

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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2

HOUSE BILL 1245
Committee Substitute Favorable 6/30/92

Short Title: Current Operations/Expansion - 1991.

(Public)

Sponsors:

Referred to:

May 10, 1991

A BILL TO BE ENTITLED

AN ACT TO MAKE MODIFICATIONS IN THE BASE BUDGET AND EXPANSION BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, FOR THE 1992-93 FISCAL YEAR, TO EXTEND CERTAIN EXPIRING BUDGET PROVISIONS, AND FOR OTHER PURPOSES.

The General Assembly of North Carolina enacts:

BUDGET CONTINUATION

Section 1. Notwithstanding Chapters 689, 742, 760, and 761 of the 1991 Session Laws, the Director of the Budget shall not allocate funds for any of the purposes set out in the base budget reductions contained in House Bill 1340, 3rd edition, 1991 Session, and House Bill 1340, 5th edition, 1991 Session, that are not in controversy.

This section shall remain in effect until ratification of The Current Operations Appropriations Act of 1992, at which time that act shall become effective and shall govern appropriations and expenditures. Upon ratification of The Current Operations Appropriations Act of 1992, the Director of the Budget shall adjust allocations to give effect to that act from July 1, 1992.

Except as otherwise provided by this act, the limitations and directions for the 1992-93 fiscal year in Chapters 689, 742, 760, and 761 of the 1991 Session Laws shall remain in effect.

BLOCK GRANT PROVISIONS

Sec. 2. (a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 1993, according to the following schedule:

1			
2	TOTAL JOB TRAINING PARTNERSHIP ACT		\$
3	52,949,580		
4			
5	COMMUNITY SERVICES BLOCK GRANT		
6			
7	01. Community Action Agencies	\$ 9,038,133	
8			
9	02. Limited Purpose Agencies	501,595	
10			
11	03. Department of Human Resources		
12	to administer and monitor		
13	the activities of the		
14	Community Services Block Grant	478,019	
15			
16	TOTAL COMMUNITY SERVICES BLOCK GRANT		\$
17	10,017,747		
18			
19	COMMUNITY DEVELOPMENT BLOCK GRANT		
20			
21	01. State Administration	\$ 957,840	
22			
23	02. Urgent Needs and Contingency	2,096,708	
24			
25	03. Housing Development	2,096,708	
26			
27	04. Economic Development	8,386,832	
28			
29	05. Community Revitalization	29,353,912	
30			
31	TOTAL COMMUNITY DEVELOPMENT		
32	BLOCK GRANT		\$
33	42,892,000		
34			
35	MATERNAL AND CHILD HEALTH SERVICES		
36			
37	01. Healthy Mother/Healthy Children		
38	Block Grants to Local Health		
39	Departments	\$ 11,673,617	
40			
41	02. High Risk Maternity Clinic Services,		
42	Perinatal Education, and Consultation		
43	to Local Health Departments		
44	and Other Health Care Providers	1,412,018	

1			
2	03.	Services to Disabled Children	5,215,987
3			
4	04.	Reimbursements for Local Health	
5		Departments for Contracted	
6		Nutritional Services	120,530
7			
8	TOTAL MATERNAL AND CHILD		
9	HEALTH SERVICES		
10			\$
11			
12	SOCIAL SERVICES BLOCK GRANT		
13			
14	01.	County Departments of Social Services	\$ 42,313,005
15			
16	02.	Allocation for State In-Home Services	545,383
17			
18	03.	Division of Mental Health, Developmental	
19		Disabilities, and Substance Abuse	5,514,782
20			
21	04.	Division of Services for the Blind	3,162,920
22			
23	05.	Division of Youth Services	1,037,868
24			
25	06.	Division of Facility Services	330,573
26			
27	07.	Division of Aging	333,656
28			
29	08.	Day Care Services	12,158,899
30			
31	09.	Volunteer Services	55,086
32			
33	10.	State Administration and State Level	
34		Contracts	3,392,468
35			
36	11.	Voluntary Sterilization Funds	98,710
37			
38	12.	Transfer to Maternal and Child	
39		Health Block Grant	1,585,833
40			
41	13.	Adult Day Care Services	314,229
42			
43	14.	Allocation to the Home and	
44		Community Care Block Grant	

