

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 229
Committee Substitute Favorable 4/27/95
Third Edition Engrossed 5/3/95
Senate Appropriations Committee Substitute Adopted 5/18/95

Short Title: '95 Continuation Budget.

(Public)

Sponsors:

Referred to:

February 21, 1995

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS FOR THE CONTINUATION BUDGET
3 OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES,
4 AND FOR OTHER PURPOSES.

5 The General Assembly of North Carolina enacts:

6

7 **PART 1. INTRODUCTION AND TITLE OF ACT**

8

9 **INTRODUCTION**

10 Section 1. The appropriations made in this act are for maximum amounts
11 necessary to provide the services and accomplish the purposes described in the budget.
12 Savings shall be effected where the total amounts appropriated are not required to
13 perform these services and accomplish these purposes and, except as allowed by the
14 Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the
15 end of each fiscal year.

16

1 **TITLE OF ACT**

2 Sec. 1.1. This act shall be known as the Continuation Budget Operations
3 Appropriations Act of 1995.

4
5 **PART 2. GENERAL FUND APPROPRIATIONS**6
7 **CURRENT OPERATIONS/GENERAL FUND**

8 Sec. 2. Appropriations from the General Fund of the State for the maintenance
9 of the State departments, institutions, and agencies, and for other purposes as enumerated
10 are made for the biennium ending June 30, 1997, according to the schedule that follows.
11 Amounts set out in brackets are reductions from General Fund appropriations for the
12 1995-96 and 1996-97 fiscal years.

| 13 | | <u>1995-96</u> | <u>1996-97</u> |
|----|--|----------------|---------------------|
| 14 | <u>Current Operations - General Fund</u> | | |
| 15 | | | |
| 16 | General Assembly | \$ 27,313,680 | \$ 30,702,253 |
| 17 | | | |
| 18 | Judicial Department | 279,906,085 | 282,890,857 |
| 19 | | | |
| 20 | Office of the Governor | | |
| 21 | 01. Office of the Governor | 18,198,622 | 18,307,085 |
| 22 | 02. Office of State Budget | | |
| 23 | and Management | 3,442,164 | 3,578,579 |
| 24 | 03. Office of State Planning | 1,704,652 | 1,707,057 |
| 25 | 04. Housing Finance Agency | 2,300,000 | 2,300,000 |
| 26 | | | |
| 27 | Office of the Lieutenant Governor | | 577,313 578,729 |
| 28 | | | |
| 29 | Department of Secretary of State | | 4,580,487 4,632,853 |
| 30 | | | |
| 31 | Department of State Auditor | | 8,822,793 8,828,840 |
| 32 | | | |
| 33 | Department of State Treasurer | | |
| 34 | 01. State Treasurer | 6,015,881 | 6,023,960 |
| 35 | 02. Special Contributions | 7,477,187 | 7,477,187 |
| 36 | | | |
| 37 | Department of Public Education | 3,921,801,088 | 3,986,893,062 |
| 38 | | | |
| 39 | Department of Justice | 63,989,315 | 64,196,421 |
| 40 | | | |
| 41 | Department of Administration | 52,166,311 | 53,421,227 |
| 42 | | | |
| 43 | Department of Agriculture | 45,496,479 | 45,745,793 |

| | | | |
|----|--|---------------|---------------|
| 1 | | | |
| 2 | Department of Labor | 15,054,312 | 14,902,477 |
| 3 | | | |
| 4 | Department of Insurance | 19,425,166 | 18,716,396 |
| 5 | | | |
| 6 | Department of Transportation | | |
| 7 | 01. Aeronautics | 9,434,000 | 10,047,210 |
| 8 | 02. Aid to Railroads | 100,000 | 100,000 |
| 9 | Total Department of | | |
| 10 | Transportation | 9,534,000 | 10,147,210 |
| 11 | | | |
| 12 | Department of Environment, Health, and | | |
| 13 | Natural Resources | 228,151,130 | 228,130,320 |
| 14 | | | |
| 15 | Office of Administrative Hearings | 2,041,641 | 2,046,136 |
| 16 | | | |
| 17 | Rules Review Commission | 262,661 | 262,661 |
| 18 | | | |
| 19 | Department of Human Resources | | |
| 20 | 01. Office of the Secretary | 23,762,679 | 23,406,266 |
| 21 | 02. Division of Aging | 12,925,967 | 12,926,726 |
| 22 | 03. Division of Child Development | 120,577,456 | 127,437,199 |
| 23 | 04. Division of Services for the | | |
| 24 | Deaf and Hard of Hearing | 24,258,781 | 24,972,142 |
| 25 | 05. Division of Social Services | 200,403,691 | 203,840,889 |
| 26 | 06. Division of Medical Assistance | 1,045,077,626 | 1,169,772,076 |
| 27 | 07. Division of Services | | |
| 28 | for the Blind | 15,285,610 | 15,231,439 |
| 29 | 08. Division of Mental Health, | | |
| 30 | Developmental Disabilities, and | | |
| 31 | Substance Abuse Services | 474,766,338 | 472,445,902 |
| 32 | 09. Division of Facility Services | 9,198,369 | 9,126,950 |
| 33 | 10. Division of Vocational | | |
| 34 | Rehabilitation Services | 26,298,805 | 26,632,617 |
| 35 | 11. Division of Youth Services | 70,849,319 | 69,388,246 |
| 36 | Total Department of Human Resources | 2,023,404,641 | 2,155,180,452 |
| 37 | | | |
| 38 | Department of Correction | 769,566,087 | 797,559,181 |
| 39 | | | |
| 40 | Department of Commerce | | |
| 41 | 01. Commerce | 36,028,031 | 35,905,893 |
| 42 | 02. Biotechnology Center | 7,864,396 | 7,864,396 |
| 43 | 03. MCNC | 19,765,000 | 19,765,000 |

| | | | | |
|----|-----|--------------------------------------|-------------|-------------|
| 1 | 04. | Rural Economic Development | | |
| 2 | | Center | 1,370,000 | 1,370,000 |
| 3 | | | | |
| 4 | | Department of Revenue | 59,706,976 | 59,602,150 |
| 5 | | | | |
| 6 | | Department of Cultural Resources | 44,125,706 | 45,025,630 |
| 7 | | | | |
| 8 | | Department of Crime Control | | |
| 9 | | and Public Safety | | 0 0 |
| 10 | | | | |
| 11 | | Office of the State Controller | 8,718,487 | 8,727,680 |
| 12 | | | | |
| 13 | | University of North Carolina - Board | | |
| 14 | | of Governors | | |
| 15 | 01. | General Administration | 17,782,792 | 17,962,204 |
| 16 | 02. | University Institutional | | |
| 17 | | Programs | 6,768,790 | 6,768,790 |
| 18 | 03. | Related Educational Programs | 52,679,326 | 53,446,571 |
| 19 | 04. | University of North Carolina | | |
| 20 | | at Chapel Hill | | |
| 21 | | a. Academic Affairs | 153,219,631 | 156,062,801 |
| 22 | | b. Health Affairs | 124,078,391 | 125,853,313 |
| 23 | | c. Area Health Education | | |
| 24 | | Centers | 35,991,051 | 35,978,072 |
| 25 | 05. | North Carolina State University | | |
| 26 | | at Raleigh | | |
| 27 | | a. Academic Affairs | 194,715,829 | 199,027,552 |
| 28 | | b. Agricultural Research Service | 39,457,498 | 39,213,704 |
| 29 | | c. Cooperative Extension Service | 30,881,128 | 30,893,309 |
| 30 | 06. | University of North Carolina at | | |
| 31 | | Greensboro | 59,151,286 | 59,581,696 |
| 32 | 07. | University of North Carolina at | | |
| 33 | | Charlotte | 67,170,862 | 67,941,217 |
| 34 | 08. | University of North Carolina at | | |
| 35 | | Asheville | 19,133,606 | 19,420,856 |
| 36 | 09. | University of North Carolina at | | |
| 37 | | Wilmington | 37,351,229 | 38,017,539 |
| 38 | 10. | East Carolina University | | |
| 39 | | a. Academic Affairs | 84,176,815 | 84,821,204 |
| 40 | | b. Division of Health Affairs | 39,848,279 | 39,894,910 |
| 41 | 11. | North Carolina Agricultural and | | |
| 42 | | Technical State University | 48,700,804 | 49,156,475 |
| 43 | 12. | Western Carolina University | 40,971,740 | 41,243,952 |

| | | | | |
|----|---|--------------------------------|------------------------|------------------------|
| 1 | 13. | Appalachian State University | 57,890,563 | 58,394,268 |
| 2 | 14. | Pembroke State University | 18,201,864 | 18,287,430 |
| 3 | 15. | Winston-Salem State University | 18,817,355 | 19,032,586 |
| 4 | 16. | Elizabeth City State | | |
| 5 | | University | 18,290,299 | 18,370,727 |
| 6 | 17. | Fayetteville State University | 23,135,861 | 23,320,254 |
| 7 | 18. | North Carolina Central | | |
| 8 | | University | 33,308,525 | 33,650,966 |
| 9 | 19. | North Carolina School of the | | |
| 10 | | Arts | 10,167,027 | 10,352,392 |
| 11 | 20. | North Carolina School of | | |
| 12 | | Science and Mathematics | 8,589,705 | 8,769,269 |
| 13 | 21. | UNC Hospitals at Chapel Hill | 44,627,960 | 44,627,960 |
| 14 | Total University of North | | | |
| 15 | Carolina - Board of Governors | | 1,285,108,216 | 1,300,090,017 |
| 16 | | | | |
| 17 | Department of Community Colleges | | 436,359,167 | 436,988,159 |
| 18 | | | | |
| 19 | State Board of Elections | | 835,456 | 835,673 |
| 20 | | | | |
| 21 | Contingency and Emergency | | 1,125,000 | 1,125,000 |
| 22 | | | | |
| 23 | Reserve for Compensation Increase | | 2,000,000 | 2,000,000 |
| 24 | | | | |
| 25 | Reserve for Salary Adjustments | | 1,000,000 | 1,500,000 |
| 26 | | | | |
| 27 | Fixed Period for Amortization | | | |
| 28 | and Other Retirement Changes | | (6,084,400) | (6,084,400) |
| 29 | | | | |
| 30 | Debt Service | | 116,805,051 | 115,113,536 |
| 31 | | | | |
| 32 | GRAND TOTAL CURRENT OPERATIONS – | | | |
| 33 | GENERAL FUND | | \$9,525,958,781 | \$9,774,057,470 |
| 34 | | | | |

PART 3. CURRENT OPERATIONS/HIGHWAY FUND

Sec. 3. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the biennium ending June 30, 1997, according to the following schedule:

| | | | |
|----|--|----------------|----------------|
| 41 | | | |
| 42 | <u>Current Operations - Highway Fund</u> | <u>1995-96</u> | <u>1996-97</u> |
| 43 | | | |

| | | | | |
|----|------------------------------|-----------------------------------|---|-------------------------|
| 1 | Department of Transportation | | | |
| 2 | 01. | Administration | \$36,479,381 | \$36,663,220 |
| 3 | 02. | Division of Highways | | |
| 4 | | a. | Administration and | |
| 5 | | Operations | 35,978,558 | 36,044,682 |
| 6 | | b. | State Construction | |
| 7 | | (01) | Secondary Construction | 73,900,000 75,563,941 |
| 8 | | (02) | Urban Construction | 28,000,000 28,000,000 |
| 9 | | (03) | Access and Public | |
| 10 | | | Service Roads | 2,000,000 2,000,000 |
| 11 | | (04) | Spot Safety Improvements | 9,100,000 9,100,000 |
| 12 | | c. | State Funds to Match Federal | |
| 13 | | | Highway Aid | |
| 14 | | (01) | Construction | 33,153,153 33,153,153 |
| 15 | | (02) | Highway Planning/ | |
| 16 | | | Research | 2,959,649 2,959,649 |
| 17 | | d. | State Maintenance | |
| 18 | | (01) | Primary | 106,146,405 106,146,405 |
| 19 | | (02) | Secondary | 185,554,790 185,554,790 |
| 20 | | (03) | Urban | 30,764,757 30,764,757 |
| 21 | | (04) | Contract Resurfacing | 89,127,392 89,127,392 |
| 22 | | e. | Ferry Operations 17,947,994 17,947,994 | |
| 23 | 03. | Division of Motor Vehicles | 81,572,443 | 79,937,436 |
| 24 | 04. | Governor's Highway Safety Program | 302,968 | 303,237 |
| 25 | 05. | State Aid to Municipalities | 73,900,000 | 75,563,941 |
| 26 | 06. | State Aid for Public | | |
| 27 | | Transportation | 10,246,921 | 10,246,921 |
| 28 | 07. | State Aid for Railroads | 800,000 | 800,000 |
| 29 | 08. | Reserve for Salary Adjustments | 200,000 | 200,000 |
| 30 | 09. | Reserve for OSHA Deficiencies | 425,000 | 425,000 |
| 31 | 10. | Reserve for Increase in Travel | | |
| 32 | | Reimbursement Rate | 200,000 | 200,000 |
| 33 | 11. | Reserve for Asphalt | | |
| 34 | | Plant Cleanup | 1,000,000 | 1,000,000 |
| 35 | 12. | Reserve for Global | | |
| 36 | | Transpark Authority | 750,000 | 750,000 |
| 37 | 13. | Reserves for Employee Benefits | | |
| 38 | | a. | Change in amortization period (201,451) (201,451) | |
| 39 | | b. | Disability Income Plan | |
| 40 | | increase | 154,963 | 154,963 |
| 41 | | c. | Fixed Period for Amortization | |
| 42 | | and Other Retirement Changes | (154,963) | (154,963) |
| 43 | 14. | Transfer to Highway Trust Fund | 12,100,000 | 32,300,000 |

| | | | | | |
|----|-----|--|-------------|-------------|---------------------------------|
| 1 | 15. | Debt Service | 25,133,780 | 4,978,215 | |
| 2 | | | | | |
| 3 | | Appropriations to Other State Agencies | | | |
| 4 | 01. | Crime Control and Public | | | |
| 5 | | Safety | 104,040,927 | 105,438,322 | |
| 6 | 02. | Other Agencies | | | |
| 7 | a. | Department of Agriculture | 3,025,401 | 3,162,344 | |
| 8 | b. | Department of Revenue | 2,268,383 | 2,270,054 | |
| 9 | c. | Department of Environment, | | | |
| 10 | | Health, and Natural Resources: | | | |
| 11 | | LUST Trust Fund | 6,119,216 | 6,162,602 | |
| 12 | | Chemical Test Program | 391,903 | 391,903 | |
| 13 | d. | Department of Public | | | |
| 14 | | Instruction | 21,188,826 | 21,188,826 | |
| 15 | e. | Department of State | | | |
| 16 | | Treasurer | 11,130,000 | 11,853,450 | |
| 17 | | | | | |
| 18 | | GRAND TOTAL CURRENT OPERATIONS – | | | |
| 19 | | HIGHWAY FUND | | | \$1,005,706,396 \$1,009,996,783 |
| 20 | | | | | |

PART 4. HIGHWAY TRUST FUND

Sec. 4. Appropriations from the Highway Trust Fund are made for the fiscal biennium ending June 30, 1997, according to the following schedule:

| 26 | <u>Highway Trust Fund</u> | | <u>1995-96</u> | <u>1996-97</u> |
|----|---------------------------|--------------------------------|----------------|-----------------------------|
| 28 | 01. | Intrastate System | \$295,184,649 | \$319,382,722 |
| 29 | 02. | Secondary Roads Construction | 61,918,898 | 64,954,983 |
| 30 | 03. | Urban Loops | 119,360,379 | 129,145,071 |
| 31 | 04. | State Aid - Municipalities | 30,971,755 | 33,510,697 |
| 32 | 05. | Program Administration | 20,996,319 | 21,852,527 |
| 33 | 06. | Transfer to General Fund | 170,000,000 | 170,000,000 |
| 34 | | | | |
| 35 | | GRAND TOTAL/HIGHWAY TRUST FUND | | \$698,432,000 \$738,846,000 |
| 36 | | | | |

PART 4. HIGHWAY TRUST FUND

Sec. 4. Appropriations from the Highway Trust Fund are made for the fiscal biennium ending June 30, 1997, according to the following schedule:

| 43 | <u>Highway Trust Fund</u> | | <u>1995-96</u> | <u>1996-97</u> |
|----|---------------------------|--|----------------|----------------|
|----|---------------------------|--|----------------|----------------|

| | | | |
|---|--------------------------------|------------------------------|-----------------------------|
| 1 | | | |
| 2 | 01. | Intrastate System | \$295,184,649 \$319,382,722 |
| 3 | 02. | Secondary Roads Construction | 61,918,898 64,954,983 |
| 4 | 03. | Urban Loops | 119,360,379 129,145,071 |
| 5 | 04. | State Aid - Municipalities | 30,971,755 33,510,697 |
| 6 | 05. | Program Administration | 20,996,319 21,852,527 |
| 7 | 06. | Transfer to General Fund | 170,000,000 170,000,000 |
| 8 | | | |
| 9 | GRAND TOTAL/HIGHWAY TRUST FUND | | \$698,432,000 \$738,846,000 |

