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H HOUSE BILL 682

Short Title: Adjust Conflict Threshold. (Public)

Sponsors: Representative Guice.

Referred to: Judiciary I.

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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, AND TO ALLOW AUTOMATIC ADJUSTMENTS TO ACCOUNT FOR FUTURE CHANGES IN THE CONSUMER PRICE INDEX.

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



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- The total annual amount of contracts with each official, shall be specifically (3) noted in the audited annual financial statement of the village, town, city, or
- The governing board of any village, town, city, county, county social (4) services board, county or city board of education, local health board, area mental health, developmental disabilities, and substance abuse board, or public hospital which contracts with any of the officials of their governmental unit shall post in a conspicuous place in its village, town, or city hall, or courthouse, as the case may be, a list of all such officials with whom such contracts have been made, briefly describing the subject matter of the undertakings or contracts and showing their total amounts; this list shall cover the preceding 12 months and shall be brought up-to-date at least quarterly.

To account for future changes in the value of money, on July 1, 2011, and on July 1 of each odd-numbered year thereafter, the Attorney General shall publish in the North Carolina Register the amount calculated by applying the percentage change in the Consumer Price Index for All Urban Consumers for the most recent 24-month period to the dollar amounts set out in subdivision (1) of this subsection, or to the most recent revisal of those dollar amounts under this paragraph, whichever is the latter. The Attorney General shall also notify the Revisor of Statutes. The revised amount shall be applicable beginning December 1 of that year, and until December 1 of the second following year, and shall be published by the Revisor of Statutes as part of this subsection."

**SECTION 2.** This act becomes effective December 1, 2009.