

Article 6D.

Local Government Fiscal Information Act.

§ 120-30.41. Short title.

This Article may be cited as the "Local Government Fiscal Information Act." (1979, 2nd Sess., c. 1262, s. 1.)

§ 120-30.42. Definitions.

For the purposes of this Article, "unit of local government" means counties, cities, towns, and incorporated villages, sanitary districts, mosquito control districts, hospital districts, metropolitan sewerage districts, metropolitan water districts, county water and sewer districts, special airport districts, water and sewer authorities, county boards of education and city boards of education. (1979, 2nd Sess., c. 1262, s. 2.)

§ 120-30.43. Purpose.

It is the purpose of this Article to provide procedures for the preparation and distribution of fiscal information on bills, resolutions, amendments to bills and resolutions or rules which if enacted or adopted would have a fiscal impact on the units of local government of this State. (1979, 2nd Sess., c. 1262, s. 3.)

§ 120-30.44. Fiscal note defined.

For purposes of this Article, "fiscal note" means a realistic statement of the estimated effect on the expenditures or revenues of units of local government of implementing or complying with a proposed bill, resolution or rule. (1979, 2nd Sess., c. 1262, s. 4.)

§ 120-30.45. Fiscal note on legislation.

(a) Every bill and resolution introduced in the General Assembly proposing any change in the law that could increase or decrease expenditures or revenues of a unit of local government shall have attached to it at the time of its consideration by the General Assembly a fiscal note prepared by the Fiscal Research Division. The fiscal note shall identify and estimate, for the first five fiscal years the proposed change would be in effect, all costs of the proposed legislation. If, after careful investigation, the Fiscal Research Division determines that no dollar estimate is possible, the note shall contain a statement to that effect, setting forth the reasons why no dollar amount can be given. No comment or opinion shall be included in the fiscal note with regard to the merits of the measure for which the note is prepared. However, technical and mechanical defects may be noted.

(b) The sponsor of each bill or resolution to which this section applies shall present a copy of the bill or resolution with the request for a fiscal note to the Fiscal Research Division. Upon receipt of the request and the copy of the bill or resolution, the Fiscal Research Division shall prepare the fiscal note as promptly as possible. The Fiscal Research Division shall prepare the fiscal note and transmit it to the sponsor within two weeks after the request is made, unless the sponsor agrees to an extension of time.

(c) This fiscal note shall be attached to the original of each proposed bill or resolution that is reported favorably by any committee of the General Assembly, but shall be separate from the bill or resolution and shall be clearly designated as a fiscal note. A fiscal note attached to a bill or resolution pursuant to this subsection is not a part of the bill or resolution and is not an expression of legislative intent proposed by the bill or resolution.

(d) If a committee of the General Assembly reports favorably a proposed bill or resolution with an amendment that proposes a change in the law that could increase or decrease expenditures or revenues of a unit of local government, the chair of the committee shall obtain from the Fiscal Research Division and attach to the amended bill or resolution a fiscal note as provided in this section.

(e) The Office of State Budget and Management, the Department of Revenue, the Department of the State Treasurer, the Department of the State Auditor, the State department most directly concerned, and, where appropriate, officials of units of local government, upon the request of Fiscal Research Division, shall assist the Fiscal Research Division in the preparation of the fiscal note.

(f) Copies of fiscal notes prepared by the Fiscal Research Division shall be furnished to the sponsor of the bill or resolution, the chairmen of the Local Government Committees, and the chairmen of the Appropriations, Finance, Rules, or the Senate Ways and Means Committees as appropriate. (1979, 2nd Sess., c. 1262, s. 5; 1995, c. 415, s. 6; 2000-140, s. 93.1(a); 2001-424, s. 12.2(b).)

§ 120-30.46. Fiscal information related to requests for State appropriations.

Any State department, institution, agency, or other authority making requests for State appropriations to fund changes in existing programs or for implementing new programs shall, if such changes or new programs would require local expenditures, incorporate as a part of the information submitted in support of the request a statement of the estimated fiscal effect on the units of local government. (1979, 2nd Sess., c. 1262, s. 6.)

§ 120-30.47. Legislation introduced by request.

Any State department, institution, agency, or other authority requesting a member or members of the General Assembly to introduce legislation which if enacted would have a fiscal impact on the units of local government of this State shall furnish to such member or members, and to the Fiscal Research Division, a fiscal note containing a realistic estimate of the effect of the measure for the ensuing two fiscal periods. (1979, 2nd Sess., c. 1262, s. 7.)

§ 120-30.48. Fiscal impact of administrative rules.

An agency is required to prepare a fiscal note on a proposed administrative rule that affects the expenditures or revenues of a unit of local government as provided in G.S. 150B-21.4. (1979, 2nd Sess., c. 1262, s. 8; 1987, c. 827, ss. 1, 55; 1991, c. 418, s. 13.)

§ 120-30.49. Compiling federal mandates; annual report.

(a) The Fiscal Research Division shall, in consultation with the appropriate staff of the Legislative Analysis and Legislative Drafting Divisions, make an annual report to the General Assembly pertaining to the fiscal effect of federal mandates on, or federal law on which is conditioned the receipt of federal funds by the State and units of local government. The annual report on federal mandates shall include all of the following:

- (1) A listing of federal laws that require the State and any unit of local government, including a county, city, school administrative unit, or other local entity funded by or through a unit of local government to carry out additional or modified responsibilities.

- (2) An estimate of the amount of any increase or decrease in the costs to the State and units of local government in providing or delivering public services required by federal law that are funded in whole or in part by the State or units of local government.
- (3) A listing of any other federal actions directly affecting the expenditures or revenues of the State and units of local government.

(b) The Office of State Budget and Management shall assist the Fiscal Research Division in the preparation of the annual report on federal mandates upon the request of the Division. Each State department, agency, or institution shall cooperate fully with the Fiscal Research Division in compiling the annual report on federal mandates and shall supply information to the Division in accordance with G.S. 120-32.01. The North Carolina Association of County Commissioners, the North Carolina League of Municipalities, and units of local government shall cooperate with the Fiscal Research Division in compiling the annual report on federal mandates, as requested, by supplying information relevant to the expenditures or revenues of units of local government.

(c) Copies of the annual report on federal mandates to the State and units of local government shall be provided to members of the General Assembly and to the Governor, the Office of State Budget and Management, the North Carolina Association of County Commissioners, and the North Carolina League of Municipalities. (1995, c. 415, s. 7; 2000-140, s. 93.1(a); 2001-424, s. 12.2(b); 2018-142, s. 4(c).)