



HOUSE BILL 331: SE Regional Airport Authority/Private Sales.

2023-2024 General Assembly

Committee:	House Local Government. If favorable, re- refer to Rules, Calendar, and Operations of the House	Date:	March 28, 2023
Introduced by:	Rep. Pierce	Prepared by:	Billy Godwin
Analysis of:	PCS to First Edition H331-CSCL-16		Alex Ramirez Staff Attorneys

OVERVIEW: *The Proposed Committee Substitute (PCS) for House Bill 331 would allow the Southeast Regional Airport Authority (Authority) to convey real or personal property by private negotiation and sale, or to lease real or personal property for a term longer than 10 years without treating it as a sale.*

[As introduced, this bill was identical to S287, as introduced by Sen. Britt, which is currently in Senate Rules and Operations of the Senate.]

CURRENT LAW: The Authority is the governing body that administers the Laurinburg-Maxton Airport. The Authority consists of seven voting members appointed for two-year staggered terms. Three members must be registered voters of the City of Laurinburg appointed by the Mayor of Laurinburg; three members must be registered voters of the Town of Maxton appointed by the Mayor of Maxton; and one member must be a registered voter of Scotland County appointed by the Chair of the Scotland County Board of Commissioners. The Scotland County Economic Development Director serves as a nonvoting ex officio member of the Authority.

The powers and duties of the Authority are set out in Section 4(3) of S.L. 2020-19 and include the power to sell, lease, or otherwise dispose of real or personal property belonging to the Authority using the procedures of Article 12 of Chapter 160A of the General Statutes.¹ All sales of real property by the Authority must be approved by the governing boards of the City of Laurinburg, Town of Maxton, and Scotland County. Subject to certain limited exceptions, Article 12 requires that real property, and personal property valued at \$30,000 or more, be sold by local public bodies through one of the following **competitive sale procedures**:

- Advertisement for sealed bids (G.S.160A-268).
- Offer and upset bid (G.S. 160A-269).
- Public auction (G.S. 160A-270).

The **non-competitive private negotiation and sale procedure** may only be used to sell (i) personal property valued at less than \$30,000 (G.S. 160A-266) and (ii) real property to volunteer fire departments and rescue squads (G.S. 160A-277) or to certain entities carrying out a public purpose (G.S. 160A-279). Leases of property for longer than 10 years must be treated as a sale of real property and go through the competitive bidding process (G.S. 160A-272).

¹ S.L. 2020-19 also changed the name of the Laurinburg-Maxton Airport Commission to the Southeast Regional Airport Authority and made other changes to the operation of the Laurinburg-Maxton Airport.

Jeffrey Hudson
Director



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BILL ANALYSIS: The PCS for House Bill 331 would exempt the Authority from the competitive bidding requirements of Article 12 and allow the Authority to convey real or personal property by private negotiation and sale, or to lease real or personal property for a term longer than 10 years without treating it as a sale.

EFFECTIVE DATE: This act would be effective when it becomes law.