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one member to serve a term of five years. A member shall hold office until the member's successor is appointed and qualified. Vacancies for unexpired terms shall be promptly filled by the appointing authority, and the person appointed shall serve for the remainder of the unexpired term. A member shall receive no compensation for the member's services but shall, within the limit of available funds, be entitled to reimbursement of necessary expenses, including travel expenses, incurred in the discharge of duties.

(b) The members of the Authority shall select from among their membership a person to serve as chair, vice-chair, and any other officers they deem necessary to conduct the business of the Authority. The Authority shall adopt rules and regulations consistent with the provisions of Chapter 988 of the Session Laws of 1965, as amended, as necessary for the proper discharge of its duties. The chair may appoint committees that are authorized by the Authority's rules and regulations. The Authority shall meet regularly at the times and places specified in its rules and regulations, and special meetings may be called pursuant to those rules. All meetings shall be open to the public. A majority of the members shall constitute a quorum for all purposes.

(c) A member of the Authority may only be removed by the appointing authority for inefficiency or neglect of duty or misconduct in office. No member shall be removed unless the member has been given a copy of the charges at least 10 days prior to the hearing and has been given an opportunity to be heard in person or by counsel.

**SECTION 2.3.** Staff; Employees. – Within the limits of available funds, the Authority shall appoint the Transylvania Economic Alliance to operate the Authority. The Authority may delegate to one or more of its members, agents, or employees the powers and duties which it deems necessary to carry out its powers and duties, subject always to the supervision and control of the Authority.

**SECTION 2.4.** Interest of Members or Employees. – No member or employee of the Authority shall (i) acquire any interest, direct or indirect, in any development project or any property included, or planned to be included, in any development project, or in any area which the member or employee may have reason to believe may be included in any development project or (ii) have any interest, direct or indirect, in any contract or proposed contract for materials or services to be furnished or used by the Authority or in connection with any development project. The acquisition of any interest in a development project or in any property or contract as described in this section shall constitute misconduct in office. If any member or employee of the Authority shall have already owned or controlled within the preceding two years any interest, direct or indirect, in any property later included or planned to be included in any development project under the jurisdiction of the Authority, or has any interest in any contract for material or services to be furnished or used in connection with any development project, the member or employee shall disclose the interest in writing to the Authority, and the disclosure shall be entered upon the minutes of the Authority. Failure to make a disclosure required by this section shall constitute misconduct in office.

**SECTION 2.5.** Certificate of Incorporation. – The Authority shall file a copy of this act with the Secretary of State and, upon receipt of the act, the Secretary of State shall issue a certificate of incorporation. In any suit, action, or proceeding involving or relating to the validity or enforcement of any contract or act of the Authority, a copy of the certificate of incorporation duly certified by the Secretary of State shall be admissible in evidence and shall be conclusive proof of the legal establishment of the Authority.

**SECTION 2.6.** Environmental Issues. – Notwithstanding any other provision of law, neither Transylvania County or any other county, the State of North Carolina, or any other governmental unit that provides funds to the Authority for a development project or other project shall be liable for any environmental issues, known or unknown, related to the project solely because of providing funds.

**SECTION 2.7.** This Part applies only to Transylvania County.

**PART III. HERTFORD COUNTY RURAL DEVELOPMENT AUTHORITY**

**SECTION 3.1.** Section 23 of Chapter 988 of the 1965 Session Laws, as amended by Chapter 931 of the 1969 Session Laws, and by Section 14 of S.L. 2023-143, reads as rewritten:

"**Sec. 23.** This Act shall only apply to the counties of Cherokee, Clay, Graham, Hertford, Jackson, Macon, Swain, Transylvania, and Yancey."

**PART IV. TOWN OF MOORESVILLE PROPERTY CONVEYANCES**

**SECTION 4.1.** Article XI of the Charter of Mooresville, being Chapter 239 of the Session Laws of 1975, as amended, is amended by adding a new section to read:

"**Sec. 11.4. Conveyance of property.** (a) Notwithstanding any other provision of law, the Board of Commissioners may, with or without consideration, and upon such terms as it deems wise, convey real property owned by the Town for one or more of the following purposes: (i) affordable housing for low- and moderate-income persons, (ii) housing for veterans, and (iii) housing for emergency responders; provided, however, no real property acquired by the exercise of eminent domain may be conveyed under this section. The deed conveying the real property may contain a restriction which provides that the real property shall revert to the Town if it ceases to be used for increasing the supply of housing, as authorized in this section, prior to the expiration of the time period established by the Board of Commissioners. Any conveyance of real property under this section may be made only pursuant to a resolution adopted by the Board of Commissioners at a regular or special meeting authorizing a municipal official designated by the Board of Commissioners in accordance with this Charter or general or local law to make the conveyance for one or more of the purposes authorized in this section. The resolution shall be posted on the Town's website at least 10 calendar days prior to the date the conveyance is executed by the municipal official.

