

NORTH CAROLINA GENERAL ASSEMBLY
1981 SESSION

CHAPTER 1247
HOUSE BILL 1325

AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO PERMIT THE
ISSUANCE OF TAX INCREMENT BONDS WITHOUT VOTER APPROVAL.

The General Assembly of North Carolina enacts:

Section 1. Article V of the Constitution of North Carolina is amended by adding a new section to be designated as Section 11, to read as follows:

"Sec. 11. Notwithstanding Section 4 of this Article or any other provision of this Constitution, the General Assembly may enact general laws authorizing any city or town to define territorial areas in or near the central business district of the city or town and borrow money, without need of voter approval, to be used to finance public activities in downtown development projects within such territorial areas. When a territorial area is defined pursuant to this paragraph, the current assessed value of taxable property situated in the area shall be determined. Thereafter, property situated in the territorial area continues to be subject to taxation to the same extent and in like manner as property not situated in such a territorial area; but the net proceeds of those taxes that are levied on the difference, if any, between the assessed value of taxable property situated in the district at the time the taxes are levied and the assessed value of taxable property situated in the district at the time the area was defined shall be set aside. Those set aside proceeds and any other revenues arising from the public activities undertaken in the territorial area and pledged in the bond order authorizing the bonds shall be the sole security for any bonds issued pursuant to this section."

Sec. 1.1. If either or both of the constitutional amendments proposed by Chapters 808 and 987 and Chapter 887 of the 1981 Session Laws is approved by the voters, the amendment proposed by this act shall be renumbered appropriately.

Sec. 2. The constitutional amendment set forth in Section 1 of this act shall be submitted to the qualified voters of the State for their ratification or rejection at the general election on November 2, 1982. At that election each qualified voter desiring to vote shall be provided a ballot on which shall be printed the following:

- FOR Constitutional amendment permitting the General Assembly to enact general laws permitting issuance of tax increment bonds, without voter approval.
- AGAINST Constitutional amendment permitting the General Assembly to enact general laws permitting issuance of tax increment bonds, without voter approval."

Those qualified voters favoring the amendment shall vote by making an "X" or a check mark in the square beside the statement beginning "FOR", and those qualified voters opposed to the amendment shall vote by making an "X" or a check mark in the square beside the statement beginning "AGAINST".

Notwithstanding the foregoing provisions of this section, voting machines may be used in accordance with rules and regulations prescribed by the State Board of Elections.

Sec. 3. If a majority of votes cast thereon are in favor of the amendment, the State Board of Elections shall certify the amendment to the Secretary of State, who shall enroll the

amendment so certified among the permanent records of his office, and the amendment shall become effective upon such certification.

Sec. 4. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 18th day of June, 1982.