1	Persons Age 60 and Over	1,511,654	
2			
3	15. County Departments of Social Services for		
4	Child Abuse/Prevention and		
5	Permanency Planning	394,841	
6			
7	16. Allocation to Division of Maternal and		
8	Child Health for Grants-in-Aid to Prevention		
9	Programs	439,261	
10			
11	17. Transfer to Preventive Health		
12	Block Grant for Emergency Medical Services		
13	and Basic Public Health Services	486,258	
14			
15	18. Allocation to Preventive Health Block		
16	Grant for AIDS Education	290,577	
17			
18	19. Allocation to Department of Administration		
19	for North Carolina Fund for Children	45,270	
20			
21	20. Allocation to the Division of Economic		
22	Opportunity for Head Start,		
23	Elderly, and Handicapped Services	197,421	
24			
25	TOTAL SOCIAL SERVICES BLOCK GRANT		\$
26	74,208,694		
27			
28	LOW INCOME ENERGY BLOCK GRANT		
29			
30	01. Energy Assistance Programs	\$ 5,926,428	
31			
32	02. Crisis Intervention	1,344,531	
33			
34	03. Administration	599,749	
35			
36	04. Indian Affairs	8,226	
37			
38	05. Transfer to Social Services		
39	Block Grant for Adult		
40	Day Care Services	126,423	
41			
42	06. Reserve due to Delayed Federal		
43	Funding	20,943,028	
44			

1	TOTAL LOW INCOME ENERGY BLOCK GRANT		\$
2	28,948,385		
3			
4	ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH		
5	SERVICES BLOCK GRANT		
6			
7	01. Allocate funds to the four regional		
8	offices on a per capita basis		
9	for mental health services	\$ 2,250,173	
10			
11	02. Programs for the Chronically		
12	Mentally Ill	3,323,686	
13			
14	03. Continuation and expansion of		
15	child mental health services in		
16	accordance with the Child Mental		
17	Health Plan including group		
18	homes, specialized foster care,		
19	therapeutic homes, professional		
20	parenting programs, and respite care	1,079,595	
21			
22	04. Continuation of community-		
23	based alcohol and drug services		
24	including prevention, early inter-		
25	vention, treatment, rehabilitation,		
26	nonhospital medical detoxification,		
27	training and specialized project for the		
28	hearing impaired	6,119,504	
29			
30	05. Continuation and expansion of services		
31	to female substance abusers,		
32	including specialized services at		
33	the ADATCS	2,658,736	
34			
35	06. Continuation of services to		
36	IV drug abusers, including increased		
37	capacity for drug screens and IV		
38	services at the ADATCS	3,853,579	
39			
40	07. Services to adolescents, including		
41	continuation of services		
42	in accordance with the Youth Substance		
43	Abuse Plan	3,140,864	
44			

1	08.	Funding to support the provision of	
2		Treatment Alternatives to Street	
3		Crimes (TASC) programs for adults	
4		and four demonstration projects with	
5		local jails	577,104
6			
7	09.	Continuing of funding for detoxification	
8		services in the Eastern Region	1,048,110
9			
10	10.	Administration	1,507,527
11			
12	TOTAL ALCOHOL, DRUG ABUSE, AND		
13	MENTAL HEALTH SERVICES		
14	BLOCK GRANT		
15			\$
16			
17	COMMUNITY YOUTH ACTIVITY PROGRAM BLOCK GRANT		
18			
19	01.	Development of a Community-Based Substance	
20		Abuse Prevention Program	
21		for Youth	\$ 45,288
22			
23	TOTAL COMMUNITY YOUTH ACTIVITY PROGRAM		
24	BLOCK GRANT		
25			\$
26			
27	CHILD CARE AND DEVELOPMENT BLOCK GRANT		
28			
29	01.	Child Day Care Services	\$ 14,363,594
30			
31	02.	Head Start Wrap-Around	3,209,984
32			
33	03.	Revolving Loans/Grants	66,861
34			
35	04.	County Day Care Coordinators	592,020
36			
37	05.	Staff/Child Ratio Reduction	212,821
38			
39	06.	Study of Day Care Salaries	35,286
40			
41	07.	Child Care Worker Credentials	436,465
42			
43	08.	Resource and Referral Programs	815,699
44			