PART 5. GENERAL FUND/HIGHWAY FUND AVAILABILITY STATEMENTS/RESERVE FOR REPAIRS AND RENOVATIONS

Requested by: Senators Odom, Plyler, Perdue

BUDGET REFORM STATEMENTS

Sec. 5. The General Fund and availability used in developing the 1995-97 budget is as shown below:

| | | | |
|----|-----|--|---------------|
| 18 | (1) | Composition of the 1995-97 beginning availability: | |
| 19 | a. | Revenue collections in 1994-95 in | |
| 20 | | excess of authorized estimates | \$192.00 |
| 21 | b. | Unexpended appropriations | |
| 22 | | during 1994-95 (reversions) | 162.40 |
| 23 | c. | Balance brought forward | <u>33.40</u> |
| 24 | | Subtotal | 387.80 |
| 25 | d. | Transfer to Savings Reserve | 96.90 |
| 26 | e. | Transfer to Reserve | |
| 27 | | for Repair and | |
| 28 | | Renovations | <u>125.00</u> |
| 29 | | Ending Fund Balance | \$ 165.9 |

| | | | |
|----|-----|--------------------------------|------------------------|
| 32 | | <u>1995-96</u> | <u>1996-97</u> |
| 33 | (2) | Beginning Unrestricted | |
| 34 | | Fund Balance | \$ 165.9 \$ - |
| 35 | | | |
| 36 | (3) | Revenues Based on Existing Tax | |
| 37 | | Structure | 10,019.6 10,658.1 |
| 38 | | | |
| 39 | (4) | 94-95 Reserve for Tax | |
| 40 | | Reductions | 28.1 - |

Changes:

- 1. Tax Reductions

| | | | | | | |
|----|-----|------------------------------|-----------|------------|-----|-----|
| 1 | (a) | Personal Income | -235.0 | -244.1 | | |
| 2 | (b) | Intangibles Repeal | -124.4 | -124.5 | | |
| 3 | 2. | Local Sales Tax - | | | | |
| 4 | | Local Government Commission | 1.5 | 1.5 | | |
| 5 | 3. | Insurance Regulatory Charges | | | 4.7 | 3.9 |
| 6 | 4. | Treasurer's Banking Fees | | | -7 | -7 |
| 7 | 5. | Disproportionate Share | | | | |
| 8 | | Receipts | 106.9 | 117.7 | | |
| 9 | 6. | Investment Income Electronic | | | | |
| 10 | | Fund Transfers | 2.0 | 2.0 | | |
| 11 | | Availability | \$9,968.6 | \$10,413.9 | | |

12
13 Requested by: Senators Odom, Plyler, Perdue

14 **HIGHWAY FUND AVAILABILITY**

15 Sec. 5.1. The Highway Fund appropriations availability used in developing the
16 1995-97 Highway Fund budget is shown below:

| | | | | | |
|----|--|--|------------------------|------------------------|---|
| 17 | | (\$ Million) | (\$ Million) | | |
| 18 | | <u>1995-96</u> | <u>1996-97</u> | | |
| 19 | | Beginning Credit Balance | \$ 19,382,000 | \$ | - |
| 20 | | Estimated Revenue | 1,023,228,000 | 1,046,316,000 | |
| 21 | | Reversions: | | | |
| 22 | | Financial System Funds | 1,300,000 | | |
| 23 | | Ferry Credit Balance | 200,000 | | |
| 24 | | Capital Improvements | 4,112,266 | | |
| 25 | | | | | |
| 26 | | Total Highway Fund Availability | \$1,048,222,266 | \$1,046,316,000 | |

27
28 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
29 Perdue

30 **REPAIRS RESERVE ACCOUNT CHANGES**

31 Sec. 5.2. (a) G.S. 143-15.2 reads as rewritten:

32 **"§ 143-15.2. Use of General Fund credit balance.**

33 The State Controller shall reserve up to one-fourth of any unreserved credit balance,
34 as determined on a cash basis, remaining in the General Fund at the end of each fiscal
35 year to the Savings Reserve Account as provided in G.S. 143-15.3, unless that would
36 result in the Savings Reserve Account having funds in excess of five percent (5%) of the
37 amount appropriated the preceding year for the General Fund operating budget, including
38 local government tax-sharing funds; in that case, only funds sufficient to reach the five
39 percent (5%) level shall be reserved. The State Controller shall also reserve the ~~lesser~~
40 greater of (i) one-fourth of any unreserved credit balance, as determined on a cash basis,
41 remaining in the General Fund and (ii) ~~one and one-half percent (1.5%)~~ three percent
42 (3%) of the replacement value of all State buildings supported from the General Fund, at
43 the end of each fiscal year to the Repairs and Renovations Reserve Account as provided

1 in G.S. 143-15.3A. The General Assembly may appropriate that part of the anticipated
2 General Fund credit balance not expected to be reserved to the Savings Reserve Account
3 or the Repairs and Renovations Reserve Account only for capital improvements or other
4 one-time expenditures. As used in this section, the term 'unreserved credit balance'
5 means the credit balance amount, as determined on a cash basis, before funds are
6 reserved by the Controller to the Savings Reserve Account or the Repairs and
7 Renovations Reserve Account pursuant to G.S. 143-15.3 and G.S. 143-15.3A."

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

9 **"§ 143-15.3A. Repairs and Renovations Reserve Account.**

10 (a) There is established a Repairs and Renovations Reserve Account as a restricted
11 reserve in the General Fund. The State Controller shall reserve to the Repairs and
12 Renovations Reserve Account the greater of (i) one-fourth of any unreserved credit
13 balance as determined on a cash basis, remaining in the General Fund and (ii) three
14 percent (3%) of the replacement value of all State buildings supported from the General
15 Fund, at the end of each fiscal year. As used in this section, the term 'unreserved credit
16 balance' means the credit balance amount, as determined on a cash basis, before funds are
17 reserved by the Controller to the Savings Reserve Account or the Repairs and
18 Renovations Reserve Account pursuant to this section and G.S. 143-15.3.

19 (b) The funds in the Repairs and Renovations Reserve Account shall be used only
20 for the repair and renovation of State facilities and related infrastructure that are
21 supported from the General Fund. Funds from the Repairs and Renovations Reserve
22 Account shall be used only for the following types of projects:

23 (1) Roof repairs and replacements;

24 (2) Structural repairs;

25 (3) Repairs and renovations to meet federal and State standards;

26 (4) Repairs to electrical, plumbing, and heating, ventilating, and air-
27 conditioning systems;

28 (5) Improvements to meet the requirements of the Americans with
29 Disabilities Act, 42 U.S.C. § 12101 et seq., as amended;

30 (6) Improvements to meet fire safety needs;

31 (7) Improvements to existing facilities for energy efficiency;

32 (8) Improvements to remove asbestos, lead paint, and other contaminants,
33 including the removal and replacement of underground storage tanks;

34 (9) Improvements and renovations to improve use of existing space;

35 (10) Historical restoration;

36 (11) Improvements to roads, walks, drives, utilities infrastructure; and

37 (12) Drainage and landscape improvements.

38 Funds from the Repairs and Renovations Reserve Account shall not be used for new
39 construction or the expansion of the footprint of an existing facility unless required in
40 order to comply with federal or State codes or standards.

41 The Director of the Budget shall not use funds in the Repairs and Renovations
42 Reserve Account unless the use has been approved by an act of the General Assembly."

43 (c) This section becomes effective June 30, 1995.

1
2 Requested by: Senators Odom, Plyler, Perdue

3 **EXPENDITURE OF FUNDS FROM RESERVE FOR REPAIRS AND**
4 **RENOVATIONS**

5 Sec. 5.3. Of the funds in the Reserve for Repairs and Renovations for the
6 1995-96 fiscal year, fifty percent (50%), shall be allocated to the Board of Governors of
7 The University of North Carolina for repairs and renovations pursuant to G.S.143-15.3A,
8 in accordance with guidelines developed in The University of North Carolina Funding
9 Allocation Model for Reserve for Repairs and Renovations, as approved by the Board of
10 Governors of The University of North Carolina; and fifty percent (50%) shall be
11 allocated to the Office of State Budget and Management for repairs and renovations
12 pursuant to G.S. 143-15.3A.

13 Notwithstanding G.S. 143-15.3A, the Board of Governors may allocate funds
14 for the repair and renovation of facilities not supported from the General Fund if the
15 Board determines that sufficient funds are not available from other sources and that
16 conditions warrant General Fund assistance. Any such finding shall be included in the
17 Board's submission to the Joint Legislative Commission on Governmental Operations on
18 the proposed allocation of funds.

19 The Board of Governors and the Office of State Budget and Management
20 shall submit to the Joint Legislative Commission on Governmental Operations and to the
21 Fiscal Research Division of the Legislative Services Office, for their review, the
22 proposed allocation of these funds. Subsequent changes in the proposed allocations shall
23 be reported prior to expenditure to the Joint Legislative Commission on Governmental
24 Operations and to the Fiscal Research Division of the Legislative Services Office.

25
26 **PART 6. GENERAL PROVISIONS**

27
28 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
29 Perdue

30 **SPECIAL FUNDS, FEDERAL FUNDS, AND DEPARTMENTAL**
31 **RECEIPTS/AUTHORIZATION FOR EXPENDITURES**

32 Sec. 6.1. There is appropriated out of the cash balances, federal receipts, and
33 departmental receipts available to each department, sufficient amounts to carry on
34 authorized activities included under each department's operations. All these cash
35 balances, federal receipts, and departmental receipts shall be expended and reported in
36 accordance with provisions of the Executive Budget Act, except as otherwise provided by
37 statute, and shall be expended at the level of service authorized by the General Assembly.
38 If the receipts, other than gifts and grants that are unanticipated and are for a specific
39 purpose only, collected in a fiscal year by an institution, department, or agency exceed
40 the receipts certified for it in General Fund Codes or Highway Fund Codes, then the
41 Director of the Budget shall decrease the amount he allots to that institution, department,
42 or agency from appropriations from that Fund by the amount of the excess, unless the
43 Director of the Budget finds that the appropriations from the Fund are necessary to

1 maintain the function that generated the receipts at the level anticipated in the certified
2 Budget Codes for that Fund. Funds that become available from overrealized receipts in
3 General Fund Codes and Highway Fund Codes, other than gifts and grants that are
4 unanticipated and are for a specific purpose only, shall not be used for new permanent
5 employee positions or to raise the salary of existing employees except:

6 (1) As provided in G.S. 116-30.1, 116-30.2, 116-30.3, 116-30.4, or 143-27;
7 or

8 (2) If the Director of the Budget finds that the new permanent employee
9 positions are necessary to maintain the function that generated the
10 receipts at the level anticipated in the certified budget codes for that
11 Fund. The Director of the Budget shall notify the President Pro
12 Tempore of the Senate, the Speaker of the House of Representatives, the
13 chairmen of the appropriations committees of the Senate and the House
14 of Representatives, and the Fiscal Research Division of the Legislative
15 Services Office that he intends to make such a finding at least 10 days
16 before he makes the finding. The notification shall set out the reason
17 the positions are necessary to maintain the function.

18 The Office of State Budget and Management shall report to the Joint Legislative
19 Commission on Governmental Operations and to the Fiscal Research Division of the
20 Legislative Services Office within 30 days after the end of each quarter the General Fund
21 Codes or Highway Fund Codes that did not result in a corresponding reduced allotment
22 from appropriations from that Fund.

23 The Director of the Budget shall develop necessary budget controls,
24 regulations, and systems to ensure that these funds and other State funds subject to the
25 Executive Budget Act, are not spent in a manner which would cause a deficit in
26 expenditures.

27 Pursuant to G.S. 143-34.2, State departments, agencies, institutions, boards, or
28 commissions may make application for, receive, or disburse any form of non-State aid.
29 All non-State monies received shall be deposited with the State Treasurer unless
30 otherwise provided by State law. These funds shall be expended in accordance with the
31 terms and conditions of the fund award that are not contrary to the laws of North
32 Carolina.

33
34 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
35 Perdue

36 **INSURANCE AND FIDELITY BONDS**

37 Sec. 6.2. All insurance and all official fidelity and surety bonds authorized for
38 the several departments, institutions, and agencies shall be effected and placed by the
39 Insurance Department, and the cost of placement shall be paid by the affected
40 department, institution, or agency with the approval of the Insurance Commissioner.

41
42 Requested by: Senators Odom, Plyler, Perdue

43 **CONTINGENCY AND EMERGENCY FUND ALLOCATION**

1 Sec. 6.3. Of the funds appropriated in this act to the Contingency and
2 Emergency Fund, the sum of nine hundred thousand dollars (\$900,000) for the 1995-96
3 fiscal year and the sum of nine hundred thousand dollars (\$900,000) for the 1996-97
4 fiscal year shall be designated for emergency allocations, which are for the purposes
5 outlined in G.S. 143-23(a1)(3), (4), and (5). Two hundred twenty-five thousand dollars
6 (\$225,000) for the 1995-96 fiscal year and two hundred twenty-five thousand dollars
7 (\$225,000) for the 1996-97 fiscal year shall be designated for other allocations from the
8 Contingency and Emergency Fund.

9
10 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
11 Perdue

12 **AUTHORIZED TRANSFERS**

13 Sec. 6.4. The Director of the Budget may transfer to General Fund budget
14 codes from the General Fund salary adjustment appropriation, and may transfer to
15 Highway Fund budget codes from the Highway Fund salary adjustment appropriation,
16 amounts required to support approved salary adjustments made necessary by difficulties
17 in recruiting and holding qualified employees in State government. The funds may be
18 transferred only when the use of salary reserve funds in individual operating budgets is
19 not feasible.

20
21 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
22 Perdue

23 **EXPENDITURES OF FUNDS IN RESERVES LIMITED**

24 Sec. 6.5. All funds appropriated by this act into reserves may be expended
25 only for the purposes for which the reserves were established.

26
27 Requested by: Representatives Holmes, Creech, Esposito, Senators, Odom, Plyler,
28 Perdue

29 **STATE MONEY RECIPIENTS/CONFLICT OF INTEREST POLICY**

30 Sec. 6.6. Each private, nonprofit entity eligible to receive State funds, either
31 by General Assembly appropriation, or by grant, loan, or other allocation from a State
32 agency, before funds may be disbursed to the entity, shall file with the disbursing agency
33 a notarized copy of that entity's policy addressing conflicts of interest that may arise
34 involving the entity's management employees and the members of its board of directors
35 or other governing body. The policy shall address situations where any of these
36 individuals may directly or indirectly benefit, except as the entity's employees or
37 members of the board or other governing body, from the entity's disbursing of State
38 funds, and shall include actions to be taken by the entity or the individual, or both, to
39 avoid conflicts of interest and the appearance of impropriety.

40
41 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
42 Perdue

1 **AUTHORIZATION OF PRIVATE LICENSE TAGS ON STATE-OWNED**
 2 **MOTOR VEHICLES**

3 Sec. 6.7. (a) Pursuant to the provisions of G.S. 14-250, for the 1995-97 fiscal
 4 biennium, the General Assembly authorizes the use of private license tags on State-
 5 owned motor vehicles only for the State Highway Patrol and for the following:

| 6 <u>Department</u> | 7 <u>Exemption Category</u> | 8 <u>Number</u> |
|--|---|-----------------|
| 9 Motor Vehicles | 10 License and Theft | 11 97 |
| 12 Justice | 13 SBI Agents | 14 277 |
| 15 Correction | 16 Probation/Parole Surveillance 17 Officers (intensive 18 probation) | 19 25 |
| 20 Crime Control and 21 Public Safety | 22 ALE Officers | 23 92 |

24 (b) The 92 ALE vehicles authorized by this section to use private license tags shall
 25 be distributed as follows:

- 26 (1) 54 among Agent I officers;
 27 (2) 20 among Agent II officers;
 28 (3) 1 to the Deputy Director;
 29 (4) 12 to the District Offices/Extra Vehicles; and
 30 (5) 5 to the Director, to be distributed at the Director's discretion.

31 (c) Except as provided in this section, all State-owned motor vehicles shall bear
 32 permanent registration plates issued under G.S. 20-84.

33 Requested by: Senators Odom, Plyler, Perdue

34 **DISPOSITION OF DISPROPORTIONATE SHARE RECEIPTS**

35 Sec. 6.8. For the 1995-97 fiscal biennium, as it receives funds associated with
 36 Disproportionate Share Payments from the State psychiatric hospitals, the Division of
 37 Medical Assistance shall deposit funds appropriated for the Medicaid program in a sum
 38 equal to the federal share of the Disproportionate Share Payments as nontax revenue.
 39 Any of these funds that are not appropriated by the General Assembly shall be reserved
 40 by the State Controller for future appropriation.

