
13 ~~organizations when furnished in furtherance of their nonprofit purpose.~~

14 **"SECTION 2.1.(b)** Administration. – A tax levied under this section shall be levied,
15 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
16 G.S. 160A-215 apply to a tax levied under this section.

17 **"SECTION 2.1.(c)** Distribution and Use of Tax Revenue. – The Town of Boiling Springs
18 ~~shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Boiling Springs~~
19 ~~Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted~~
20 ~~to it under this subsection~~ net proceeds of the occupancy tax to promote travel and tourism in
21 Boiling Springs and shall use the remainder for tourism-related expenditures.

22 The following definitions apply in this subsection:

- 23 (1) Net proceeds. – Gross proceeds less the cost to the town of administering and
24 collecting the tax, as determined by the finance officer, not to exceed three
25 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
26 proceeds collected each year and one percent (1%) of the remaining gross
27 receipts collected each year.
- 28 (2) Promote travel and tourism. – To advertise or market an area or activity,
29 publish and distribute pamphlets and other materials, conduct market research,
30 or engage in similar promotional activities that attract tourists or business
31 travelers to the area. The term includes administrative expenses incurred in
32 engaging in the listed activities.
- 33 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
34 ~~Tourism Development Authority, town,~~ are designed to increase the use of
35 lodging facilities, meeting facilities, or convention facilities in a town or to
36 attract tourists or business travelers to the town. The term includes
37 tourism-related capital expenditures.

38 ~~**"SECTION 2.2.** Boiling Springs Tourism Development Authority. – (a) Appointment and~~
39 ~~Membership. – When the Boiling Springs Town Council adopts a resolution levying a room~~
40 ~~occupancy tax under this Part, it shall also adopt a resolution creating a town Tourism~~
41 ~~Development Authority, which shall be a public authority under the Local Government Budget~~
42 ~~and Fiscal Control Act. The resolution shall provide for the membership of the Authority,~~
43 ~~including the members' terms of office, and for the filling of vacancies on the Authority. At least~~
44 ~~one-third of the members must be individuals who are affiliated with businesses that collect the~~
45 ~~tax in the town, and at least one-half of the members must be individuals who are currently active~~
46 ~~in the promotion of travel and tourism in the town. The town council shall designate one member~~
47 ~~of the Authority as chair and shall determine the compensation, if any, to be paid to members of~~
48 ~~the Authority.~~

49 ~~The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern~~
50 ~~its meetings. The Finance Officer for Boiling Springs shall be the ex officio finance officer of~~
51 ~~the Authority.~~

~~"SECTION 2.2.(b) Duties. The Authority shall expend the net proceeds of the tax levied under this Part for the purposes provided in this Part. The Authority shall promote travel, tourism, and conventions in the town, sponsor tourist-related events and activities in the town, and finance tourist-related capital projects in the town.~~

~~"SECTION 2.2.(c) Reports. The Authority shall report quarterly and at the close of the fiscal year to the Boiling Springs Town Council on its receipts and expenditures for the preceding quarter and for the year in such detail as the town council may require."~~

SECTION 15.2.(b) This section becomes effective July 1, 2025. Any funds not expended by the Boiling Springs Tourism Development Authority as of July 1, 2025, shall be remitted to the Boiling Springs Town Council to be used for the same purposes as authorized for the Boiling Springs Tourism Development Authority.

PART XVI. TEMPORARILY MODIFY DISTRIBUTION AND USE OF LOCAL SALES AND USE TAX ALLOCATED TO BUNCOMBE COUNTY AND MAKE TECHNICAL CHANGES TO BUNCOMBE SCHOOL CAPITAL FUND COMMISSION

SECTION 16.1.(a) Notwithstanding Section 6 of Chapter 134 of the 1983 Session Laws, as amended by Chapter 534 of the 1983 Session Laws and S.L. 2016-19, directing that one-half of the local government sales and use tax revenue be distributed to the School Capital Fund Commission for Buncombe County (Commission), the Secretary of Revenue shall distribute one hundred percent (100%) of the net proceeds of the local government sales and use tax revenue collected by Buncombe County under Article 39 of Chapter 105 of the General Statutes in accordance with G.S. 105-472 using the ad valorem method of distribution. Notwithstanding the provision in G.S. 105-472 allowing counties to change the method of distribution, Buncombe County is not permitted to change the method of distribution for any year for which the distribution and use provisions of this Part apply.

