

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 116
Committee Substitute Favorable 3/4/25
Senate Elections Committee Substitute Adopted 5/20/25
Proposed Conference Committee Substitute H116-PCCS30491-CH-1

Short Title: Various Local Provisions IV.

(Local)

Sponsors:

Referred to:

February 17, 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. RURAL DEVELOPMENT AUTHORITIES

HERTFORD COUNTY RURAL DEVELOPMENT AUTHORITY

SECTION 1.1. Section 23 of Chapter 988 of the 1965 Session Laws, as amended by Chapter 931 of the 1969 Session Laws and S.L. 2023-143, reads as rewritten:

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

TRANSYLVANIA RURAL DEVELOPMENT AUTHORITY

SECTION 1.2.(a) Establishment. – There is established a separate and independent body corporate and politic to be known as the Transylvania Rural Development Authority. The Transylvania Rural Development Authority shall have all the powers and duties granted to a rural development authority established under Chapter 988 of the 1965 Session Laws, as amended by Chapter 931 of the 1969 Session Laws and S.L. 2023-143. The board of commissioners of Transylvania County shall have no authority over the Transylvania Rural Development Authority.

SECTION 1.2.(b) 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



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provisions of Chapter 988 of the 1965 Session Laws, 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 1.2.(c) Staff; Employees. – Within the limits of available funds, the Authority shall appoint the Transylvania Economic Alliance to operate the Authority. The Authority may delegate to one or more of its members, agents, or employees the powers and duties which it deems necessary to carry out its powers and duties, subject always to the supervision and control of the Authority.

SECTION 1.2.(d) Interest of Members or Employees. – No member or employee of the Authority shall (i) acquire any interest, direct or indirect, in any development project or any property included, or planned to be included, in any development project, or in any area which the member or employee may have reason to believe may be included in any development project or (ii) have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used by the Authority or in connection with any development project. The acquisition of any interest in a development project or in any property or contract as described in this section shall constitute misconduct in office. If any member or employee of the Authority shall have already owned or controlled within the preceding two years any interest, direct or indirect, in any property later included or planned to be included in any development project under the jurisdiction of the Authority, or has any interest in any contract for material or services to be furnished or used in connection with any development project, the member or employee shall disclose the interest in writing to the Authority, and the disclosure shall be entered upon the minutes of the Authority. Failure to make a disclosure required by this section shall constitute misconduct in office.

SECTION 1.2.(e) Certificate of Incorporation. – The Authority shall file a copy of this act with the Secretary of State and, upon receipt of the act, the Secretary of State shall issue a certificate of incorporation. In any suit, action, or proceeding involving or relating to the validity or enforcement of any contract or act of the Authority, a copy of the certificate of incorporation duly certified by the Secretary of State shall be admissible in evidence and shall be conclusive proof of the legal establishment of the Authority.

SECTION 1.2.(f) Environmental Issues. – Notwithstanding any other provision of law, neither Transylvania County or any other county, the State of North Carolina, or any other governmental unit that provides funds to the Authority for a development project or other project shall be liable for any environmental issues, known or unknown, related to the project solely because of providing funds.

SECTION 1.2.(g) This section applies only to Transylvania County.

PART II. VARIOUS MUNICIPAL MODIFICATIONS

TOWN OF BOILING SPRINGS CHARTER/OCCUPANCY TAX

SECTION 2.1.(a) The Charter of the Town of Boiling Springs is revised and consolidated to read:

"THE CHARTER OF THE TOWN OF BOILING SPRINGS.

"ARTICLE I. INCORPORATION AND CORPORATE POWERS.

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

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

"ARTICLE II. CORPORATE BOUNDARIES.

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

"ARTICLE III. GOVERNING BODY.

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

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

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

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

1 "ARTICLE V. ORGANIZATION AND ADMINISTRATION.

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

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

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

14 **SECTION 2.1.(b)** The purpose of this section is to revise the Charter of the Town
15 of Boiling Springs and to consolidate certain acts concerning the property, affairs, and
16 government of the Town. It is intended to continue without interruption those provisions of prior
17 acts that are expressly consolidated into this section and those provisions of prior acts which are
18 not inconsistent with the foregoing so that all rights and liabilities which have accrued are
19 preserved and may be enforced.

