



January 18, 2013

TO: Mayor and Members of Council  
FROM: Denise Turner Roth, City Manager  
SUBJECT: Items for Your Information

*DTR*  
*FER:*

**IFYI HIGHLIGHTS**

- Enforcement of Internet Sweepstakes Law
- Proposed Legislative Changes for Unemployment Insurance

**Enforcement of Internet Sweepstakes Law**

Attached is a memorandum from Police Attorney Jim Clark, dated January 17, 2013, regarding the status of the law for operating an internet sweepstakes games in North Carolina and the City's plan for enforcing the law.

**Proposed Legislative Changes for Unemployment Insurance**

Attached is a memorandum from Associate General Counsel Tom Carruthers, dated January 18, 2013, regarding the proposed legislative change to the Unemployment Insurance Fund Solvency & Program.

**Contact Center Feedback**

Attached is the weekly report generated by our Contact Center for the week of January 7, 2013 through January 13, 2013.

**Small Group Meetings**

Attached is the weekly small group meeting report for the week of January 11, 2013 through January 17, 2013, between City Staff and [more than two but less than five] Councilmembers.

**Grant Report**

Attached is an updated list of grants for which the City intends to apply that do not require a match. Under the policy adopted by City Council, grants that do not require a match are not required to receive formal Council action.

DTR/mm  
Attachments

cc: Office of the City Manager  
Global Media

Office of the City Attorney  
City of Greensboro



January 17, 2013

**TO:** Denise Turner Roth, City Manager  
**FROM:** Jim Clark, Police Attorney  
**SUBJECT:** Enforcement of Internet Sweepstakes Law

This memorandum summarizes the current status of the law and the Greensboro Police Department's (GPD) plan for enforcing N.C. General Statute Section 14-306.4, which sets out the criminal penalty for operating internet sweepstakes games in North Carolina.

Enforcement of G.S. 14-306.4 was halted when a preliminary injunction was issued in Guilford County Superior Court. This injunction is still in effect. However, a December 14, 2012, North Carolina Supreme Court decision found G.S. 14-306.4 to be constitutional. As a result, the Supreme Court remanded the case back to the Court of Appeals with direction that the Court of Appeals should issue further orders to the Guilford County Superior Court, which will mean that the injunction will be dissolved and have no further effect. Based on our conversations with the Court of Appeals' attorneys an order will be issued to the Guilford County Superior Court, within the next two weeks, although there is no date certain. However, once the order is issued and received, the Guilford County Superior Court will then issue the necessary orders to dissolve the preliminary injunction.

We are aware that some sheriff's departments in North Carolina are taking steps to immediately enforce the law based upon the North Carolina Supreme Court ruling. GPD has elected a different course of action because the preliminary injunction has not yet been dissolved, and further legal proceedings in State or Federal court are possible before such injunctions are dissolved. Enforcement may be delayed yet again by another court order, and aggressive enforcement could lead to the City's enforcement efforts being challenged. It is also possible that the City would be potentially liable for court costs and attorneys' fees in that case. At present, the City is not a party to any lawsuit. The approach recommended above represents a balance between the desire to enforce the law and protect the City from unwarranted legal exposure.

GPD plans the following steps to enforce the law:

1. Send a written notice to sweepstakes video game operators, which will give a two-week window to wind up business and cease all internet sweepstakes gaming operations after the date the court dissolves the preliminary injunction.

2. The notice will advise that GPD will obey any order that further delays enforcement of the statute in the event a State or Federal court issues a stay.
3. Provide a location and process for sweepstakes video game operators to surrender illegal machines to the police department if they choose to do so.
4. After the two-week window passes, the vice/narcotics division shall be responsible for enforcement. The City will respond to complaints of illegal operations, as well as through officer observations. Typically, citations will be issued to those who violate the law on the first occasion. Arrests may follow in second and subsequent violations, as the violations become felonies under the law.

After consulting with Guilford County Chief Assistant District Attorney Howard Neumann, I understand that the District Attorney's Office voiced its support of the approach proposed by GPD.

We will continue to monitor the case to determine the date on which the Guilford County Superior Court dissolves the preliminary injunction order that prevented enforcement of the statute.

JAC/

cc: Jim Westmoreland, Deputy City Manager  
S. Mujeeb Shah-Khan, City Attorney  
Ken Miller, Chief of Police  
Dwight Crotts, Deputy Chief of Police  
Susan Daniels, Public Information Officer  
Donnie Turlington, Communications Manager

Office of the City Attorney  
City of Greensboro



Friday, January 18, 2013

**TO:** Mujeeb Shah-Khan, City Attorney

**FROM:** Tom Carruthers, Associate General Counsel

**SUBJECT:** Proposed Legislative Changes for Unemployment Insurance

The Revenue Laws Study Commission met on January 8, 2013, and adopted the “Unemployment Insurance Fund Solvency & Program Changes” legislative proposal. This legislation will be referred to the 2013 General Assembly for consideration this session. In addition to benefit alterations, this proposed legislation would require municipal governments to change the method of reimbursing the State for unemployment insurance (UI) claims. It appears likely the legislation will require Greensboro to fund a reserve equal to 1% of employees’ taxable wages over the next two fiscal years in addition to the City’s typical payments. This legislation is not final and may change substantially.

