

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 115
Committee Substitute Favorable 3/01/01
Third Edition Engrossed 3/6/01

Short Title: Business Transactions Involving Public Funds.

(Public)

Sponsors:

Referred to:

February 15, 2001

A BILL TO BE ENTITLED

AN ACT TO AMEND THE LAW REGARDING BUSINESS TRANSACTIONS
INVOLVING PUBLIC FUNDS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 14-234(d1) reads as rewritten:

"(d1) The first sentence of subsection (a) shall not apply to (i) any elected official or person appointed to fill an elective office of a village, town, or city having a population of no more than ~~7,500~~15,000 according to the most recent official federal census, (ii) any elected official or person appointed to fill an elective office of a county within which there is located no village, town, or city with a population of more than ~~7,500~~15,000 according to the most recent official federal census, (iii) any elected official or person appointed to fill an elective office on a city board of education in a city having a population of no more than ~~7,500~~15,000 according to the most recent official federal census, (iv) any elected official or person appointed to fill an elective office as a member of a county board of education in a county within which there is located no village, town or city with a population of more than ~~7,500~~15,000 according to the most recent official federal census, (v) any physician, pharmacist, dentist, optometrist, veterinarian, or nurse appointed to a county social services board, local health board, or area mental health, developmental disabilities, and substance abuse board serving one or more counties within which there is located no village, town, or city with a population of more than ~~7,500~~15,000 according to the most recent official federal census, and (vi) any member of the board of directors of a public hospital if:

(1) The undertaking or contract or series of undertakings or contracts between the village, town, city, county, county social services board, county or city board of education, local health board or area mental health, developmental disabilities, and substance abuse board, or public hospital and one of its officials is approved by specific resolution of the governing body adopted in an open and public

1 meeting, and recorded in its minutes and the amount does not exceed
2 ~~ten thousand dollars (\$10,000)~~ twelve thousand five hundred dollars
3 (\$12,500) for medically related services and ~~fifteen thousand dollars~~
4 ~~(\$15,000)~~ twenty-five thousand dollars (\$25,000) for other goods or
5 services within a 12-month period; and

6 (2) The official entering into the contract or undertaking with the unit or
7 agency does not in his official capacity participate in any way or vote;
8 and

9 (3) The total annual amount of undertakings or contracts with each
10 official, shall be specifically noted in the audited annual financial
11 statement of the village, town, city, or county; and

12 (4) The governing board of any village, town, city, county, county social
13 services board, county or city board of education, local health board,
14 area mental health, developmental disabilities, and substance abuse
15 board, or public hospital which undertakes or contracts with any of the
16 officials of their governmental unit shall post in a conspicuous place in
17 its village, town, or city hall, or courthouse, as the case may be, a list
18 of all such officials with whom such undertakings or contracts have
19 been made, briefly describing the subject matter of the undertakings or
20 contracts and showing their total amounts; this list shall cover the
21 preceding 12 months and shall be brought up-to-date at least quarterly.

22 (5) The governing board of any village, town, city, county, county social
23 services board, county or city board of education, local health board,
24 area mental health, developmental disabilities, and substance abuse
25 board, or public hospital which undertakes or contracts with any of the
26 officials of their governmental unit shall comply with Article 8 of
27 Chapter 143 of the General Statutes."

28 **SECTION 2.** This act is effective when it becomes law.