

North Carolina League of Municipalities

NC Association of Municipal Attorneys
Winter Conference
March 26, 2021



**WORKING AS ONE.
ADVANCING ALL.**

Outline



- NCLM Overview
- NCLM Legislative Priorities
- Long Session Overview
- Legislation
- Q&A

NCLM Overview



What is the League?



- An association of 540 of North Carolina's cities and towns
- The one-stop municipal shop, for cities and towns, led by cities and towns
- The unified voice of the state's municipalities





What does the League do?

- Serves at the full-service extension of local government; the go-to source of support for:
 - Insurance
 - Advice & Consultation
 - Advocacy & Lobbying
 - Training & Professional Development
 - Research & Information
- Promotes good local government
- Influences state and federal policy that affects municipalities

NCLM Advocacy



PUBLIC AND GOVERNMENT AFFAIRS TEAM

- Representing cities and towns before the General Assembly, the U.S. Congress and administrative rule-making authorities
- Lobby and advocate for what's in the best interest for cities, towns, and their residents
- Works directly with legislators, government agencies and employees, and other policymakers

Research & Information



Through a variety of publications and research, NCLM helps its members stay informed on what's happening in the state capital and what's going on in their sister cities and towns.

- Salary Surveys
- Revenue Projections
- Southern City Magazine
- Weekly Email Newsletters (Bulletin—legislative updates)
- Municipal Equation Podcast
- Social Media

NCLM Involvement & Resources



NCLM website

- Changes are coming to the advocacy section!
- Resource hub for top legislative issues
 - Links to relevant bills
 - Bill summaries and background
 - Talking points
 - Related media

The screenshot displays the NCLM website's '2021-2022 Legislative Goals' page. At the top, the NCLM logo and the tagline 'WORKING AS ONE. ADVANCING ALL.' are visible. The page is organized into several sections, each with a list of goals:

- HEALTHY FINANCES**
 - Secure federal and state aid directly to municipalities to offset all lost revenues due to the Covid-19 pandemic.
 - Expand incentives and funding for local economic development.
 - Reduce prescriptive mandates on local governments by expanding revenue options.
 - Ensure mandated benefits for municipal employees.
- VIBRANT COMMUNITIES AND NEIGHBORHOODS**
 - Revitalize vacant and abandoned properties with enhanced legal tools and funding.
 - Increase state and federal funding for affordable housing.
- RESILIENT INFRASTRUCTURE**
 - Grant local governments the authority to build broadband infrastructure in order to partner with private providers, and provide additional funding to help close the digital divide.
 - Create a permanent and adequate funding stream for local infrastructure needs.
 - Provide funding to keep aging water and sewer systems financially solvent today and viable for the future.
- RACIAL EQUITY**
 - Improve state-wide funding and support for LEO training focused on use of force, mental health and de-escalation skills.
 - Increase public safety grant funding and expand allowable uses.

Overlaid on the right side of the page is a large text box that reads: **Read the 2021-2022 NCLM Legislative Goals**. Below this text are two photographs: the top one shows a group of people in a meeting, and the bottom one shows a man speaking at a podium to an audience.

At the bottom right of the page, the website URL and phone number are listed: www.ncim.org 919-715-4000.

NCLM Legislative Priorities



NCLM Legislative Priorities



- Infrastructure
 - Transportation
 - Broadband
 - Water/wastewater/stormwater
- Jobs & community
 - Housing
 - Public safety
 - Economic development investments
 - Downtowns
 - Historic buildings
 - Industry incentives
 - Entrepreneurs
 - Financing
 - Increased revenue options
 - Funding for state-mandated employee benefits



Focus Areas



Resilient
Infrastructure

Healthy
Finances

Vibrant
Communities &
Neighborhoods

Racial Equity

Adaptive
Municipal
Operations

NCLM Legislative Priorities



Healthy Finances

HEALTHY FINANCES

- Secure federal and state aid directly to municipalities to offset all lost revenues due to the Covid-19 pandemic.
- Expand incentives and funding for local economic development.
- Reduce pressure on property tax payers by expanding locally-controlled options for revenue generation.
- Ensure state funding for any new, state-mandated benefits for municipal employees.

NCLM Legislative Priorities



Resilient Infrastructure

RESILIENT INFRASTRUCTURE

- Grant local governments the authority to build broadband infrastructure in order to partner with private providers, and provide additional funding to help close the digital divide.
- Create a permanent and adequate funding stream for local infrastructure needs.
- Provide funding to keep aging water and sewer systems financially solvent today and viable for the future.

