



CHAPTER 159

ARTICLE 4 - LOCAL GOVERNMENT BOND ACT

N.C.G.S. § 159-52.

Approval of application by Commission.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 2022-53, s. 1 — fourth act in the lineage	RETRIEVED 21 September 2026, 03:30 UTC	SOURCE FINGERPRINT 035dd8effdedeba8af2dd909 - 6de848944a4f426a06c4f137 - 84df5d58ad7d209c
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§ 159-52(a)

In determining whether a proposed bond issue shall be approved, the Commission may consider:

- (1) Whether the project to be financed from the proceeds of the bond issue is necessary or expedient.
- (2) The nature and amount of the outstanding debt of the issuing unit.
- (3) The unit's debt management procedures and policies.
- (4) The unit's tax and special assessments collection record.
- (5) The unit's compliance with the Local Government Budget and Fiscal Control Act.
- (6) Whether the unit is in default in any of its debt service obligations.
- (7) The unit's present tax rates, and the increase in tax rate, if any, necessary to service the proposed debt.
- (8) The unit's appraised and assessed value of property subject to taxation.
- (9) The ability of the unit to sustain the additional taxes necessary to service the debt.
- (10) The ability of the Commission to market the proposed bonds at reasonable interest rates.

- (11) If the proposed issue is for a utility or public service enterprise, the probable net revenues of the project to be financed and the extent to which the revenues of the utility or enterprise, after addition of the revenues of the project to be financed, will be sufficient to service the proposed debt.
- (12) Whether the amount of the proposed debt will be adequate to accomplish the purpose for which it is to be incurred.
- (13) If the proposed bond issue is for a water system as described in G.S. 159-48(b)(21), whether a unit has prepared a local water supply plan in compliance with G.S. 143-355.

The Commission may inquire into and give consideration to any other matters which it may believe to have a bearing on whether the issue should be approved.

§ 159-52(b)

The Commission shall approve the application if, upon the information and evidence it receives, it finds and determines:

- (1) That the proposed bond issue is necessary or expedient.
- (2) That the amount proposed is adequate and not excessive for the proposed purpose of the issue.
- (3) That the unit's debt management procedures and policies are good, or that reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law.
- (4) That the increase in taxes, if any, necessary to service the proposed debt will not be excessive.
- (5) That the proposed bonds can be marketed at reasonable rates of interest.
- (6) That the assumptions used by the finance officer of the unit in preparing the statement of estimated interest filed with the clerk pursuant to G.S. 159-55.1(a) are reasonable.

If the Commission tentatively decides to deny the application because it is of the opinion that any one or more of these conclusions cannot be supported from the information presented to it, it shall so notify the unit filing the application. If the unit so requests, the Commission shall hold a public hearing on the application at which time any interested persons shall be heard. The Commission may appoint a hearing officer to conduct the hearing, and to present a summary of the testimony and his recommendations for the Commission's consideration.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
4 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

	1931		1977		2022
	TICK HEIGHT = ACTS IN THAT YEAR		DASHED = RECODIFICATION, NOT AMENDMENT		
Nº	YEAR	ACT	CHARACTER		
01	1931	c. 60, ss. 12, 13	ENACTED		
02	1971	c. 780, s. 1	AMENDED		
03	2011	S.L. 2011-374, s. 3.3	AMENDED		
04	2022	S.L. 2022-53, s. 1	AMENDED		

APPARATUS II
3 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 159-48(b)(21)	(a)(13)	"a water system as described in"
G.S. 143-355	(a)(13)	"water supply plan in compliance with"
G.S. 159-55.1(a)	(b)(6)	"filed with the clerk pursuant to"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 159-52 (2022).

PINPOINT

N.C. Gen. Stat. § 159-52(a) (2022).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1931, c. 60, ss. 12, 13; 1971, c. 780, s. 1; 2011-374, s. 3.3; 2022-53, s. 1.)

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