1	09.	Facility Services Administration	648,660
2			
3	10.	Monitoring Improvement	152,256
4			
5	11.	Child Care Development Funds	1,222,124
6			

7 If funds appropriated through the Child Care and Development Block Grant for any
 8 program cannot be obligated or spent in that program within the obligation or
 9 liquidation periods allowed by the federal grants, the Department may move funds to
 10 other programs, in accordance with the federal requirements of the grant, in order to use
 11 the federal funds fully.

12
 13 TOTAL CHILD CARE AND DEVELOPMENT

14 BLOCK GRANT

15 21,755,770

\$

16
 17 (b) Decreases in Federal Fund Availability

18 If federal funds are reduced below the amounts specified above after the
 19 effective date of this act, then every program, in each of the federal block grants listed
 20 above, shall be reduced by the same percentage as the reduction in federal funds.

21 (c) Increases in Federal Fund Availability

22 Any block grant funds appropriated by the United States Congress in addition
 23 to the funds specified in this act shall be expended as follows:

24 (1) For the Community Development Block Grant – each program
 25 category under the Community Development Block Grant shall be
 26 increased by the same percentage as the increase in federal funds.

27 (2) For the Maternal and Child Health Services Block Grant – thirty
 28 percent (30%) of these additional funds shall be allocated to services
 29 for children with special health care needs and seventy percent (70%)
 30 shall be allocated to local health departments to assist in the reduction
 31 of infant mortality.

32 (3) For other block grants – these additional funds may be budgeted by the
 33 appropriate department, with the approval of the Office of State
 34 Budget and Management, provided the resultant increases are in
 35 accordance with federal block grant requirements and are within the
 36 scope of the block grant plan approved by the General Assembly. All
 37 these budgeted increases shall be reported to the Joint Legislative
 38 Commission on Governmental Operations and to the Director of the
 39 Fiscal Research Division.

40 This subsection shall not apply to Job Training Partnership Act funds.

41 (d) Education Setaside of JTPA Funds

42 The Department of Economic and Community Development shall certify to
 43 the Joint Legislative Commission on Governmental Operations and to the Fiscal
 44 Research Division of the Legislative Services Office when Job Training Partnership Act

1 funds have been distributed to each agency, the total amount distributed to each agency,
2 and the total amount of eight percent (8%) Education Setaside funds received.

3 (e) Limitations on Community Development Block Grant Funds

4 Of the funds appropriated in this section for the Community Development
5 Block Grant, not more than nine hundred fifty-seven thousand eight hundred forty
6 dollars (\$957,840) may be used for State administration; up to two million ninety-six
7 thousand seven hundred eight dollars (\$2,096,708) may be used for Urgent Needs and
8 Contingency; up to two million ninety-six thousand seven hundred eight dollars
9 (\$2,096,708) may be used for Housing Development; up to eight million three hundred
10 eighty-six thousand eight hundred thirty-two dollars (\$8,386,832) may be used for
11 Economic Development; and not less than twenty-nine million three hundred fifty-three
12 thousand nine hundred twelve dollars (\$29,353,912) shall be used for Community
13 Revitalization. If federal block grant funds are reduced or increased by the United
14 States Congress after the effective date of this act, then these reductions or increases
15 shall be allocated in accordance with subsection (b) or (c) of this section, as applicable.

16 (f) Upon the federal government's release of the funds budgeted in the Low
17 Income Energy Block Grant Reserve in this act, these funds shall be used to restore
18 funding to all programs, if needed, other than the Weatherization Program, that were
19 funded with Low Income Energy Assistance Block Grant funds as identified in Section
20 5 of Chapter 689 of the 1991 Session Laws.

21 Sec. 3. The Director of the Budget shall continue to allocate funds for
22 expenditure from the Preventive Health Block Grant at the level at which the
23 expenditures were authorized by the General Assembly for the 1991-92 fiscal year.

