

**ATTACHMENT 2**

May 1, 2002

**HIGHEST PRIORITY MEMORANDUM**

**TO:** Mayors, Managers/Administrators/Clerks, and Attorneys

**FROM:** President Thomas M. Gwyn, Mayor of Elkin  
S. Ellis Hankins, Executive Director  
Andrew L. Romanet, Jr., General Counsel

**SUBJECT:** **Legislation to protect local revenues**

When the 2002 session convenes officially May 28, the League's top priority will be to protect our local revenue sources, including the reimbursements for repealed local taxes and our state collected local revenues. Clearly the recent actions taken by Governor Easley to withhold local revenues have made this effort even more important.

To accomplish this goal, we will seek the introduction and passage of legislation that will restrict the authority of a governor to withhold local revenues that the General Assembly has provided to units of local government by statute or annual appropriations acts or otherwise. We also will seek a constitutional amendment to accomplish the same goal. We expect to be joined in this effort by the North Carolina Association of County Commissioners and others.

We enclose 1) the suggested revisions to state statutes that would protect our revenues and 2) a proposed constitutional amendment. We will pursue enactment of both, but if only one passes, we will be successful.

Your active involvement is crucial if we are to make your revenue sources secure. Please contact each member of your legislative delegation as soon as possible and secure his or her firm commitment to co-sponsor this legislation, including the proposed constitutional amendment, and to actively support and vote for the legislation. More specific suggestions on steps to take can be found on the attached sheet.

Also, please consider adopting the enclosed resolution and forwarding it to members of your legislative delegation.

We can be successful in our effort, but only with the active and vocal support of our entire membership!