(b) For purposes of this section, the following definitions shall apply:

- (1) Emergency responder. – A firefighter, law enforcement officer, paramedic, emergency medical technician, or other individual, including an employee of a legally organized and recognized volunteer organization, whether compensated or not, who, in the course of his or her professional duties, responds to fire, medical, hazardous material, or other similar emergencies.
- (2) Veteran. – A person who served as a member of the United States Armed Forces in active duty, as defined by 38 U.S.C. § 101, and who was either separated from the United States Armed Forces under honorable conditions or who is currently serving in a second or subsequent enlistment. The term also means a person who was separated from the United States Armed Forces under honorable conditions with a disability that was incurred (i) as a direct result of armed conflict or (ii) while the person was engaged in extra-hazardous service, including service under conditions simulating war."

**PART V. CITY OF WILMINGTON PROPERTY CONVEYANCES**

**SECTION 5.1.** Section 13.8 of the Charter of the City of Wilmington, as amended by Chapter 615 of the Session Laws of 1991, reads as rewritten:

"**Sec. 13.8. Conditions and Restrictions on the Sale of Property.** (a) The City of Wilmington may make any sale, exchange, or transfer of property pursuant to G.S. 160A-268, 160A-269, 160A-270, or 160A-271 in any manner authorized by general or local law, subject to such covenants, conditions, and restrictions as the City Council may deem to be in the public interest.

(b) Conveyance of real property with restrictions. The City Council may, in addition to other authorized means, approve the sale, exchange, or transfer of the fee or any lesser interest in real property, either by public sale or by negotiated private sale. The transfer shall be in furtherance of adopted City policies or plans for the area. The City may attach to the transfer and

to the interest conveyed any covenants, conditions, or restrictions, or a combination of them, the City deems necessary to further the adopted policies or plans. The consideration received by the City for the conveyance may reflect the restricted use of the property resulting from the covenants, conditions, or restrictions. The City may invite bids or written proposals, including detailed development plans and site plans, for the purchase of any such property or property interest, whether by sale, exchange, or other transfer, pursuant to the specifications as may be approved by the City. A sale, exchange, or other transfer of real property, or interest therein, pursuant to this section may be made contingent upon any necessary rezoning of the property. Any conveyance under this section may be made only pursuant to a resolution of the City Council authorizing the conveyance. Notice by publication of the proposed transaction shall be given at least 10 days prior to adoption of the resolution, and the notice shall generally describe (i) the property involved, (ii) the nature of the interest to be conveyed, and (iii) all of the material terms of the proposed transaction, including any covenants, conditions, or restrictions which may be applicable. The notice shall give the time and place of the City Council meeting where the proposed transaction will be considered and shall announce the Council's intention to authorize the proposed transaction. The authority contained in this section is in addition to, and not in limitation of, any other authority granted by this Charter or any other general or local law."

## **PART VI. ALLOW ONSLOW COUNTY TO DELEGATE REZONING AUTHORITY**

**SECTION 6.1.** G.S. 160D-602 reads as rewritten:

"§ 160D-602. Notice of hearing on proposed zoning map amendments.

...

(f) **Delegation.** – The governing board may, by ordinance, delegate to the planning board the authority to conduct the hearing required under this Article and make the final decision on zoning map amendment proposals, including the adoption of a consistency statement pursuant to this Article. The governing board may prescribe procedures for the hearing that are not inconsistent with this Article. The planning board shall make its final decision by majority vote of the members of the planning board. Any person with standing may appeal a decision of the planning board made pursuant to this subsection to the governing board by providing written notice to the clerk to the governing board within 15 days of the final decision. On appeal, the governing board shall review the decision of the planning board de novo. If no notice of appeal of the planning board decision is provided within 15 days of the final decision, then the decision of the planning board shall be final and equivalent to the final decision of the governing board. The governing board may, by ordinance, rescind or modify any authority delegated to the planning board pursuant to this subsection."

**SECTION 6.2.** This Part applies only to Onslow County.

## **PART VIII. MILLS RIVER UNIFIED DEVELOPMENT ORDINANCE**

**SECTION 8.1.(a)** Notwithstanding G.S. 160D-601, as amended by Section 3K.1(a) of S.L. 2024-57, the Town of Mills River may adopt the unified development ordinance initiated by the Town Council in October 2024.

**SECTION 8.1.(b)** This Part is effective when it becomes law, and any adoption of the unified development ordinance shall occur on or before July 1, 2026.

## **PART IX. HENDERSON COUNTY UDO DEFINITIONS**

**SECTION 9.1.(a)** Notwithstanding G.S. 160D-601, as amended by Section 3K.1(a) of S.L. 2024-57, Henderson County may amend definitions in its unified development ordinance, not inconsistent with Chapter 160D of the General Statutes, to eliminate or modify uses allowed by right in all zoning districts.

