

GENERAL ASSEMBLY OF NORTH CAROLINA  
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SENATE BILL DRS55022-MGp-10H

Short Title: Ret. & Treasury Tech. Corrections Act of 2021.-AB (Public)

Sponsors: Senators Alexander and Burgin (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT MAKING TECHNICAL CORRECTIONS AND OTHER CONFORMING AND  
3 CLARIFYING CHANGES TO THE LAWS GOVERNING THE TEACHERS' AND  
4 STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENT  
5 COMMISSION, AND TO OTHER RELATED STATUTES.

6 The General Assembly of North Carolina enacts:

7  
8 **PART I. TECHNICAL CORRECTIONS TO RELATED STATUTES**

9 **SECTION 1.1.** G.S. 84-4.1 reads as rewritten:

10 **"§ 84-4.1. Limited practice of out-of-state attorneys.**

11 Any attorney domiciled in another state, and regularly admitted to practice in the courts of  
12 record of and in good standing in that state, having been retained as attorney for a party to any  
13 civil or criminal legal proceeding pending in the General Court of Justice of North Carolina, the  
14 North Carolina Utilities Commission, the North Carolina Industrial Commission, the Office of  
15 Administrative Hearings of North Carolina, or any administrative agency, may, on ~~motion,~~  
16 motion to the relevant forum, be admitted to practice in that forum for the sole purpose of  
17 appearing for a client in the proceeding. The motion required under this section shall be signed  
18 by the attorney and shall contain or be accompanied by:

19 ...

20 (7) A fee in the amount of two hundred twenty-five dollars (~~\$225.00~~), ~~of which~~  
21 (\$225.00) submitted and made payable to one of the following: (i) for judicial  
22 proceedings, the presiding clerk of court and (ii) for administrative  
23 proceedings, the presiding administrative agency. The clerk of court or  
24 administrative agency shall: (i) remit two hundred dollars (\$200.00) shall be  
25 remitted of the fee collected to the State Treasurer for support of the General  
26 Court of Justice and Justice, and (ii) transmit twenty-five dollars (\$25.00) shall  
27 be transmitted of the fee collected to the North Carolina State Bar to regulate  
28 the practice of out-of-state attorneys as provided in this section.

29 ...."

30 **SECTION 1.2.** G.S. 116D-3 reads as rewritten:

31 **"§ 116D-3. Reports.**

32 ...

33 (b) Treasurer. – Upon issuance of university improvement general obligation bonds under  
34 Article 2 of this Chapter or community college general obligation bonds under Article 4 of this  
35 Chapter, the Treasurer shall forward a schedule of required payments of principal and interest  
36 over the life of the bonds to the Director of the Budget, with copies to the Joint Legislative



1 Commission on Governmental Operations and the Fiscal Research Division. ~~The Treasurer shall~~  
2 ~~report to the Joint Legislative Commission on Governmental Operations by September 15 of each~~  
3 ~~year, and more frequently as the Commission requests, on the university improvement general~~  
4 ~~obligation bonds issued under Article 2 of this Chapter and community college general obligation~~  
5 ~~bonds issued under Article 4 of this Chapter, including the annual debt service requirements over~~  
6 ~~the remainder of the life of the bonds.~~

7 ...."

## 9 PART II. TECHNICAL CORRECTIONS TO THE TEACHERS' AND STATE 10 EMPLOYEES' RETIREMENT SYSTEM

### 11 SECTION 2.1. G.S. 135-3(8) reads as rewritten:

12 "(8) The provisions of this subsection (8) shall apply to any member whose  
13 membership is terminated on or after July 1, 1963 and who becomes entitled  
14 to benefits hereunder in accordance with the provisions hereof.

15 ...

- 16 c. Should a beneficiary who retired on an early or service retirement  
17 allowance under this Chapter be reemployed by, or otherwise engaged  
18 to perform services for, an employer participating in the Retirement  
19 System on a part time, temporary, interim, or on a fee for service basis,  
20 whether contractual or otherwise, except as provided in  
21 G.S. 120-32(1), and if such beneficiary earns an amount during the 12  
22 month period immediately following the effective date of retirement  
23 or in any calendar year which exceeds fifty percent (50%) of the  
24 reported compensation, excluding terminal payments, during the 12  
25 months of service preceding the effective date of retirement, or twenty  
26 thousand dollars (\$20,000), whichever is greater, as hereinafter  
27 indexed, then the retirement allowance shall be suspended as of the  
28 first day of the month following the month in which the reemployment  
29 earnings exceed the amount above, for the balance of the calendar  
30 year, except when the reemployment earnings exceed the amount  
31 above in the month of December, in which case the retirement  
32 allowance shall not be suspended. The retirement allowance of the  
33 beneficiary shall be reinstated as of January 1 of each year following  
34 suspension. The amount that may be earned before suspension shall be  
35 increased on January 1 of each year by the percentage change between  
36 the December Consumer Price Index in the year prior to retirement  
37 and the December Consumer Price Index in the year most recently  
38 ended, calculated to the nearest tenth of a percent (1/10 of 1%),  
39 provided that this percentage change is positive.

40 ...."

### 41 SECTION 2.2. G.S. 161-50.2(a) reads as rewritten:

#### 42 "§ 161-50.2. Assets.

43 (a) On and after October 1, 1987, each County Commission shall remit monthly to the  
44 Department of State Treasurer an amount equal to one and one-half percent (1.5%) of the monthly  
45 receipts collected pursuant to Article 1 of Chapter 161 of the General Statutes, to be deposited to  
46 the credit of the Registers of Deeds' Supplemental Pension Fund, hereinafter referred to as the  
47 Fund, to be used in making monthly pension payments to eligible retired registers of deeds under  
48 the provisions of this Article and to pay the cost of administering the provisions of this Article.  
49 A County Commission's submission of these amounts to the Department of State Treasurer  
50 constitutes a certification of the accuracy of these amounts."