NCLM Legislative Priorities



Racial Equity

RACIAL EQUITY

- Improve state-wide funding and support for LEO training focused on use of force, mental health and de-escalation skills.
- Increase public safety grant funding and expand allowable uses.

NCLM Legislative Priorities



Vibrant Communities & Neighborhoods

VIBRANT COMMUNITIES & NEIGHBORHOODS

- Revitalize vacant and abandoned properties with enhanced legal tools and funding.
- Increase state and federal funding for affordable housing.

Adaptive Municipal Operations

ADAPTIVE MUNICIPAL OPERATIONS

- Extend notification timeline for any changes to sales tax revenue disbursement.

Core Municipal Principles



CORE MUNICIPAL PRINCIPLES

- Preserve Municipal Authority
- Protect Local Revenue Streams
- Minimize State & Local Mandates



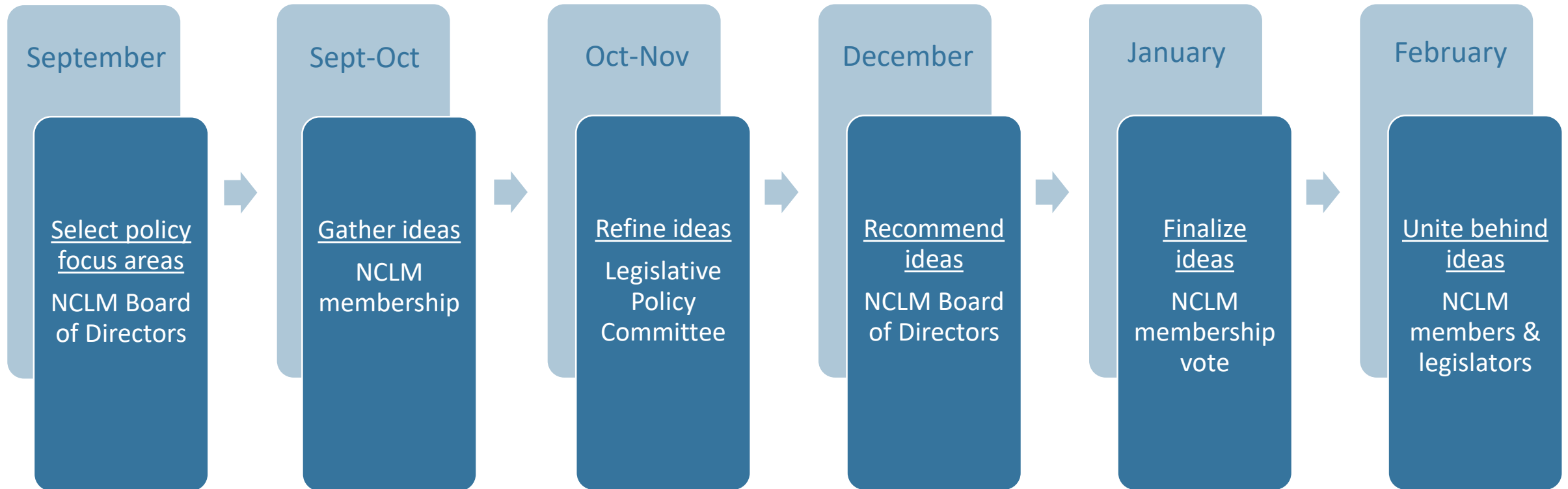
Core Municipal Principles



CORE MUNICIPAL PRINCIPLES

- Promote Open Government and Ethical Conduct
- Limit Imposition of Liability
- Support Responsible Growth and Economic Development Policies
- Support Fact-based, Equitable, Cost-effective, Flexible, Achievable Regulatory Solutions

Setting Legislative Priorities



Idea-Gathering By the Numbers

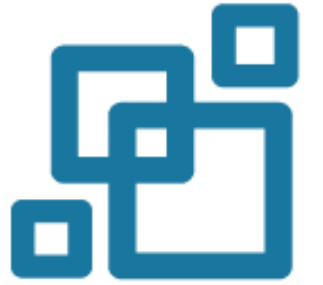


HIGH-PARTICIPATION PROCESS

- 196 cities participated overall
 - Smallest: Fontana Dam, pop. 21
 - Largest: Charlotte, pop. 863,985
- Over 450 ideas submitted
- 82 distinct goals narrowed to top 12
- 9 virtual idea generation sessions
 - 35 small group discussions
 - 165 city officials
- 45 days of written submissions



