



HOUSE BILL 1035: Local Government Commission/Training for Local Government Finance Officers.

2015-2016 General Assembly

Committee:	Date:	July 26, 2016
Introduced by:	Prepared by:	Nicholas Giddings Staff Attorney
Analysis of:	S.L. 2016-84	

OVERVIEW: *S.L. 2016-84 authorizes the Local Government Commission to require certain local government and public authority finance officers, or other employees who perform the duties of a finance officer, to attend training as to the powers, duties and responsibilities of a finance officer, and to charge a fee for the training.*

This act became effective June 30, 2016.

CURRENT LAW: The Local Government Commission (LGC) is located within the State Treasurer's Office, and provides assistance to local governments and public authorities in North Carolina. Generally, the LGC focuses on three components of operations of the local governments and public authorities:

1. Determining whether a local government or public authority is financially healthy enough to borrow money.
2. Selling debt on behalf of the local government or public authority.
3. Providing oversight of the annual audit/financial reporting required of local governments and public authorities.

Every local government and public authority must appoint a finance officer. A finance officer may be titled "accountant," "treasurer," "finance director," "finance officer," or any other reasonably descriptive title.¹ A finance officer's duties to the local government or public authority include the following:²

- Keeping accounts in accordance with generally accepted principles of governmental accounting and the rules and regulations of the Commission.
- Disbursing all funds.
- Receiving and depositing all moneys, or supervising such activities.
- Supervising the investment of idle funds.

BILL ANALYSIS: The act does all of the following:

- Authorizes the LGC to require a finance officer, or other employee performing the duties of a finance officer, of a local government or public authority to attend training as to the powers, duties and responsibilities of a finance officer if either of the following apply to the local government or public authority:
 - The LGC has issued a unit letter due to a deficiency in that local government or public authority's compliance with Chapter 159 of the General Statutes, Local Government Finance.
 - The LGC is exercising its authority to assist defaulting units in refinancing and paying debts.

¹ G.S. 159-24.

² G.S. 159-25.

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- Allows the LGC to collaborate with the School of Government, the North Carolina Community College System, and other educational institutions in the State to develop and deliver the training.
- Authorizes the LGC to charge and collect fees for expenses incurred in developing and delivering the training of finance officers.
- Makes technical changes to the statute to remove gender references.

EFFECTIVE DATE: This act became effective June 30, 2016.

Erika Churchill and Drupti Chauhan with the Legislative Analysis Division significantly contributed to this summary.