**SECTION 9.1.(b)** This Part is effective when it becomes law, and any amendment of the unified development ordinance shall occur on or before October 1, 2025.

**PART X. ELIMINATE ETJ IN HENDERSON COUNTY**

**SECTION 10.1.(a)** Notwithstanding the provisions of G.S. 160D-202, no municipality in Henderson County shall exercise any of the powers granted to cities under Chapter 160D of the General Statutes or its predecessor, Article 19 of Chapter 160A of the General Statutes, beyond its contiguous corporate limits.

**SECTION 10.1.(b)** The relinquishment of jurisdiction over an area that a municipality in Henderson County is regulating under the authority of Chapter 160D of the General Statutes or its predecessor, Article 19 of Chapter 160A of the General Statutes, shall become effective July 1, 2025.

**SECTION 10.1.(c)** Upon relinquishment of jurisdiction over an area that a municipality in Henderson County is regulating under the authority of Chapter 160D of the General Statutes or its predecessor, Article 19 of Chapter 160A of the General Statutes, the following shall apply:

- (1) The municipality's regulations and powers of enforcement shall remain in effect until (i) Henderson County has adopted the regulation or (ii) a period of 60 days has elapsed following July 1, 2025, the date the relinquishment becomes effective, whichever is sooner. Prior to the transfer of jurisdiction, Henderson County may hold hearings and take other measures consistent with G.S. 160D-204 that may be required in order to adopt and apply its development regulations for the area at the same time it assumes jurisdiction.
- (2) Any person who has acquired vested rights in a municipality in Henderson County may exercise those rights as if no change of jurisdiction had occurred. Henderson County, in acquiring jurisdiction over the area, may take any action regarding the development approval, certificate, or other evidence of compliance that could have been taken by the municipality pursuant to its development regulations. Except as provided in this subdivision, any building, structure, or other land use in an area over which Henderson County has acquired jurisdiction is subject to the development regulations of Henderson County.

**PART XII. HENDERSON COUNTY/BLUE RIDGE COMMUNITY COLLEGE CONSTRUCTION**

**SECTION 12.1.(a)** Notwithstanding G.S. 115D-9, 115D-15.1, and 143-341(3) or any other provision of law, Henderson County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campuses of Blue Ridge Community College (hereinafter "College") located within the County. For purposes of this Part, the term "construct" and "construction" includes making additions, improvements, renovations, or repairs to all or any part of a community college building. The County may finance the construction of these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. If the County finances the construction of any building on the College's campuses, the College Board of Trustees may, in connection with the construction, transfer any of its property to the County to be used as security for the financing agreement. The County shall transfer the property back to the College Board of Trustees when any financing agreement entered into by the County to finance the construction, including any additions, improvements, renovations, and repairs, has been satisfied. The County may also construct the community college buildings using other funding sources, including appropriations made by the General Assembly. Upon the completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and College.

**SECTION 12.1.(b)** In constructing buildings as authorized by this Part, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Article 3D of Chapter 143 of the General Statutes and Article 8 of Chapter 143 of the General Statutes. The County shall consult with the College Board of Trustees about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress.

**SECTION 12.1.(c)** The County and College Board of Trustees may enter into a memorandum of understanding to allow for the construction of community college buildings by the County on the campuses of the College located within the County, if deemed appropriate by the County and College, and if the terms of the memorandum will allow for the construction to be completed in a timely fashion and cost-efficient manner.

**SECTION 12.2.** This Part is effective when it becomes law and applies only to construction projects, including additions, improvements, renovations, and repairs, coordinated by the County for College uses and purposes.

### **PART XIII. JOHNSTON COUNTY/JOHNSTON COMMUNITY COLLEGE CONSTRUCTION**

**SECTION 13.1.(a)** Notwithstanding G.S. 115D-9, 115D-15.1, and 143-341(3) or any other provision of law, Johnston County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campuses of Johnston Community College (hereinafter "College"). For the purposes of this Part, the terms "construct" and "construction" include making additions, improvements, renovations, or repairs to all or any part of a community college building. The County may finance the construction of these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. If the County finances the construction of any building on the College's campuses, the College Board of Trustees may, in connection with the construction, transfer any of its property to the County to be used for security for the financing agreement. The County shall transfer the property back to the College Board of Trustees when any financing agreement entered into by the County to finance the construction has been satisfied. The County may also construct the community college buildings using other funding sources, including appropriations made by the General Assembly. Upon completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and the College.

**SECTION 13.1.(b)** In constructing buildings as authorized by this Part, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Articles 3D and 8 of Chapter 143 of the General Statutes. The County shall consult with the College Board of Trustees about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress.

**SECTION 13.1.(c)** Prior to the construction of any building authorized by this Part, the County and College Board of Trustees shall enter into a memorandum of understanding that sets forth the roles and responsibilities of each party for the construction of community college buildings on the campuses of the College so that construction is completed in a timely fashion and cost-efficient manner.

