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The Recap

Dear League Members,

It's been over a month since Hurricane Helene devastated western North Carolina. The storm, dumping over [40 trillion gallons of water across the Southeast United States](#), destroyed roads, bridges, businesses, and homes, and upended the lives of those who call western North Carolina home. Efforts to assist residents have been swift and are ongoing, including [benefit concerts](#) starring Eric Church and Luke Combs raising over \$20 million dollars for disaster relief efforts, as well as donation drives across the state and country. People from North Carolinians and the entire U.S. have pitched in to help.

Governor Cooper and the North Carolina General Assembly have also acted quickly to approve state aid and resources to the affected communities and their residents. Legislators unanimously passed, and Governor Cooper signed, [two relief bills](#) amounting to just shy of \$1 billion to support recovery efforts. The extent of loss and damage has yet to be fully calculated, and we anticipate that conversations surrounding recovery and relief efforts will stretch well into next year and potentially beyond.

The legislative policy development process is underway at the League and the Legislative Policy Committee is refining a slate of policy goals for consideration as the organizational-wide advocacy goals for the 2024-2025 legislative biennium—many of which consider infrastructure and resiliency efforts that may, over time, strengthen critical infrastructure systems that are often damaged or even destroyed during strong storms.

Although a month has passed, the devastation that Helene caused to western North Carolina is still top of mind for all of us. We encourage you to continue sharing your stories of the challenges, resiliency and recovery so that we can assist policymakers in making the case for needed funding at the state and federal levels.

Sa'Metria Jones

A handwritten signature in black ink, appearing to read "Sa'Metria Jones", written in a cursive, flowing style.

Legislative Counsel

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Governor Signs Off on \$604 Million in Additional Disaster Assistance

Governor Roy Cooper has signed into law another \$604 million in disaster relief after the General Assembly approved the package last Thursday. [SB 743/SL 2024-53 The Disaster Recovery Act of 2024 - Part II](#) provides funding and regulatory relief aimed at helping western North Carolina communities recover from storm damage caused by Hurricane Helene. This measure brings the total funding to over \$954 million for direct assistance and federal matching funds. The law also includes \$40 million for the disaster relief fund for Tropical Storm Debby and another tropical low system that damaged areas of eastern North Carolina in the weeks before Helene.

Significantly for cities and towns, [the latest legislation](#) contains \$100 million for water and wastewater infrastructure repair loans, \$100 million for cash flow loans to local governments, \$75 million for federal disaster assistance matching funds, \$50 million to help state and local government needs not covered by insurance and \$50 million for bridge loans for small businesses.

Other provisions that may assist local governments in the affected, eligible areas will:

- Allow the Department of Environmental Quality to waive statutory fees on loans.
- Exempt some loans to local governments from requirements for Local Government Commission approval.
- Allow inactive code enforcement officials to obtain limited certification to provide inspections in the disaster area and allow local governments to use third parties to perform plan reviews, inspections or other work involving building inspection, provided the non-employees meet licensing requirements.
- Extend various administrative deadlines related to disability, death, and retirement benefits for state and local government employees.
- Allow the state treasurer to waive penalties for late retirement fund payments, provided they are not more than 90 days late.
- Establish legislative intent to appropriate funding to the Golden Leaf Foundation to provide grants to assist local governments in providing disaster relief assistance.

Legislators will return the week of November 19th to resume legislative business, potentially including additional disaster relief. We will continue to keep you informed regarding legislative developments around Helene recovery efforts and will publish special editions of the Legislative Bulletin as needed.

Review Confirms Expected Rise in Retirement Contributions

A recent annual review of the local retirement system confirmed an expected rise in retirement contribution payments paid by cities and other local governments beginning in the next fiscal year. The [board](#) overseeing the retirement system received [this information](#) at its Oct. 24 quarterly meeting, in preparation for a vote on the employer contribution rates planned for its next meeting in January. If the [Local Government Employee Retirement System Board of Trustees](#) votes then on the expected rates,

they will rise to 14.35% of payroll for general employees and 16.10% of payroll for law enforcement officers in FY 25-26.

Local government employers like cities have increased their contributions every year of [a five-year policy](#) approved by the Trustees and effective in FY 23-24. Designed to provide predictability for local budgeting as well as to keep the retirement system funded, the policy has resulted in increasing contributions from local employers at the same time the system has become less well-funded. Numerous factors have caused the widening gap in system funding, including under-performance of system investments, rising local salaries, and other system policies that require aggressive near-term payments for benefits paid to retirees farther in the future. Further, at the same time as local employers have borne the responsibility for shoring up this gap in system funding, related policies have meant that local retirees have received minimal cost of living increases during the same time period.

In response, the League has begun a project to review these policies and suggest changes to the next State Treasurer that would lessen the financial pressure on local employers.

Policy Goal Setting Continues

NCLM's Legislative Policy Committee has now met three times over the past several weeks as members consider the policy proposals put before through email solicitations and the nine in-person and virtual listening sessions held across the state. These meetings, the latest occurring on Wednesday, is a key part of the process whittling down several hundred ideas submitted by members to a manageable number of policy goals to pursue before the N.C. General Assembly during the upcoming legislative biennium. In those listening sessions, more than 200 municipal officials representing more than 160 municipalities participated.

As the Legislative Policy Committee continues to meet, their actions will set the stage for review of proposed policy goals by the NCLM Board of Directors and ultimately a set of proposals put before members for a vote later this year. We appreciate everyone's participation in this goal-setting process, as that broad participation is crucial as the case is made for these goals before state legislators.

Municipal Elections

While a majority of municipal elections occur in odd-numbered years, 61 North Carolina cities and towns will feature contests for mayor and council member races on Tuesday. One of the most watch races will be in Raleigh, where four candidates are vying to replace incumbent Mayor Mary-Ann Baldwin, who is not seeking re-election. Meanwhile, longtime Winston-Salem Mayor Allen Joiner is up for re-election, but faces no opposition.

A large number of the municipal contests are in storm-ravaged mountain communities, including Asheville, Black Mountain, Biltmore Forest, Montreat, Hendersonville, Fletcher, Laurel Park, Mills River and Lake Lure. State and local election officials, as well as state legislators, have taken a number of steps to voting ensure access in those areas affected by Hurricane Helene, including opening new polling sites, expanded hours of voting and increasing absentee ballot drop-off locations.



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