20 **SECTION 2.1.(c)** This section does not repeal or affect any acts concerning the
21 property, affairs, or government of public schools or any acts validating official actions,
22 proceedings, contracts, or obligations of any kind.

23 **SECTION 2.1.(d)** The following acts, having served the purposes for which they
24 were enacted or having been consolidated into this section, are expressly repealed:

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

29 **SECTION 2.1.(e)** This section does not affect any rights or interests that arose under
30 any provisions repealed by this section.

31 **SECTION 2.1.(f)** All existing ordinances, resolutions, and other provisions of the
32 Town of Boiling Springs not inconsistent with the provisions of this section shall continue in
33 effect until repealed or amended.

34 **SECTION 2.1.(g)** Whenever a reference is made in this section to a particular
35 provision of the General Statutes and such provision is later amended, superseded, or recodified,
36 the reference shall be deemed amended to refer to the amended General Statute or to the General
37 Statute that most clearly corresponds to the statutory provision that is superseded or recodified.

38 **SECTION 2.1.(h)** If any provision of this section or application thereof is held
39 invalid, such invalidity shall not affect other provisions or applications of this section that can be
40 given effect without the invalid provision or application and, to this end, the provisions of this
41 section are declared to be severable.

42 **SECTION 2.2.(a)** Part II of S.L. 2006-148 reads as rewritten:

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

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

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

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

9 The following definitions apply in this subsection:

- 10 (1) Net proceeds. – Gross proceeds less the cost to the town of administering and
11 collecting the tax, as determined by the finance officer, not to exceed three
12 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
13 proceeds collected each year and one percent (1%) of the remaining gross
14 receipts collected each year.
- 15 (2) Promote travel and tourism. – To advertise or market an area or activity,
16 publish and distribute pamphlets and other materials, conduct market research,
17 or engage in similar promotional activities that attract tourists or business
18 travelers to the area. The term includes administrative expenses incurred in
19 engaging in the listed activities.
- 20 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
21 Tourism Development Authority, town, are designed to increase the use of
22 lodging facilities, meeting facilities, or convention facilities in a town or to
23 attract tourists or business travelers to the town. The term includes
24 tourism-related capital expenditures.

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

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

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

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

46 **SECTION 2.2.(b)** This section becomes effective July 1, 2025. Any funds not
47 expended by the Boiling Springs Tourism Development Authority as of July 1, 2025, shall be
48 remitted to the Boiling Springs Town Council to be used for the same purposes as authorized for
49 the Boiling Springs Tourism Development Authority.

50
51 **MILLS RIVER UNIFIED DEVELOPMENT ORDINANCE**

1 **SECTION 2.3.(a)** Notwithstanding G.S. 160D-601, as amended by Section 3K.1(a)
2 of S.L. 2024-57, the Town of Mills River may adopt the unified development ordinance initiated
3 by the Town Council in October 2024.

4 **SECTION 2.3.(b)** This section is effective when it becomes law, and any adoption
5 of the unified development ordinance shall occur on or before July 1, 2026.
6

7 **TOWN OF MOORESVILLE PROPERTY CONVEYANCES**

8 **SECTION 2.4.** The Charter of Mooresville, being Chapter 239 of the 1975 Session
9 Laws, is amended by adding a new section to read:

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

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

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

31 (2) Veteran. – A person who served as a member of the United States Armed
32 Forces in active duty, as defined by 38 U.S.C. § 101, and who was either
33 separated from the United States Armed Forces under honorable conditions or
34 who is currently serving in a second or subsequent enlistment. The term also
35 means a person who was separated from the United States Armed Forces
36 under honorable conditions with a disability that was incurred (i) as a direct
37 result of armed conflict or (ii) while the person was engaged in
38 extra-hazardous service, including service under conditions simulating war."
39

40 **CITY OF WILMINGTON PROPERTY CONVEYANCES**

41 **SECTION 2.5.** Section 13.8 of the Charter of the City of Wilmington, as amended
42 by Chapter 615 of the 1991 Session Laws, reads as rewritten:

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

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

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 III. VARIOUS COUNTY MODIFICATIONS

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 3.1.(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 section apply.

