



HOUSE BILL 392: Fayetteville Charter/PWC Changes

2015-2016 General Assembly

Committee:	House Finance	Date:	April 28, 2015
Introduced by:	Reps. Szoka, Floyd, Glazier, Lucas	Prepared by:	Trina Griffin
Analysis of:	PCS to Second Edition H392-CSSV-17		Committee Counsel

SUMMARY: *The PCS for House Bill 392 would amend the Charter of the City of Fayetteville to make changes related to the membership and operation of the Public Works Commission.*

CURRENT LAW: The Public Works Commission of the City of Fayetteville (Commission) was created by the General Assembly in 1905 and its provisions are contained in Chapter VI of the Charter of the City of Fayetteville.

The Commission is composed of four members who serve staggered four-year terms. Members are elected by the Fayetteville City Council.

The Commission has the full charge and control over the supervision and management of the electric utility plant, water and sewer services, and collects all rents and profits accruing from those services. The Commission also has control of and supervises the construction, repairing, alteration, or enlargement of the electric light plant, the waterworks plant, and the sewerage plant, with authority to make all necessary contracts related to those plants, except that expenditures and contracts over \$10,000 must have approval from the City Council. The Commission also fixes the rates for water, sewer, and electricity and is authorized to extend its electric, water, and sewer systems anywhere in Cumberland County and to sell those services anywhere in the County.

The Commission's budget must receive approval from the City Council under general law.

BILL ANALYSIS: House Bill 392 would repeal the current provisions related to the Public Works Commission and would establish a new Chapter VIA within the City Charter. The bill would do the following:

- Increase the number of members on the Commission appointed by the Council from four to five, and add a member of the City Council as an additional ex-officio member designated by the Mayor.
- Clarify that the Commission is a public authority and is free from the jurisdiction, direction, or control of City officers and employees and of the City Council.
- Clarify the powers and duties of the Commission.
- Remove the requirement that the budget must be approved by the City Council.
- Enact finance provisions, including provisions for cash reserves, remittances to the City, revenue bonds, and special assessments.

EFFECTIVE DATE: This act becomes effective July 1, 2015.

Kelly Quick Tornow, counsel to House Local Government, substantially contributed to this summary.

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