24 To the extent necessary to implement this authorization, there is appropriated
25 from the Preventive Health Block Grant for the 1992-93 fiscal year, funds necessary to
26 carry out this section.

27 This appropriation and this authorization to allocate and spend funds shall
28 remain in effect until ratification of The Current Operations Appropriations Act of
29 1992, at which time that act shall become effective and shall govern appropriations and
30 expenditures. Upon ratification of The Current Operations Appropriations Act of 1992,
31 the Director of the Budget shall adjust allocations to give effect to that act from July 1,
32 1992.

33 Except as otherwise provided by this section, the limitations and directions
34 for the Preventive Health Block Grant funds for the 1991-92 fiscal year that applied to
35 appropriations of federal block grant funds to particular agencies or for particular
36 purposes apply to the funds appropriated and authorized for expenditure under this
37 section.

38 **EMPLOYEE SALARIES**

39 Sec. 4. The salary schedules and specific salaries established for fiscal year
40 1991-92 for offices and positions shall remain in effect until the effective date of The
41 Current Operations Appropriations Act of 1992.

42 Teachers and other employees shall not move up on these salary schedules or
43 receive automatic, annual, performance, merit, or other increments until authorized by
44 the General Assembly.

SALARY RELATED CONTRIBUTIONS/EMPLOYERS

Sec. 5. (a) Section 188(c) of Chapter 689 of the 1991 Session Laws reads as rewritten:

"(c) Effective July 1, 1992, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 1992-93 fiscal year are (i) ten and ninety-three hundredths percent (10.93%) - Teachers and State Employees; (ii) fifteen and ninety-three hundredths percent (15.93%) - State Law Enforcement Officers; (iii) eight and sixty-six hundredths percent (8.66%) - University Employees' Optional Retirement Program; (iv) ~~twenty-nine and forty-six hundredths percent (29.46%)~~ twenty-six and three hundredths percent (26.03%) - Consolidated Judicial Retirement System; and (v) thirty-two and thirty hundredths percent (32.30%) - Legislative Retirement System. Each of the foregoing contribution rates includes two percent (2%) for hospital and medical benefits. The rate for State Law Enforcement Officers includes five percent (5%) for the Supplemental Retirement Income Plan. The rates for Teachers and State Employees, State Law Enforcement Officers, and for the University Employees' Optional Retirement Program includes forty-two hundredths percent (0.42%) for the Disability Income Plan."

(b) If The Current Operations Appropriations Act of 1992 modifies such rates, the Director of the Budget shall further modify the rates set in that act for the remainder of the 1992-93 fiscal year so as to compensate for the different amount contributed between July 1, 1992, and the effective date of The Current Operations Appropriations Act of 1992, so that the effective rate for the entire year reflects The Current Operations Appropriations Act of 1992.

BUDGET CLARIFICATIONS

Sec. 6. (a) The General Assembly finds that it is necessary to clarify the provisions of the State budget for the 1991-93 fiscal biennium, the Executive Budget Act, and other statutes that affect the administration of the budget. The provisions of this section are intended to provide this clarification and are not intended to make substantive changes in the law.

(b) G.S. 143-16.3 reads as rewritten:

"§ 143-16.3. No expenditures for purposes for which the General Assembly has considered but not enacted an appropriation.

Notwithstanding any other provision of law, no funds from any source, except for gifts, grants, and funds allocated from the Contingency and Emergency Fund by the Council of State, may be expended for any ~~purpose~~ purpose, position, or other expenditure for which the General Assembly has considered but not enacted an appropriation of funds for the current fiscal period. For the purpose of this section, the General Assembly has considered a ~~purpose~~ purpose, position, or other expenditure when that purpose is included in a bill or petition or when any committee of the Senate or the House of Representatives deliberates on that purpose."

(c) G.S. 143-23 reads as rewritten:

"§ 143-23. All maintenance funds for itemized purposes; transfers between objects and-or line items.

1 (a) All appropriations now or hereafter made for the maintenance of the various
2 departments, institutions and other spending agencies of the State, are for the (i)
3 purposes or programs ~~and/or~~ and (ii) objects or line items enumerated in the itemized
4 requirements of such departments, institutions and other spending agencies submitted to
5 the General Assembly by the Director of the Budget and the Advisory Budget
6 Commission, ~~and/or~~ as amended by the General Assembly. The function of the
7 Advisory Budget Commission under this subsection applies only if the Director of the
8 Budget consults with the Commission in preparation of the budget.

