



# HOUSE BILL 397: Town of Lake Lure/Property Lease.

**This Bill Analysis  
reflects the contents  
of the bill as it was  
presented in  
committee.**

2023-2024 General Assembly

---

<b>Committee:</b>	Senate State and Local Government. If	<b>Date:</b>	June 27, 2023
	favorable, re-refer to Rules and Operations of		
	the Senate		
<b>Introduced by:</b>	Rep. Johnson	<b>Prepared by:</b>	Brad Krehely
<b>Analysis of:</b>	Second Edition		Committee Co-Counsel

---

**OVERVIEW:** House Bill 397 would allow the Town of Lake Lure (Town) to lease the property of Lake Lure Bridge #7 and an adjacent parcel of land owned by the Town for a term of over ten years without it being treated as a sale.

**CURRENT LAW:** Article 12 of Chapter 160A of the General Statutes authorizes municipalities to sell, lease, or otherwise dispose of real and personal property belonging to the municipality. With respect to leases, G.S. 160A-272 requires leases of property for longer than 10 years to be treated as a sale of real property and use one of the following competitive bidding procedures:

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

**BILL ANALYSIS:** House Bill 397 would allow the Town to lease the Lake Lure Bridge #7 and an adjacent parcel owned by the Town for a term of more than 10 years without it being treated as a sale and, therefore, bypassing the competitive bidding requirement.

**EFFECTIVE DATE:** The bill would be effective when it becomes law.

**BACKGROUND.** Lake Lure Bridge #7 is also known as The Lake Lure Flowering Bridge. Article II, Section 24(1)(d) of the North Carolina Constitution prohibits local acts relating to ferries or bridges. House Bill 397 could raise a constitutional concern if a court determined that the bill is a local act relating to bridges.

\*Nick Giddings and Alex Ramirez, Staff Attorneys for the Legislative Analysis Division, contributed substantially to this summary.

Jeffrey Hudson  
Director



\* H 3 9 7 - S M R N - 6 4 E 2 - V - 4 \*

Legislative Analysis  
Division  
919-733-2578