

## Information Item

**Date:** November 14, 2018

**To:** The City Manager

**From:** Angela I. Carmon, City Attorney

**Subject:** City of Winston-Salem 2019 Legislative Priorities

**Strategic Focus Area:** Economic Vitality and Diversity

**Strategic Objective:** No

**Strategic Plan Action Item:** No

**Key Work Item:** No



The North Carolina General Assembly will formally convene on January 23, 2019. The attached bills and resolutions are recommended for inclusion in the City's 2019 Legislative Priorities package. The bills are as follows:

1. A Bill to Be Entitled An Act Allowing the City of Winston-Salem to sell Real Property for the Purpose of Increasing the Supply of Affordable Housing for Low and Moderate income persons upon such terms and conditions it deems wise. This bill, if enacted, will provide City Council with greater flexibility in disposing of city owned property for affordable housing purposes.
2. A Bill to Be Entitled An Act to Ban Electronic Machines or Devices for Sweepstakes. This bill, if enacted, eliminates the argument that skill and dexterity based machines and devices are allowed by state law. Of course, my office disagrees with said argument.
3. A Bill to Be Entitled An Act to Limit Electronic Machines or Devices Not Prohibited by Article 37 to No More than Four Machines Per Location. This bill, if enacted, will limit the number of machines and devices, deemed to be lawful, to no more than 4 devices or machines per location.
4. A Bill to Be Entitled An Act to Clarify How Business Bodies in Winston-Salem May Conduct Business During Meetings Involving Simultaneous Communications. This bill, if enacted, will allow for City Council meeting to conduct meetings remotely using today's technology.
5. A Bill to Be Entitled An Act to Modify the Process for Filling Vacancies on the City Council of the City of Winston-Salem. This bill, if enacted, will allow the City Council to fill a vacancy of 12 months or longer with a special election that provides for a primary and general election. This bill also allows, for any vacancy filled by City Council using the appointment process in 2018 and 2019, citizens to petition for an election, if 12 months or more is left on the term.

6. A Bill to Be Entitled An Act to Amend § 132-1.4A Law Enforcement Agency Recordings and §143-318.11(A) Closed Sessions. This bill, if enacted, will provide access to law enforcement recordings to the City Manager and City Council as well as a citizen police review board in closed session.
7. A Bill to Be Entitled An Act to Authorize the Municipalities to Levy An Additional One-Quarter Percent Sales and Use Tax. This bill, if enacted, will allow for a referendum for a local one-quarter percent (1/4%) sales and use tax option. If the bill is enacted and the sales tax referendum passes, it should generate several million dollars for the City.
8. A Bill to Be Entitled An Act to Authorize the City of Winston-Salem to Levy a Local Privilege License Tax. This bill, if enacted, will allow for a local privilege license tax. The minimum tax will be \$100.00 for all gross receipts up to \$60,000 plus .000125 times gross receipts in excess of \$60,000. Before the NC General Assembly repealed the privilege license tax, the city collected about \$3 million dollars. This bill, if enacted, will generate \$1 million in replacement revenues.

The package also continues two resolutions. They are as follows:

1. A Resolution of the Winston-Salem City Council Requesting a Legislative Study Committee to Examine the Need for Back-up Generators for Medical Offices. During the recent hurricanes, some citizens were unable to access their doctors' offices because they were closed due to a lack of power caused by the weather related events. There are a number of medical facilities, such as hospitals, that are required to have back-up generators. This resolution encourages the North Carolina General Assembly to create a legislative study committee to determine if medical offices should be required to have back-up generators as well and to explore the possibility of providing incentives to encourage offices of this nature to install back-up generators.
2. A Resolution of the Winston-Salem City Council Requesting Additional Revenue Options. This resolution is included in the package to encourage the exploration of additional revenue options if the ones proposed are not palatable. The City's recovery from the \$1 million loss in hold harmless payments, the \$1.6 million loss in custom software tax, and the \$3 million loss in privilege license taxes has been marginal. Like many other cities, the City of Winston-Salem has not realized replacement revenues for the losses sustained. Cities need local revenue options beyond ad valorem property taxes.