SECTION 3.1.(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 local school administrative unit 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 local school administrative unit operating expenses. Prior to any funds allocated under this subdivision being used for local school administrative unit operating expenses, the Buncombe County Board of Commissioners must provide the Buncombe County Board of Education and the Asheville City Board of Education the opportunity to present at a public meeting the impacts of not using those funds on school capital projects. 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 3.1.(c) To the extent Buncombe County receives any federal or State disaster funding as revenue replacement, the county shall return a proportionate share of revenue replacement funds to the Commission up to the amount of diverted funds under this section. The proportionate share shall be equal to the amount of revenue replacement received divided by the County's total revenue loss multiplied by the amount of diverted funds. Any remaining funds shall be used for any purposes allowed by the granting entity. For purposes of this subsection, the following definitions apply:

(1) Revenue replacement. – Grant monies to compensate for tax or fee revenue lost as the result of the impacts of Hurricane Helene to the extent the monies are unrestricted in use and available for any public purpose.

(2) Total revenue loss. – Tax and fee revenue projected in the county budget for FY 2024-2025 that was not realized due to the impacts of Hurricane Helene.

(3) Diverted funds. – The total amount of funds distributed by the Secretary of Revenue to Buncombe County under subsection (a) of this section and used for local school administrative unit operating expenses in accordance with subdivision (1) of subsection (b) of this section.

SECTION 3.1.(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 3.2.(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 3.2.(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 the powers conferred by this section and such other powers as may be useful or necessary to permit it fully to carry out the purposes of this section. The Commission is hereby declared to be a corporation with perpetual succession, the right to adopt and use a corporate seal, to sue and to be sued, and to hold, manage, and control the moneys and properties received by it under the provisions of this section. It shall have the right to make reasonable rules and regulations for the conduct of its business.

SECTION 3.2.(c) The Commission shall consist of five members. Members of the Commission shall serve two-year terms and shall be appointed as follows: one appointed by the Asheville City Board of Education, one appointed by the Buncombe County Board of Education, two appointed by the Buncombe County Board of Commissioners, and one appointed by the other four appointees. A member appointed by a local governing board or a school board shall serve at the pleasure of that board. The member appointed by the other appointees shall serve at the pleasure of the majority of the other appointees. Any vacancy shall be filled by the appointing authority of the member creating the vacancy to fill the unexpired term.

SECTION 3.2.(d) A quorum shall be three members of the Commission.

SECTION 3.2.(e) The Commission shall organize, adopt bylaws or rules and regulations to govern its procedure and the conduct of the business and affairs of the Commission, and appoint a chairman and vice-chairman from among its membership who shall serve a one-year term and appoint a secretary for a one-year term and until their successors are appointed by the Commission. The finance officer for Buncombe County shall be the finance officer of the Commission. The county finance officer shall give bond for the faithful performance of his duties as the finance officer of the Commission in an amount determined by the Commission. The

1 finance officer of the Commission shall manage the funds of the Commission only as directed
2 by the Commission. The Commission may select and appoint an attorney of the Commission to
3 serve at the pleasure of the Commission. The Commission may fix the compensation for the
4 attorney.

5 **SECTION 3.2.(f)** Regular or stated meetings of the Commission shall be held at
6 such time and place as may be provided by the Commission in its bylaws or rules and regulations,
7 and special meetings may be held on the call of the chairman after due notice.

8 **SECTION 3.2.(g)** One-half of any local government sales and use tax revenue
9 distributed to Buncombe County under G.S. 105-472 shall be paid to the Commission by the
10 Secretary of Revenue; provided that if distribution of the local government sales and use tax
11 revenue is made under G.S. 105-472(2), (the ad valorem method), then taxing districts shall
12 receive their funds under G.S. 105-472(2) as if no funds had been paid to the Commission by the
13 Secretary of Revenue, and in computing what amount is one-half of the sales and use tax revenue,
14 the Secretary of Revenue shall not reduce the total by the amount to be distributed to the taxing
15 districts. This section does not affect the distribution of any local or State sales and use tax
16 revenue to the municipalities in Buncombe County.