Legislative Policy Committee



- 2 co-chairs appointed from Board of Directors
 - Scott Neisler, Mayor, Kings Mountain
 - Lynda Sossamon, Mayor, Sylva
- 70 Committee members
- Four virtual meetings held Oct. 28-Nov. 18
 - Determine wording of goal statements
 - Debate priority ranking of goals
 - Affirm Core Municipal Principles



Long Session Overview



Partisan Breakdown



N.C. LEGISLATURE: 2021-2022

■ Republican ■ Democrat

SENATE

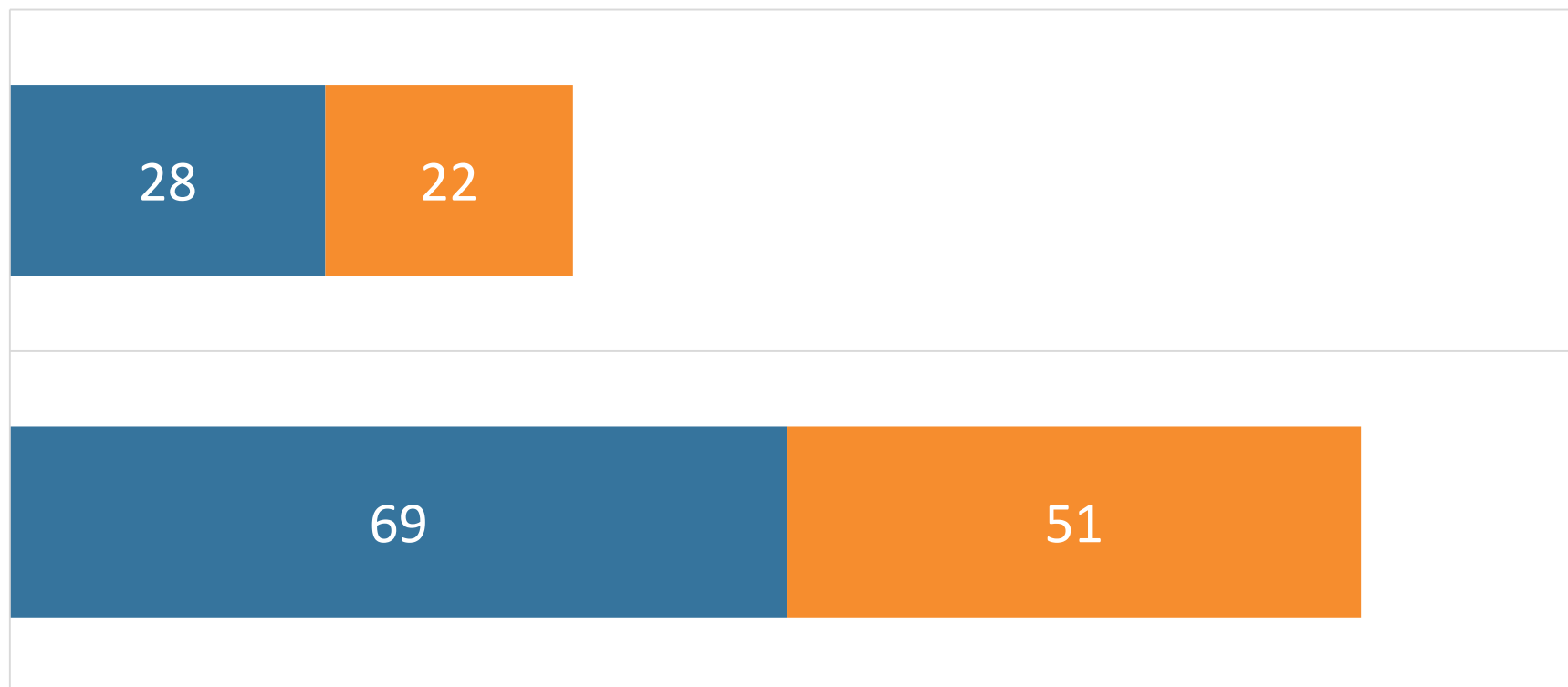
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22

