

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 416

Short Title: Robeson County/Local Business Preference. (Local)

Sponsors: Representatives C. Graham, Pierce, Goodman, and Brenden Jones (Primary Sponsors).

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: State and Local Government II, if favorable, Regulatory Reform

March 22, 2017

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT COUNTIES AND CITIES SHALL, WHEN CONTRACTING FOR CONSTRUCTION OR REPAIR WORK OR FOR THE PURCHASE OF APPARATUS, SUPPLIES, MATERIALS, OR EQUIPMENT INVOLVING THE EXPENDITURE OF PUBLIC FUNDS, GIVE PREFERENCE TO LOCAL BIDDERS AND LOCAL RESIDENTS WHEN CERTAIN REQUIREMENTS ARE MET.

The General Assembly of North Carolina enacts:

SECTION 1. Article 8 of Chapter 143 of the General Statutes is amended by adding a new section to read as follows:

"§ 143-131.2. Local contract preference.

(a) Bid-Match Preference. – Notwithstanding any other provision of this Article, when contracting for construction or repair work or for the purchase of apparatus, supplies, materials, or equipment involving the expenditure of public funds, counties and municipalities may give preference to the lowest responsible, responsive local bidder if the following conditions are met: (i) the bid of the lowest responsible, responsive local bidder is no greater than five percent (5%) or ten thousand dollars (\$10,000), whichever is less, of the bid of the lowest responsible, responsive nonlocal bidder and (ii) the lowest responsible, responsive local bidder matches the bid of the lowest responsible, responsive nonlocal bidder.

(b) Contractor Responsibilities. – A local or nonlocal bidder who is awarded a contract with a county or municipality under subsection (a) of this section shall give preference to local businesses and local residents. Nothing in this section shall be construed to require a contractor to award contracts or subcontracts to or to make purchases of apparatus, supplies, materials, or equipment from a local business that does not submit the lowest responsible, responsive bid or bids or to employ a local resident who does not meet the contractor's qualifications for employment. Within 30 days of being awarded a contract, the contractor shall submit to the governing body, or a person designated by the governing body, a Community Preference Plan which shall identify (i) the local businesses and local residents that the contractor will use on the project, (ii) the good-faith efforts the contractor has made to contact local businesses that reasonably could have been expected to submit a quote, (iii) the good-faith efforts the contractor has made to employ qualified local residents, and (iv) the estimated total dollar value of the contract that will be performed by local businesses.

(c) Definitions. – For purposes of this section, the following definitions apply:



- 1 (1) Local bidder. – A bidder that has paid unemployment taxes or income taxes in
2 this State and whose principal place of business is located within the boundaries
3 of the county or municipality giving the preference.
- 4 (2) Local resident. – A person whose primary residence is within the boundaries of
5 the county or municipality giving the preference.
- 6 (3) Nonlocal bidder. – A bidder that is not a local bidder, as defined in subdivision
7 (1) of this subsection.
- 8 (4) Principal place of business. – The principal place from which the trade or
9 business of the bidder is directed or managed."

10 **SECTION 2.** This act applies to Robeson County and the municipalities within
11 Robeson County.

12 **SECTION 3.** This act is effective when it becomes law and applies to bids received
13 on or after that date.