17 **SECTION 3.2.(h)** Any other capital funds appropriated by Buncombe County
18 pursuant to Article 40 and Article 42 of Chapter 105 of the General Statutes shall be apportioned
19 among the Asheville City Board of Education and the Buncombe County Board of Education
20 according to the membership of each unit using the process set forth in G.S. 115C-430.
21 Buncombe County shall maintain separate internal accounts for each school board in order to
22 comply with this section. These funds are not under the control of the School Capital Fund
23 Commission.

24 **SECTION 3.2.(i)** All funds received by the Commission under subsection (g) of this
25 section shall be placed in a capital reserve fund as provided in Part 2 of Article 3 of Chapter 159
26 of the General Statutes. The capital reserve fund shall be known as the Public School Capital
27 Needs Fund.

28 **SECTION 3.2.(j)** All funds in the Public School Capital Needs Fund shall be used
29 to finance new public school construction, to finance public school improvement and renovation
30 projects that exceed one hundred thousand dollars (\$100,000), or to retire any indebtedness
31 incurred by the county for these purposes.

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

36 By joint agreement of the board of county commissioners and both boards of
37 education, money may be transferred from the account under this section of one board of
38 education to the account under this section of the other board of education, provided that the
39 agreement must require a transfer back of an equal amount of funds at some fixed date in the
40 future, plus a sum to be determined at that date which represents interest which would have
41 accrued on the funds if they had remained in the first account.

42 **SECTION 3.2.(k)** Moneys in the Public School Capital Needs Fund shall be subject
43 to appropriation by the board of county commissioners. The Commission shall disburse such
44 moneys as a ministerial duty upon receiving a written request from the board of county
45 commissioners after the county board of commissioners has adopted an ordinance and after
46 receipt of a written request from the appropriate board of education indicating it is prepared to
47 enter into a contract, and G.S. 115C-521 shall continue to apply.

48 **SECTION 3.2.(l)** Notwithstanding any other provision of this section, if the
49 Buncombe County Board of Commissioners appropriates any federal revenue sharing funds to
50 the Commission for the purpose of substituting revenue sharing funds for sales tax funds, then it
51 must at the same time appropriate from the Commission to the county an equal amount of funds

received under subsection (g) of this section to be used for such purposes as the Board of Commissioners shall deem appropriate and are otherwise authorized by law, provided that such federal revenue sharing funds shall be divided pro rata under subsection (j) of this section.

SECTION 3.2.(m) The reasonable and necessary expenses of the Commission, including the compensation of its officers and employees and the cost of any bond required by it, shall be paid by the County of Buncombe. The chairman of the Commission shall, on or about the first day of each calendar month, certify to the governing body of Buncombe County the expenses of the Commission incurred during the preceding month, and the governing body of the county shall forthwith, and within five days thereafter, cause to be paid to the Commission the expenses required to be paid. All such payments shall be charged to the general fund of the county.

ALLOW MITCHELL AND YANCEY COUNTIES TO SIGN MEMORANDUMS OF UNDERSTANDING WITH UNICOI COUNTY

SECTION 3.3.(a) Notwithstanding any provision of law to the contrary, the Mitchell County Sheriff's Office and the Yancey County Sheriff's Office may enter into memorandums of understanding with the Unicoi County, Tennessee, Sheriff's Office to engage across state lines in law enforcement special operations missions and cooperative law enforcement actions.

SECTION 3.3.(b) Any memorandum of understanding entered into pursuant to this section shall specify the manner in which liability claims for damage to persons or property as a result of law enforcement special operations missions and cooperative law enforcement actions will be shared or assigned. While ensuring public safety, each memorandum of understanding shall limit to the greatest extent possible the liability of Mitchell County, Yancey County, and the State.

SECTION 3.3.(c) No later than November 1 of each year, any memorandum of understanding entered into that year pursuant to this section shall be reported to the Department of Justice.

ALLOW ONSLOW COUNTY TO DELEGATE REZONING AUTHORITY

SECTION 3.5.(a) 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 3.5.(b) This section applies only to Onslow County.

