

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 544
HOUSE BILL 1062

AN ACT TO PROVIDE THAT THE FACT THAT A PERSON OWNS TEN PERCENT OR LESS OF THE STOCK OF A CORPORATION OR HAS A TEN PERCENT OR LESS OWNERSHIP IN ANY OTHER BUSINESS ENTITY OR IS AN EMPLOYEE OF A CORPORATION OR OTHER BUSINESS ENTITY DOES NOT VIOLATE THE DIRECTOR OF PUBLIC TRUST STATUTES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 14-234 is amended by adding a new subsection to read:

"(c1) The fact that a person owns 10 percent (10%) or less of the stock of a corporation or has a 10 percent (10%) or less ownership in any other business entity or is an employee of said corporation or other business entity does not make the person 'in any manner interested' or 'concerned or interested in making such contract, or in the profits thereof', as such phrase is used in subsection (a) of this section, and does not make the person one who 'had a financial association', as defined in subsection (c) of this section; provided that in order for the exception provided by this subsection to apply, such undertaking or contracting must be authorized by the governing board by specific resolution on which such public official shall not vote."

Sec. 2. G.S. 14-234(c) is amended by deleting the words "employed or otherwise".

Sec. 3. This act is effective upon ratification.

In the General Assembly read three times and ratified, this the 16th day of June, 1983.