

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021**

**SESSION LAW 2021-60  
SENATE BILL 277**

AN ACT MAKING TECHNICAL CORRECTIONS AND OTHER CONFORMING AND CLARIFYING CHANGES TO THE LAWS GOVERNING THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LOCAL GOVERNMENT COMMISSION, AND TO OTHER RELATED STATUTES.

The General Assembly of North Carolina enacts:

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

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

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

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

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

...."

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

**"§ 116D-3. Reports.**

...

(b) Treasurer. – Upon issuance of university improvement general obligation bonds under Article 2 of this Chapter or community college general obligation bonds under Article 4 of this Chapter, the Treasurer shall forward a schedule of required payments of principal and interest over the life of the bonds to the Director of the Budget, with copies to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. ~~The Treasurer shall report to the Joint Legislative Commission on Governmental Operations by September 15 of each year, and more frequently as the Commission requests, on the university improvement general obligation bonds issued under Article 2 of this Chapter and community college general obligation bonds issued under Article 4 of this Chapter, including the annual debt service requirements over the remainder of the life of the bonds.~~



...."

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

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

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

...

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

...."

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

**"§ 161-50.2. Assets.**

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

## **PART III. TECHNICAL CORRECTIONS TO LOCAL GOVERNMENT COMMISSION STATUTES**

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

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

(a) Each local government and public authority shall operate under an annual balanced budget ordinance adopted and administered in accordance with this Article. A budget ordinance

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

...."

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

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

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

...

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

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

...."

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

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

...

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

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

**"§ 159-26. Accounting system.**

...

(b) Funds Required. – Each local government or public authority shall establish and maintain in its accounting system such of the following funds and ledgers as are applicable to it. The generic meaning of each type of fund or ledger listed below is that fixed by generally accepted accounting principles.

...

(7) Trust and ~~agency-custodial~~ funds, including a fund for each special district, public authority, or school administrative unit whose taxes or special assessments are collected by the unit.

- (8) A ledger or group of accounts in which to record the details relating to the ~~general fixed capital~~ assets of the unit or public authority.

...."

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

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

...

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

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

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

...."

#### **PART IV. EFFECTIVE DATE**

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

In the General Assembly read three times and ratified this the 17<sup>th</sup> day of June, 2021.

s/ Bill Rabon  
Presiding Officer of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Roy Cooper  
Governor

Approved 1:03 p.m. this 28<sup>th</sup> day of June, 2021