PART IV. BOARDS OF EDUCATION – PARTISAN ELECTIONS

COLUMBUS COUNTY BOARD OF EDUCATION

SECTION 4.1.(a) Notwithstanding G.S. 115C-35, the Columbus County Board of Education shall consist of five members elected to serve staggered four-year terms. Five members shall be elected from residency districts. One member shall be elected from each residency district by the qualified voters of the entire county, excluding the area encompassing the Whiteville City School Administrative Unit. No person shall be eligible to file for or be elected to the Columbus County Board of Education unless the person is a qualified voter and resident of the residency district in which the person seeks to be elected.

SECTION 4.1.(b) Notwithstanding G.S. 115C-37, members of the Columbus County Board of Education shall be elected on a partisan basis at the time of the general election in each even-numbered year as terms expire. Candidates for election to the Columbus County Board of Education shall be nominated at the same time and in the same manner as other county officers. Members shall take office on the first Monday in December following their election. Members shall serve until their successors are elected and qualified.

SECTION 4.1.(c) All vacancies in the membership of the Columbus County Board of Education by death, resignation, or other causes shall be filled in accordance with G.S. 115C-37.1.

SECTION 4.1.(d) This section does not affect the terms of office of any person elected in 2024 to the Columbus County Board of Education. Any vacancy on the Columbus County Board of Education for a member elected in 2024 shall be filled by appointment by the remaining members of the Columbus County Board of Education to serve the remainder of the unexpired term. Each member of the Columbus County Board of Education elected in 2024, or any member appointed to fill a vacancy for a member elected in 2024, shall serve until a successor has been elected and qualified.

SECTION 4.1.(e) All laws and clauses of laws in conflict with this section are hereby repealed, including the following:

- (1) Chapter 717 of the 1953 Session Laws.
- (2) Section 1 of Chapter 114 of the 1961 Session Laws.
- (3) Chapter 327 of the 1961 Session Laws.
- (4) Chapter 754 of the 1961 Session Laws.
- (5) Chapter 295 of the 1963 Session Laws.
- (6) Section 1 of Chapter 1053 of the 1969 Session Laws.
- (7) Section 3 of Chapter 192 of the 1981 Session Laws.
- (8) Section 2 of Chapter 234 of the 1983 Session Laws.

GASTON COUNTY BOARD OF EDUCATION

SECTION 4.2.(a) Section 2 of Chapter 633 of the 1977 Session Laws reads as rewritten:

"Sec. 2. Composition of board of education.

(a) Notwithstanding Section 115-18 of the General Statutes of North Carolina, G.S. 115C-35, the board of education shall consist of nine members. members elected to staggered four-year terms. Two members shall be elected by the duly qualified voters of Gaston County without regard to residence in any particular township and seven from the county at-large and seven members shall be elected by the duly qualified voters of Gaston County from the following townships: from residency districts. For the seven residency district seats, no person shall be eligible to file for or be elected to the board of education unless the person is a qualified voter and resident of the residency district in which the candidate seeks to be elected. All members of the board of education shall be elected by the qualified voters of Gaston County.

(b) The residency districts for the board of education and the number of members from each residency district are as follows:

- (1) Cherryville Township shall be entitled to one member.
- (2) Crowders Mountain Township shall be entitled to one member.

- (3) Dallas Township shall be entitled to one member.
(4) Gastonia Township shall be entitled to two members.
(5) Riverbend Township shall be entitled to one member.
(6) Southpoint Township shall be entitled to one member."

SECTION 4.2.(b) Section 3 of Chapter 633 of the 1977 Session Laws reads as rewritten:

"**Sec. 3.** Elections. ~~Notwithstanding Section 115-19 of the General Statutes of North Carolina, at the general election to be held in the year 1978, there shall be elected by the duly qualified voters of Gaston County three members of the board of education, with one member from Cherryville Township, one member from Crowders Mountain Township and one member at large. The term for these three members shall commence on the first Monday in December 1978, and expire at the end of two years thereafter, or on the first Monday in December 1980.~~

