

[Date]

The Honorable Briner
State Treasurer of North Carolina
3200 Atlantic Avenue
Raleigh, NC 27604

Dear Treasurer Briner,

I am writing on behalf of Ashe County to express concern regarding the recent implementation of a surcharge on public employee insurance costs under the NC State Health Plan, as authorized in House Bill 125, enacted on August 6, 2025. While the County has participated in the State Health Plan since 2016, the statutory language in HB 125 did not clearly indicate that this surcharge would be passed along to local governments.

All counties in North Carolina are required to adopt their annual budgets by July 1. The timing of this legislation—occurring after that deadline—has created a significant and unanticipated financial burden for participating local governments; particularly ours which is still financially recovering from Hurricane Helene. For Ashe County alone, the surcharge represents an unbudgeted expense of approximately \$340,000 for FY 2025–2026. This impact extends beyond general operations, affecting departments such as the AppHealthCare and the Ashe County Public Library, which rely on County funding.

We respectfully request that your office waive any late fees or penalties associated with current invoices tied to this surcharge. Local governments acted in good faith under existing statutory guidance and had no opportunity to adjust their budgets to accommodate this cost. We also ask for your support in working with the General Assembly to delay the effective date of the surcharge to July 1, 2026, allowing affected counties and municipalities to plan responsibly and maintain essential services.

We appreciate your continued leadership and commitment to fiscal transparency. Ashe County remains a dedicated partner in the State Health Plan and values the stability it provides to our employees. We hope you will consider this request and assist in mitigating the unintended consequences of this legislative change.

Sincerely,

Adam Stumb

County Manager, Ashe County
adam.stumb@ashecountygov.com
(336) 846-5501

[Date]

The Honorable [Delegate Name]
North Carolina General Assembly
[Address]

Dear [Delegate Name],

I am writing to bring to your attention to an urgent and unanticipated budgetary issue stemming from House Bill 125, enacted on August 6, 2025. ~~As you may know,~~ This legislation includes a provision that imposes a new surcharge on public employee insurance costs under the NC State Health Plan. Ashe County has participated in the Plan since 2016. The statutory language of HB 125 does not clearly indicate that this surcharge would be passed along to local governments.

Because all counties are required to adopt their annual budgets by July 1, this change—occurring after that deadline—left Ashe County and other participating local governments unable to plan for or absorb the additional cost. For Ashe County, the surcharge represents an unbudgeted expense of approximately \$340,000 for FY 2025–2026, while we are still trying to financially balance our recovery from Hurrican Helene. This impact could also extend to departments that rely on County funding, including AppHealthCare and the Ashe County Public Library.

We respectfully request your assistance in pursuing the following actions:

1. Support a technical amendment to HB 125 that would delay the effective date of the surcharge to July 1, 2026, allowing affected counties and municipalities to plan and budget accordingly.
2. Advocate for a waiver of any late fees or penalties associated with current invoices tied to the surcharge, recognizing the timing conflict and lack of statutory clarity.
3. Help ensure that future legislation affecting local government finances includes clear language and sufficient lead time for budgetary planning.

We appreciate your continued support of Ashe County and your commitment to transparent and responsible governance. I would welcome the opportunity to discuss this matter further and provide any additional documentation or context that may be helpful.

Sincerely,

Adam Stumb
County Manager, Ashe County
adam.stumb@ashecountygov.com
(336) 846-5501