

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE BILL 682  
Committee Substitute Favorable 4/16/09

Short Title: Adjust Conflict Threshold.

(Public)

Sponsors:

Referred to:

March 19, 2009

A BILL TO BE ENTITLED

AN ACT TO ADJUST THE EXEMPTION LIMITS FOR SMALL LOCAL GOVERNMENTS IN THE PUBLIC CONTRACTING STATUTES TO ACCOUNT FOR INFLATION SINCE LAST ADJUSTED SEVEN YEARS AGO, TO ALLOW AUTOMATIC ADJUSTMENTS TO ACCOUNT FOR FUTURE CHANGES IN THE CONSUMER PRICE INDEX, AND TO PROVIDE A UNIFORM PROCEDURE FOR INFLATION INDEXING THAT OTHER PROVISIONS MAY INCORPORATE BY REFERENCE.

The General Assembly of North Carolina enacts:

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

"(d1) Subdivision (a)(1) of this section does 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 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 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 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 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 15,000 according to the most recent official federal census, and (vi) any member of the board of directors of a public hospital if all of the following apply:

- (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 meeting, and recorded in its minutes and the amount does not exceed ~~twelve thousand five hundred dollars (\$12,500)~~ fourteen thousand five hundred dollars (\$14,500) for medically related services and ~~twenty five thousand dollars (\$25,000)~~ thirty thousand dollars (\$30,000) for other goods or services within a 12-month period. The dollar amounts in this subdivision are subject to the inflation indexing provisions of G.S. 12-5,



1                   which shall be effective for the dollar amounts in this subdivision on January  
2                   1, 2011.

3                   (2)       The official entering into the contract with the unit or agency does not  
4                   participate in any way or vote.

5                   (3)       The total annual amount of contracts with each official, shall be specifically  
6                   noted in the audited annual financial statement of the village, town, city, or  
7                   county.

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

18                  **SECTION 2.** Chapter 12 of the General Statutes is amended by adding a new  
19                  section to read:

20                  "**§ 12-5. Uniform value change indexing.**

21                  For every statute that expressly references this section for the purpose of value change  
22                  indexing of a dollar amount, the dollar value to which the statute refers shall be determined in  
23                  accordance with this section. To account for changes in the value of money, the Attorney  
24                  General shall each year apply the percentage change in the Consumer Price Index for All Urban  
25                  Consumers for the 12-month period preceding July 1 to the dollar amounts set out in each  
26                  statute that expressly references this section, or to the most recent revisal of those dollar  
27                  amounts, whichever is the latter. The Attorney General shall cause those adjusted amounts to  
28                  be published in the North Carolina Register as soon as practicable. The Attorney General shall  
29                  also notify the Revisor of Statutes. The revised amount shall be applicable to each of those  
30                  statutes beginning January 1 of the next year and until January 1 of the following year. The  
31                  Revisor of Statutes shall cause to be published a revision of the statute with the revised amount  
32                  substituted for the previous amount."

33                  **SECTION 3.** This act becomes effective October 1, 2009.