

NORTH CAROLINA GENERAL ASSEMBLY
1977 SESSION

CHAPTER 673
HOUSE BILL 884

AN ACT TO TRANSFER NORTH CAROLINA HOUSING FINANCE AGENCY FROM
THE DEPARTMENT OF THE TREASURER TO THE DEPARTMENT OF NATURAL
AND ECONOMIC RESOURCES AND TO MAKE NECESSARY CONFORMING AND
TECHNICAL CHANGES IN THE GENERAL STATUTES OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. G.S. Chapter 122A is amended by: expressly transferring by a Type II transfer, as defined by G.S. 143A-6, the North Carolina Housing Finance Agency to the Department of Natural and Economic Resources.

Sec. 2. Whenever the words "Department of the Treasurer" are used in the provisions of G.S. 122A-1 through G.S. 122A-20, the same shall be deleted and the words "Department of Natural and Economic Resources" shall be inserted in lieu thereof.

Sec. 3. Whenever the word "Treasurer" is used in the provisions of G.S. 122A-1 through G.S. 122A-20, the same shall be deleted and the words "Secretary of the Department of Natural and Economic Resources" shall be inserted in lieu thereof.

Sec. 4. The first paragraph of G.S. 122A-4 as the same appears in the 1975 Cumulative Supplement to Volume 3B of the General Statutes is rewritten to read as follows:

"§ 122A-4. North Carolina Housing Finance Agency. — There is hereby created a body politic and corporate to be known as 'North Carolina Housing Finance Agency' which shall be constituted a public agency and an instrumentality of the State for the performance of essential public functions. The agency shall be governed by a board of directors composed of 14 members. One member shall be the Secretary of the Department of Natural and Economic Resources serving ex officio. Four of the members of said board shall be members of the General Assembly, two from each house thereof, the two members from the Senate to be appointed by the President of the Senate and the two members from the House to be appointed by the Speaker of the House.

The remaining directors of the agency shall be residents of the State and shall not hold other public office. The President of the Senate also shall appoint one director who shall be experienced with a savings and loan institution and one director who shall be experienced in home building. The Speaker of the House also shall appoint one director who shall have had experience with a mortgage-servicing institution and one director who shall be experienced as a licensed real estate broker. The Governor shall appoint four of the directors of the agency; one of such appointees shall be experienced in community planning, one shall be experienced in subsidized housing management, one shall be experienced as a specialist in public housing policy, and one shall be experienced in the manufactured housing industry. The eight nonlegislative directors of the agency thus appointed shall be appointed for staggered four-year terms, two being appointed initially for one year by the President of the Senate and Speaker of the House, respectively, two for two years, by the President of the Senate and by the Speaker of the House, respectively, two for three years and two for four years, respectively, as designated by the Governor, and shall continue in office until his successor shall be duly appointed and qualified, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any member of the board of directors shall be eligible for reappointment. The four

directors who are members of the General Assembly shall be appointed for a term of two years. The 13 members of the board shall then elect a fourteenth member to the board by simple majority vote. Each nonlegislative member of the board of directors may be removed by the Governor for misfeasance, malfeasance or neglect of duty after reasonable notice and a public hearing, unless the same are in writing expressly waived. Each nonlegislative member of the board of directors before entering upon his duties shall take an oath of office to administer the duties of his office faithfully and impartially and a record of such oath shall be filed in the office of the Secretary of State. The Governor shall designate from among the members of the board a chairman and a vice-chairman. The terms of the chairman and vice-chairman shall extend to the earlier of either two years or the date of expiration of their then current terms as members of the board of directors of the agency. The Secretary of Natural and Economic Resources or his designee shall serve as secretary of the board. The agency shall be placed within the Department of Natural and Economic Resources; provided, however, that the approval of the Secretary of Natural and Economic Resources shall not be required for the exercise by the agency of any of the powers granted by this Chapter. The board of directors shall, subject to the approval of the Secretary of the Department of Natural and Economic Resources, elect and appoint and prescribe the duties of such other officers as it shall deem necessary or advisable, and the Advisory Budget Commission shall fix the compensation of such officers. All personnel employed by the agency shall be subject to the State Personnel Act and the books and records of the agency shall be subject to audit by the State.

Sec. 5. G.S. Chapter 122A is hereby amended by renumbering G.S. 122A-21 through G.S. 122A-23 as G.S. 122A-22 through G.S. 122A-24, and by inserting a new G.S. 122A-21, to read as follows:

"§ 122A-21. Powers of the State Treasurer. — Notwithstanding any other provisions of this act, the State Treasurer shall have the exclusive power to issue bonds and notes authorized under the act upon request of the agency and with the approval of the Local Government Commission.

The State Treasurer in his sole discretion shall determine the interest rates, maturities, and other terms and conditions of the bonds and notes authorized by this act.

The North Carolina Housing Finance Agency shall determine when a bond issue is indicated. The agency shall cooperate with the State Treasurer in structuring any bond issue in general, and also in soliciting proposals from financial consultants, underwriters, and bond attorneys.

The State Treasurer shall have the exclusive power to employ and designate the financial consultants, underwriters, and bond attorneys to be associated with the bond issue.

The Advisory Budget Commission shall provide to the State Treasurer the funds necessary to defray the costs incurred in performing the fiscal functions reserved to the Treasurer under this act from the funds allocated to the agency pursuant to the 1975 Session Laws.

Nothing in this act is intended to abrogate or diminish the inherent power of the State Treasurer to negotiate the terms and conditions of the bonds and notes, and to issue the bonds and notes authorized by General Statutes Chapter 122A."

Sec. 6. All records, personnel, property, unexpended balances of appropriations and every other incident to the operation of the North Carolina Housing Finance Agency of every kind are transferred with the North Carolina Housing Finance Agency to the Department of Natural and Economic Resources.

Sec. 7. This act shall become effective upon ratification.

In the General Assembly read three times and ratified, this the 22nd day of June, 1977.