41 **PART 7. SALARIES AND BENEFITS**

42 Requested by: Senators Odom, Plyler, Perdue

43 **SALARY RELATED CONTRIBUTIONS/EMPLOYERS**

44 Sec. 7.1. (a) Required employer salary-related contributions for employees whose
 45 salaries are paid from department, office, institution, or agency receipts shall be paid
 46 from the same source as the source of the employees' salaries. If an employee's salary is
 47 paid in part from the General Fund or Highway Fund and in part from department, office,
 48 institution, or agency receipts, required employer salary-related contributions may be
 49 paid from the General Fund or Highway Fund only to the extent of the proportionate part
 50 paid from the General Fund or Highway Fund in support of the salary of the employee,

1 and the remainder of the employer's requirements shall be paid from the source that
2 supplies the remainder of the employee's salary. The requirements of this section as to
3 source of payment are also applicable to payments on behalf of the employee for
4 hospital-medical benefits, longevity pay, unemployment compensation, accumulated
5 leave, workers' compensation, severance pay, separation allowances, and applicable
6 disability income and disability salary continuation benefits.

7 (b) Effective July 1, 1995, the State's employer contribution rates budgeted for
8 retirement and related benefits as a percentage of covered salaries for the 1995-96 fiscal
9 year are (i) ten and eighty-three hundredths percent (10.83%) - Teachers and State
10 Employees; (ii) fifteen and eighty-three hundredths percent (15.83%) - State Law
11 Enforcement Officers; (iii) nine and ten hundredths percent (9.10%) - University
12 Employees' Optional Retirement Program; (iv) twenty-two and sixty-five hundredths
13 percent (22.65%) - Consolidated Judicial Retirement System; and (v) twenty-three and
14 twenty-seven hundredths percent (23.27%) - Legislative Retirement System. Each of the
15 foregoing contribution rates includes two percent (2%) for hospital and medical benefits.
16 The rate for State Law Enforcement Officers includes five percent (5%) for the
17 Supplemental Retirement Income Plan. The rates for Teachers and State Employees,
18 State Law Enforcement Officers, and for the University Employees' Optional Retirement
19 Program includes fifty-two hundredths percent (0.52%) for the Disability Income Plan.

20 (c) The General Assembly authorizes the Board of Trustees of the Teachers' and
21 State Employees' Retirement System to adopt a fixed amortization period of nine years
22 for purposes of the unfunded accrued liability for the Retirement System.

23 (d) The maximum annual employer contributions, payable monthly, by the State
24 for each covered employee or retiree for the 1995-96 fiscal year and for the 1996-97
25 fiscal year to the Teachers' and State Employees' Comprehensive Major Medical Plan
26 are: (i) Medicare-eligible employees and retirees - one thousand three hundred twenty-
27 one dollars (\$1,321); and (ii) Non-Medicare-eligible employees and retirees - one
28 thousand seven hundred thirty-six dollars (\$1,736).

30 PART 8. GENERAL ASSEMBLY

31
32 Requested by: Senator Warren

33 CONFIDENTIALITY OF REQUESTS FOR ASSISTANCE IN THE 34 PREPARATION OF FISCAL NOTES

35 Sec. 8.1. (a) Article 17 of Chapter 120 of the General Statutes is amended by
36 adding a new section to read:

37 "§ 120-131.1. Requests from legislative employees for assistance in the preparation 38 of fiscal notes.

39 (a) A request made to an employee of a State agency other than the General
40 Assembly by an employee of the Fiscal Research Division for assistance in the
41 preparation of a fiscal note is confidential. An employee of a State agency other than the
42 General Assembly who receives such a request or who learns of such a request made to
43 another employee of his or her agency shall reveal the existence of the request only to

1 other employees of the agency to the extent that it is necessary to respond to the request,
2 and to the employee's supervisor and to the Office of State Budget and Management. All
3 documents prepared by the employee in response to the request of the Fiscal Research
4 Division are also confidential and shall be kept confidential in the same manner as the
5 original request.

6 (b) As used in this section, 'employee' means an employee or officer of a State
7 agency.

8 (c) Violation of this section may be grounds for disciplinary action."

9 (b) This section becomes effective 30 days after ratification.

10
11 Requested by: Senator Warren

12 **LRC STUDY CIVILIANIZATION**

13 Sec. 8.3. The Legislative Research Commission may study issues related to
14 civilianizing certain State government law enforcement functions and positions, including
15 the appropriate use of nonsworn, noncertified personnel in positions for which sworn
16 status is not cost-effective or required. This study shall include the recommendations
17 made by the Government Performance Audit Committee on civilianization to the 1993
18 General Assembly.

19 The Legislative Research Commission may make an interim report, including
20 any legislative recommendations, to the 1995 General Assembly, Regular Session 1996,
21 and shall make a final report, including any legislative recommendations, to the 1997
22 General Assembly.

23 24 **PART 9. OFFICE OF THE GOVERNOR**

25
26 Requested by: Representatives Ives, Lemmond, Senators Cochrane, Davis, Gulley

27 **ELIMINATION OF THE OMBUDSMAN OFFICE IN THE OFFICE OF THE** 28 **GOVERNOR**

29 Sec. 9.2. The Office of Ombudsman in the Office of the Governor is
30 abolished. No appropriated State funds shall be used to reestablish this office.

31
32 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

33 **HOME PROGRAM MATCHING FUNDS**

34 Sec. 9.3. (a) Funds appropriated in this act to the Housing Finance Agency for the
35 federal HOME Program shall be used to match federal funds appropriated for the HOME
36 Program. In allocating State funds appropriated to match federal HOME Program funds,
37 the Agency shall give priority to HOME Program projects, as follows:

38 (1) First priority to projects that are located in counties designated as
39 severely distressed counties under G.S. 105-130.40(c) or G.S. 105-
40 151.17(c); and

41 (2) Second priority to projects that benefit persons and families whose
42 incomes are fifty percent (50%) or less of the median family income for
43 the local area, with adjustments for family size, according to the latest

1 figures available from the U.S. Department of Housing and Urban
2 Development.

3 The Housing Finance Agency shall report to the Joint Legislative Commission
4 on Governmental Operations by April 1 of each year concerning the status of the HOME
5 Program and shall include in the report information on priorities met, types of activities
6 funded, and types of activities not funded.

7 (b) If the United States Congress changes the HOME Program such that matching
8 funds are not required for a given program year, then the Agency shall not spend the
9 matching funds appropriated under this act for that program year.

10 (c) Funds appropriated in this act to match federal HOME Program funds shall not
11 revert to the General Fund on June 30, 1996, or on June 30, 1997.

12
13 Requested by: Senator Warren

14 **COUNCIL OF GOVERNMENT FUNDS**

15 Sec. 9.4. (a) Of the funds appropriated in this act to the Office of State Planning,
16 seven hundred seventy-seven thousand eight hundred forty-three dollars (\$777,843) for
17 the 1995-96 fiscal year and seven hundred seventy-seven thousand eight hundred forty-
18 three dollars (\$777,843) for the 1996-97 fiscal year shall only be used as provided by this
19 section. Each regional council of government or lead regional organization is allocated
20 up to forty-three thousand two hundred thirteen dollars and fifty cents (\$43,213.50) for
21 each fiscal year, with the actual amount calculated as provided in subsection (b) of this
22 section.

23 (b) The funds shall be allocated as follows: A share of the maximum forty-three
24 thousand two hundred thirteen dollars and fifty cents (\$43,213.50) each fiscal year shall
25 be allocated to each county and smaller city based on the most recent annual estimate of
26 the Office of State Budget and Management of the population of that county (less the
27 population of any larger city within that county) or smaller city, divided by the sum of the
28 total population of the region (less the population of larger cities within that region) and
29 the total population of the region living in smaller cities. Those funds shall be paid to the
30 regional council of government for the region in which that city or county is located upon
31 receipt by the Office of State Planning of a resolution of the governing board of the
32 county or city requesting release of the funds. If any city or county does not so request
33 payment of funds by June 30 of a State fiscal year, that share of the allocation for that
34 fiscal year shall revert to the General Fund.

35 (c) A regional council of government may use funds appropriated by this section
36 only to assist local governments in grant applications, economic development,
37 community development, support of local industrial development activities, and other
38 activities as deemed appropriate by the member governments.

39 (d) Funds appropriated by this section may not be used for payment of dues or
40 assessments by the member governments, and may not supplant funds appropriated by
41 the member governments.

42 (e) As used in this section "Larger City" means an incorporated city with a
43 population of 50,000 or over. "Smaller City" means any other incorporated city.

1
2 **PART 10. OFFICE OF STATE BUDGET AND MANAGEMENT**
3

4 Requested by: Senator Warren

5 **LINE ITEM BUDGETING CONTINUED**

6 Sec. 10. (a) G.S. 143-11 reads as rewritten:

7 "**§ 143-11. Survey of departments.**

8 On or before the fifteenth day of December, biennially in the even-numbered years,
9 the Director shall make a complete, careful survey of the operation and management of
10 all the departments, bureaus, divisions, officers, boards, commissions, institutions, and
11 agencies and undertakings of the State and all persons or corporations who use or expend
12 State funds, in the interest of economy and efficiency, and of obtaining a working
13 knowledge upon which to base recommendations to the General Assembly as to
14 appropriations for maintenance and special funds and capital expenditures for the
15 succeeding biennium. If the Director and the Commission shall agree in their
16 recommendations for the budget for the next biennial period, he shall prepare their report
17 in the form of a proposed budget, together with such comment and recommendations as
18 they may deem proper to make. If the Director and Commission shall not agree in
19 substantial particulars, the Director shall prepare the proposed budget based on his own
20 conclusions and judgment, and the Commission or any of its members retain the right to
21 submit separately to the General Assembly such statement of disagreement and the
22 particulars thereof as representing their views. The budget report shall contain a complete
23 and itemized plan ~~in accordance with G.S. 143-10.3, 143-10.4, and 143-10.5~~ of all
24 proposed expenditures for each State department, bureau, board, division, institution,
25 commission, State agency or undertaking, person or corporation who receives or may
26 receive for use and expenditure any State funds, in accordance with the classification of
27 funds and accounts adopted by the State Controller, and of the estimated revenues and
28 borrowings for each year in the ensuing biennial period beginning with the first day of
29 July thereafter. Opposite each line item of the proposed expenditures, the budget shall
30 show in separate parallel ~~columns the amount expended for the last preceding fiscal year,~~
31 ~~for the current fiscal year, and the increase or decrease.~~ columns:

- 32 (1) Proposed expenditures and receipts for each fiscal year of the biennium;
33 (2) The certified budget for the preceding fiscal year;
34 (3) The currently authorized budget for the preceding fiscal year;
35 (4) Actual expenditures and receipts for the most recent fiscal year for
36 which actual expenditure information is available; and
37 (5) Proposed increases and decreases.

38 Revenue and expenditure information shall be no less specific than the two-digit level in
39 the State Accounting System Chart of Accounts as prescribed by the State Controller.
40 The budget shall clearly differentiate between general fund expenditures for operating
41 and maintenance, special fund expenditures for any purpose, and proposed capital
42 improvements.

43 The Director shall accompany the budget with:

- 1 (1) A budget message supporting his recommendations and outlining a
2 financial policy and program for the ensuing biennium. The message
3 will include an explanation of increase or decrease over past
4 expenditures, a discussion of proposed changes in existing revenue laws
5 and proposed bond issues, their purpose, the amount, rate of interest,
6 term, the requirements to be attached to their issuance and the effect
7 such issues will have upon the redemption and annual interest charges
8 of the State debt.
- 9 (2) State Controller reports including:
 - 10 a. An itemized and complete financial statement for the State at the
11 close of the last preceding fiscal year ending June 30.
 - 12 b. A statement of special funds.
- 13 (2a) A statement showing the itemized estimates of the condition of the State
14 treasury as of the beginning and end of each of the next two fiscal years.
- 15 (3) A report on the fees charged by each State department, bureau, division,
16 board, commission, institution, and agency during the previous fiscal
17 year, the statutory or regulatory authority for each fee, the amount of the
18 fee, when the amount of the fee was last changed, the number of times
19 the fee was collected during the prior fiscal year, and the total receipts
20 from the fee during the prior fiscal year.
- 21 (4) A statement showing the State Board of Education's request, in
22 accordance with G.S. 115C-96, for sufficient funds to provide textbooks
23 to public school students.
- 24 (5) A proposal for expenditure of the funds in the Repairs and Renovations
25 Reserve Account, which is established in G.S. 143-15.3A. The Director
26 shall consider the data from the Facilities Condition and Assessment
27 Program in the Office of State Construction when establishing priorities
28 for the proposed expenditure of these funds.
- 29 (6) Statements of the objections of members of the Council of State
30 received pursuant to G.S. 143-10.3(b) to the performance measures,
31 departmental operations plans, and indicators of program impact
32 prepared in accordance with G.S. 143-10.3, 143-10.4, and 143-10.5.
- 33 (7) A list of the budget requests of members of the Council of State that are
34 not included in the proposed budget.

35 It shall be a compliance with this section by each incoming Governor, at the first
36 session of the General Assembly in his term, to submit the budget report with the
37 message of the outgoing Governor, if he shall deem it proper to prepare such message,
38 together with any comments or recommendations thereon that he may see fit to make,
39 either at the time of the submission of the said report to the General Assembly, or at such
40 other time, or times, as he may elect and fix.

41 The function of the Advisory Budget Commission under this section applies only if
42 the Director of the Budget consults with the Commission in preparation of the budget."

1 (b) The Director of the Budget developed a plan for preparing the 1995-97
2 fiscal biennium budget in a performance budget format. That performance budget
3 covers the program areas of health and safety, environment, correction, justice, social and
4 economic well-being, and economic development and commerce. The performance
5 budget format for those areas shall be continued, but the performance budget format shall
6 not be expanded to cover any additional areas.

7 The Office of State Budget and Management shall report to the 1995 General
8 Assembly, 1996 Regular Session, regarding the effectiveness of performance budgeting
9 and shall also recommend whether performance budgeting should be continued, and if
10 continued, any modifications that should be made to performance budgeting.

11
12 Requested by: Senator Warren

13 **ANALYSIS OF STATE GOVERNMENT ADMINISTRATIVE SPAN OF**
14 **CONTROL**

15 Sec. 10.1. The Office of State Budget and Management may review and
16 analyze the administrative span of control, or the ratio of supervisors to those supervised,
17 exercised throughout State government, except for the Community College System and
18 The University of North Carolina, to determine the average span of control, and to
19 determine what the appropriate average should be. In this review, the Office of State
20 Budget and Management shall consider the study produced for the 1993 General
21 Assembly by the Government Performance Audit Committee on the issue of
22 administrative span of control.

23 The Office of State Budget and Management shall report the results of this
24 review, together with any recommendations, to the 1995 General Assembly, Regular
25 Session 1996, within one week of its convening.

26
27 Requested by: Representatives Ives, Lemmond, Senator Warren

28 **REVIEW OF DEPARTMENT FORMS AND REPORTS**

29 Sec. 10.2. Article 1 of Chapter 143 of the General Statutes, the Executive
30 Budget Act, is amended by adding a new section to read:

31 **"§ 143-10.7. Review of department forms and reports.**

32 The Director, through the Office of State Budget and Management, shall review on
33 three-year cycles all internal and external forms and reports in use by State departments
34 and institutions to confirm whether these forms and reports continue to be needed. If,
35 during the review process, it is determined that these forms and reports are no longer
36 necessary, or that they duplicate other forms or reports either in whole or in part, the
37 Director shall have these forms and reports modified or eliminated. All departments shall
38 provide the Director with copies of all forms and reports used, together with any
39 additional information necessary for the review of these reports."

40
41 Requested by: Senator Warren

42 **WORKERS' COMPENSATION COST CONTAINMENT PROGRAM/STUDY**

1 Sec. 10.3. The Office of State Budget and Management shall develop a plan
2 for a workers' compensation cost containment program designed to reduce the cost to
3 State government of workers' compensation claims filed by State employees. The Office
4 of State Budget and Management shall consult with the Office of State Personnel in
5 developing the plan. The plan shall include recommendations regarding all of the
6 following: an appropriate process of competitive bidding, the feasibility of having a third-
7 party administrator to manage claims processing, the services that would be provided by
8 a third-party administrator including the determination of compensability and related
9 questions, incident reporting analysis, incident investigation, medical case management,
10 disability management, and information management. The plan shall also include
11 recommendations regarding the reimbursement of a third-party administrator. The plan
12 shall further be based on the premise that lapsed salary funds from the salary accounts of
13 State agencies shall not be used for the purpose of paying workers' compensation claims
14 of employees of the participating agencies.

15 On or before April 1, 1996, the Office of State Budget and Management shall
16 submit the plan to the Joint Legislative Commission on Governmental Operations and the
17 Fiscal Research Division.

18
19 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

20 **OSBM STUDY STATE-OWNED AIRCRAFT**

21 Sec. 10.4. The Office of State Budget and Management shall study the use of
22 State-owned aircraft and shall report the results of its study to the Joint Legislative
23 Commission on Governmental Operations on or before April 1, 1996. The study shall
24 include consideration of the following:

- 25 (1) For each Department, the number and type of aircraft, the number of
26 pilots, and the number and type of support personnel for aircraft.
- 27 (2) For each Department, the budget for aircraft, the source of funding for
28 aircraft, the number of hours the aircraft is available, and the number of
29 hours the aircraft is used.
- 30 (3) The feasibility and desirability of consolidating any or all State-owned
31 aircraft operations.
- 32 (4) The feasibility and desirability of sharing of aircraft by Departments.
- 33 (5) The feasibility and desirability of Departments' contracting for aircraft
34 services rather than owning their own aircraft.
- 35 (6) Compilation and review of Departments' policies regarding authorized
36 passengers on the aircraft and which Departmental personnel is
37 responsible for determining which passengers are authorized.