**SECTION 13.2.** This Part is effective when it becomes law and applies only to construction projects, including additions, improvements, renovations, and repairs, coordinated by the County for College uses and purposes.

### **PART XIV. RUTHERFORD COUNTY/ISOTHERMAL COMMUNITY COLLEGE CONSTRUCTION**

**SECTION 14.1.(a)** Notwithstanding G.S. 115D-9, 115D-15.1, and 143-341(3) or any other provision of law, Rutherford County (hereinafter "County") is hereby authorized to construct community college buildings, as that term is defined in G.S. 143-336, on the campuses of Isothermal Community College (hereinafter "College") located within the County. For purposes of this Part, the terms "construct" and "construction" include making additions, improvements, renovations, or repairs to all or any part of a community college building. The County may finance the construction of these buildings in accordance with Article 8 of Chapter 159 of the General Statutes and G.S. 160A-20. If the County finances the construction of any building on the College's campuses, the College Board of Trustees may, in connection with the construction, transfer any of its property to the County to be used as security for the financing agreement. The County shall transfer the property back to the College Board of Trustees when any financing agreement entered into by the County to finance the construction, including any additions, improvements, renovations, and repairs, has been satisfied. The County may also construct the community college buildings using other funding sources, including appropriations made by the General Assembly. Upon the completion of the construction of the buildings, the County shall lease the buildings to the College under the terms and conditions agreed to by both the County and College.

**SECTION 14.1.(b)** In constructing buildings as authorized by this Part, the County does not have to comply with the provisions of G.S. 115D-9 or Part 1 of Article 36 of Chapter 143 of the General Statutes. However, the County shall comply with the provisions of Article 3D of Chapter 143 of the General Statutes and Article 8 of Chapter 143 of the General Statutes. The County shall consult with the College Board of Trustees about programming requirements for the buildings and shall keep the Board informed as to the construction process and progress.

**SECTION 14.1.(c)** The County and College Board of Trustees may enter into a memorandum of understanding to allow for the construction of community college buildings by the County on the campuses of the College located within the County if deemed appropriate by the County and College and if the terms of the memorandum will allow for the construction to be completed in a timely fashion and cost-efficient manner.

**SECTION 14.2.** This Part is effective when it becomes law and applies only to construction projects, including additions, improvements, renovations, and repairs, coordinated by the County for College uses and purposes.

## **PART XV. TOWN OF BOILING SPRINGS CHARTER/OCCUPANCY TAX**

**SECTION 15.1.(a)** The Charter of the Town of Boiling Springs is revised and consolidated to read:

"THE CHARTER OF THE TOWN OF BOILING SPRINGS.

"ARTICLE I. INCORPORATION AND CORPORATE POWERS.

"Section 1.1. Incorporation. The Town of Boiling Springs, in Cleveland County, North Carolina, and the inhabitants thereof, shall continue to be a municipal body politic and corporate, under the name of the "Town of Boiling Springs," hereinafter referred to as the "Town."

"Section 1.2. Powers. The Town shall continue to be vested with all of the property and rights in property belonging to the Town; shall have perpetual succession; may sue and be sued; may contract and be contracted with; may acquire and hold any property, real and personal, devised, bequeathed, sold, or in any manner conveyed, dedicated to, or otherwise acquired by it; and, from time to time, may hold, invest, sell, or dispose of the same, may have a common seal, and alter and renew the same at will. The enumeration of any particular powers, rights, immunities, or authorities shall not be held or deemed to be exclusive. In addition to any powers, rights, or authorities enumerated or implied under this Charter, the Town shall have and may exercise all the powers, functions, duties, rights, privileges, and immunities of every kind and nature whatsoever conferred upon the Town now or in the future under the general laws of the State of North Carolina, local acts applicable to the Town, and this Charter.

1 "ARTICLE II. CORPORATE BOUNDARIES.

2 "Section 2.1. Corporate Boundaries. The corporate limits of the Town shall be those existing  
3 at the time of ratification of this Charter, as the same are set forth on an official map of the Town,  
4 and as such limits may be altered from time to time in accordance with law. An official map of  
5 the Town, showing the current municipal boundaries, shall be maintained permanently in the  
6 office of the Town Clerk and shall be available for public inspection. Upon alteration of the limits  
7 pursuant to law, the appropriate changes to the official map of the Town shall be made and copies  
8 shall be filed in the office of the Secretary of State, the Cleveland County Register of Deeds, and  
9 the Cleveland County Board of Elections.

10 "ARTICLE III. GOVERNING BODY.

11 "Section 3.1. Governing Body. The Town Council (hereinafter "Council") and the Mayor  
12 shall be the governing body of the Town. When the context of this Charter requires it, "the Town"  
13 shall mean the governing body of the Town.

14 "Section 3.2. Composition of Town Council. The Council shall consist of five members,  
15 each to be elected at large by the qualified voters of the Town in the manner provided in Article  
16 IV of this Charter.

