

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

**SESSION LAW 2001-311
SENATE BILL 690**

AN ACT TO AMEND THE FACILITY AUTHORITY ACT SO AS TO CLARIFY THAT THE CHANCELLOR REPRESENTS THE INTEREST OF A CONSTITUENT INSTITUTION OF THE UNIVERSITY OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 160A-480.3(g) reads as rewritten:

"(g) Conflicts. – If any member, officer, or employee of an Authority shall be:

- (1) Interested either directly or indirectly; or
- (2) An officer or employee of or have an ownership interest in any firm or corporation, not including units of local government or the Chancellor of the main campus of a constituent institution of The University of North Carolina within the county, or the Chancellor's designee, interested directly or indirectly,

in any contract with that Authority, the interest shall be disclosed to the Authority and shall be set forth in the minutes of the Authority. The member, officer, or employee having an interest shall not participate on behalf of the Authority in the authorization of such contract. Other provisions of law notwithstanding, failure to take any or all actions necessary to carry out the purposes of this subsection do not affect the validity of any bonds or notes issued under this Chapter.

It is not a violation of this subsection for the Chancellor of the main campus of a constituent institution of The University of North Carolina within the county, or the Chancellor's designee, to participate in discussion of or to vote on any matter, including but not limited to the execution of any contract by the Authority, where the matter relates to the interest of a constituent institution of The University of North Carolina within the county."

SECTION 2. G.S. 160A-480.3(d) reads as rewritten:

"(d) Charter and Bylaws. – The act creating an authority and any amendments to it is the Authority's charter. The charter of an authority shall include the name of the Authority. An authority may adopt bylaws. Any bylaw that conflicts with the declared public policy of the State as expressed by law is void and unenforceable. The bylaws which may do any one or more of the following:

- (1) Limit the powers, duties, and functions that the Authority may exercise and perform.
- (2) Prescribe the compensation and allowances not to exceed those provided by G.S. 93B-5, if any, to be paid to the members of the Authority.
- (3) Contain rules for the conduct of Authority business and any other matter pertaining to the organization, powers, and functioning of the Authority that the members consider appropriate."

SECTION 3. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 17th day of
July, 2001.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 12:21 p.m. this 28th day of July, 2001