



SENATE BILL 69: Local Gov't Comm/Finance Officer Training.

2017-2018 General Assembly

Committee:	Senate State and Local Government. If favorable, re-refer to Rules and Operations of the Senate	Date:	February 27, 2017
Introduced by:	Sens. D. Davis, Tarte	Prepared by:	Brad Krehely
Analysis of:	PCS to First Edition S69-CSRN-2		Committee Co-Counsel

OVERVIEW: *Senate Bill 69 provides that when the Local Government Commission (LGC) requires a finance officer or other employee to participate in training, the LGC must notify the finance officer or other employee and the employing local government or public authority of the required training. It also provides that when the finance officer or other employee completes the training, the employing local government or public authority must submit, in writing, proof to the LGC that the training requirements have been met. The Proposed Committee Substitute (PCS) corrects the effective date so that the bill is effective when it becomes law.*

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. 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. Oversight of the annual audit/financial reporting required of local governments and public authorities.

Each local government and public authority is required to appoint a finance officer to hold office at the pleasure of the appointing board or official. That finance officer may be titled "accountant," "treasurer," "finance director," "finance officer," or any other reasonably descriptive title. The duties of the finance officer may be imposed on the budget officer, or any other officer or employee on whom the duties of budget officer may be imposed. G.S. 159-24. These duties include: keeping accounts, disbursing funds, receiving and depositing all moneys or supervising such activities, and supervising the investment of idle funds.

The LGC may 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:

1. 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.
2. The LGC is exercising its authority to assist defaulting units in refinancing and paying debts.

The LGC may collaborate with the UNC School of Government, the North Carolina Community College System, and other educational institutions in the State to develop and deliver the training. The

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LGC also is authorized to charge and collect fees for expenses incurred in developing and delivering the training.

BILL ANALYSIS: Senate Bill 69 provides that when the LGC requires a finance officer or other employee to participate in training, the LGC must notify the finance officer or other employee and the employing local government or public authority of the required training. It also provides that when the finance officer or other employee completes the training, the employing local government or public authority must submit, in writing, proof to the LGC that the training requirements have been met.

EFFECTIVE DATE: This act is effective when it becomes law.

BACKGROUND: The North Carolina General Assembly authorized the LGC to require training for finance officers and other employees who perform the duties of finance officers and to charge a fee for the training in 2016. (S.L. 2016-84).

*R. Erika Churchill and Nicholas Giddings, Attorneys for the Legislative Analysis Division, contributed to this summary.