Under the previous law, the Cities reimbursed the State for UI payments made in previous years. In the future, the Cities will be required to pay the State for current UI benefits and will continue to reimburse for past UI benefits (based on maintaining a 1% reserve). These payments will credit to the UI Trust Fund. The new legislation will have the effect of requiring an additional \$135 million dollars to be paid into the UI Trust Fund.

If this legislation were adopted, the City of Greensboro would begin paying into a reserve fund on a quarterly basis effective July 1, 2013. A quarterly assessment of 1% of taxable wages would be assessed, with a final reconciliation payment due in the 1<sup>st</sup> quarter of each succeeding calendar year. The definition of taxable wages considered in this calculation is limited to 50% of the State average yearly-insured wage, which is \$20,900 for 2013. Benefits charged on behalf of the City would be charged against the 1% reserve, requiring additional payments to maintain the 1% reserve. The City currently estimates a maximum impact of approximately \$655,000 to fund its reserve account over the next two fiscal years.

TDC

**Public Affairs**  
**Contact Center Weekly Report**  
**Week of 1/7/12 – 1/13/13**

**Contact Center**

5189 calls answered this week

**Top 5 calls by area**

Water Resources

Balance Inquiry – 1272  
IVR/Pay by Phone – 351  
General Info – 166  
New Sign up – 130  
Cutoff Requests – 83

Field Operations

Loose Leaf Collection – 90  
Bulk/Recycle Calendar – 86  
EOW Recycling – 75  
Bulk Guidelines – 59  
HHW/Transfer – 55

All others

Police/Watch Operations – 447  
Courts/Sheriff – 90  
Privilege License – 45  
GTA – 41  
Collections – 33

**Comments**

We received a total of **9** comments this week:

**Engineering and Inspections - 1 comment:**

- Thanks very much to staff in the Development Services Department for their cordial assistance in obtaining a required building permit for a sign installation at Triad Drive in your city.

**Field Operations – 5 comments:**

- No thanks to the City, the News and Record put out a schedule this past Sunday. Now we probably have 100,000 extra pages of the newspaper going to the landfill (from those who don't keep it). Why not just offer it to those who will use it via a small notice in the newspaper in December each year? Then we could call and get one. Some "green" project huh?
- Customer would like the city to add recycle calendars in its upcoming budget.
- Customer upset that we did not send calendars. Says it does not make sense that we can pay for colored water billing statements but we cannot send out a calendar.
- I am very disappointed with the recycling system here in Greensboro. Having come from Southern California, I can see so many areas where our city could use some improvement:
  1. Recycle pick up Every Week instead of every other week. Our home always has more recycle material than waste material. Although I am amazed that other homes on our street sometimes do not have any recycled items out, or have recycled items in the trash. Our city needs to implement an incentive program to encourage people to recycle!
  2. If recycle pick up remains every other week, offer 2 receptacles to homes that recycle more. I realize there are overflow facilities; however, putting items in your car and driving over to a facility is causing more pollution to the environment. It doesn't make sense that the collectors can't collect all material at one time.
  3. On a regular basis, our recycle bin is full so much that the lid stays open. Today when I went out to bring the receptacle in and there were several items in the street!!! How lazy!!! This is a service we pay for that is supposed to help our environment and the drivers are leaving recycled material in the street to litter our environment??? Appalling!!!

I love living here in Greensboro, NC. Let's work together to take care of our beautiful city. Please work with the community to find solutions to make recycling a priority. You must also educate your drives about setting an example for the community and not leaving litter on our streets. Thank you.

- Customer suggests that the City consider changing the pickup for recycle to every week seeing how we recycle more items (side note: not willing to purchase second recycle can).

**Transportation – 1 comment:**

- Walk-in citizen complaining of parking ticket, as she placed enough money for time of errand, parking attendant stated she may have put money on wrong side of meter for vehicle; this is not convenient; meters are confusing in downtown Greensboro near MMOB.

**Water Resources – 2 comments:**

- Sewer line needed to be replaced on the city side and the crew did an expedient, excellent job, leveled out yard and left yard neat. This was an all day job. Wants supervisor to know how much he appreciates their work.
- Customer is very upset because the system is not taking the credit card. She said she has tried four times and is wasting her time. This is the worst system she has seen.

**Overall**

Calls about the every other week bulk/recycling calendar continued to increase last week. Calls about loose leaf collection also increased. Call volume was steady through the end of the week.



## SMALL GROUP MEETINGS

Date	Councilmember	Department / Person Contacted	Subject	Council Notification Date
January 10, 2013	Councilmember Abuziater Councilmember Kee Councilmember Vaughan	Assistant City Manager Scott	East Greensboro - Bessemer Center	January 18, 2013



City of Greensboro  
Grant Applications Submitted

<u>Grantor</u>	<u>Grants Projects / Description of Purpose</u>	<u>Amount Requested</u>	<u>Department Requesting Funding</u>	<u>Council Notification Date</u>	<u>Status</u>
North Carolina Firefighter's Burned Children's Fund, Inc.	The project will offer a Fire Safety Camp for approximately 50 children between the ages 7 - 10 years old for two years. The camp will focus on teaching the campers various aspects of fire safety.	\$970	Fire Department	January 18, 2013	Approved by department on December 22, 2012