

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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HOUSE DRH80066-LL-91A* (2/17)

Short Title: Authorize State Bar to Borrow Funds. (Public)

Sponsors: Representatives Haire, Blue, Daughtry, and Stam (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE STATE BAR TO BORROW FUNDS, SUBJECT TO THE
3 APPROVAL OF THE GOVERNOR AND THE COUNCIL OF STATE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 84-17 reads as rewritten:

6 "**§ 84-17. Government.**

7 The government of the North Carolina State Bar is vested in a council of the North Carolina
8 State Bar referred to in this Chapter as the "Council." The Council shall be composed of a
9 variable number of councilors equal to the number of judicial districts plus 16, the officers of
10 the North Carolina State Bar, who shall be councilors during their respective terms of office,
11 and each retiring president of the North Carolina State Bar who shall be a councilor for one
12 year from the date of expiration of his term as president. Notwithstanding any other provisions
13 of the law, the North Carolina State Bar may borrow money and may acquire, hold, rent,
14 encumber, alienate, lease, and otherwise deal with real or personal property in the same manner
15 as any private person or corporation, subject only to the approval of the Governor and the
16 Council of State as to the borrowing of money and the acquisition, rental, encumbering, leasing
17 and sale of real property. The Council shall be competent to exercise the entire powers of the
18 North Carolina State Bar in respect of the interpretation and administration of this Article, the
19 borrowing of money, the acquisition, lease, sale, or mortgage of property, real or personal, the
20 seeking of amendments to this Chapter, and all other matters. There shall be one councilor from
21 each judicial district and 16 additional councilors. The additional councilors shall be allocated
22 and reallocated by the North Carolina State Bar every six years based on the number of active
23 members of each judicial district bar according to the records of the North Carolina State Bar
24 and in accordance with a formula to be adopted by the North Carolina State Bar, to insure an
25 allocation based on lawyer population of each judicial district bar as it relates to the total
26 number of active members of the State Bar.

27 A councilor whose seat has been eliminated due to a reallocation shall continue to serve on
28 the Council until expiration of the remainder of the current term. A councilor whose judicial
29 district is altered by the General Assembly during the councilor's term shall continue to serve
30 on the Council until the expiration of the term and shall represent the district wherein the
31 councilor resides or with which the councilor has elected to be affiliated. If before the alteration
32 of the judicial district of the councilor the judicial district included both the place of residence
33 and the place of practice of the councilor, and if after the alteration of the judicial district the
34 councilor's place of residence and place of practice are located in different districts, the
35 councilor must, not later than 10 days from the effective date of the alteration of the district,



1 notify the Secretary of the North Carolina State Bar of an election to affiliate with and represent
2 either the councilor's district of residence or district of practice.

3 In addition to the councilors, there shall be three public members not licensed to practice
4 law in this or any other state who shall be appointed by the Governor. The public members may
5 vote and participate in all matters before the Council to the same extent as councilors elected or
6 appointed from the various judicial districts."

7 **SECTION 2.** G.S. 84-23(d) reads as rewritten:

8 "(d) The Council may acquire, hold, rent, encumber, alienate, and otherwise deal with
9 real or personal property in the same manner as any private person or corporation, subject only
10 to the approval of the Governor and the Council of State as to the acquisition, rental,
11 encumbering, leasing and sale of real property. The Council may borrow money upon its
12 bonds, notes, debentures, or other evidences of indebtedness sold through public or private sale
13 pursuant to a loan agreement or a trust agreement or indenture with a trustee, with such
14 borrowing either unsecured or secured by a mortgage on the Council's interest in real or
15 personal property, and engage and contract with attorneys, underwriters, financial advisors, and
16 other parties as necessary for such borrowing, with such borrowing and security subject to the
17 approval of the Governor and the Council of State. The Council may utilize the services of the
18 Purchase and Contract Division of the Department of Administration to procure personal
19 property, in accordance with the provisions of Article 3 of Chapter 143 of the General
20 Statutes."

21 **SECTION 3.** This act is effective when it becomes law.