38
39 Requested by: Representatives Holmes, Creech, Esposito, Senator Warren

40 **DOWNSIZING GOVERNMENT EXPENDITURES REPORT**

41 Sec. 10.5. (a) The Office of State Budget and Management shall report any direct
42 and any indirect expenditures incurred since July 1, 1994, that are related to the

1 downsizing of State government to the Joint Legislative Commission on Governmental
2 Operations by September 30, 1995.

3 (b) Expenditures reported on shall include payment for accumulated leave,
4 severance pay, moving expenses for employment at another State government agency,
5 and expenses or referral services performed by the Office of State Personnel and the
6 Employment Security Commission.

7 (c) In addition to the report required by subsection (a) of this section, the Office of
8 State Budget and Management shall present to the 1995 General Assembly by May 1,
9 1996, documentation of all expenditures defined in subsections (a) and (b) of this section
10 and identification of the funding sources in both the 1994-95 fiscal year and the 1995-96
11 fiscal year for all these expenditures.

12 13 **PART 11. DEPARTMENT OF ADMINISTRATION**

14
15 Requested by: Representatives Ives, Lemmond, Senator Warren

16 **DOMESTIC VIOLENCE PROGRAMS**

17 Sec. 11. All grantees receiving Domestic Violence grants from the Department
18 of Administration shall meet the financial statement filing requirements of G.S. 143-6.1,
19 regardless of the amount of their grants.

20
21 Requested by: Representatives Ives, Lemmond, Senator Warren

22 **TRANSFER EXECUTIVE MANSION CURATOR FROM DEPARTMENT OF** 23 **ADMINISTRATION TO THE DEPARTMENT OF CULTURAL RESOURCES**

24 Sec. 11.1. The position of Executive Mansion Curator (position number 4129-
25 0101-0006-125) is transferred from the Department of Administration to the Department
26 of Cultural Resources. This transfer will permit the Department of Cultural Resources to
27 better maintain the historical personal properties of the Executive Mansion. This
28 provision does not affect, in any way, the jurisdiction of the Department of
29 Administration over the Executive Mansion and its grounds.

30
31 Requested by: Senator Ballance

32 **STUDY OF REPLACEMENT OF MOTOR VEHICLES**

33 Sec. 11.3. The Department of Administration may study the obsolescence and
34 replacement of motor vehicles, including those used by law enforcement agencies, to
35 determine the optimal replacement time. The replacement time shall be stated as optimal
36 mileage or cost of operating the vehicle. The study shall include a review of industry
37 standards when determining optimal replacement time. The Department shall include
38 safety and efficiency of motor vehicle operations as an integral part of the study. The
39 Department shall report its findings and recommendations to the Joint Legislative
40 Commission on Governmental Operations and to the Fiscal Research Division by March
41 1, 1996.

42
43 Requested by: Senator Warren

PARKING REVENUES

Sec. 11.4. The Secretary of Administration may use funds from parking revenues that are in excess of parking system expense requirements to fund the ten dollars (\$10.00) per month subsidies for van pools and transit passes.

PART 12. DEPARTMENT OF CULTURAL RESOURCES

Requested by: Representatives Lemmond, Ives, Senator Warren

REVIEW PLANS FOR STATE HISTORIC SITES REQUESTING STATE FUNDS

Sec. 12. G.S. 121-12 reads as rewritten:

"§ 121-12. North Carolina Historical Commission.

(a) Protection of Properties on National Register. – It shall be the duty of the Historical Commission, meeting at such times and according to such procedures as it shall by rule prescribe, to provide an advisory and coordinative mechanism in and by which State undertakings of every kind that are potentially harmful to the cause of historic preservation within the State may be discussed, and where possible, resolved, giving due consideration to the competing public interests that may be involved. To this end, the head of any State agency having direct or indirect jurisdiction over a proposed State or state-assisted undertaking, or the head of any State department, board, commission, or independent agency having authority to build, construct, operate, license, authorize, assist, or approve any State or state-assisted undertaking, shall, prior to the approval of any State funds for the undertaking, or prior to any approval, license, or authorization, as the case may be, take into account the effect of the undertaking on any district, site, building, structure, or object that is listed in the National Register of Historic Places established pursuant to Public Law 89-665, 16 U.S.C. 470.

Where, in the judgment of the Commission, an undertaking will have an effect upon any listed district, site, building, structure, area, or object, the head of the appropriate State agency shall afford the Commission a reasonable opportunity to comment with regard to such undertaking.

The Historical Commission shall act with reasonable diligence to insure that all State departments, boards, commissions, or agencies potentially affected by the provisions of this section be kept currently informed with respect to the name, location, and other significant particulars of any district, site, building, structure, or object listed or placed upon the National Register of Historic Places. Each affected State department or agency shall furnish, either upon its own initiative or at the request of the Historical Commission such information as may reasonably be required by the Commission for the proper implementation of this section.

(b) Criteria for State Historic Properties. – The Commission shall prepare and adopt criteria for the evaluation of State historic sites and all other real and personal property which it may consider to be of such historic, architectural, archaeological, or cultural importance as would justify the acquisition and ownership thereof by the State of North Carolina, or for the extension of any assistance or aid thereto by the State, acting by itself or in connection with any county, city, corporation, organization, or individual.

1 The Commission shall cooperate to the fullest practical extent with any local historical
2 organization and with any city or county historic district properties commission. In
3 evaluating whether a building should be a State historic site, the Commission shall
4 request and review plans for the use and maintenance of the building.

5 (c) Criteria for State Aid to Historic Properties. – The Commission shall also
6 prepare and adopt criteria for the evaluation of all properties of historic or archaeological
7 importance owned by, under option to, or being considered for acquisition by a county,
8 city, historic properties commission, or other organization or individual for which State
9 aid or assistance is requested from the Department of Cultural Resources. The
10 Commission shall investigate, evaluate, and prepare a written report on all historic or
11 archaeological property for which State aid or appropriations to be administered by the
12 Department of Cultural Resources are proposed. If the property is a building, the
13 Commission shall request and review the plans for the use, maintenance, operation, and
14 purpose of the building and shall comment on the feasibility of the plans in the written
15 report. This report, which shall be filed as a matter of record in the custody of the
16 Department of Cultural Resources, shall set forth the following opinions or
17 recommendations of the Commission:

- 18 (1) Whether the property is historically authentic;
- 19 (2) Whether it is of such educational, historical, or cultural significance as
20 to be essential to the development of a balanced State program of
21 historic and archaeological sites and properties;
- 22 (3) The estimated total cost of the project under consideration and the
23 apportionment of said cost among State and nonstate sources;
- 24 (4) Whether practical plans have been or can be developed for the funding
25 of the nonstate portion of the costs;
- 26 (5) Whether practical plans have been developed for the continued staffing,
27 maintenance and operation of the property without State assistance;
- 28 (6) Such further comments and recommendations
29 that the Commission may make.

30 (c1) Criteria for State Aid to Historical Museums. – The Commission shall also
31 prepare and adopt criteria for the evaluation of all interpretive, security or climate control
32 programs or projects to be installed in nonprofit history museums for which State aid or
33 assistance is requested from the Department of Cultural Resources. The Commission
34 shall investigate, evaluate, and prepare a written report on all interpretive, security, or
35 climate control programs or projects for which State appropriations to be administered by
36 the Department of Cultural Resources are proposed. This report, which shall be filed as a
37 matter of record in the custody of the Department of Cultural Resources, shall set forth
38 the following opinions or recommendations of the Commission:

- 39 (1) The statewide educational significance and the
40 qualitative level of the program or project and whether the program or project
41 is essential to the development of a State program of historical
42 interpretation;
- 43 (2) The local or regional need for such a program or project;

- 1 (3) The estimated total cost of the program or project under consideration
2 and the apportionment of said cost among State and nonstate sources;
3 (4) Whether practical plans have been or can be developed for the funding
4 of the nonstate portions of the costs;
5 (5) Whether practical plans have been developed for the continued staffing,
6 maintenance, and operating of the museum without State assistance; and
7 (6) Such further comments and recommendations
8 that the Commission may make.

9 (d) Commission to Furnish Recommendations to Legislative Committees. – The
10 Commission through the Department of Cultural Resources shall furnish as soon as
11 practicable to the chairman of each legislative committee to which is referred any bill
12 seeking an appropriation of State funds to the Department of Cultural Resources for the
13 purpose of acquiring, preserving, restoring, or operating, or otherwise assisting, any
14 property having historic, archaeological, architectural, or other cultural value or
15 significance, and to the chairman of each legislative committee to which is referred any
16 bill seeking an appropriation of State funds to the Department of Cultural Resources for
17 the purpose of assisting a history museum, at least five copies of a report on the findings
18 and recommendations of the Commission relating to such property."
19

20 Requested by: Representatives Ives, Lemmond, Senator Warren

21 **REPEAL ART WORKS IN STATE BUILDINGS REQUIREMENT**

22 Sec. 12.2. Article 47A of Chapter 143 of the General Statutes is repealed.
23

24 Requested by: Representatives Ives, Lemmond, Senator Warren

25 **NUMBER OF POSITIONS IN DEPARTMENT OF CULTURAL RESOURCES** 26 **REDUCED/REPORT**

27 Sec. 12.3. The Department of Cultural Resources shall identify positions to be
28 eliminated in the Department and shall report those positions by number and title to the
29 Office of State Budget and Management and to the Fiscal Research Division by May 31,
30 1995.
31

32 **PART 13. DEPARTMENT OF INSURANCE**

33

34 Requested by: Senator Warren

35 **UNBUDGETED INSURANCE RECEIPTS REVERT TO GENERAL FUND**

36 Sec. 13. Departmental receipts realized by the Department of Insurance over
37 twenty percent (20%) in excess of amounts budgeted by the General Assembly, as
38 adjusted by the Office of State Budget and Management to reflect the distribution of
39 statewide reserves, shall revert to the General Fund at the end of each fiscal year. The
40 Department of Insurance shall report to the Joint Legislative Commission on
41 Governmental Operations on a quarterly basis on expenditures incurred from excess
42 receipts.
43

1 Requested by: Senator Warren

2 **ESTABLISH DEPARTMENT OF INSURANCE IN-HOUSE LEGAL**
3 **REPRESENTATION**

4 Sec. 13.1. Notwithstanding G.S. 58-2-215, the Department of Insurance shall
5 use funds within the Department of Insurance Consumer Protection Fund to hire two
6 attorneys and one support staff to develop legal expertise within the Department of
7 Insurance to handle the review and analysis of rate filings, to conduct all hearings, and to
8 handle all rate cases through final adjudication. Pursuant to G.S. 114-2.3, the Department
9 may use outside legal counsel on an interim basis, as necessary, until the transition to in-
10 house legal representation for rate cases is complete. On or before March 31, 1996, the
11 Department shall report to the Joint Legislative Commission on Governmental
12 Operations and the Fiscal Research Division of the General Assembly on the
13 implementation of in-house legal representation and on the status of the transition from
14 the use of outside legal counsel.

15
16 **PART 14. STATE BOARD OF ELECTIONS**

17
18 Requested by: Representatives Ives, Lemmond, Senator Warren

19 **COMPETITIVE BIDS FOR PRINTING AND DISTRIBUTING BALLOTS**

20 Sec. 14. G.S. 163-136(b)(3) reads as rewritten:

21 "(3) For all elections, primaries, and referenda not specified in the two
22 preceding subdivisions, by the State Board of Elections, at the expense
23 of the State.

24 Provided, that the State Board of Elections, in its discretion, may
25 direct some or all counties to print the ballots required by this
26 subdivision under the supervision of the State Board of Elections. If the
27 State Board of Elections prints and distributes the ballots required by
28 this subdivision at the expense of the State, the State Board shall ~~have~~
29 ~~the authority to negotiate for the ballots to be printed and distributed on~~
30 ~~a regional or centralized basis, and the State Board shall be exempt from~~
31 ~~securing competitive bids establish contracts through competition~~
32 pursuant to Article 3 of Chapter 143 of the General Statutes for printing
33 and distribution of all ballots, abstracts and precinct return forms."

34
35 **PART 15. COLLEGES AND UNIVERSITIES**

36
37 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

38 **AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE**

39 Sec. 15. (a) Funds appropriated in this act to the Board of Governors of The
40 University of North Carolina for aid to private colleges shall be disbursed in accordance
41 with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to
42 five hundred fifty dollars (\$550.00) per full-time equivalent North Carolina
43 undergraduate student enrolled at a private institution as of October 1 each year.

1 These funds shall be placed in a separate, identifiable account in each eligible
2 institution's budget or chart of accounts. All funds in this account shall be provided as
3 scholarship funds for needy North Carolina students during the fiscal year. Each student
4 awarded a scholarship from this account shall be notified of the source of the funds and
5 of the amount of the award. Funds not utilized under G.S. 116-19 shall be for the tuition
6 grant program as defined in subsection (b) of this section.

7 (b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition
8 to all other financial assistance made available to private educational institutions located
9 within the State, or to students attending these institutions, there is granted to each full-
10 time North Carolina undergraduate student attending an approved institution as defined in
11 G.S. 116-22, a sum, not to exceed one thousand two hundred fifty dollars (\$1,250) per
12 academic year, which shall be distributed to the student as hereinafter provided.

13 The tuition grants provided for in this section shall be administered by the
14 State Education Assistance Authority pursuant to rules adopted by the State Education
15 Assistance Authority not inconsistent with this section. The State Education Assistance
16 Authority shall not approve any grant until it receives proper certification from an
17 approved institution that the student applying for the grant is an eligible student. Upon
18 receipt of the certification, the State Education Assistance Authority shall remit at such
19 times as it shall prescribe the grant to the approved institution on behalf, and to the credit,
20 of the student.

21 In the event a student on whose behalf a grant has been paid is not enrolled and
22 carrying a minimum academic load as of the tenth classroom day following the beginning
23 of the school term for which the grant was paid, the institution shall refund the full
24 amount of the grant to the State Education Assistance Authority. Each approved
25 institution shall be subject to examination by the State Auditor for the purpose of
26 determining whether the institution has properly certified eligibility and enrollment of
27 students and credited grants paid on the behalf of the students.

28 In the event there are not sufficient funds to provide each eligible student with
29 a full grant:

- 30 (1) The Board of Governors of The University of North Carolina, with the
31 approval of the Office of State Budget and Management, may transfer
32 available funds to meet the needs of the programs provided by
33 subsections (a) and (b) of this section; and
- 34 (2) Each eligible student shall receive a pro rata share of funds then
35 available for the remainder of the academic year within the fiscal period
36 covered by the current appropriation.

37 Any remaining funds shall revert to the General Fund.

38 (c) Expenditures made pursuant to this section may be used only for secular
39 educational purposes at nonprofit institutions of higher learning.

40
41 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

42 **WAKE FOREST AND DUKE MEDICAL SCHOOL ASSISTANCE/FUNDING**
43 **FORMULA**

1 Sec. 15.1. Funds appropriated in this act to the Board of Governors of The
2 University of North Carolina for continuation of financial assistance to the medical
3 schools of Duke University and Wake Forest University shall be disbursed on
4 certifications of the respective schools of medicine that show the number of North
5 Carolina residents as first-year, second-year, third-year, and fourth-year students in each
6 medical school as of November 1, 1995, and November 1, 1996. Disbursement to Wake
7 Forest University shall be made in the amount of eight thousand dollars (\$8,000) for each
8 medical student who is a North Carolina resident, one thousand dollars (\$1,000) of which
9 shall be placed by the school in a fund to be used to provide financial aid to needy North
10 Carolina students who are enrolled in the medical school. The maximum aid given to any
11 student from this fund in a given year may not exceed the amount of the difference in
12 tuition and academic fees charged by the school and those charged at the School of
13 Medicine at the University of North Carolina at Chapel Hill.

14 Disbursement to Duke University shall be made in the amount of five thousand
15 dollars (\$5,000) for each medical student who is a North Carolina resident, five hundred
16 dollars (\$500.00) of which shall be placed by the school in a fund to be used to provide
17 student financial aid to financially needy North Carolina students who are enrolled in the
18 medical school. No individual student may be awarded assistance from this fund in
19 excess of two thousand dollars (\$2,000) each year. In addition to this basic disbursement
20 for each year of the biennium, a disbursement of one thousand dollars (\$1,000) shall be
21 made for each medical student who is a North Carolina resident in the first-year, second-
22 year, third-year, and fourth-year classes to the extent that enrollment of each of those
23 classes exceeds 30 North Carolina students.