~~At the general election to be held in the year 1980, there shall be elected by the duly qualified voters of Gaston County six members of the board of education, with one member from Cherryville Township, one member from Crowders Mountain Township, one member from Gastonia Township, one member from Riverbend Township, one member from Southpoint Township and one member at large. Those members elected from Cherryville Township, Crowders Mountain Township, Gastonia Township and the member elected at large shall compose one class, whose term of office shall commence on the first Monday in December 1980, and expire at the end of four years thereafter, or on the first Monday in December 1984. The term of office for those members elected from Riverbend Township and Southpoint Township shall commence on the First Monday in December 1980, and expire at the end of two years thereafter, or on the first Monday in December 1982.~~

~~At the general election to be held in the year 1982, there shall be elected by the duly qualified voters of Gaston County five members of the board of education, with one member from Dallas Township, one member from Gastonia Township, one member from Riverbend Township, one member from Southpoint Township and one member at large. These five members shall compose another class, whose terms of office shall commence on the first Monday in December 1982, and expire at the end of four years thereafter, or on the first Monday in December 1986.~~

~~Upon the expiration of the term of office of each class of members of the board of education (the term class shall exclude the members elected for a term of two years) their successors shall be elected to hold office for four years and until their successors are elected and qualified. Notwithstanding G.S. 115C-37, members of the board of education shall be elected on a partisan basis at the time of the general election in each even-numbered year as terms expire. Candidates for election to the board of education shall be nominated at the same time and in the same manner as other county officers. Members shall take office on the first Monday in December following their election. Members shall serve until their successors are elected and qualified.~~

~~The election of members of the board of education shall be held, conducted and supervised by the board of elections; and except as herein provided, the general election laws and regulations for the nomination and election of county officers, which are set forth in Chapter Chapters 115C and 163 of the General Statutes of North Carolina, as amended, Carolina shall apply and govern as to the holding of any election for members of the board of education."~~

SECTION 4.2.(c) Section 4 of Chapter 633 of the 1977 Session Laws, as amended by Chapter 331 of the 1979 Session Laws and Chapter 73 of the 1993 Session Laws, is repealed.

SECTION 4.2.(d) Section 7 of Chapter 633 of the 1977 Session Laws reads as rewritten:

"**Sec. 7.** Vacancy. ~~Notwithstanding Section 115-24 of the General Statutes of North Carolina, all~~ All vacancies in the membership of the board of education by death, resignation, or other causes shall be filled ~~by the remaining members of the board of education by the appointment of a person to serve until the next election of members of such board at which time the remaining~~

~~unexpired term of the office in which the vacancy occurs shall be filled by election. In the event that the replacement is not selected by the board of education within a period of 90 days after the vacancy occurs, such vacancy shall be filled by the board of commissioners. When one who has been elected at large vacates his office, the successor may be selected without regard to the location of his residence in the county. When one who has been elected from a township vacates his office, the successor shall be selected from that same township in accordance with G.S. 115C-37.1."~~

SECTION 4.2.(e) This section does not affect the term of any member elected in 2024 to the Gaston County Board of Education. Any vacancy on the Gaston County Board of Education for a member elected in 2024 shall be filled by appointment by the remaining members of the Gaston County Board of Education to serve the remainder of the unexpired term. Each member of the Gaston County Board of Education elected in 2024, or any member appointed to fill a vacancy for a member elected in 2024, shall serve until a successor has been elected and qualified.

SCOTLAND COUNTY BOARD OF EDUCATION

SECTION 4.3.(a) Subsection (a) of Section 4 of Chapter 707 of the 1963 Session Laws, as amended by Chapter 306 of the 1973 Session Laws, reads as rewritten:

"Sec. 4.(a) The Scotland County Board of Education shall be comprised of 8 ~~members.~~ members elected to serve staggered four-year terms. Five of the members shall be residents of the Stewartsville Township and 3 of the members shall be residents of any of the remaining 3 townships in Scotland County at large. No person shall be eligible to file for or be elected to the Scotland County Board of Education unless the person is a qualified voter and resident of the residency district in which the candidate seeks to be elected. All members of the Scotland County Board of Education shall be elected by the qualified voters of Scotland County."