HOUSE

69

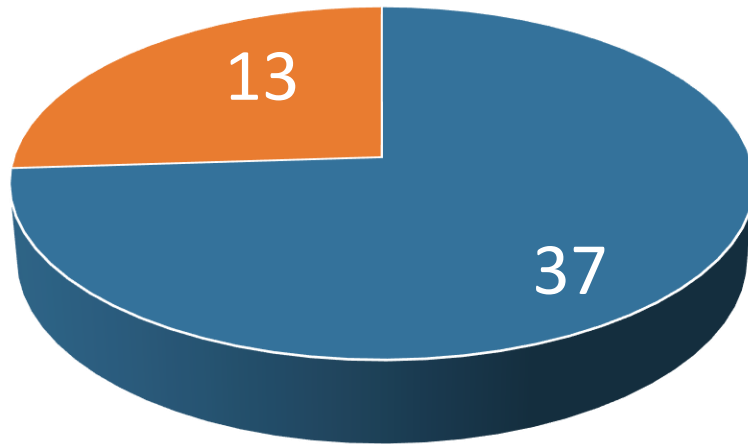
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Legislative Seniority

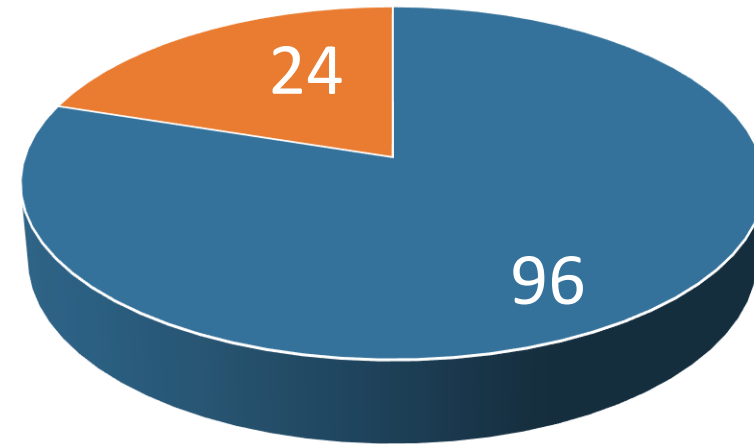


Senate Seniority



■ All other ■ First term

House Seniority



■ All other ■ First term

General Policy Focus



GENERAL POLICY FOCUS FOR LEGISLATURE IN 2021

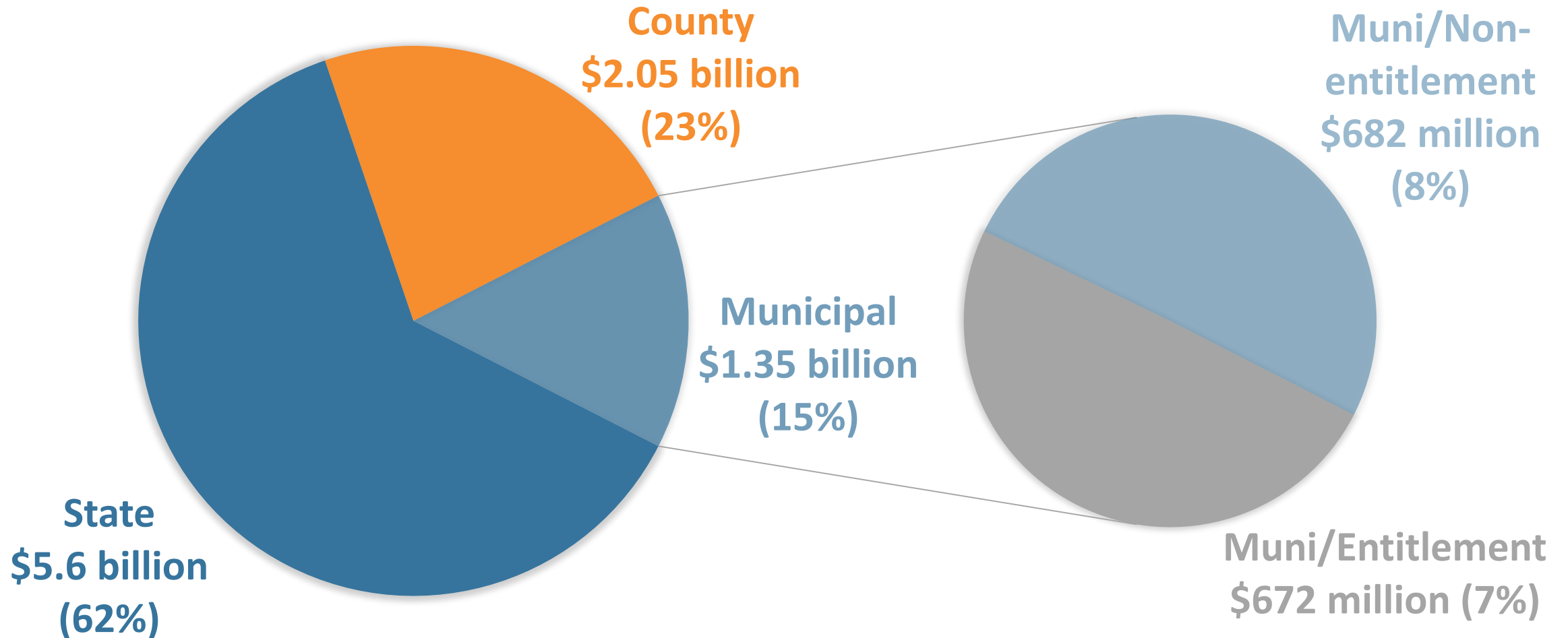
- COVID response
- Pandemic reopening
- Budget—break the stalemate
- Redistricting—legislative & congressional