1 **PART III. TECHNICAL CORRECTIONS TO LOCAL GOVERNMENT COMMISSION**  
2 **STATUTES**

3 **SECTION 3.1.** G.S. 159-8 reads as rewritten:

4 "**§ 159-8. Annual balanced budget ordinance.**

5 (a) Each local government and public authority shall operate under an annual balanced  
6 budget ordinance adopted and administered in accordance with this Article. A budget ordinance  
7 is balanced when the sum of estimated net revenues and appropriated fund balances is equal to  
8 appropriations. Appropriated fund balance in any fund shall not exceed the sum of cash and  
9 investments minus the sum of liabilities, encumbrances, and deferred revenues arising from cash  
10 receipts, as those figures stand at the close of the fiscal year next preceding the budget year. It is  
11 the intent of this Article that, except for moneys expended pursuant to a project ordinance or  
12 accounted for in an intragovernmental service fund or a trust and ~~agency-custodial~~ fund excluded  
13 from the budget ordinance under G.S. 159-13(a), all moneys received and expended by a local  
14 government or public authority should be included in the budget ordinance. Therefore,  
15 notwithstanding any other provision of law, no local government or public authority may expend  
16 any moneys, regardless of their source (including moneys derived from bond proceeds, federal,  
17 state, or private grants or loans, or special assessments), except in accordance with a budget  
18 ordinance or project ordinance adopted under this Article or through an intragovernmental  
19 service fund or trust and ~~agency-custodial~~ fund properly excluded from the budget ordinance.

20 ...."

21 **SECTION 3.2.** G.S. 159-13 reads as rewritten:

22 "**§ 159-13. The budget ordinance; form, adoption, limitations, tax levy, filing.**

23 (a) Not earlier than 10 days after the day the budget is presented to the board and not later  
24 than July 1, the governing board shall adopt a budget ordinance making appropriations and  
25 levying taxes for the budget year in such sums as the board may consider sufficient and proper,  
26 whether greater or less than the sums recommended in the budget. The budget ordinance shall  
27 authorize all financial transactions of the local government or public authority ~~except~~except the  
28 following:

29 ...

30 (3) Those accounted for in a trust or ~~agency-custodial~~ fund established to account  
31 for moneys held by the local government or public authority as an agent or  
32 common-law trustee or to account for a retirement, pension, or similar  
33 employee benefit system.

34 (4) Representative payee funds received under the Social Security Agency  
35 Representative Payee Program. These restricted funds belong to and are used  
36 for the support of minor children and certain adults.

37 ...."

38 **SECTION 3.3.** G.S. 159-14 reads as rewritten:

39 "**§ 159-14. Trust and ~~agency-custodial~~ funds; budgets of special districts.**

40 ...

41 (b) Transfers from Certain Trust and ~~Agency-Custodial~~ Funds. – Except for transfers to  
42 the appropriate special district or public authority, a unit of local government may not transfer  
43 moneys from a fund established to account for taxes collected on behalf of a special district or  
44 from a fund established to account for special assessments collected on behalf of a public  
45 authority unless the special district or public authority has ceased to function."

46 **SECTION 3.4.** G.S. 159-26 reads as rewritten:

47 "**§ 159-26. Accounting system.**

48 ...

49 (b) Funds Required. – Each local government or public authority shall establish and  
50 maintain in its accounting system such of the following funds and ledgers as are applicable to it.

1 The generic meaning of each type of fund or ledger listed below is that fixed by generally  
2 accepted accounting principles.

- 3 ...
- 4 (7) Trust and ~~agency~~-custodial funds, including a fund for each special district,  
5 public authority, or school administrative unit whose taxes or special  
6 assessments are collected by the unit.
- 7 (8) A ledger or group of accounts in which to record the details relating to the  
8 ~~general-fixed-capital~~ assets of the unit or public authority.

9 ...."

10 **SECTION 3.5.** G.S. 159-28 reads as rewritten:

11 **"§ 159-28. Budgetary accounting for appropriations.**

12 ...

13 (b) Disbursements. – When a bill, invoice, or other claim against a local government or  
14 public authority is presented, the finance officer shall either approve or disapprove the necessary  
15 disbursement. If the claim involves a program, function, or activity accounted for in a fund  
16 included in the budget ordinance or a capital project or a grant project authorized by a project  
17 ordinance, the finance officer may approve the claim only if both of the following apply:

- 18 (1) The finance officer determines the amount to be payable.
- 19 (2) The budget ordinance or a project ordinance includes an appropriation  
20 authorizing the expenditure and either (i) an encumbrance has been previously  
21 created for the transaction or (ii) an unencumbered balance remains in the  
22 appropriation sufficient to pay the amount to be disbursed.

23 The finance officer may approve a bill, invoice, or other claim requiring disbursement from  
24 an intragovernmental service fund or trust or ~~agency~~-custodial fund not included in the budget  
25 ordinance, only if the amount claimed is determined to be payable. A bill, invoice, or other claim  
26 may not be paid unless it has been approved by the finance officer or, under subsection (c) of this  
27 section, by the governing board. The finance officer shall establish procedures to assure  
28 compliance with this subsection, in accordance with any rules adopted by the Local Government  
29 Commission.

30 ...."

31 **PART IV. EFFECTIVE DATE**

32 **SECTION 4.** This act becomes effective July 1, 2021.  
33