



HOUSE BILL 240: Albemarle/City Labor for Business Ctr.

2019-2020 General Assembly

Committee:	House State and Local Government. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 29, 2019
Introduced by:	Reps. Sasser, Goodman	Prepared by:	Howard Marsilio Staff Attorney
Analysis of:	PCS to First Edition H240-CSST-23		

OVERVIEW: *The Proposed Committee Substitute (PCS) for House Bill 240 would authorize the City of Albemarle to use city labor, without regard for the total project cost, for certain work related to the construction of a business center.*

CURRENT LAW: Article 8 of Chapter 143 of the General Statutes requires cities (i) undertaking construction or repair work requiring the estimated expenditure of public money in an amount equal to or more than five hundred thousand dollars (\$500,000) or (ii) purchasing apparatus, supplies, materials, or equipment requiring an estimated expenditure of public money in an amount equal to or more than ninety thousand dollars (\$90,000) to follow formal bidding procedures.¹ Under formal bidding procedures, bids must be advertised, submitted under seal, opened in public, and require a minimum of three bids.

State law exempts cities from using formal bidding procedures for construction or repair work when undertaken with a city's permanent employees and when either the total cost of the project, including without limitation all direct and indirect costs of labor, services, materials, supplies and equipment, does not exceed five hundred thousand dollars (\$500,000) or the total cost of labor on the project does not exceed two hundred thousand dollars (\$200,000).

BILL ANALYSIS: The PCS to House Bill 240 would authorize the City of Albemarle to use its permanent employee labor force, without regard to the project cost, for installation of electrical lines, and water and sewer lines, up to any structure within the business center. The City would still be required to comply with minority participation goals and to use formal bidding procedures for purchases of \$90,000 or more.

EFFECTIVE DATE: This act is effective when it becomes law and expires December 31, 2028.

¹ G.S. 143-129.

Karen Cochrane-Brown
Director



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Legislative Analysis
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