

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 666  
House Committee Substitute Favorable 8/20/98

Short Title: Raleigh Local Act.

(Local)

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Sponsors:

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Referred to:

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April 2, 1997

1 A BILL TO BE ENTITLED  
2 AN ACT CONCERNING SATELLITE ANNEXATIONS BY THE CITY OF  
3 RALEIGH AND PROVIDING THAT THE CITY OF RALEIGH MAY BY  
4 RESOLUTION DEEM THE CREATION OF A SELF-FUNDED RISK PROGRAM  
5 AS THE PURCHASE OF INSURANCE FOR THE PURPOSE OF WAIVING  
6 GOVERNMENTAL IMMUNITY.

7 The General Assembly of North Carolina enacts:

8 Section 1. Section 1(a) of S.L. 1998-432 reads as rewritten:

9 "(a) G.S. 160A-58.1(b) is amended by adding a new subdivision to read:

10 '(2a) If any territory proposed for annexation under this Part is an area that  
11 another city has agreed not to annex under an agreement with the  
12 annexing city under Part 6 of this Article, then the proximity to that  
13 other city shall not be considered in applying subdivision (2) of this  
14 subsection. This subdivision applies only where the annexing city is the  
15 Town of ~~Wake Forest~~ Wake Forest or the City of Raleigh."

16 Section 2. (a) G.S. 160A-485(a) reads as rewritten:

17 "(a) Any city is authorized to waive its immunity from civil liability in tort by the  
18 act of purchasing liability insurance. Participation in a local government risk pool  
19 pursuant to Article 23 of General Statute Chapter 58 shall be deemed to be the purchase

1 of insurance for the purposes of this section. Immunity shall be waived only to the extent  
2 that the city is indemnified by the insurance contract from tort liability. No formal action  
3 other than the purchase of liability insurance shall be required to waive tort immunity,  
4 and no city shall be deemed to have waived its tort immunity by any action other than the  
5 purchase of liability insurance. If a city uses a funded reserve instead of purchasing  
6 insurance against liability for wrongful death, negligence or intentional damage to  
7 personal property, or absolute liability for damage to person or property caused by an act  
8 or omission of the city or any of its officers, agents, or employees acting within the scope  
9 of their authority and the course of their employment, the city council may adopt a  
10 resolution that deems the creation of a funded reserve to be the same as the purchase of  
11 insurance under this section. Adoption of such a resolution waives the city's  
12 governmental immunity only to the extent specified in the council's resolution, but in no  
13 event greater than funds available in the funded reserve for the payment of claims."

14 (b) This section applies to the City of Raleigh only.

15 Section 3. This act is effective when it becomes law.