24 The Board of Governors shall establish the criteria for determining the
25 eligibility for financial aid of needy North Carolina students who are enrolled in the
26 medical schools and shall review the grants or awards to eligible students. The Board of
27 Governors shall adopt rules for determining which students are residents of North
28 Carolina for the purposes of these programs. The Board shall also make any regulations
29 as necessary to ensure that these funds are used directly for instruction in the medical
30 programs of the schools and not for religious or other nonpublic purposes. The Board
31 shall encourage the two schools to orient students towards primary care, consistent with
32 the directives of G.S. 143-613(a). The two schools shall supply information necessary
33 for the Board to comply with G.S. 143-613(d).

34
35 Requested by: Senators Plexico, Winner

36 **AID TO STUDENTS ATTENDING PRIVATE COLLEGES/LEGISLATIVE**
37 **TUITION GRANT LIMITATIONS**

38 Sec. 15.2. (a) The amount of a tuition grant awarded to a student enrolled in a
39 degree program at a site away from the main campus of the approved private institution,
40 as defined in G.S. 116-22(1), shall be no more than the result of the ratio of the cost per
41 credit hour for off-campus instruction at that site to the cost per credit hour for regular,
42 full-time on-campus instruction, multiplied by the maximum grant award, or the
43 maximum grant award allowable under Section 15 of this act, whichever is less.

1 (b) No Legislative Tuition Grant funds shall be expended for a program at an off-
2 campus site of a private institution, as defined in G.S. 116-22(1), established after May
3 15, 1987, unless (i) the private institution offering the program has previously notified
4 and secured agreement from other private institutions operating degree programs in the
5 county in which the off-campus program is located or operating in the counties adjacent
6 to that county or (ii) the degree program is neither available nor planned in the county
7 with the off-campus site or in the counties adjacent to that county.

8 An "off-campus program" is any program offered for degree credit away from
9 the institution's main, permanent campus.

10 (c) Any member of the armed services as defined in G.S. 116-143.3(a), abiding in
11 this State incident to active military duty, who does not qualify as a resident for tuition
12 purposes as defined under G.S. 116-143.1, is eligible for a Legislative Tuition Grant
13 pursuant to this section if the member is enrolled as a full-time student. The member's
14 Legislative Tuition Grant may not exceed the cost of tuition less any tuition assistance
15 paid by the member's employer.

16
17 Requested by: Senators Plexico, Winner

18 EQUITY OF FUNDING

19 Sec. 15.3. The Commission on the Quality of Education in The University of
20 North Carolina reported to the General Assembly that the funding system for
21 appropriations to each campus for continuing operations, which constitutes the majority
22 of General Fund support to higher education, is not based on identifiable criteria that are
23 measurable or that allow comparisons of adequacy of funding among the 16 campuses.

24 The Board of Governors of The University of North Carolina shall review the
25 equity of the continuation budget funding system, and the equity of its methods of
26 distributing the lump-sum expansion funds appropriated by the General Assembly. The
27 Board of Governors shall assess the criteria that should be used in deriving an equitable
28 funding system, such as comparisons of funding at like institutions, such factors as size of
29 student body, the costs of the programs offered by each campus, the level of the student
30 body (lower division, upper division, graduate), the resources required to meet the early
31 college needs of entering students based on their relative preparations for college success,
32 and any other factors deemed by the Board of Governors to be relevant to assuring
33 successful student outcomes. In carrying out this review, the Board of Governors shall
34 consult with the Office of State Budget and Management.

35 After its review, the Board of Governors shall propose a system of funding to
36 the General Assembly which uses identifiable criteria which are based on educationally
37 and financially sound principles. If the Board of Governors recommends changes in the
38 current funding system, it shall also propose a plan and schedule for moving to the
39 recommended system. The Board of Governors shall report its progress to the Joint
40 Legislative Education Oversight Committee by April 15, 1996, and shall report its final
41 findings and recommendations to the Joint Legislative Education Oversight Committee
42 and the House and Senate Appropriations Subcommittees on Education by November 15,
43 1996.

1
2 Requested by: Senators Plexico, Winner

3 **FULL-TIME EQUIVALENT STUDENTS (FTE)**

4 Sec. 15.4. The Board of Governors of The University of North Carolina shall
5 consider alternative approaches to funding University undergraduate and graduate
6 enrollment, including the current funding of full-time equivalent students based on 12
7 semester hours annually for undergraduates, increasing this level to 15 semester hours
8 annually, which would be consistent with graduating in four years, or funding the
9 University on the basis of student credit hours rather than on full-time equivalent
10 enrollment. The Board of Governors shall report its progress to the Joint Legislative
11 Education Oversight Committee by April 15, 1996, and shall make its final
12 recommendations regarding changes on enrollment funding to the Joint Legislative
13 Education Oversight Committee and the House and Senate Appropriations
14 Subcommittees on Education by November 15, 1996.

15
16 Requested by: Senators Plexico, Winner

17 **EPA REDUCTIONS**

18 Sec. 15.7. The Board of Governors of The University of North Carolina shall
19 provide a list of all positions exempt from the State Personnel Act (EPA) to be eliminated
20 by this act to the General Assembly by June 1, 1995. In preparing the list, the Board of
21 Governors shall reduce EPA nonteaching positions on a pro rata basis, except for the
22 constituent institutions. For the constituent institutions, the EPA nonteaching reductions
23 shall be applied only to the extent that the full-time equivalent (FTE) EPA nonteaching
24 positions per FTE student at each institution exceeds one one-hundredth of a position.
25 EPA nonteaching positions in excess of one one-hundredth per FTE student shall be
26 reduced on a pro rata basis. The Board of Governors shall reduce mid-level management
27 positions, and shall avoid eliminating librarians, student advisors, financial aid
28 counselors, and other positions which provide direct services to students, to the extent
29 possible.

30
31 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

32 **CONTINUING EDUCATION UNC-CH HEALTH AFFAIRS**

33 Sec. 15.8. The University of North Carolina at Chapel Hill Health Affairs shall
34 charge continuing education fees that are reasonably expected to cover a higher
35 percentage of the costs of those professional programs. Health care professionals in those
36 areas that are likely to generate substantial revenue or clientele shall pay a higher
37 proportion of costs for continuing education.

38
39 Requested by: Senators Plexico, Winner

40 **STUDY POTENTIAL COST SAVINGS TO UNC THROUGH PRIVATIZATION**
41 **OF CERTAIN SERVICES**

42 Sec. 15.10. The Board of Governors of The University of North Carolina, in
43 consultation with the constituent institutions and affiliated organizations, shall study the

1 potential for cost savings by contracting for various services with private contractors,
2 including housekeeping and maintenance of physical facilities.

3 East Carolina University is currently realizing savings from privatizing the
4 management of its housekeeping services. The General Assembly has reviewed requests
5 for funding to operate approximately 2.8 million square feet of new or renovated space
6 for the 1995-97 biennium. With this amount of new space opening up, the potential for
7 cost savings by initially contracting for certain services to operate these facilities appears
8 worth reviewing.

9 The Board of Governors shall report on the potential for increased efficiency
10 and budget savings from the use of private contractual services to the Joint Legislative
11 Education Oversight Committee by April 15, 1996. The Board shall identify and include
12 in its report that portion of any savings that is attributable to lower pay scales or lower
13 workers' benefits paid by potential private contractors.

14
15 Requested by: Senators Plexico, Winner

16 **TRANSFER OF OVERHEAD RECEIPTS TO TRUST FUNDS/UNC SYSTEM**

17 Sec. 15.11. (a) Section 2 of Chapter 936 of the 1989 Session Laws (1990 Session)
18 expressed the intent of the General Assembly "that overhead receipts derived from
19 reimbursement of indirect costs on contracts and grants shall not continue to be budgeted
20 as offsets to General Fund appropriations for current operations of the constituent
21 institutions of The University of North Carolina", that a phased reduction in these offsets
22 be implemented, and that, at such time as the phaseout of the offsets is completed, the
23 special fund codes be transferred to the category of institutional trust funds for budgetary
24 and accounting purposes. The phaseout of the offsets to General Fund appropriations
25 from overhead receipt transfers shall be completed in fiscal year 1996-97.

26 (b) G.S. 116-36.1(g) is amended by adding a new subdivision to read:

27 "(10) Moneys received by an institution as reimbursement of overhead and
28 other indirect costs associated with contracts and grants."

29 (c) Institutions shall report on the amount of overhead receipts, the
30 expenditures for various purposes from the funds, and the resulting fund balances to the
31 Office of State Budget and Management and to the Fiscal Research Division on a
32 quarterly basis in a format to be determined by the Office of State Budget and
33 Management.

34 (d) Subsection (b) of this section becomes effective July 1, 1996.

35
36 Requested by: Senator Plexico

37 **COMPREHENSIVE PLAN FOR HIGHER EDUCATION ENROLLMENT**

38 Sec. 15.12. (a) The Education Cabinet shall develop a comprehensive plan to meet
39 the projected increase in higher education enrollments that result from the increased
40 number of high school graduates and nontraditional students needing worker retraining.
41 The plan shall address questions of capacity and potential increases in space utilization.
42 The plan shall also consider several funding strategies to encourage more balanced
43 enrollment, such as funding additional credit hours above current levels for summer

1 school and for off-campus degree programs, and incentive funding for private colleges to
2 enroll more North Carolina residents.

3 The Education Cabinet shall also coordinate the planning efforts of the Board
4 of Governors of The University of North Carolina, the Department of Community
5 Colleges, and the North Carolina Association of Private and Independent Colleges and
6 Universities to meet the projected increase in higher education enrollments.

7 A representative from the North Carolina Association of Private and
8 Independent Colleges and Universities shall participate in the deliberations and decision-
9 making of the Education Cabinet in accordance with G.S. 116C-1. The Board of
10 Governors and the Department of Community Colleges shall provide staff assistance to
11 the Education Cabinet in the development of the comprehensive plan. The Education
12 Cabinet shall estimate the fiscal impact of all alternatives and proposals for dealing with
13 the projected enrollment.

14 The Education Cabinet shall make a preliminary report on the comprehensive
15 plan to the Joint Education Oversight Committee by April 15, 1996, and shall submit a
16 final report to the Committee by November 15, 1996.

17 (b) G.S. 116C-1(b) reads as rewritten:

18 "(b) The Education Cabinet shall consist of the Governor, who shall serve as chair,
19 the President of The University of North Carolina, the State Superintendent of Public
20 Instruction, the Chairman of the State Board of Education, and the President of the North
21 Carolina Community College System. The Education Cabinet shall invite representatives
22 of private education to participate in its deliberations as adjunct members."
23

24 Requested by: Senators Plexico, Winner

25 **INSTITUTE OF GOVERNMENT BUDGET CATEGORIES**

26 Sec. 15.13. The Institute of Government's faculty hold regular full-time faculty
27 appointments in the Institute and devote their full time to teaching, consulting, and
28 engaging in research and writing that supports and informs their teaching and consulting
29 activities. In recognition of the Institute's status as a regular freestanding academic unit
30 of the University of North Carolina at Chapel Hill that makes its own faculty
31 appointments and conducts its own program of teaching, research, and consultation, the
32 Director of the Budget shall transfer the budget appropriations in the Institute of
33 Government from Purpose Code 142 to Purpose Code 105 and shall transfer its budget
34 appropriations for teaching faculty salaries from Object Code 1110 to Object Code 1310.
35 The transfer shall become effective July 1, 1995, and shall apply beginning with the
36 1995-97 biennial budget and hereafter.
37

38 **PART 16. COMMUNITY COLLEGES**

39
40 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

41 **BOOKS AND EQUIPMENT APPROPRIATIONS/REVERT AFTER ONE YEAR**

42 Sec. 16. G.S. 115D-31 is amended by adding a new subsection to read:

1 "(c) State funds appropriated to the State Board of Community Colleges for
2 equipment and library books shall revert to the General Fund 12 months after the close of
3 the fiscal year for which they were appropriated. Encumbered balances outstanding at
4 the end of each period shall be handled in accordance with existing State budget policies.
5 The Department shall identify to the Office of State Budget and Management the funds
6 that revert at the end of the 12 months after the close of the fiscal year."

7
8 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

9 **COMMUNITY COLLEGE FUNDING FLEXIBILITY**

10 Sec. 16.1. A local community college may use all State funds allocated to it,
11 except for Literacy Funds and Funds for New and Expanding Industries, for any
12 authorized purpose that is consistent with the college's Institutional Effectiveness Plan.
13 Each local community college shall submit an Institutional Effectiveness Plan that
14 indicates to the State Board of Community Colleges how the college will use this funding
15 flexibility to meet the demands of the local community and maintain a presence in all
16 previously funded categorical programs.

17
18 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

19 **COURSE REPETITION POLICY FOR FIRE, RESCUE, AND POLICE**
20 **PERSONNEL**

21 Sec. 16.2. The course repetition policy adopted by the State Board of
22 Community Colleges in accordance with Section 102(a) of Chapter 321 of the 1993
23 Session Laws does not apply to fire, rescue, or law enforcement training courses taken by
24 fire, rescue, or law enforcement personnel.

25
26 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

27 **PENALTY FOR AUDIT EXCEPTIONS MODIFIED**

28 Sec. 16.3. The audit policies of the State Board of Community Colleges shall
29 provide that if a community college is in violation of a State or federal law or of a State
30 Board rule or policy, the program auditors shall cite the college for an audit exception
31 and not a concern. The State Board shall assess a twenty-five percent (25%) fiscal
32 penalty in addition to the audit exception on all audits of both dollars and student
33 membership hours excepted, unless the State Board finds that the audit exception was
34 caused only by a processing or clerical error; no penalty shall be assessed in the case of a
35 processing or clerical error.

36 The president of each community college shall present the findings of the
37 college's program audit to the board of trustees of the college.

38
39 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

40 **MULTI-ENTRY/MULTI-EXIT CLASSES IN PRISONS AUTHORIZED**

41 Sec. 16.4. G.S. 115D-5(c1) reads as rewritten:

42 "(c1) Community colleges shall report full-time equivalent (FTE) student hours for
43 correction education programs on the basis of contact hours rather than student

1 membership hours. No community college shall operate a multi-entry/multi-exit class or
2 program in a prison ~~facility-facility, except for a literacy class or program.~~

3 The State Board shall work with the Department of Correction on offering classes and
4 programs that match the average length of stay of an inmate in a prison facility."
5

6 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

7 CENSUS REPORTING DATES

8 Sec. 16.6. (a) For the 1995-96 fiscal year, the census dates for reporting student
9 membership hours for curriculum and occupational extension classes shall be at the thirty
10 percent (30%) point of the class and at the ten percent (10%) point of the class which
11 typically coincides with the end of each college's drop-add period. It is the intent of the
12 General Assembly to determine during the Regular 1996 Session which census date shall
13 be used in computing FTE enrollment.

14 (b) This section does not apply to courses offered on a contact-hour basis.
15

16 Requested by: Representatives Grady, Preston, Senators Plexico, Winner

17 STATE BOARD RESERVE FUNDS

18 Sec. 16.7. The State Board of Community Colleges shall use one-half of its
19 Board Reserve for the 1995-96 fiscal year for expenses incurred during the North
20 Carolina Community College System's conversion from the quarter credit system to the
21 semester credit system.
22

23 PART 17. PUBLIC SCHOOLS

24
25 Requested by: Representative Grady, Preston, Senators Winner, Plexico

26 PUBLIC SCHOOLS WORKERS' COMPENSATION

27 Sec. 17. (a) Salaries for positions that are funded partially from the General Fund
28 or Highway Fund and partially from sources other than the General Fund or Highway
29 Fund shall be increased from the General Fund or Highway Fund appropriation only to
30 the extent of the proportionate part of the salaries paid from the General Fund or
31 Highway Fund.

32 (b) G.S. 115C-337(a) reads as rewritten:

33 "(a) Workers' Compensation Act Applicable to School Employees. – The
34 provisions of the Workers' Compensation Act shall be applicable to all school employees,
35 and the State Board of Education shall make ~~such~~ arrangements as necessary to carry out
36 the provisions of the Workers' Compensation Act applicable to ~~such~~ these employees
37 paid from State school funds. Liability of the State for compensation shall be confined to
38 school employees paid by the State from State school funds for injuries or death caused
39 by accident arising out of and in the course of their employment in connection with the
40 state-operated school term. The State shall be liable for ~~said~~ this compensation on the
41 basis of the average weekly wage of ~~such~~ the employees as defined in the Workers'
42 Compensation Act, ~~whether all of said compensation for the school term is paid from~~
43 ~~State funds or in part supplemented by local funds.~~ to the extent of the proportionate part

1 of each employee's salary that is paid from State funds. The State shall also be liable for
2 workers' compensation for all school employees employed in connection with the
3 teaching of vocational agriculture, home economics, trades and industries, and other
4 vocational subjects, supported in part by State and federal funds, which liability shall
5 cover the entire period of service of ~~such employees.~~ these employees, to the extent of the
6 proportionate part of each employee's salary that is paid from State funds. The local
7 school administrative units shall be liable for workers' compensation for school
8 employees, including lunchroom employees, whose salaries or wages are paid by ~~such~~
9 the local units from local or special funds. ~~Such~~ The local units are authorized and
10 ~~empowered to may~~ provide insurance to cover ~~such~~ this compensation liability and to
11 include the cost of ~~such~~ this insurance in their annual budgets.