9 (a1) No transfers may be made between objects or line items in the budget of any
10 department, institution, or other spending agency; however, with the approval of the
11 Director of the Budget, a department, institution, or other spending agency may spend
12 more than was appropriated for ~~a~~ an object or line item if the overexpenditure is:

- 13 (1) In a purpose or program for which funds were appropriated for that
14 fiscal period and the total amount spent for the purpose or program is
15 no more than was appropriated for the purpose or program for the
16 fiscal period;
- 17 (2) Required to continue a purpose or program because of unforeseen
18 events, so long as the scope of the purpose or program is not increased;
- 19 (3) Required by a court, Industrial Commission, or administrative hearing
20 officer's order or award or to match unanticipated federal funds;
- 21 (4) Required to respond to an unanticipated disaster such as a fire,
22 hurricane, or tornado; or
- 23 (5) Required to call out the National Guard.

24 The Director of the Budget shall report on a quarterly basis to the Joint Legislative
25 Commission on Governmental Operations and to the Fiscal Research Division of the
26 Legislative Services Office the reason if the amount expended for a purpose or program
27 is more than the amount appropriated for it from all sources.

28 Funds appropriated for salaries and wages are also subject to the limitation that they
29 may only be used for (i) salaries and wages or for premium pay, overtime pay,
30 longevity, unemployment compensation, workers' compensation, temporary wages,
31 contracted personal services, moving expenses, payment of accumulated annual leave,
32 certain awards to employees, tort claims, and employer's social security, retirement, and
33 hospitalization ~~payments; provided, however, funds appropriated for salaries and wages~~
34 ~~may also be used for payments; or (ii) purposes~~ uses for which over expenditures are
35 permitted by subdivisions (3), (4), and (5) of this subsection but the Director of the
36 Budget shall include such use and the reason for it in his quarterly report to the Joint
37 Legislative Commission on Governmental Operations and to the Fiscal Research
38 Division of the Legislative Services ~~Office. Lapsed Office.~~

39 Lapsed salary funds that become available from vacant positions are also subject to
40 the limitation that they may not be used for new permanent employee positions or to
41 raise the salary of existing employees.

42 ~~As used in this subsection, 'program' means a group of expenditure and receipt line~~
43 ~~items for support of a specific budgeted activity outlined in the certified budget for each~~

1 ~~department, agency, or institution, as designated by the four digit fund (purpose)~~
2 ~~number in the Budget Preparation System.~~

3 The requirements in this section that the Director of the Budget report to the Joint
4 Legislative Commission on Governmental Operations shall not apply to expenditures of
5 receipts by entities that are wholly receipt supported, except for entities supported by
6 the Wildlife Resources Fund.

7 (b) Repealed by Session Laws 1985, c. 290, s. 8, effective July 1, 1985.

8 (c) Transfers or changes as between objects ~~and or line~~ items in the budget of the
9 Senate may be made by the President Pro Tempore of the Senate;

10 (d) Transfers or changes as between objects ~~and or line~~ items in the budget of the
11 House of Representatives may be made by the Speaker of the House of Representatives;

12 (e) Transfers or changes as between objects ~~and or line~~ items in the budget of the
13 General Assembly other than of the Senate and House of Representatives may be made
14 jointly by the President Pro Tempore of the Senate and the Speaker of the House of
15 Representatives.

16 (f) As used in this section:

17 (1) 'Object or line item' means a budgeted expenditure or receipt in the
18 budget enacted by the General Assembly that is designated by (i) a
19 thirteen-digit code in the 1000-object code series or (ii) an eleven-digit
20 code in all other object code series, in accordance with the Budget
21 Code Structure and the State Accounting System Uniform Chart of
22 Accounts set out in the Administrative Policies and Procedures Manual
23 of the Office of the State Controller.