17 "Section 3.3. Mayor. The Mayor shall be elected by the qualified voters of the Town voting  
18 at large in the manner provided in Article IV of this Charter. The Mayor shall be the official head  
19 of the Town government and shall preside at all meetings of the Council. The Mayor shall vote  
20 only in the case of a tie.

21 "Section 3.4. Mayor Pro Tempore. In accordance with general law, the Council shall elect  
22 one of its members to act as Mayor Pro Tempore to perform the duties of the Mayor during the  
23 Mayor's absence.

24 "Section 3.5. Terms and Vacancies. Members of the Council shall serve staggered four-year  
25 terms with three members elected in the same election every four years and two members and  
26 the Mayor elected in the same election two years thereafter. The Mayor shall serve a four-year  
27 term. Vacancies that occur in any elective office of the Town shall be filled in accordance with  
28 G.S. 160A-63.

29 "Section 3.6. Meetings. In accordance with general law, the Council shall establish a suitable  
30 time and place for its regular meetings. Special and emergency meetings may be held as provided  
31 by general law. Official actions of the Council and all votes shall be taken in accordance with the  
32 applicable provisions of general law.

33 "ARTICLE IV. ELECTIONS.

34 "Section 4.1. Regular Municipal Elections. Regular municipal elections shall be held in each  
35 odd-numbered year in accordance with the uniform municipal election laws of North Carolina.  
36 The election of members of the Council and the Mayor shall be conducted on a nonpartisan basis,  
37 and the results determined using the nonpartisan plurality method as provided by G.S. 163-292.

38 "ARTICLE V. ORGANIZATION AND ADMINISTRATION.

39 "Section 5.1. Form of Government. The Town shall operate under the council-manager form  
40 of government in accordance with Part 2 of Article 7 of Chapter 160A of the General Statutes.

41 "Section 5.2. Town Manager. The Council shall appoint a Town Manager to serve at its  
42 pleasure who shall be the chief administrative official of Town government, and who shall be  
43 responsible to the Council for the proper administration of the affairs of the Town. The Town  
44 Manager shall have those powers and duties provided by general law. In addition, the Town  
45 Manager shall appoint the Town Clerk, Finance Officer, Tax Collector, and Chief of Police and  
46 may create new positions or departments or assign additional functions to offices, positions, or  
47 departments as provided by general law.

48 "Section 5.3. Town Attorney. The Council shall appoint a Town Attorney who shall represent  
49 the Town, advise Town officials, and perform other duties required by law or as the Council may  
50 direct."



1           **SECTION 15.1.(b)** The purpose of this section is to revise the Charter of the Town  
2 of Boiling Springs and to consolidate certain acts concerning the property, affairs, and  
3 government of the Town. It is intended to continue without interruption those provisions of prior  
4 acts that are expressly consolidated into this section and those provisions of prior acts which are  
5 not inconsistent with the foregoing so that all rights and liabilities which have accrued are  
6 preserved and may be enforced.

7           **SECTION 15.1.(c)** This section does not repeal or affect any acts concerning the  
8 property, affairs, or government of public schools or any acts validating official actions,  
9 proceedings, contracts, or obligations of any kind.

10          **SECTION 15.1.(d)** The following acts, having served the purposes for which they  
11 were enacted or having been consolidated into this section, are expressly repealed:

- 12           (1) Chapter 279 of the Private Laws of 1911.
- 13           (2) Chapter 273 of the Private Laws of 1913.
- 14           (3) Chapter 1188 of the 1951 Session Laws.
- 15           (4) Chapter 668 of the 1957 Session Laws.

16          **SECTION 15.1.(e)** This section does not affect any rights or interests that arose  
17 under any provisions repealed by this section.

18          **SECTION 15.1.(f)** All existing ordinances, resolutions, and other provisions of the  
19 Town of Boiling Springs not inconsistent with the provisions of this section shall continue in  
20 effect until repealed or amended.

21          **SECTION 15.1.(g)** Whenever a reference is made in this section to a particular  
22 provision of the General Statutes and such provision is later amended, superseded, or recodified,  
23 the reference shall be deemed amended to refer to the amended General Statute or to the General  
24 Statute that most clearly corresponds to the statutory provision that is superseded or recodified.

25          **SECTION 15.1.(h)** If any provision of this section or application thereof is held  
26 invalid, such invalidity shall not affect other provisions or applications of this section that can be  
27 given effect without the invalid provision or application and, to this end, the provisions of this  
28 Part are declared to be severable.