SECTION 16.1.(b) Notwithstanding the use provisions in Sections 9 through 12 of Chapter 134 of the 1983 Session Laws, as amended by Chapter 534 of the 1983 Session Laws and S.L. 2016-19, and applicable to the funds distributed to the Commission, Buncombe County shall use the net proceeds of the local government sales and use tax revenue collected under Article 39 of Chapter 105 of the General Statutes and allocated to Buncombe County under subsection (a) of this section as follows:

(1) Fifty percent (50%) for school capital outlay purposes, as defined in G.S. 115C-426(f), or to retire any indebtedness incurred by the County for these purposes, and for school operating expenses. The Commission shall serve in an advisory capacity to the Buncombe County Board of County Commissioners with respect to the use of funds under this subdivision for school capital outlay purposes by considering the capital needs of both the Buncombe County School System and the Asheville City School System, prioritizing those needs, and recommending projects to be funded. However, the use of funds under this subdivision shall not be under the control of the Commission and shall be determined by the board of commissioners.

(2) Fifty percent (50%) for any public purpose.

SECTION 16.1.(c) This section applies only to Buncombe County.

SECTION 16.1.(d) This section is effective when it becomes law and applies to net proceeds distributed to Buncombe County by the Secretary of Revenue under Article 39 of Chapter 105 of the General Statutes on or after July 1, 2025, and expires on June 30, 2027.

SECTION 16.2.(a) Chapter 134 of the 1983 Session Laws, as amended by Chapter 534 of the 1983 Session Laws and S.L. 2016-19, is rewritten and recodified as subsections (b) through (m) of this section.

SECTION 16.2.(b) There is hereby created a Commission to be known as the School Capital Fund Commission for Buncombe County, which Commission shall have and possess all

1 the powers conferred by this Part and such other powers as may be useful or necessary to permit
2 it fully to carry out the purposes of this Part. The Commission is hereby declared to be a
3 corporation with perpetual succession, the right to adopt and use a corporate seal, to sue and to
4 be sued, and to hold, manage, and control the moneys and properties received by it under the
5 provisions of this Part. It shall have the right to make reasonable rules and regulations for the
6 conduct of its business.

7 **SECTION 16.2.(c)** The Commission shall consist of five members. Members of the
8 Commission shall serve two-year terms and shall be appointed as follows: one appointed by the
9 Asheville City Board of Education, one appointed by the Buncombe County Board of Education,
10 two appointed by the Buncombe County Board of Commissioners, and one appointed by the
11 other four appointees. A member appointed by a local governing board or a school board shall
12 serve at the pleasure of that board. The member appointed by the other appointees shall serve at
13 the pleasure of the majority of the other appointees. Any vacancy shall be filled by the appointing
14 authority of the member creating the vacancy to fill the unexpired term.

15 **SECTION 16.2.(d)** A quorum shall be three members of the Commission.

16 **SECTION 16.2.(e)** The Commission shall organize, adopt bylaws or rules and
17 regulations to govern its procedure and the conduct of the business and affairs of the Commission,
18 and appoint a chairman and vice-chairman from among its membership who shall serve a
19 one-year term and appoint a secretary for a one-year term and until their successors are appointed
20 by the Commission. The finance officer for Buncombe County shall be the finance officer of the
21 Commission. The county finance officer shall give bond for the faithful performance of his duties
22 as the finance officer of the Commission in an amount determined by the Commission. The
23 finance officer of the Commission shall manage the funds of the Commission only as directed
24 by the Commission. The Commission may select and appoint an attorney of the Commission to
25 serve at the pleasure of the Commission. The Commission may fix the compensation for the
26 attorney.

27 **SECTION 16.2.(f)** Regular or stated meetings of the Commission shall be held at
28 such time and place as may be provided by the Commission in its bylaws or rules and regulations,
29 and special meetings may be held on the call of the chairman after due notice.

30 **SECTION 16.2.(g)** One-half of any local government sales and use tax revenue
31 distributed to Buncombe County under G.S. 105-472 shall be paid to the Commission by the
32 Secretary of Revenue; provided that if distribution of the local government sales and use tax
33 revenue is made under G.S. 105-472(2), (the ad valorem method), then taxing districts shall
34 receive their funds under G.S. 105-472(2) as if no funds had been paid to the Commission by the
35 Secretary of Revenue, and in computing what amount is one-half of the sales and use tax revenue,
36 the Secretary of Revenue shall not reduce the total by the amount to be distributed to the taxing
37 districts. This section does not affect the distribution of any local or State sales and use tax
38 revenue to the municipalities in Buncombe County.