24 (2) 'Purpose or program' means a group of objects or line items for support
25 of a specific activity outlined in the budget adopted by the General
26 Assembly that is designated by a nine-digit fund code in accordance
27 with the Budget Code Structure and the State Accounting System
28 Uniform Chart of Accounts set out in the Administrative Policies and
29 Procedures Manual of the Office of the State Controller."

30 (d) Section 351 of Chapter 689 of the 1991 Session Laws reads as rewritten:

31 "Sec. 351. (a) The Joint Appropriations Committee House/Senate Base and
32 Expansion Budget Report and the Joint Appropriations Committee House/Senate Base
33 and Expansion Budget Conference Report dated July 11, 1991, which were distributed
34 in the House and Senate and used to explain this act, shall indicate action by the General
35 Assembly on this act and shall therefore be used to construe this act, as provided in G.S.
36 143-15 of the Executive Budget Act, and for these purposes shall be considered a part of
37 this act.

38 (b) The budget enacted by the General Assembly for the maintenance of the
39 various departments, institutions, and other spending agencies of the State for the 1991-
40 93 fiscal biennium is a line item budget, in accordance with the Budget Code Structure
41 and the State Accounting System Uniform Chart of Accounts set out in the
42 Administrative Policies and Procedures Manual of the Office of the State Controller.
43 This budget includes the appropriations made from all sources including the General

1 Fund, Highway Fund, special funds, cash balances, federal receipts, and departmental
2 receipts.

3 The General Assembly amended the itemized budget requests submitted to the
4 General Assembly by the Director of the Budget and the Advisory Budget Commission,
5 in accordance with the steps that follow and the line item detail in the budget enacted by
6 the General Assembly may be derived accordingly:

7 (1) Negative reserves set out in the submitted budget were deleted and the
8 totals were increased accordingly.

9 (2) The base budget was adjusted in accordance with the base budget cuts
10 and additions that were set out in the Joint Appropriations Committee
11 House/Senate Base and Expansion Budget and the Joint
12 Appropriations Committee House/Senate Base and Expansion Budget
13 Conference Report dated July 11, 1991.

14 (3) The expansion budget items were added in accordance with the Joint
15 Appropriations Committee House/Senate Base and Expansion Budget
16 and the Joint Appropriations Committee House/Senate Base and
17 Expansion Budget Conference Report dated July 11, 1991, and the
18 accompanying correction sheets. Some of those expansion budget
19 items were in the budget submitted to the General Assembly by the
20 Director of the Budget and the Advisory Budget Commission.

21 Expansion budget items that were funded from new receipts are
22 included in the budget enacted by the General Assembly with
23 program-level detail.

24 (4) Transfers of funds supporting programs were made in accordance with
25 the Joint Appropriations Committee House/Senate Base and Expansion
26 Budget and the Joint Appropriations Committee House/Senate Base
27 and Expansion Budget Conference Report dated July 11, 1991, and the
28 accompanying correction sheets.

29 The budget enacted by the General Assembly shall also be interpreted in accordance
30 with the special provisions in this act and in accordance with other appropriate
31 legislation.

32 In the event that there is a conflict between the line item budget certified by the
33 Director of the Budget and the budget enacted by the General Assembly, the budget
34 enacted by the General Assembly shall prevail."

35 (e) G.S. 58-6-25(d) reads as rewritten:

36 "(d) Use of Proceeds. The Department of Insurance Fund is created in the State
37 treasury. The proceeds of the charge levied in this section and all fees collected under
38 Articles 69 through 71 of this Chapter and under Articles 9 and 9C of Chapter 143 of
39 the General Statutes shall be credited to the Fund. The Fund shall be placed in an
40 interest-bearing account and any interest or other income derived from the Fund shall be
41 credited to the Fund. Moneys in the Fund may be spent only pursuant to appropriation
42 by the General Assembly. ~~Assembly~~ and in accordance with the line item budget
43 enacted by the General Assembly. The Fund is subject to the provisions of the
44 Executive Budget Act, except that no unexpended surplus of the Fund shall revert to the

1 General Fund. All money credited to the Fund shall be used only to pay the expenses of
 2 the Commissioner and the Department that are incurred in regulating the insurance
 3 industry and other industries in this State and the general administrative expenses of the
 4 State incident thereto."