12 The provisions of this subsection shall not apply to any person, ~~firm~~ firm, or
13 corporation making voluntary contributions to schools for any purpose, and ~~such~~ the
14 person, firm, or corporation shall not be liable for the payment of any sum of money
15 under this Chapter."

16
17 Requested by: Representatives Grady, Preston, Senators Winner, Plexico

18 **USE OF SUBSTITUTE TEACHER FUNDS FOR LEAVE FROM SICK LEAVE** 19 **BANKS**

20 Sec. 17.1. State funds for substitute teachers shall be used to pay for substitute
21 teachers on days that teachers use sick leave from voluntary sick leave banks established
22 in accordance with G.S. 115C-336(b).

23
24 Requested by: Representatives Grady, Preston, Senator Plexico

25 **OUTCOME-BASED EDUCATION PROGRAM REPEALED**

26 Sec. 17.2. Part 5 of Article 16 of Chapter 115C of the General Statutes is
27 repealed.

28
29 Requested by: Senators Winner, Plexico

30 **CAREER DEVELOPMENT**

31 Sec. 17.3. (a) Funds appropriated to the State Board of Education for local school
32 administrative units receiving career development funds for the 1995-96 and 1996-97
33 fiscal years shall be used only to ensure that individual employees do not receive less on
34 a monthly basis in salary and State-funded bonuses during the 1995-96 fiscal year or
35 during the 1996-97 fiscal year than they received on a monthly basis during the 1994-95
36 fiscal year, so long as the employees qualify for bonuses under the local differentiated
37 pay plan. The State Board of Education may also use funds appropriated to State Aid to
38 Local School Administrative Units for the 1995-96 and 1996-97 fiscal years as is
39 necessary to hold individual employees harmless as provided in this subsection.

40 (b) Funds appropriated for local school administrative units receiving career
41 development funds for the 1994-95 fiscal year that did not revert on June 30, 1995, shall
42 not be used for expenses other than the costs of holding individual employees harmless as
43 provided in subsection (a) of this section.

1 (c) If funds are necessary to hold teachers harmless after the 1996-97 fiscal
2 year, the General Assembly urges the Governor to include these funds in the continuation
3 budget request.

4
5 Requested by: Representatives Grady, Preston, Senators Winner, Plexico

6 **TEACHER LEAVE IN CASES OF CATASTROPHIC ILLNESS**

7 Sec. 17.4. G.S. 115C-336 is amended by adding a new subsection to read:

8 "(c) The State Board of Education shall also adopt rules and regulations to
9 authorize an employee who requires a substitute to use annual leave on days that students
10 are in attendance if the employee has exhausted all of the employee's sick leave and if the
11 employee's absence is due to the catastrophic illness of the employee. The employee
12 shall not be required to pay the substitute."

13
14 Requested by: Senators Winner, Plexico

15 **IMPLEMENTATION OF THE REORGANIZATION OF THE DEPARTMENT**
16 **OF PUBLIC INSTRUCTION**

17 Sec. 17.5. Notwithstanding G.S. 143-23 or any other provision of law, the
18 State Board of Education shall reorganize the Department of Public Instruction in
19 accordance with the reorganization plan adopted by the State Board of Education and
20 submitted to the General Assembly in May 1995, and to implement the base budget
21 reduction in this act of nine million three hundred eighteen thousand four hundred thirty-
22 six dollars (\$9,318,436) for the 1995-96 fiscal year and ten million six hundred sixty-five
23 thousand two hundred twenty dollars (\$10,665,220) for the 1996-97 fiscal year.

24
25 Requested by: Senators Winner, Plexico

26 **LEGISLATIVE INTENT TO USE SAVINGS FROM THE REORGANIZATION**
27 **OF THE DEPARTMENT OF PUBLIC INSTRUCTION FOR EXPANSION**
28 **BUDGET APPROPRIATIONS FOR THE PUBLIC SCHOOLS**

29 Sec. 17.6. It is the intent of the General Assembly to appropriate in the
30 expansion budget for the 1995-96 fiscal year for State Aid to Local School
31 Administrative Units all funds saved in this act by reorganizing the Department of Public
32 Instruction.

33
34 Requested by: Senators Winner, Plexico

35 **TRANSFER FUNDS FOR TACS TO LOCAL SCHOOL ADMINISTRATIVE**
36 **UNITS**

37 Sec. 17.7. Effective July 1, 1996, the State Board of Education shall reallocate
38 funds from Technical Assistance Centers to local school administrative units in
39 accordance with a formula adopted by the State Board. Local boards of education may
40 use these funds to contract with Technical Assistance Centers, contract with other
41 entities, hire personnel, or otherwise acquire staff development, training, planning, and
42 other forms of technical assistance.

1 The Technical Assistance Centers shall be funded solely by receipts from local boards
2 of education and from other non-State sources. The State Board shall establish a
3 management structure for the Technical Assistance Centers that enables superintendents,
4 principals, and teachers from the local school administrative units to be served by the
5 Centers to have input into the priorities and personnel decisions at the Centers.

6
7 Requested by: Senators Plexico, Winner

8 **SITE-BASED MANAGEMENT TASK FORCE/STAFF**

9 Sec. 17.8. (a) Effective July 1, 1995, G.S. 115C-238.7 reads as rewritten:

10 **"§ 115C-238.7. Creation of the Task Force on Site-Based Management;**
11 **~~appointment of a Director of the Task Force of Site-Based Management.~~**
12 **Management.**

13 (a) There is created the Task Force on Site-Based Management ~~within the~~
14 ~~Department of Public Instruction.~~ under the State Board of Education.

15 The Task Force shall be composed of ~~21~~20 members appointed as follows:

- 16 (1) The Superintendent of Public Instruction;
- 17 (2) One member of the State Board of Education appointed by the State
18 Board of Education;
- 19 (3) Two members of the Senate appointed by the President Pro Tempore of
20 the Senate;
- 21 (4) Two members of the House of Representatives appointed by the
22 Speaker of the House of Representatives;
- 23 (5) One member of a local board of education appointed by the President
24 Pro Tempore of the Senate after receiving recommendations from The
25 North Carolina State School Boards Association, Inc.;
- 26 (6) One member of a local board of education appointed by the Speaker of
27 the House of Representatives after receiving recommendations from
28 The North Carolina State School Boards Association, Inc.;
- 29 (7) One local school superintendent appointed by the President Pro
30 Tempore of the Senate after receiving recommendations from the North
31 Carolina Association of School Administrators;
- 32 (8) One local school superintendent appointed by the Speaker of the House
33 of Representatives after receiving recommendations from the North
34 Carolina Association of School Administrators;
- 35 (9) One school principal appointed by the President Pro Tempore of the
36 Senate after receiving recommendations from the Tar Heel Association
37 of Principals/Assistant Principals and the Division of Administrators of
38 the North Carolina Association of Educators;
- 39 (10) One school principal appointed by the Speaker of the House of
40 Representatives after receiving recommendations from the Tar Heel
41 Association of Principals/Assistant Principals and the Division of
42 Administrators of the North Carolina Association of Educators;

- 1 (11) One school teacher appointed by the President Pro Tempore of the
- 2 Senate after receiving recommendations from the North Carolina
- 3 Association of Educators, Inc., the North Carolina Federation of
- 4 Teachers, and the Professional Educators of North Carolina, Inc.;
- 5 (12) One school teacher appointed by the Speaker of the House of
- 6 Representatives after receiving recommendations from the North
- 7 Carolina Association of Educators, Inc., the North Carolina Federation
- 8 of Teachers, and the Professional Educators of North Carolina, Inc.;
- 9 ~~(13) The Director of the Task Force on Site-Based Management, appointed~~
- 10 ~~by the Superintendent of Public Instruction in accordance with~~
- 11 ~~subsection (d) of this section;~~
- 12 (14) One parent of a public school child appointed by the Superintendent of
- 13 Public Instruction;
- 14 (15) Two at-large members appointed by the Superintendent of Public
- 15 Instruction;
- 16 (16) One representative of business and industry appointed by the Governor;
- 17 (17) One representative of institutions of higher education appointed by the
- 18 Board of Governors of The University of North Carolina; and
- 19 (18) One county commissioner appointed by the Superintendent of Public
- 20 Instruction after receiving recommendations from the North Carolina
- 21 Association of County Commissioners.

22 Members of the Task Force shall serve for two-year terms.

23 All members of the Task Force shall be voting members. Vacancies in the appointed

24 membership shall be filled by the officer who made the initial appointment. ~~The Director~~

25 ~~of the Task Force on Site-Based Management~~ shall select a member of the Task Force to

26 serve as chair of the Task Force.

27 Members of the Task Force shall receive travel and subsistence expenses in

28 accordance with the provisions of G.S. 120-3.1, G.S. 138-5, and G.S. 138-6.

29 (b) The Task Force shall:

- 30 (1) ~~Monitor~~ Advise the State Board of Education on the implementation of
- 31 the School Improvement and Accountability Act of 1989, as amended,
- 32 especially the development and implementation of building-level plans;
- 33 (2) ~~Advise the Director of the Task Force on Site-Based Management~~ State
- 34 Board of Education on how to provide training and assistance to the
- 35 public schools so as to facilitate the implementation of site-based
- 36 management;
- 37 (3) Review publications produced by the Department of Public Instruction
- 38 on the development and implementation of building-level plans;
- 39 (4) Report annually to the ~~General Assembly and the Joint Legislative~~
- 40 ~~Education Oversight Committee~~ State Board of Education on the
- 41 implementation of site-based management in the public schools on the
- 42 first Friday in December. This report may contain a summary of

1 recommendations for changes to any law, rule, and policy that would
2 improve site-based management.

3 (c) The Department of Public Instruction ~~shall~~ shall, with the approval of the State
4 Board of Education, provide staff to the Task Force at the request of the Task Force.

5 (d) ~~The State Superintendent of Public Instruction~~ State Board of Education shall
6 appoint a Director of the Task Force on Site-Based Management. ~~The Director shall~~
7 ~~direct a program in the Department of Public Instruction to provide training and~~
8 ~~assistance to the public schools to facilitate the implementation of site-based~~
9 ~~management.~~

10 ~~The Director shall supervise such site-based management specialists from each of the~~
11 ~~six technical assistance centers of the Department of Public Instruction as may be~~
12 ~~assigned by the State Superintendent. The specialists shall work directly with the local~~
13 ~~school administrative units and with school-based committees to provide them with~~
14 ~~training and assistance to facilitate the implementation of site-based management. The~~
15 ~~specialists shall coordinate their activities with the central office."~~

16 (b) The State Board of Education shall develop a plan for the reconfiguration
17 of staff development activities, with an emphasis on assistance to schools.

18
19 Requested by: Senators Plexico, Winner

20 **TEACHER ACADEMY TRANSFER**

21 Sec. 17.9. (a) The Task Force on Teacher Staff Development, established by
22 Section 141 of Chapter 321 of the 1993 Session Laws, is transferred from the Department
23 of Public Instruction to The University of North Carolina and renamed the North
24 Carolina Teacher Academy Board of Trustees. This transfer shall have all of the
25 elements of a Type I transfer, as that term is defined in G.S. 143A-6(a).

26 The Board of Governors of The University of North Carolina shall delegate to
27 the Board of Trustees all the powers and duties the Board of Governors considers
28 necessary or appropriate for the effective discharge of the functions of the North Carolina
29 Teacher Academy.

30 (b) The North Carolina Teacher Academy Board of Trustees shall consist of 20
31 members appointed as follows:

- 32 (1) The Superintendent of Public Instruction or the Superintendent's
33 designee;
- 34 (2) One member of the State Board of Education appointed by the Chair of
35 the State Board;
- 36 (3) One member of the Board of Governors of The University of North
37 Carolina appointed by the Chair of the Board of Governors;
- 38 (4) The Director of the North Carolina Center for the Advancement of
39 Teaching;
- 40 (5) Two deans of Schools of Education appointed by the President of The
41 University of North Carolina;
- 42 (6) Four public school teachers appointed by the General Assembly upon
43 the recommendation of the Speaker of the House of Representatives in

1 accordance with G.S. 120-121, one of whom teaches in preschool
2 through grade 2, one of whom teaches in grades 3 through 5, one of
3 whom teaches in grades 6 through 8, and one of whom teaches in grades
4 9 through 12;

5 (7) Four public school teachers appointed by the General Assembly upon
6 the recommendation of the President Pro Tempore of the Senate in
7 accordance with G.S. 120-121, one of whom teaches in preschool
8 through grade 2, one of whom teaches in grades 3 through 5, one of
9 whom teaches in grades 6 through 8, and one of whom teaches in grades
10 9 through 12;

11 (8) Two public school teachers appointed by the Governor;

12 (9) One superintendent of a local school administrative unit appointed by
13 the Governor;

14 (10) Two public school principals appointed by the Governor; and

15 (11) The President of the North Carolina Association of Independent
16 Colleges and Universities, or a designee.

17 (c) Members appointed prior to July 1, 1995, shall serve until June 30, 1997.
18 Subsequent appointments shall be for four-year terms. Members may serve two
19 consecutive four-year terms.

20 The Board of Trustees shall elect a new chair every two years from its
21 membership. The chair may serve two consecutive two-year terms as chair.

22 (d) The chief administrative officer of the Teacher Academy shall be a director
23 appointed by the Board of Trustees.

24 (e) The Board of Trustees shall collaborate and coordinate its programming
25 with NCCAT.

26 (f) This section becomes effective September 1, 1995.

27
28 Requested by: Senators Plexico, Winner

29 COSTS OF REORGANIZATION

30 Sec. 17.10. The State Board of Education shall use funds from the following
31 sources to cover the costs incurred in accordance with G.S. 126-4(7a) related to the
32 separation of Department of Public Instruction employees and the salaries of any
33 positions that will be eliminated prior to January 1, 1996:

34 (1) Refunds from local school administrative units of funds allocated for the
35 1994-95 fiscal year; and

36 (2) Funds carried forward from the 1994-95 fiscal year from State Aid to
37 Local School Administrative Units.

38 If these funds are not adequate to cover the costs, the State Board may also use
39 unexpended funds appropriated for the 1995-96 fiscal year for State Aid to Local School
40 Administrative Units.

41
42 Requested by: Senators Plexico, Winner

43 CHILD NUTRITION SERVICES

1 Sec. 17.11. The 16 personnel positions in the Department of Public Instruction
2 that have responsibility in the areas of the Child and Adult Food Program and the
3 Summer Food Program are transferred from Department of Public Instruction to the
4 Maternal and Child Health Section of the Department of Environment, Health, and
5 Natural Resources.

6 Where a conflict arises in connection with the transfer, the transfer shall be
7 resolved by the Governor, and the decision of the Governor shall be final.

8
9 Requested by: Senators Winner, Plexico

10 **TRANSFER OF NORTH CAROLINA EDUCATION STANDARDS AND**
11 **ACCOUNTABILITY COMMISSION**

12 Sec. 17.12. (a) The North Carolina Education Standards and Accountability
13 Commission is transferred from the Office of the Governor to the State Board of
14 Education. This transfer shall have all of the elements of a Type II transfer, as that term
15 is defined in G.S. 143A-6(b).

16 (b) G.S. 115C-105.1 reads as rewritten:

17 **"§ 115C-105.1. Creation of the Commission.**

18 The General Assembly believes that all children can learn. The General Assembly
19 further believes that all graduates of North Carolina public schools should have mastered
20 the skills required to become productive members of the workforce and succeed in life.
21 The General Assembly further believes that having a highly qualified workforce is
22 essential to strengthening North Carolina's competitive position in the modern world
23 economy, improving workforce productivity, and ensuring a more prosperous future for
24 all our citizens. With that mission as its guide, the General Assembly creates the North
25 Carolina Education Standards and Accountability Commission.

26 The Commission shall be located administratively ~~in the Office of the Governor under~~
27 the State Board of Education but shall exercise all its prescribed statutory powers
28 independently of the ~~Office of the Governor.~~ State Board of Education."

29
30 Requested by: Senators Winner, Plexico

31 **TRANSFER OF NORTH CAROLINA STANDARDS BOARD FOR PUBLIC**
32 **SCHOOL ADMINISTRATION**

33 Sec. 17.13. (a) The North Carolina Standards Board for Public School
34 Administration is transferred from the Office of the Governor to the State Board of
35 Education. This transfer shall have all of the elements of a Type II transfer, as that term
36 is defined in G.S. 143A-6(b).

37 (b) G.S. 115C-290.4(a) reads as rewritten:

38 "(a) The North Carolina Standards Board for Public School Administration is
39 created. The Board shall be located for administrative purposes in the ~~Office of the~~
40 Governor. State Board of Education. The Board shall exercise its powers independently
41 of ~~that Office.~~ the State Board of Education."

42
43 Requested by: Senators Winner, Plexico

REPORTS ON REORGANIZATION

Sec. 17.14. The State Board of Education shall report on a quarterly basis, beginning September 1, 1995, to the Joint Legislative Education Oversight Committee on its progress in reorganizing the Department of Public Instruction, transfers of funds and positions necessitated by the reorganization, and recommended statutory changes necessary to enable the Board to complete the reorganization and to implement the Board's proposed accountability model.