Legislation



American Rescue Plan



American Rescue Plan



DIRECT AID TO CITIES

- First disbursement
 - Entitlement cities: by May 15, 2021
 - Non-entitlement: State receives by May 15, 2021, then disburses w/in 30 days of receipt
- Second disbursement
 - One year after first
- Deadline for spending: Dec. 31, 2024
- NCLM resource website:
www.arp.nclm.org



COVID Legislation



DECEMBER FEDERAL RELIEF BILL

- Entitlement communities received relief directly
 - Rent/utility assistance
 - Transit \$\$
- HB 196 2021 COVID-19 Response and Relief
 - S.L. 2021-3
 - Appropriates federal funding for rent/utility assistance (\$546 million)
 - Extends remote notary authority
 - Extends vested rights in development approvals by an add'l 30 days



COVID Legislation



- HB 119 Property Tax Relief for COVID Affected Bus.
 - Allows deferment of property taxes for qualifying businesses
 - Directs property assessors to revalue qualifying properties with changed economic circumstances due to the pandemic
- HB 166 Emer. Mgt./Powers/Rutherford/Polk County
- HB 211 Reopen Bars and Restaurants





Wedge Issues

- Sanctuary Cities
 - HB 62 Gov. Immigration Compliance/Enjoin Ordinances
- Climate Change
 - HB 220 Assuring Choice of Energy Service
- Policing & Protests
 - SB 100 Police Funding Protection Act
 - SB 238 Life & Property Protection Act
 - HB 321 Restoration of Law and Order Act



Redistricting & 2020 Census



BACKGROUND

- U.S. constitution requires all electoral districts to be redrawn following each Census, if needed to correct population imbalances
- But this year, Census data delay (to Sept. 30) will leave no time for local redistricting prior to fall elections
 - And holding the election as scheduled w/out redistricting—if redistricting is required—renders the election unconstitutional



Municipal Elections Calendars



NCGA MUST MOVE ELECTIONS

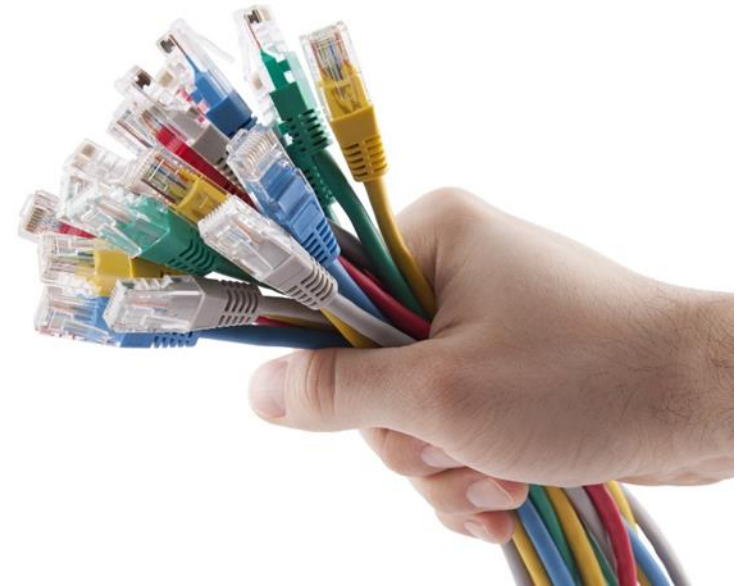
- Nearly four dozen cities and school boards likely need to redistrict
- No apparent legal means to move elections without legislative action
 - Legislative action is needed to prevent unconstitutional elections, risk of lawsuits
- Elections for unaffected municipalities should remain as scheduled in 2021
 - If city otherwise wishes to move, request a local bill