5 (f) Of the funds appropriated to the Department of Public Education for the
 6 1991-93 fiscal biennium, the funds for the operation and maintenance of the Department
 7 of Public Instruction, for State aid to non-State agencies, and for the operation of the
 8 State Board of Education are as follows:

9 **DEPARTMENT OF PUBLIC EDUCATION**
 10 **TOTAL REQUIREMENTS**

11
 12 **1991-92**

13	14	15	16	17	18
	FUND	Department of Public Instruction	Aid to Local School Units	State Board Administrative Units	of Education
18	1000	2,276,885	—	—	118,900
19	1100	11,594,516	—	—	—
20	1200	2,542,623	—	—	—
21	1300	4,370,254	—	—	—
22	1400	12,551,101	—	—	16,146
23	1500	2,927,256	—	—	—
24	1600	11,386,980	—	—	17,668
25	1700	—	—	—	—
26	1800	—	3,199,427,158	—	—
27	1900	491,734	—	—	—
28					
29	TOTAL	48,141,349	3,199,427,158	—	152,714

30
 31
 32 **1992-93**

33	34	35	36	37	38
	FUND	Department of Public Instruction	Aid to Local School Units	State Board Administrative Units	of Education
38	1000	2,271,969	—	—	93,900
39	1100	11,578,464	—	—	—
40	1200	2,543,364	—	—	—
41	1300	4,326,584	—	—	—
42	1400	12,826,595	—	—	16,146
43	1500	2,923,299	—	—	—
44	1600	11,281,018	—	—	17,668

1	1700	—	—	—
2	1800	—	3,267,053,247	—
3	1900	491,734	—	—
4				
5	TOTAL	48,243,027	3,267,053,247	127,714.

(g) G.S. 115C-21(a) is amended by adding a new subdivision to read:

"(7) To have solely under his direction and control all matters relating to provision of staff services and support to the State Board of Education, except as otherwise provided in the Current Operations Appropriations Act."

(h) This section is effective upon ratification.

SAVINGS RESERVE ACCOUNT TECHNICAL CHANGE

Sec. 7. (a) G.S. 143-15.2 reads as rewritten:

"§ 143-15.2. ~~Appropriation~~ Use of General Fund credit balance.

~~The General Assembly shall appropriate~~ The State Controller shall reserve up to one-fourth of any anticipated credit balance—balance, as determined on a cash basis, remaining in the General Fund at the end of each fiscal year to the Savings Reserve Account as provided in G.S. 143-15.3. G.S. 143-15.3, unless that would result in the Savings Reserve Account having funds in excess of five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax reimbursements and local government tax-sharing funds; in that case, only funds sufficient to reach the five percent (5%) level shall be reserved. The General Assembly may appropriate that part of the anticipated General Fund credit balance not appropriated—expected to be reserved to the Savings Reserve Account only for capital improvements or other one-time expenditures."

(b) G.S. 143-15.3 reads as rewritten:

"§ 143-15.3. Savings Reserve Account.

(a) There is established a Savings Reserve Account as a ~~special revenue fund in the State treasury~~ restricted reserve in the General Fund. The General Assembly shall appropriate The State Controller shall reserve to the Savings Reserve Account one-fourth of any anticipated—unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account contains funds equal to five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax reimbursements and local government tax-sharing funds. If the balance in the Savings Reserve Account falls below this level during a fiscal year, the General Assembly shall appropriate State Controller shall reserve to the Savings Reserve Account for the following fiscal years up to one-fourth of any anticipated—unreserved credit balance remaining in the General Fund at the end of each fiscal year until the account again equals five percent (5%) of the amount appropriated the preceding year for the General Fund operating budget, including local government tax reimbursements and local government tax-sharing funds. As used in this section, the term 'unreserved credit balance' means that part of the credit balance, as determined on a cash basis, not already reserved to the Savings Reserve Account.

1 (b) The Director may not use funds in the Savings Reserve Account unless the
2 use has been approved by an act of the General Assembly."

