



HOUSE BILL 1045: Mayland CC/Blue Ridge Hotel Transfer Auth.

2021-2022 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	June 15, 2022
Introduced by:	Rep. Greene	Prepared by:	Billy R. Godwin Staff Attorney
Analysis of:	PCS to First Edition H1045-CSBD-38		

OVERVIEW: *The proposed committee substitute (PCS) to House Bill 1045 would authorize Mayland Community College to convey by gift to the Mayland Community College Enterprise Corporation, a nonprofit corporation, some or all of its right, title, and interest in the Blue Ridge Boutique Hotel property to be used for educational purposes.*

CURRENT LAW: Article I, Section 32, of the State Constitution provides that no person or set of persons is entitled to exclusive or separate emoluments or privileges from the community but in consideration of public services. Article 12 of Chapter 160A governs the sale and disposition of real property by a city or county and provides that real property must generally be sold through a competitive sale process. G.S. 115D-15 makes the provisions of that Article applicable to community colleges. In limited circumstances, public property may be gifted to a non-profit corporation carrying out a public purpose (G.S. 160A-279).

BILL ANALYSIS: The PCS to House Bill 1045 would authorize Mayland Community College to convey by gift to the Mayland Community College Enterprise Corporation some or all of its right, title, and interest in the Blue Ridge Boutique Hotel property to be used for educational purposes and would require the deed conveying the property to contain a restriction that the property reverts back to Mayland Community College if the property ceases to be used for educational purposes.

EFFECTIVE DATE: The act would be effective when the bill becomes law.

BACKGROUND: Mayland Community College is a community college located in Mitchell County. The Mayland Community College Enterprise Corporation (MCCEC), is a nonprofit corporation organized under Chapter 55A of the General Statutes as a charitable or religious corporation. MCCEC was formed in 2018 as a supporting organization, as defined in Section 509(a)(3) of the Internal Revenue Code, for the College. The College obtained the Blue Ridge Boutique Hotel property in 2015 from the Mayland Community College Foundation, Inc., a North Carolina non-profit corporation. The property has a tax value of \$1,897,600.

Jeffrey Hudson
Director



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Legislative Analysis
Division
919-733-2578