29          **SECTION 15.2.(a)** Part II of S.L. 2006-148 reads as rewritten:

30       **"PART II. BOILING SPRINGS OCCUPANCY TAX**

31       **"SECTION 2.1.** Occupancy Tax. – (a) Authorization and Scope. – The Boiling Springs  
32 Town Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts  
33 derived from the rental of ~~any room, lodging, or an accommodation furnished by a hotel, motel,~~  
34 ~~inn, tourist camp, or similar place~~ within the town that is subject to sales tax imposed by the State  
35 under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. ~~This tax does~~  
36 ~~not apply to accommodations furnished by nonprofit charitable, educational, or religious~~  
37 ~~organizations when furnished in furtherance of their nonprofit purpose.~~

38       **"SECTION 2.1.(b)** Administration. – A tax levied under this section shall be levied,  
39 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
40 G.S. 160A-215 apply to a tax levied under this section.

41       **"SECTION 2.1.(c)** Distribution and Use of Tax Revenue. – The Town of Boiling Springs  
42 ~~shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Boiling Springs~~  
43 ~~Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted~~  
44 ~~to it under this subsection~~ net proceeds of the occupancy tax to promote travel and tourism in  
45 Boiling Springs and shall use the remainder for tourism-related expenditures.

46       The following definitions apply in this subsection:

- 47           (1) Net proceeds. – Gross proceeds less the cost to the town of administering and  
48 collecting the tax, as determined by the finance officer, not to exceed three  
49 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
50 proceeds collected each year and one percent (1%) of the remaining gross  
51 receipts collected each year.

(2) Promote travel and tourism. – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the area. The term includes administrative expenses incurred in engaging in the listed activities.

(3) Tourism-related expenditures. – Expenditures that, in the judgment of the ~~Tourism Development Authority, town,~~ are designed to increase the use of lodging facilities, meeting facilities, or convention facilities in a town or to attract tourists or business travelers to the town. The term includes tourism-related capital expenditures.

~~"SECTION 2.2. Boiling Springs Tourism Development Authority. (a) Appointment and Membership. When the Boiling Springs Town Council adopts a resolution levying a room occupancy tax under this Part, it shall also adopt a resolution creating a town Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority, including the members' terms of office, and for the filling of vacancies on the Authority. At least one-third of the members must be individuals who are affiliated with businesses that collect the tax in the town, and at least one-half of the members must be individuals who are currently active in the promotion of travel and tourism in the town. The town council shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members of the Authority.~~

~~The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern its meetings. The Finance Officer for Boiling Springs shall be the ex officio finance officer of the Authority.~~

~~"SECTION 2.2.(b) Duties. The Authority shall expend the net proceeds of the tax levied under this Part for the purposes provided in this Part. The Authority shall promote travel, tourism, and conventions in the town, sponsor tourist related events and activities in the town, and finance tourist related capital projects in the town.~~

~~"SECTION 2.2.(c) Reports. The Authority shall report quarterly and at the close of the fiscal year to the Boiling Springs Town Council on its receipts and expenditures for the preceding quarter and for the year in such detail as the town council may require."~~

**SECTION 15.2.(b)** This section becomes effective July 1, 2025. Any funds not expended by the Boiling Springs Tourism Development Authority as of July 1, 2025, shall be remitted to the Boiling Springs Town Council to be used for the same purposes as authorized for the Boiling Springs Tourism Development Authority.

## **PART XVI. TEMPORARILY MODIFY DISTRIBUTION AND USE OF LOCAL SALES AND USE TAX ALLOCATED TO BUNCOMBE COUNTY AND MAKE TECHNICAL CHANGES TO BUNCOMBE SCHOOL CAPITAL FUND COMMISSION**

**SECTION 16.1.(a)** Notwithstanding Section 6 of Chapter 134 of the 1983 Session Laws, as amended by Chapter 534 of the 1983 Session Laws and S.L. 2016-19, directing that one-half of the local government sales and use tax revenue be distributed to the School Capital Fund Commission for Buncombe County (Commission), the Secretary of Revenue shall distribute one hundred percent (100%) of the net proceeds of the local government sales and use tax revenue collected by Buncombe County under Article 39 of Chapter 105 of the General Statutes in accordance with G.S. 105-472 using the ad valorem method of distribution. Notwithstanding the provision in G.S. 105-472 allowing counties to change the method of distribution, Buncombe County is not permitted to change the method of distribution for any year for which the distribution and use provisions of this Part apply.

**SECTION 16.1.(b)** Notwithstanding the use provisions in Sections 9 through 12 of Chapter 134 of the 1983 Session Laws, as amended by Chapter 534 of the 1983 Session Laws

and S.L. 2016-19, and applicable to the funds distributed to the Commission, Buncombe County shall use the net proceeds of the local government sales and use tax revenue collected under Article 39 of Chapter 105 of the General Statutes and allocated to Buncombe County under subsection (a) of this section as follows:

(1) Fifty percent (50%) for local school administrative unit capital outlay purposes, as defined in G.S. 115C-426(f), or to retire any indebtedness incurred by the County for these purposes, and for local school administrative unit operating expenses. Prior to any funds allocated under this subdivision being used for local school administrative unit operating expenses, the Buncombe County Board of Commissioners must provide the Buncombe County Board of Education and the Asheville City Board of Education the opportunity to present at a public meeting the impacts of not using those funds on school capital projects. The Commission shall serve in an advisory capacity to the Buncombe County Board of County Commissioners with respect to the use of funds under this subdivision for school capital outlay purposes by considering the capital needs of both the Buncombe County School System and the Asheville City School System, prioritizing those needs, and recommending projects to be funded. However, the use of funds under this subdivision shall not be under the control of the Commission and shall be determined by the Board of Commissioners.