SECTION 4.3.(b) Subsection (g) of Section 4 of Chapter 707 of the 1963 Session Laws, as amended by Chapter 306 of the 1973 Session Laws, reads as rewritten:

"(g) All candidates for membership on the Scotland County Board of Education ~~shall file a notice of such candidacy with the Board of Elections not later than 12:00 p.m. on the Monday preceding the tenth Tuesday before the primary election is to be held and each candidate shall pay a filing fee of ten dollars (\$10.00) and in addition shall certify in writing whether he or she is filing for the Stewartsville Township seat or the at-large seat, the township within which he resides and that he is a bona fide resident thereof, said notice to be filed with the Scotland County Board of Elections seat.~~"

SECTION 4.3.(c) Section 4 of Chapter 707 of the 1963 Session Laws, as amended by Chapter 306 of the 1973 Session Laws, is amended by adding a new subsection to read:

"(k) Notwithstanding G.S. 115C-37, members of the Scotland County Board of Education shall be elected on a partisan basis at the time of the general election in each even-numbered year as terms expire. Candidates for election to the Scotland County Board of Education shall be nominated at the same time and in the same manner as other county officers. Members shall take office on the first Monday in December following the election. Members shall serve until their successors are elected and qualified. All vacancies in the membership of the Scotland County Board of Education by death, resignation, or other causes shall be filled in accordance with G.S. 115C-37.1."

SECTION 4.3.(d) Subsections (b) through (f) and (h) through (j) of Section 4 of Chapter 707 of the 1963 Session Laws, as amended by Chapter 306 of the 1973 Session Laws, are repealed.

SECTION 4.3.(e) This section does not affect the terms of office of any person elected in 2024 to the Scotland County Board of Education. Any vacancy on the Scotland County Board of Education for a member elected in 2024 shall be filled by appointment by the remaining members of the Scotland County Board of Education to serve the remainder of the unexpired

term. Each member of the Scotland County Board of Education elected in 2024, or any member appointed to fill a vacancy for a member elected in 2024, shall serve until a successor has been elected and qualified.

JOHNSTON COUNTY BOARD OF EDUCATION

SECTION 4.4.(a) Section 1 of S.L. 1997-32 reads as rewritten:

"Section 1. ~~Beginning with the 1998 election, the~~ The Johnston County Board of Education shall be elected in ~~nonpartisan~~ partisan elections held in even-numbered years as provided in this act. Members shall be nominated at the same time and manner as other county officers."

SECTION 4.4.(b) Section 3 of S.L. 1997-32, as amended by S.L. 2023-147, is repealed.

SECTION 4.4.(c) Section 4 of S.L. 1997-32, as amended by S.L. 2023-143, reads as rewritten:

"Section 4. If a vacancy occurs on the Johnston County Board of Education, the ~~remaining members of the Johnston County Board of Education shall appoint a person to fill that seat. The person appointed to fill the vacancy shall serve the remainder of the unexpired term of the office.~~ vacancy shall be filled in accordance with G.S. 115C-37.1. Any person appointed to fill a vacancy shall be a resident of the single-member residency district in which the vacancy occurs."

SECTION 4.4.(d) This section does not affect the terms of office of any person elected in 2024 to the Johnston County Board of Education. Any vacancy on the Johnston County Board of Education for a member elected in 2024 shall be filled by appointment of the remaining members of the Johnston County Board of Education to serve the remainder of the unexpired term. Each member of the Johnston County Board of Education elected in 2024, or any member appointed to fill a vacancy for a member elected in 2024, shall serve until a successor has been elected and qualified.

SECTION 4.5. G.S. 115C-37.1(d), as amended by S.L. 2025-3, reads as rewritten:

"(d) This section shall apply only to the Asheboro City Board of Education, the Hickory City Board of Education and the Newton-Conover City Board of Education and in the following counties: Alexander, Alleghany, Ashe, Beaufort, Brunswick, Burke, Cabarrus, Caldwell, Carteret, Catawba, Cherokee, Clay, Columbus, Craven, Dare, Davie, Forsyth, Gaston, Graham, Harnett, Henderson, Hyde, Iredell, Johnston, Lee, Lincoln, Madison, McDowell, Mitchell, New Hanover, Onslow, Pamlico, Pender, Polk, Rowan, Rutherford, Scotland, Stanly, Stokes, Surry, Vance, Washington, and Yancey."

PART V. EFFECTIVE DATE

SECTION 5. Except as otherwise provided, this act is effective when it becomes law.