

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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SENATE BILL 1336

Short Title: Study State-Local Relationships.

(Public)

Sponsors: Senators Hoyle; and Foxx.

Referred to: Rules and Operations of the Senate.

May 26, 2004

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE LEGISLATIVE RESEARCH COMMISSION TO
2 STUDY THE RELATIONSHIP BETWEEN THE STATE AND LOCAL
3 GOVERNMENTS REGARDING THE PROVISION OF SERVICES REQUIRED
4 BY STATE LAW, FUNDING ALLOCATIONS AND RESPONSIBILITY FOR
5 SERVICES, AND LOCAL GOVERNMENT REVENUE OPTIONS.
6

7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** The Legislative Research Commission may conduct a
9 comprehensive study of the relationship between the State and local governments in
10 regard to the provision of services. The study shall address the following issues:

- 11 (1) Mandates that the State has placed on local governments regarding the
12 provision of services to State residents. This study shall include a
13 review of which mandates are a result of State law, which mandates
14 are a result of federal law, and which mandates are a result of a
15 combination of State and federal law.
- 16 (2) Funding sources for local governments. The study shall include a
17 review of all appropriations made from the State to local governments,
18 all revenues shared between the State and local governments, and all
19 methods of raising revenue allowed by the State to local governments.
- 20 (3) A comparison of the State-local relationship in North Carolina with the
21 state-local relationships in other states. In particular, the study shall
22 compare the percentage of the costs of services borne by the State in
23 comparison to the percentage of similar cost borne by other states.
- 24 (4) A comparison of local governments with regard to the burden on local
25 budgets of mandated programs. This study shall look at the property
26 tax rates in different jurisdictions and the percentage of local budgets
27 that support various programs.
- 28 (5) A comparison of the combined State-local tax burden on individuals
29 and businesses in comparison with those in other states.

1 In considering appointees to the committee to study this matter, the
2 appointing authorities shall consider inclusion of local government representatives.

3 The Legislative Research Commission may make a final report of its findings
4 and recommendations to the 2005 General Assembly.

5 **SECTION 2.** There is appropriated from the General Fund to the General
6 Assembly the sum of twenty-five thousand dollars (\$25,000) for the 2004-2005 fiscal
7 year to conduct the study required by this act.

8 **SECTION 3.** This act becomes effective July 1, 2004.