Requested by: Senator Winner, Plexico, Hartsell

SUBSTITUTE TEACHER PAY

Sec. 17.15. (a) G.S. 115C-12(8) reads as rewritten:

"(8) Power to Make Provisions for Sick Leave and for Substitute Teachers. – The Board shall provide for ~~a minimum of five days per school year term of~~ sick leave with pay for all public school employees in accordance with the provisions of this Chapter and shall promulgate rules and regulations providing for necessary substitutes on account of ~~said sick leave.~~ leave and other teacher absences.

The pay for a substitute shall be fixed by the Board. If a teacher assistant assigned to a classroom in kindergarten through third grade acts as a substitute teacher for that classroom, the salary of the teacher assistant for the day shall be the same as the daily salary of an entry-level teacher with an 'A' certificate.

The Board may provide to each local school administrative unit not exceeding one percent (1%) of the cost of instructional services for the purpose of providing substitute teachers for those on sick leave as authorized by law or by regulations of the Board, but not exceeding the provisions made for other State employees."

(b) Substitute teachers who are not certified as teachers but have worked as teacher assistants in the public schools shall be paid at the same rate as substitute teachers who are not certified as teachers but have previously taken teacher effectiveness training.

PART 18. DEPARTMENT OF TRANSPORTATION

Requested by: Representatives Barbee, Bowie, Senator Hoyle

GENERAL SERVICES FOR THE DEPARTMENT OF TRANSPORTATION CONSOLIDATED

Sec. 18. The Facilities Management Branch of the Division of Highways and the General Services Branch of the Division of Motor Vehicles shall be merged into the General Services Division of the Department of Transportation. The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee on or before October 31, 1995, concerning the merger of these three agencies and the savings resulting from the consolidation and elimination of duplication.

1 Requested by: Representatives Barbee, Bowie, Senator Hoyle

2 **ADOPT-A-HIGHWAY PROGRAM**

3 Sec. 18.1. Chapter 136 of the General Statutes is amended by adding a new
4 section to read:

5 "**§ 136-140.1. Adopt-A-Highway.**

6 (a) Notwithstanding any other provision of this Article, the Department of
7 Transportation may permit individuals or groups participating in its Adopt-A-Highway
8 Program access to controlled access facilities for the purpose of removing litter from the
9 right-of-way. Acknowledgment of participation in the program may be indicated by
10 appropriate signs that shall be owned, controlled, and erected by the Department of
11 Transportation. The size, style, specifications, and content of the signs shall be
12 determined in the sole discretion of the Department of Transportation. The Department
13 of Transportation may issue rules and policies necessary to administer the program.

14 (b) Adopt-A-Highway participants may use contract services to clean the roadside
15 of the sections of highway the participants have adopted only in accordance with the rules
16 and policies issued by the Department of Transportation."

17
18 Requested by: Representatives Barbee, Bowie, Senator Hoyle

19 **RAILROAD DIVIDEND USES SUBMITTED AS PART OF ANNUAL**
20 **DEPARTMENT OF TRANSPORTATION BUDGET**

21 Sec. 18.2. G.S. 136-16.6 reads as rewritten:

22 "**§ 136-16.6. Continuing rail appropriations.**

23 (a) There is annually appropriated one hundred percent (100%) of the annual
24 dividends received in the prior fiscal year by the State from its ownership of stock in the
25 North Carolina Railroad Company and the Atlantic and North Carolina Railroad
26 Company to the Highway Fund for use by the Department of Transportation for railroad
27 purposes.

28 (b) The Department of Transportation shall include in its annual budget the
29 purposes for which the annual dividends received by the State from its ownership of
30 stock in the North Carolina Railroad Company will be used.

31 These purposes may include the following project types to be included in the annual
32 Transportation Improvement Program:

- 33 (1) Track and signal improvements for passenger service.
34 (2) Rail passenger stations and multimodal transportation centers.
35 (3) Grade crossing protection, elimination, and hazard removal.
36 (4) Rail rolling stock cars and locomotives.
37 (5) Rail rehabilitation.
38 (6) Industrial rail access."

39
40 Requested by: Representatives Barbee, Bowie, Senator Hoyle

41 **GLOBAL TRANSPARK AUTHORITY TO REIMBURSE HIGHWAY FUND**
42 **FROM FEDERAL SOURCES**

1 Sec. 18.3. When funds are provided from the Highway Fund to the Global
2 TransPark Authority for environmental impact statements or assessments and the Global
3 TransPark Authority applies for and receives reimbursement for those expenses from
4 federal sources up to one million eight hundred thousand dollars (\$1,800,000), the federal
5 reimbursements shall be paid over by the Global TransPark Authority into the Highway
6 Fund within 30 days of receipt. These funds shall be allocated to State-funded
7 maintenance appropriations in the manner approved by the Board of Transportation.
8

9 Requested by: Representatives Barbee, Bowie, Senator Hoyle

10 **AIRCRAFT AND FERRY ACQUISITIONS**

11 Sec. 18.4. Before approving the purchase of an aircraft from the Equipment
12 Fund or a ferry in a Transportation Improvement Program, the Board of Transportation
13 shall prepare an estimate of the operational costs and capital costs associated with the
14 addition of the aircraft or ferry and shall report those additional costs to the General
15 Assembly pursuant to G.S. 136-12(b), and to the Joint Legislative Commission on
16 Governmental Operations.
17

18 Requested by: Representatives Barbee, Bowie, Senator Hoyle

19 **SOME FERRY OPERATIONAL FUNDS REVERTED**

20 Sec. 18.5. Of the unencumbered funds appropriated for Ferry Operations as of
21 June 30, 1995, two hundred thousand dollars (\$200,000) shall revert to the Highway
22 Fund.
23

24 Requested by: Representatives Barbee, Bowie, Senator Hoyle

25 **DEPARTMENT OF TRANSPORTATION TO PAY DEPARTMENT OF** 26 **CORRECTION ONLY FOR ACTUAL MEDIUM CUSTODY INMATE LABOR**

27 Sec. 18.6. The Department of Transportation shall pay the Department of
28 Correction only for the actual labor performed by medium custody inmates.
29

30 Requested by: Senator Hoyle

31 **VISITOR CENTER OPERATIONAL FUNDS**

32 Sec. 18.7. G.S. 20-79.7(c) reads as rewritten:

33 "(c) Use of Funds in Special Registration Plate Account. –

34 (1) The Division shall deduct the costs of special registration plates,
35 including the costs of issuing, handling, and advertising the availability
36 of the special plates, from the Special Registration Plate Account.

37 (2) From the funds remaining in the Special Registration Plate Account
38 after the deductions in accordance with subdivision (1) of this
39 subsection, there is annually appropriated from the Special Registration
40 Plate Account the sum of ~~three hundred twenty five thousand dollars~~
41 ~~(\$325,000) for the 1993-94 fiscal year and the sum of three hundred~~
42 ~~seventy five thousand dollars (\$375,000) for the 1994-95 fiscal year~~

1 four hundred fifty thousand dollars (\$450,000) to provide operating
2 assistance for the Visitor and Welcome Centers:

- 3 a. on U.S. Highway 17 in Camden County, (\$75,000);
4 b. on U.S. Highway 17 in Brunswick County, (\$75,000);
5 c. on U.S. Highway 441 in Macon County, (\$75,000);
6 d. in the Town of Boone, Watauga County, (\$75,000); ~~and~~
7 e. on U.S. Highway 29 in Caswell County, (~~\$25,000~~) ~~for the 1993-~~
8 ~~94 fiscal year and (\$75,000) for the 1994-95 fiscal year.~~
9 (\$75,000); and
10 f. on U.S. Highway 70 in Carteret County, (\$75,000).

11 (3) The Division shall transfer the remaining revenue in the Account
12 quarterly as follows:

- 13 a. Thirty-three percent (33%) to the account of the Department of
14 Commerce to aid in financing out-of-state print and other media
15 advertising under the program for the promotion of travel and industrial
16 development in this State.
17 b. Fifty percent (50%) to the Department of Transportation to be used
18 solely for the purpose of beautification of highways other than those
19 designated as interstate. These funds shall be administered by the
20 Department of Transportation for beautification purposes not
21 inconsistent with good landscaping and engineering principles.
22 c. Seventeen percent (17%) to the account of the Department of
23 Human Resources to promote travel accessibility for disabled
24 persons in this State. These funds shall be used to collect and
25 update site information on travel attractions designated by the
26 Department of Commerce in its publications, to provide technical
27 assistance to travel attractions concerning accommodation of
28 disabled tourists, and to develop, print, and promote the
29 publication ACCESS NORTH CAROLINA as provided in G.S.
30 168-2. Any funds allocated for these purposes that are neither
31 spent nor obligated at the end of the fiscal year shall be
32 transferred to the Department of Administration for removal of
33 man-made barriers to disabled travelers at State-funded travel
34 attractions. Guidelines for the removal of man-made barriers
35 shall be developed in consultation with the Department of
36 Human Resources."
37

38 Requested by: Representatives Barbee, Bowie, Senator Hoyle

39 **HIGHWAY FUND ALLOCATIONS BY CONTROLLER**

40 Sec. 18.8. The Controller of the Department of Transportation shall allocate at
41 the beginning of each fiscal year from the various appropriations made to the Department
42 of Transportation in this act, Titles:

43 State Construction

1 State Funds to Match Federal Highway Aid
2 State Maintenance
3 Ferry Operations,
4 sufficient funds to eliminate all overdrafts on State maintenance and construction
5 projects, and these allocations shall not be diverted to other purposes.
6

7 Requested by: Representatives Barbee, Bowie, Senator Hoyle

8 **CASH FLOW HIGHWAY FUND AND HIGHWAY TRUST FUND**
9 **APPROPRIATIONS**

10 Sec. 18.9. (a) The General Assembly authorizes and certifies anticipated revenues
11 of the Highway Fund as follows:

| | | |
|----|-------------------------|-------------------|
| 12 | For Fiscal Year 1997-98 | \$1,075.6 Million |
| 13 | For Fiscal Year 1998-99 | \$1,093.1 Million |

14 (b) The General Assembly authorizes and certifies anticipated revenues of the
15 Highway Trust Fund as follows:

| | | |
|----|-------------------------|------------------|
| 16 | For Fiscal Year 1997-98 | \$ 775.8 Million |
| 17 | For Fiscal Year 1998-99 | \$ 799.8 Million |

18

19 Requested by: Representatives Barbee, Bowie, Senator Hoyle

20 **HIGHWAY FUND LIMITATIONS ON OVEREXPENDITURES**

21 Sec. 18.10. (a) Overexpenditures from Section 3 of this act may be made by
22 authorization of the Director of the Budget, Titles:

23 State Construction Primary Construction
24 State Construction Urban Construction
25 Spot Safety Construction
26 State Construction Access and Public Service Roads
27 State Funds to Match Federal Highway Aid
28 State Maintenance
29 Ferry Operations,

30 provided that there are corresponding underexpenditures from these same Titles.
31 Overexpenditures or underexpenditures in any Titles shall not vary by more than ten
32 percent (10%) without prior consultation with the Advisory Budget Commission.
33 Written reports covering overexpenditures or underexpenditures of more than ten percent
34 (10%) shall be made to the Joint Legislative Transportation Oversight Committee. The
35 reports shall be delivered to the Director of the Fiscal Research Division not less than 96
36 hours prior to the beginning of the Commission's full meeting.

37 (b) Overexpenditures from Section 3 of this act, Titles:

38 State Construction Primary Construction
39 State Construction Urban Construction
40 Spot Safety Construction
41 State Construction Access and Public Service Roads
42 State Funds to Match Federal Highway Aid
43 State Maintenance

1 Ferry Operations,
2 for the purpose of providing additional positions shall be approved by the Director of the
3 Budget and shall be reported on a quarterly basis to the Joint Legislative Transportation
4 Oversight Committee and to the Fiscal Research Division.

5
6 Requested by: Representatives Barbee, Bowie, Senator Hoyle

7 **RESURFACED ROADS MAY BE WIDENED**

8 Sec. 18.11. Of the contract maintenance resurfacing program funds
9 appropriated in this act to the Department of Transportation, an amount not to exceed
10 fifteen percent (15%) of the Board of Transportation's allocation of these funds may be
11 used for widening existing narrow pavements that are scheduled for resurfacing.

12
13 Requested by: Senator Hoyle

14 **SMALL URBAN CONSTRUCTION PROGRAM DISCRETIONARY FUNDS**

15 Sec. 18.12. Of the funds appropriated in this act to the Department of
16 Transportation, fourteen million dollars (\$14,000,000) shall be allocated in each fiscal
17 year for small urban construction projects. These funds shall be allocated equally in each
18 fiscal year of the biennium among the 14 Highway Divisions for the small urban
19 construction program for small urban construction projects that are located within the
20 area covered by a one-mile radius of the municipal corporate limits. Discretionary funds
21 of fourteen million dollars (\$14,000,000) shall be used statewide for rural or small urban
22 highway improvements as approved by the Secretary of the Department of
23 Transportation.

24 None of these funds used for rural secondary road construction are subject to
25 the county allocation formula as provided in G.S. 136-44.5.

26 The Department of Transportation shall report to the members of the General
27 Assembly on projects funded pursuant to this section in each member's district prior to
28 the Board of Transportation's action. The Department shall make a quarterly
29 comprehensive report on the use of these funds to the Joint Legislative Transportation
30 Oversight Committee and the Fiscal Research Division.

31
32 Requested by: Representatives Barbee, Bowie, Senator Hoyle

33 **HIGHWAY FUND ADJUSTMENTS TO REFLECT ACTUAL REVENUE**

34 Sec. 18.13. Any unreserved credit balance in the Highway Fund on June 30 of
35 each of the fiscal years of this biennium shall support appropriations in the succeeding
36 fiscal year. If all of the balance is not needed for these appropriations, the Director of the
37 Budget may use the remaining excess to establish a reserve for access and public roads, a
38 reserve for unforeseen happening of a state of affairs requiring prompt action as provided
39 by G.S. 136-44.1, and other required reserves. If all of the remaining excess is not used
40 to establish these reserves, the remainder shall be allocated to the State-funded
41 maintenance appropriations in the manner approved by the Board of Transportation. The
42 Board of Transportation shall report monthly to the Joint Legislative Transportation

1 Oversight Committee and the Fiscal Research Division about the use of the reserve for
2 highway and maintenance.

3
4 Requested by: Representatives Barbee, Bowie, Senator Hoyle

5 **DEPARTMENT OF TRANSPORTATION EXEMPTION FROM GENERAL**
6 **STATUTES FOR EXPERIMENTAL PROJECT-CONGESTION**
7 **MANAGEMENT**

8 Sec. 18.14. The Department of Transportation may enter into a design-build-
9 warrant contract to develop, with Federal Highway Administration participation under
10 The 1991 Intermodal Surface Transportation Efficiency Act, Title VI, Part B, Sections
11 6051-6059, a "Congestion Avoidance and Reduction for Autos and Trucks (CARAT)"
12 system of traffic management for the greater Charlotte-Mecklenburg urban areas.
13 Notwithstanding any other provision of law, contractors, contractors' employees, and
14 Department of Transportation employees involved in this project only do not have to be
15 licensed by occupational licensing boards as "license" and "occupational licensing board"
16 are defined in G.S. 93B-1; and for the purpose of entering into contracts, the Department
17 of Transportation is exempted from the provisions of the following General Statutes: G.S.
18 136-28.1, 143-52, 143-53, 143-58, 143-128, and 143-129. These statutory exemptions
19 are limited and available only to the extent necessary to comply with federal rules,
20 regulations, and policies for completion of this project.

21 The Department of Transportation shall report quarterly to the Joint Legislative
22 Transportation Oversight Committee on its efforts to enter into a design-build-warrant
23 contract and to award and construct the project. The report shall include, but not be
24 limited to, the number of types of firms bidding on the project, special qualifications of
25 the firms bidding, and the effect statutory exemptions might have had on the award and
26 construction of the project and the receipt of federal discretionary funding for the project.

27
28 Requested by: Representatives Barbee, Bowie, Senator Hoyle

29 **BRANCH AGENT/DMV COST COMPARISON**

30 Sec. 18.16. The Division of Motor Vehicles shall conduct a cost comparison
31 study comparing the costs of services provided by contract branch agents with the cost of
32 providing those services at the Division of Motor Vehicles offices in Raleigh and
33 Charlotte. The study shall also include an analysis of the impact the planned vehicle
34 registration computer system improvements will have on the cost, efficiency, and
35 delivery of services to the public. The Division of Motor Vehicles shall report the results
36 of the study to the Joint Legislative Transportation Oversight Committee by March 1,
37 1996.

38
39 Requested by: Senator Hoyle

40 **STUDY OF DRIVERS LICENSE MEDICAL EVALUATION PROGRAM**

41 Sec. 18.17. (a) There is established in the General Assembly a Commission to
42 study the Drivers License Medical Evaluation Program operated pursuant to G.S. 20-9.
43 The Commission shall study:

- 1 (1) Whether the program should be modified or abolished;
2 (2) Whether the program should be transferred entirely to the Division of
3 Motor Vehicles rather than involving reviews by the Commission for
4 Health Services; and
5 (3) How applicants for drivers licenses should be removed from the
6 program when their conditions improve.