(2) Fifty percent (50%) for any public purpose.

**SECTION 16.1.(c)** To the extent Buncombe County receives any federal or State disaster funding as revenue replacement, the county shall return a proportionate share of revenue replacement funds to the Commission up to the amount of diverted funds under this section. The proportionate share shall be equal to the amount of revenue replacement received divided by the County's total revenue loss multiplied by the amount of diverted funds. Any remaining funds shall be used for any purposes allowed by the granting entity. For purposes of this subsection, the following definitions apply:

- (1) Revenue replacement. – Grant monies to compensate for tax or fee revenue lost as the result of the impacts of Hurricane Helene to the extent the monies are unrestricted in use and available for any public purpose.
- (2) Total revenue loss. – Tax and fee revenue projected in the county budget for FY 2024-2025 that was not realized due to the impacts of Hurricane Helene.
- (3) Diverted funds. – The total amount of funds distributed by the Secretary of Revenue to Buncombe County under subsection (a) of this section and used for local school administrative unit operating expenses in accordance with subdivision (1) of subsection (b) of this section.

**SECTION 16.1.(d)** This section is effective when it becomes law and applies to net proceeds distributed to Buncombe County by the Secretary of Revenue under Article 39 of Chapter 105 of the General Statutes on or after July 1, 2025, and expires on June 30, 2027.

**SECTION 16.2.(a)** Chapter 134 of the 1983 Session Laws, as amended by Chapter 534 of the 1983 Session Laws and S.L. 2016-19, is rewritten and recodified as subsections (b) through (m) of this section.

**SECTION 16.2.(b)** There is hereby created a Commission to be known as the School Capital Fund Commission for Buncombe County, which Commission shall have and possess all the powers conferred by this Part and such other powers as may be useful or necessary to permit it fully to carry out the purposes of this Part. The Commission is hereby declared to be a corporation with perpetual succession, the right to adopt and use a corporate seal, to sue and to be sued, and to hold, manage, and control the moneys and properties received by it under the provisions of this Part. It shall have the right to make reasonable rules and regulations for the conduct of its business.

1           **SECTION 16.2.(c)** The Commission shall consist of five members. Members of the  
2 Commission shall serve two-year terms and shall be appointed as follows: one appointed by the  
3 Asheville City Board of Education, one appointed by the Buncombe County Board of Education,  
4 two appointed by the Buncombe County Board of Commissioners, and one appointed by the  
5 other four appointees. A member appointed by a local governing board or a school board shall  
6 serve at the pleasure of that board. The member appointed by the other appointees shall serve at  
7 the pleasure of the majority of the other appointees. Any vacancy shall be filled by the appointing  
8 authority of the member creating the vacancy to fill the unexpired term.

9           **SECTION 16.2.(d)** A quorum shall be three members of the Commission.

10          **SECTION 16.2.(e)** The Commission shall organize, adopt bylaws or rules and  
11 regulations to govern its procedure and the conduct of the business and affairs of the Commission,  
12 and appoint a chairman and vice-chairman from among its membership who shall serve a  
13 one-year term and appoint a secretary for a one-year term and until their successors are appointed  
14 by the Commission. The finance officer for Buncombe County shall be the finance officer of the  
15 Commission. The county finance officer shall give bond for the faithful performance of his duties  
16 as the finance officer of the Commission in an amount determined by the Commission. The  
17 finance officer of the Commission shall manage the funds of the Commission only as directed  
18 by the Commission. The Commission may select and appoint an attorney of the Commission to  
19 serve at the pleasure of the Commission. The Commission may fix the compensation for the  
20 attorney.

21          **SECTION 16.2.(f)** Regular or stated meetings of the Commission shall be held at  
22 such time and place as may be provided by the Commission in its bylaws or rules and regulations,  
23 and special meetings may be held on the call of the chairman after due notice.

24          **SECTION 16.2.(g)** One-half of any local government sales and use tax revenue  
25 distributed to Buncombe County under G.S. 105-472 shall be paid to the Commission by the  
26 Secretary of Revenue; provided that if distribution of the local government sales and use tax  
27 revenue is made under G.S. 105-472(2), (the ad valorem method), then taxing districts shall  
28 receive their funds under G.S. 105-472(2) as if no funds had been paid to the Commission by the  
29 Secretary of Revenue, and in computing what amount is one-half of the sales and use tax revenue,  
30 the Secretary of Revenue shall not reduce the total by the amount to be distributed to the taxing  
31 districts. This section does not affect the distribution of any local or State sales and use tax  
32 revenue to the municipalities in Buncombe County.