3 (c) Section 357(12) of Chapter 689 of the 1991 Session Laws reads as rewritten:

4 "(12) Part 57 – Budget Reform. G.S. 120-36.7, as enacted by Part 57 of this
5 act, and the amendment to G.S. 143-3.5 in Part 57 of this act, are
6 effective beginning with fiscal estimates addressing the 1992-93 fiscal
7 year. G.S. 143-15.1, as enacted by Part 57 of this act, is effective
8 beginning with the 1992-93 budget. G.S. 143-15.2 and G.S. 143-15.3,
9 as enacted by Part 57 of this act, are effective beginning with the
10 General Fund credit balance at the end of the ~~1992-93~~ 1991-92 fiscal
11 year. G.S. 143-15.4, as enacted by Part 57 of this act, is effective
12 beginning with the 1993-94 General Fund operating budget, and may
13 be used as a guide in preparing the 1992-93 General Fund operating
14 budget. Except as otherwise provided in Part 57 of this act, the
15 remainder of Part 57 of this act is effective upon ratification."

16 (d) This section is effective upon ratification and applies beginning with the
17 General Fund credit balance at the end of the 1991-92 fiscal year.

18 **CERTAIN GRAPE COUNCIL FUNDS DO NOT REVERT**

19 Sec. 8. (a) Any funds credited to the Department of Agriculture under G.S.
20 105-113.81A that are not expended by June 30, 1992 do not revert to the General Fund,
21 but are placed in a special reserve to be expended as provided by the General Assembly.

22 (b) This section is effective on and after July 1, 1991.

23 **LOCAL TAX REIMBURSEMENT TECHNICAL CHANGE**

24 Sec. 9. (a) Article 9 of Chapter 105 of the General Statutes is amended by
25 adding a new section to read:

26 **"§ 105-248.1. Reimbursement and tax-sharing distributions.**

27 If the amount appropriated to the Reserve for Reimbursements to Local
28 Governments and Shared Tax Revenues for a fiscal year is less than the amount of the
29 distributions required by law to be made from that reserve for the fiscal year, the
30 deficiency shall be credited to the reserve from the General Fund. If the amount
31 appropriated to the Reserve for Reimbursements to Local Governments and Shared Tax
32 Revenues for a fiscal year is greater than the amount of the distributions required by law
33 to be made from that reserve for the fiscal year, the excess reverts to the General Fund."

34 (b) This section is effective on and after July 1, 1991.

35 **USE OF LAPSED SALARY FUNDS**

36 Sec. 10. (a) The Department of Correction may use lapsed salary funds from
37 the 1991-92 fiscal year to pay medical care costs, to pay for extradition services, and to
38 reimburse local governments for the housing of prisoners.

39 (b) This section becomes effective June 30, 1992.

40 **REDUCE AGENCY SALARIES/RETIRED POSITIONS**

41 Sec. 11. For the 1992-93 fiscal year, the Office of State Budget and
42 Management shall establish rules and procedures which require agencies to transfer
43 salary and benefit funds equivalent to thirty percent (30%) of the State supported salary
44 and fringe benefits of positions from which a retirement occurs to the Reserve for Salary

1 Reduction-Positions Vacated by Retirees as created in this act. This provision does not
2 apply to positions paid from the Public School Fund, community college State aid
3 funds, positions of employees whose salaries are specified by statute, or exceptions
4 granted by the Director of the Budget due to agency hardships. Employees eligible for
5 retirement shall not be transferred to non-State supported positions prior to retirement
6 for the purpose of circumventing this provision. No position impacted by this provision
7 shall be reduced below the minimum salary level established by law unless the position
8 is abolished.

9 The Office of State Budget and Management shall provide to the 1993
10 General Assembly a report by May 15, 1993, detailing, by agency and position, the
11 savings implemented under this provision in order that these amounts may be deleted
12 from the 1993-95 authorized budget.

13 **EXTEND SENTENCING AND POLICY ADVISORY COMMISSION**

14 Sec. 12. Section 8 of Chapter 1076 of the 1989 Session Laws reads as
15 rewritten:

16 "Sec. 8. This act is effective upon ratification, and shall expire July ~~4~~, 8, 1992."

17 **EFFECTIVE DATE**

18 Sec. 13. Except as otherwise provided, this act becomes effective July 1,
19 1992.