

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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**HOUSE BILL 115
Committee Substitute Favorable 3/01/01**

Short Title: Business Transactions Involving Public Funds.

(Public)

Sponsors:

Referred to:

February 15, 2001

A BILL TO BE ENTITLED

1 AN ACT TO AMEND THE LAW REGARDING BUSINESS TRANSACTIONS
2 INVOLVING PUBLIC FUNDS.
3

4 The General Assembly of North Carolina enacts:

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

6 "(d1) The first sentence of subsection (a) shall not apply to (i) any elected official
7 or person appointed to fill an elective office of a village, town, or city having a
8 population of no more than ~~7,500~~15,000 according to the most recent official federal
9 census, (ii) any elected official or person appointed to fill an elective office of a county
10 within which there is located no village, town, or city with a population of more than
11 ~~7,500~~15,000 according to the most recent official federal census, (iii) any elected
12 official or person appointed to fill an elective office on a city board of education in a
13 city having a population of no more than ~~7,500~~15,000 according to the most recent
14 official federal census, (iv) any elected official or person appointed to fill an elective
15 office as a member of a county board of education in a county within which there is
16 located no village, town or city with a population of more than ~~7,500~~15,000 according
17 to the most recent official federal census, (v) any physician, pharmacist, dentist,
18 optometrist, veterinarian, or nurse appointed to a county social services board, local
19 health board, or area mental health, developmental disabilities, and substance abuse
20 board serving one or more counties within which there is located no village, town, or
21 city with a population of more than ~~7,500~~15,000 according to the most recent official
22 federal census, and (vi) any member of the board of directors of a public hospital if:

23 (1) The undertaking or contract or series of undertakings or contracts
24 between the village, town, city, county, county social services board,
25 county or city board of education, local health board or area mental
26 health, developmental disabilities, and substance abuse board, or
27 public hospital and one of its officials is approved by specific
28 resolution of the governing body adopted in an open and public
29 meeting, and recorded in its minutes and the amount does not exceed

1 ~~ten thousand dollars (\$10,000)~~ twelve thousand five hundred dollars
2 (\$12,500) for medically related services and ~~fifteen thousand dollars~~
3 ~~(\$15,000)~~ twenty-five thousand dollars (\$25,000) for other goods or
4 services within a 12-month period; and

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

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

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

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