33          **SECTION 16.2.(h)** Any other capital funds appropriated by Buncombe County  
34 pursuant to Article 40 and Article 42 of Chapter 105 of the General Statutes shall be apportioned  
35 among the Asheville City Board of Education and the Buncombe County Board of Education  
36 according to the membership of each unit using the process set forth in G.S. 115C-430.  
37 Buncombe County shall maintain separate internal accounts for each school board in order to  
38 comply with this section. These funds are not under the control of the School Capital Fund  
39 Commission.

40          **SECTION 16.2.(i)** All funds received by the Commission under subsection (g) of  
41 this section shall be placed in a capital reserve fund as provided in Part 2 of Article 3 of Chapter  
42 159 of the General Statutes. The capital reserve fund shall be known as the Public School Capital  
43 Needs Fund.

44          **SECTION 16.2.(j)** All funds in the Public School Capital Needs Fund shall be used  
45 to finance new public school construction, to finance public school improvement and renovation  
46 projects that exceed one hundred thousand dollars (\$100,000), or to retire any indebtedness  
47 incurred by the county for these purposes.

48          The Commission shall consider the capital needs of both the Buncombe County  
49 School System and the Asheville City School System, prioritize those needs, and recommend  
50 projects to be funded from the Public School Capital Needs Fund to the board of county  
51 commissioners based on the priority of needs determined.

1 By joint agreement of the Board of County Commissioners and both boards of  
2 education, money may be transferred from the account under this section of one board of  
3 education to the account under this section of the other board of education, provided that the  
4 agreement must require a transfer back of an equal amount of funds at some fixed date in the  
5 future, plus a sum to be determined at that date which represents interest which would have  
6 accrued on the funds if they had remained in the first account.

7 **SECTION 16.2.(k)** Moneys in the Public School Capital Needs Fund shall be subject  
8 to appropriation by the board of county commissioners. The Commission shall disburse such  
9 moneys as a ministerial duty upon receiving a written request from the board of county  
10 commissioners after the county board of commissioners has adopted an ordinance and after  
11 receipt of a written request from the appropriate board of education indicating it is prepared to  
12 enter into a contract, and G.S. 115C-521 shall continue to apply.

13 **SECTION 16.2.(l)** Notwithstanding any other provision of this Part, if the  
14 Buncombe County Board of Commissioners appropriates any federal revenue sharing funds to  
15 the Commission for the purpose of substituting revenue sharing funds for sales tax funds, then it  
16 must at the same time appropriate from the Commission to the county an equal amount of funds  
17 received under subsection (g) of this section to be used for such purposes as the Board of  
18 Commissioners shall deem appropriate and are otherwise authorized by law, provided that such  
19 federal revenue sharing funds shall be divided pro rata under subsection (j) of this section.

20 **SECTION 16.2.(m)** The reasonable and necessary expenses of the Commission,  
21 including the compensation of its officers and employees and the cost of any bond required by  
22 it, shall be paid by the County of Buncombe. The chairman of the Commission shall, on or about  
23 the first day of each calendar month, certify to the governing body of Buncombe County the  
24 expenses of the Commission incurred during the preceding month, and the governing body of the  
25 county shall forthwith, and within five days thereafter, cause to be paid to the Commission the  
26 expenses required to be paid. All such payments shall be charged to the general fund of the  
27 county.

## 28 29 **PART XVII. ALLOW MITCHELL AND YANCEY COUNTIES TO SIGN** 30 **MEMORANDUMS OF UNDERSTANDING WITH UNICOI COUNTY**

31 **SECTION 17.1.(a)** Notwithstanding any provision of law to the contrary, the  
32 Mitchell County Sheriff's Office and the Yancey County Sheriff's Office may enter into  
33 memorandums of understanding with the Unicoi County, Tennessee, Sheriff's Office to engage  
34 across state lines in law enforcement special operations missions and cooperative law  
35 enforcement actions.

36 **SECTION 17.1.(b)** Any memorandum of understanding entered into pursuant to this  
37 section shall specify the manner in which liability claims for damage to persons or property as a  
38 result of law enforcement special operations missions and cooperative law enforcement actions  
39 will be shared or assigned. While ensuring public safety, each memorandum of understanding  
40 shall limit to the greatest extent possible the liability of Mitchell County, Yancey County, and  
41 the State.

42 **SECTION 17.2.** No later than November 1 of each year, any memorandum of  
43 understanding entered into that year pursuant to this Part shall be reported to the Department of  
44 Justice.

## 45 46 **PART XVIII. EFFECTIVE DATE**

47 **SECTION 18.** Except as otherwise provided, this act is effective when it becomes  
48 law.