Broadband

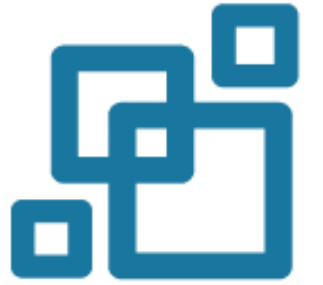


FEDERAL LEGISLATION

- Community Broadband Act
 - Reps. Eshoo and Golden, Sen. Booker
- Affordable, Accessible Internet for All A
 - Rep. Clyburn, Sen. Klobuchar
- LIFT America Act
 - Democratic members of the House Committee on Energy & Commerce



Broadband



STATE LEGISLATION

- Broadband a top NCGA focus
 - HB 289 DIT/Broadband Mapping—Funds
 - Increased funds to G.R.E.A.T. grant program
 - Numerous proposals expected
- FIBER NC Act
 - Authorizes local governments to build broadband infrastructure, if leasing to a private ISP
 - Accomplishes NCLM legislative goal
 - Not yet introduced



Development



RELAXING LOCAL REGULATION

- HB 218 Streamline Permits/Redevelopment of Property
 - Less stormwater controls in water supply watersheds
- HB 291 Bldg Plan Approval—Certain Commercial Prop
 - Shot clocks for commercial plan review
- SB 308 Building Code Inspection Reform
 - Compel finalization of inspections



Affordable Housing



- HB 232 LRC Study-Affordable Housing
- SB 319 Local Gov't Units/System Development Fees
- Misc. local bills



Economic Development



LOCAL FOCUS

- HB 66 Expand Eligibility for Utility Account
 - Infrastructure for businesses
- HB 268 Film Grant Fund Appropriation
 - Support for a specific industry

Infrastructure



- HB 271 Eminent Domain
 - Perennial bill that passes the House each session, then is not considered in the Senate
 - Places a constitutional amendment question on the ballot that would not allow property to be taken by eminent domain except for a public use
- SB 227 Cities/Flood Reduction Techniques
 - Authorizes use of stormwater enterprise funding for floodplain property buyouts for cities above 200,000 in population



Municipal employment



PRO-LAW ENFORCEMENT BILLS

- **HB 7 Protect City Employees From Retaliation**
 - Grants additional legal protections for municipal employees from retaliation
- **SB 72 Advanced Cert. Service Purchase Option/LEOs**
 - Adds time city must pay special separation allowance

Ordinance Decriminalization



SB 300 CRIMINAL JUSTICE REFORM

- Sec. 14 decriminalizes all local ordinances
 - Follows four-year push by advocates
 - Only allows civil enforcement of existing and new ordinances
- Other sections of this bill address policing
 - Ex. Requirements to report disciplinary action against LEOs, use of force
 - Report to statewide databases
 - Reports are not public records
 - Ex. Mandatory LEO training on implicit bias, use of force, duty to intervene, etc.

Municipal Finance



- HB 273 Modify Builders Inventory Tax Exclusion
 - Adds townhomes to list of properties that benefit from tax exclusion before a builder sells them
- Local bill requests for additional revenue-raising authority
 - HB 239 Additional North Topsail Occupancy Tax
 - SB 179 Asheville Local Option Sales Tax for Transit
 - SB 247 Pineville Local Option Sales Tax
 - SB 293 Increase Wilkesboro Occupancy Tax



Open Government



- SB 31 Political Subdivisions/Local Bidders Notice
 - New notification requirements for projects in informal bidding range
- SB 265 Bond Referendum Transparency
 - Adds speculative financial information to ballot language for bond referenda
- HB 35 Various County Public Notices and HB 51 Eastern Counties/Public Notices
 - Local bills to allow counties & municipalities w/in them to post public notices on county websites instead of in newspapers
- HB 304 Protect Personal Info/LEOs, Judges, Das.
 - Requires removal of personal information from local government websites, upon request of employees such as law enforcement officers
- SB 260 Mooresville TDA/Monroe Remote Meeting Ch.
 - Modifies remote meeting rules during declared statewide emergencies for Monroe

Q&A

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Public and Government Affairs

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