39 **SECTION 16.2.(h)** Any other capital funds appropriated by Buncombe County
40 pursuant to Article 40 and Article 42 of Chapter 105 of the General Statutes shall be apportioned
41 among the Asheville City Board of Education and the Buncombe County Board of Education
42 according to the membership of each unit using the process set forth in G.S. 115C-430.
43 Buncombe County shall maintain separate internal accounts for each school board in order to
44 comply with this section. These funds are not under the control of the School Capital Fund
45 Commission.

46 **SECTION 16.2.(i)** All funds received by the Commission under subsection (g) of
47 this section shall be placed in a capital reserve fund as provided in Part 2 of Article 3 of Chapter
48 159 of the General Statutes. The capital reserve fund shall be known as the Public School Capital
49 Needs Fund.

50 **SECTION 16.2.(j)** All funds in the Public School Capital Needs Fund shall be used
51 to finance new public school construction, to finance public school improvement and renovation

1 projects that exceed one hundred thousand dollars (\$100,000), or to retire any indebtedness
2 incurred by the county for these purposes.

3 The Commission shall consider the capital needs of both the Buncombe County
4 School System and the Asheville City School System, prioritize those needs, and recommend
5 projects to be funded from the Public School Capital Needs Fund to the board of county
6 commissioners based on the priority of needs determined.

7 By joint agreement of the Board of County Commissioners and both boards of
8 education, money may be transferred from the account under this section of one board of
9 education to the account under this section of the other board of education, provided that the
10 agreement must require a transfer back of an equal amount of funds at some fixed date in the
11 future, plus a sum to be determined at that date which represents interest which would have
12 accrued on the funds if they had remained in the first account.

13 **SECTION 16.2.(k)** Moneys in the Public School Capital Needs Fund shall be subject
14 to appropriation by the board of county commissioners. The Commission shall disburse such
15 moneys as a ministerial duty upon receiving a written request from the board of county
16 commissioners after the county board of commissioners has adopted an ordinance and after
17 receipt of a written request from the appropriate board of education indicating it is prepared to
18 enter into a contract, and G.S. 115C-521 shall continue to apply.

19 **SECTION 16.2.(l)** Notwithstanding any other provision of this Part, if the
20 Buncombe County Board of Commissioners appropriates any federal revenue sharing funds to
21 the Commission for the purpose of substituting revenue sharing funds for sales tax funds, then it
22 must at the same time appropriate from the Commission to the county an equal amount of funds
23 received under subsection (g) of this section to be used for such purposes as the Board of
24 Commissioners shall deem appropriate and are otherwise authorized by law, provided that such
25 federal revenue sharing funds shall be divided pro rata under subsection (j) of this section.

26 **SECTION 16.2.(m)** The reasonable and necessary expenses of the Commission,
27 including the compensation of its officers and employees and the cost of any bond required by
28 it, shall be paid by the County of Buncombe. The chairman of the Commission shall, on or about
29 the first day of each calendar month, certify to the governing body of Buncombe County the
30 expenses of the Commission incurred during the preceding month, and the governing body of the
31 county shall forthwith, and within five days thereafter, cause to be paid to the Commission the
32 expenses required to be paid. All such payments shall be charged to the general fund of the
33 county.

34 35 **PART XVII. ALLOW MITCHELL AND YANCEY COUNTIES TO SIGN** 36 **MEMORANDUMS OF UNDERSTANDING WITH UNICOI COUNTY**

37 **SECTION 17.1.(a)** Notwithstanding any provision of law to the contrary, the
38 Mitchell County Sheriff's Office and the Yancey County Sheriff's Office may enter into
39 memorandums of understanding with the Unicoi County, Tennessee, Sheriff's Office to engage
40 across state lines in law enforcement special operations missions and cooperative law
41 enforcement actions.

42 **SECTION 17.1.(b)** Any memorandum of understanding entered into pursuant to this
43 section shall specify the manner in which liability claims for damage to persons or property as a
44 result of law enforcement special operations missions and cooperative law enforcement actions
45 will be shared or assigned. While ensuring public safety, each memorandum of understanding
46 shall limit to the greatest extent possible the liability of Mitchell County, Yancey County, and
47 the State.

48 **SECTION 17.2.** No later than November 1 of each year, any memorandum of
49 understanding entered into that year pursuant to this Part shall be reported to the Department of
50 Justice.
51

PART XVIII. EFFECTIVE DATE

SECTION 18. Except as otherwise provided, this act is effective when it becomes law.