7 (b) The Commission shall be composed of six members appointed as follows:

- 8 (1) Three members appointed by the President Pro Tempore of the Senate,
9 at least two of whom shall be members of the Senate at the time of their
10 appointment; and
11 (2) Three members appointed by the Speaker of the House of
12 Representatives, at least two of whom shall be members of the House of
13 Representatives at the time of their appointment.

14 The President Pro Tempore of the Senate and the Speaker of the House of
15 Representatives shall each select a legislative member from their appointments to serve
16 as cochair of the Commission. Meetings shall be held at the call of the cochairs.

17 All members shall serve at the will of their appointing officer. Unless
18 removed, or having resigned, members shall serve until the Commission has made its
19 report. Vacancies in membership shall be filled by the officer having made the original
20 appointment.

21 (c) Upon approval of the Legislative Services Commission, the Legislative
22 Administrative Officer shall assign appropriate professional and clerical staff from the
23 Fiscal Research, Research, or Bill Drafting Divisions of the Legislative Services Office
24 of the General Assembly to assist with the study. Clerical staff shall be furnished to the
25 Commission through the Senate and House of Representatives' Supervisors of Clerks.
26 The employment of the clerical staff shall be borne by the Commission. The
27 Commission may meet in the Legislative Building or the Legislative Office Building
28 upon the approval of the Legislative Services Commission. The Commission, while in
29 the discharge of its official duties may exercise all the powers provided under the
30 provisions of G.S. 120-19 through G.S. 120-19.4, including the power to request all
31 officers, agents, agencies, and departments of the State to provide any information and
32 any data within their possession and ascertainable from their records, and the power to
33 subpoena witnesses.

34 The Commission may request the assistance of the Department of
35 Environment, Health, and Natural Resources, the Department of Transportation, and the
36 Office of State Budget and Management in conducting this study.

37 Members of the Commission shall receive per diem, subsistence, and travel
38 allowances as provided by law.

39 The Commission may make an interim report, including any legislative
40 proposals, to the 1995 General Assembly, Regular Session 1996, and shall make a final
41 report, including any legislative proposals, to the 1997 General Assembly.

42
43 Requested by: Representatives Barbee, Bowie, Senator Hoyle

REVERSIONS FOR HIGHWAY FUND PROJECTS

Sec. 18.18. Except as permitted in other sections of this act, the appropriations for capital improvements from the Highway Fund made by the 1995 General Assembly may be expended only for the specific projects set out by the 1995 General Assembly and for no other purpose.

Construction of all capital improvement projects enumerated by the 1995 General Assembly shall be commenced, or self-liquidating indebtedness with respect to them shall be incurred, within 12 months following the first day of the fiscal year in which the funds are available.

If construction contracts on those projects have not been awarded or self-liquidating indebtedness has not been incurred within that period, the direct appropriation for those projects shall revert to the Highway Fund, and the self-liquidating appropriation shall lapse; except that direct appropriations may be placed in a reserve fund if so authorized in this act.

This deadline with respect to both direct and self-liquidating appropriations from the Highway Fund may be extended with the approval of the Director of the Budget up to an additional 12 months if circumstances and conditions warrant such extension.

Requested by: Representatives Barbee, Bowie, Senator Hoyle

CAPITAL REVERSIONS

Sec. 18.19. (a) The funds remaining unencumbered from the following projects shall revert to the Highway Fund:

DMV Additions Sec. 4 of Chapter 1101 of the 1987 Session Laws.

DMV Additions Sec. 6 of Chapter 754 of the 1989 Session Laws.

DMV Warehouse Sec. 6 of Chapter 754 of the 1989 Session Laws.

Land, Asheville Sec. 8 of Chapter 1074 of the 1989 Session Laws.

DMV Electrical Sec. 236.1 of Chapter 689 of the 1991 Session Laws.

DMV Building Sec. 5 of Chapter 561 of the 1993 Session Laws.

(b) From the funds reverted to the Highway Fund by subsection (a) of this section, sufficient funds shall be used to close the accounts on the following projects:

Handicap

Modifications Sec. 4 of Chapter 1101 of the 1987 Session Laws.

Statesville DMV Sec. 236.1 of Chapter 689 of the 1991 Session Laws.

Handicap

Modifications Sec. 236.1 of Chapter 689 of the 1991 Session Laws.

1
2 Fire Alarm Sec. 30 of Chapter 1044 of the 1991 Session Laws.

3
4 Goldsboro DMV Sec. 30 of Chapter 1044 of the 1991 Session Laws.

5
6 Kinston DMV Sec. 30 of Chapter 1044 of the 1991 Session Laws.

7
8 Requested by: Representatives Barbee, Bowie, Senator Hoyle

9 **UNSPENT BEAUFORT REST AREA FUNDS TO REVERT TO HIGHWAY**
10 **FUND**

11 Sec. 18.20. Unused funds appropriated to the Department of Administration
12 pursuant to Section 106 of Chapter 900 of the 1991 Session Laws shall revert to the
13 Highway Fund.

14
15 Requested by: Representatives Barbee, Bowie, Senator Hoyle

16 **LAND SALES PROCEEDS TO BE APPROPRIATED**

17 Sec. 18.21. The proceeds from the sales of the following properties shall be
18 placed in a capital reserve to be appropriated by the 1996 General Assembly for capital
19 projects to be funded during the 1996-97 fiscal year:

20 Goldsboro - Old District Office/Maintenance Yard

21 Durham - Property at 320 Club Drive

22 Dare County - Old Bridge Maintenance Yard

23 Greenville - Maintenance Subyard

24 Cashiers - Storage Yard.

25
26 Requested by: Representatives Barbee, Bowie, Senator Hoyle

27 **HIGHWAY FUND/HIGHWAY TRUST FUND FINANCIAL MODEL**

28 Sec. 18.22. The Joint Legislative Transportation Oversight Committee shall
29 prepare a request for proposal (RFP), select a qualified firm from bids submitted in
30 response to the RFP to develop a Highway Fund/Highway Trust Fund financial model,
31 and contract with that firm to develop the financial model by March 31, 1996, at a cost
32 not to exceed sixty thousand dollars (\$60,000). The funds to pay for the development of
33 the financial model shall come from the Highway Trust Fund.

34 The financial model shall be a computer-based financial model used to project
35 long-term expenditure and revenue trends under various simulations. The model will
36 identify quantitatively the long-term "structural" implications of the interplay between the
37 Highway Fund and the Highway Trust Fund budget, the economy, and selected
38 demographic factors.

39
40 Requested by: Representatives Barbee, Bowie, Senator Hoyle

41 **STATE PRINTING OFFICER TO STUDY STATE PRINTING SERVICES**

1 Sec. 18.23. The State Printing Officer in the Division of Purchase and
2 Contract, Department of Administration, shall study State government printing services
3 to determine, inter alia:

- 4 (1) The feasibility of continuing separate departmental in-house printing
5 operations;
- 6 (2) The feasibility of the increased use of Correction Enterprises printing
7 services; and
- 8 (3) Whether contracting out printing orders worth more than ten thousand
9 dollars (\$10,000) would provide savings to the State.

10 The State Printing Officer shall submit a report on his findings to the Joint
11 Legislative Commission on Governmental Operations on or before October 31, 1995.

12
13 Requested by: Representatives Barbee, Bowie, Senator Hoyle

14 **FINANCIAL ACCOUNTING AND REPORTING FUNDS REVERTED**

15 Sec. 18.24. Of the funds appropriated in fiscal year 1992-93 for the purpose of
16 beginning the implementation of a new financial accounting and reporting system for the
17 Department of Transportation, the sum of one million three hundred thousand dollars
18 (\$1,300,000) shall revert to the Highway Fund on June 30, 1995.

19 The remaining unencumbered and unspent funds shall be used by the
20 Department of Transportation in a joint effort with the Office of the State Controller to
21 develop a comprehensive plan for the new financial accounting and reporting system for
22 presentation to the 1996 Session of the General Assembly.

23 The comprehensive plan shall provide for the complete financial accounting
24 and reporting requirements of the Department including those for work order funding and
25 costing, billing for Federal Highway Aid and other sums owed to the Department,
26 payment to highway and engineering contractors, fleet management and inventory
27 management as well as core accounting functions of purchasing, accounts payable,
28 accounts receivable, budget preparation, budget control, fixed assets, and grant
29 accounting.

30 For all the above functions, the comprehensive plan shall identify:

- 31 (1) The processing concepts and methods that will be employed;
- 32 (2) The computer hardware and software and associated manual processes
33 required to perform the required functions efficiently and effectively;
- 34 (3) The implementation cost for the computer hardware and software and
35 related costs such as training;
- 36 (4) The time required for implementation;
- 37 (5) The projected operating costs for the new system; and
- 38 (6) The projected operating savings, if any.

39 The planned system shall conform to the applicable standards and requirements
40 of the State Accounting System.

41 The Department shall make quarterly reports on the development of the plan to
42 the Joint Legislative Transportation Oversight Committee.

43

1 Requested by: Senator Hoyle

2 **ALLOCATION OF FUNDS FOR DRIVER TRAINING**

3 Sec. 18.27. In allocating funds for driver training, the State Board of
4 Education shall consider the needs of small and low-wealth local school administrative
5 units.

6

7 Requested by: Senator Hoyle

8 **RADIO ISLAND RAILROAD TRESTLE FUNDS**

9 Sec. 18.28. (a) Section 68 of Chapter 561 of the 1993 Session Laws reads as
10 rewritten:

11 "Sec. 68. Of the funds appropriated in this act from the General Fund to the ~~North~~
12 ~~Carolina Ports Railway Commission, the Department of Transportation,~~ the sum of two
13 hundred fifty thousand dollars (\$250,000) for the 1993-94 fiscal year shall be used to
14 plan for the replacement of the wooden trestle over the Newport River on the Beaufort
15 and Morehead Railroad with a modern concrete trestle.

16 ~~The Attorney General and the Department of Transportation shall identify legal issues~~
17 ~~related to the design, construction, and operation of the new trestle and shall report to the~~
18 ~~Joint Legislative Commission on Governmental Operations and to the Fiscal Research~~
19 ~~Division of the Legislative Services Office not later than March 1, 1994, on options~~
20 ~~available to resolve those issues."~~

21 (b) The Department of Transportation shall proceed with the planning and
22 construction of the trestle, Project P-3100 in the 1996-2002 Transportation Improvement
23 Program, and shall commence construction of the trestle during calendar year 1996. The
24 completed bridge shall be added to the State System for maintenance purposes.

25

26 Requested by: Senator Hoyle

27 **CHARLOTTE MOTOR SPEEDWAY PEDESTRIAN BRIDGE**

28 Sec. 18.29. The Department of Transportation may permit private
29 encroachments on the highway right-of-way of U.S. 29 in Cabarrus County for pedestrian
30 bridges and tunnels to provide access for pedestrians and vehicles from the Charlotte
31 Motor Speedway property on the north side of U.S. 29 to the Charlotte Motor Speedway
32 property located on the south side of U.S. 29. Locations, plans, and specifications for the
33 pedestrian bridges and tunnels shall be approved by the Department.

34 The encroachments shall not unreasonably interfere with or obstruct the public
35 use of U.S. 29 and shall be subject to all other rules, regulations, and conditions of the
36 Department of Transportation for encroachments.

37

38 Requested by: Senator Hoyle

39 **ROOFING REPAIR REVERSIONS**

40 Sec. 18.30. Funds remaining unencumbered from the following roofing repair
41 projects shall revert to the Highway Fund:

42

43 Roofing Sec. 8 of Chapter 1074 of the 1989 Session Laws.

1
2 Roofing Sec. 236.1 of Chapter 689 of the 1991 Session Laws.

3
4 Roofing Sec. 30 of Chapter 1044 of the 1991 Session Laws.

5
6 Roofing Sec. 5 of Chapter 561 of the 1993 Session Laws.

7
8 **PART 19. DEPARTMENT OF CORRECTION**

9
10 Requested by: Representatives Justus, Thompson, Redwine, Senator Ballance

11 **AMEND CRIMINAL JUSTICE PARTNERSHIP ACT**

12 Sec. 19. G.S. 143B-273.15 reads as rewritten:

13 **"§ 143B-273.15. Funding formula.**

14 To determine the grant amount for which a county or counties may apply, the granting
15 authority shall apply the following formula:

16 (a) (1) Twenty percent (20%) of the total ~~fund~~ fiscal year
17 appropriation plus any unspent or unclaimed funds in the Account
18 shall be distributed in the discretion of the Secretary to encourage
19 innovative efforts to develop multicounty projects; to encourage
20 cooperation and collaboration among existing services and avoid
21 duplication of efforts; to provide for technical assistance to the
22 counties in the development of county plans and in the evaluation of
23 programs funded under this Article; to encourage the renovation of
24 existing facilities; and to encourage innovative substance abuse
25 programs.

26 (b) (2) Of the remaining eighty percent (80%) of the ~~fund~~ fiscal year
27 appropriation, a total funding amount will be set for each county
28 based upon the following variables:

29 (1) a. Twenty percent (20%) based on a fixed equal dollar amount for each
30 county;

31 (2) b. Sixty percent (60%) based on the county share of the State
32 population; and

33 (3) c. Twenty percent (20%) based on the supervised probation admissions
34 rate for the county.

35 The sum of the amounts in subdivisions (1), (2), and (3) is the total amount of the
36 funding that a county may apply for under this subsection.

37 Grants to participating counties are for a period of one fiscal year with unobligated
38 funds being returned to the Account at the end of the grant period. Funds are provided to
39 participating counties on a reimbursement basis unless a county documents a need for an
40 advance of grant funds."

41
42 Requested by: Senator Ballance

43 **LIMIT USE OF OPERATIONAL FUNDS**

1 Sec. 19.1. Funds appropriated in this act to the Department of Correction for
2 operational costs for additional facilities shall be used for personnel and operating
3 expenses set forth in the budget approved by the General Assembly in this act. These
4 funds may not be expended for any other purpose, except as provided for in this act, and
5 may not be expended for additional prison personnel positions until the new facilities are
6 within 90 days of projected completion, except for certain management, security, and
7 support positions necessary to prepare the facility for opening, as authorized in the budget
8 approved by the General Assembly.

9
10 Requested by: Representatives Justus, Thompson, Senator Ballance

11 **REPORT ON SUMMIT HOUSE**

12 Sec. 19.2. Summit House shall report quarterly during each year of the 1995-
13 97 biennium to the Joint Legislative Commission on Governmental Operations on the (i)
14 expenditure of State appropriations and on the effectiveness of the program, including
15 information on the number of clients served, the number of clients who have their
16 probation revoked, and the number of clients who successfully complete the program
17 while housed at Summit House; and (ii) the expansion of its program into Mecklenburg
18 and Wake Counties.

19
20 Requested by: Senators Ballance, Odom

21 **SUMMIT HOUSE FUNDS SHALL NOT REVERT**

22 Sec. 19.2A. (a) The balance of the nine hundred thousand dollars (\$900,000)
23 appropriated in Chapter 321 of the 1993 Session Laws to the Department of Correction
24 for the 1994-95 fiscal year for support and expansion of the programs at Summit House
25 in Greensboro and Mecklenburg and Wake Counties shall not revert at the end of the
26 fiscal year but shall remain in the Department for that purpose.

27 (b) This section becomes effective June 30, 1995.

28
29 Requested by: Representatives Justus, Thompson, Senator Ballance

30 **REPORT ON BOOT CAMPS**

31 Sec. 19.3. Subsection (c) of Section 19 of Chapter 24 of the Session Laws of
32 the 1994 Extra Session reads as rewritten:

33 "(c) The Department of Correction shall evaluate the IMPACT program and the
34 post-Boot Camp probation program funded under this section and report by January 1 of
35 each year to the Joint Legislative Commission on Governmental Operations, the Joint
36 Legislative Corrections Oversight Committee, and the Fiscal Research ~~Division prior to~~
37 ~~January 1, 1995, and annually thereafter.~~ Division. The evaluation of the IMPACT
38 program and the post-Boot Camp probation program shall compare include a comparison
39 of that program's effectiveness, cost, and recidivism rate to other corrections programs
40 for offenders aged 16-25 in the same age group and similar offense classes as that
41 covered by the IMPACT program. ~~The evaluation of the post-Boot Camp probation~~
42 ~~program shall compare that program's effectiveness, cost, and recidivism rate to other~~
43 ~~probation programs for offenders aged 16-25."~~

1
2 Requested by: Senator Ballance
3 **HARRIET'S HOUSE FUNDS SHALL NOT REVERT**
4 Sec. 19.6. (a) The balance of the two hundred thousand dollars (\$200,000)
5 appropriated in Chapter 769 of the 1993 Session Laws to the Department of Correction
6 for the 1994-95 fiscal year to support the programs at Harriet's House shall not revert at
7 the end of the fiscal year but shall remain in the Department to be used for program
8 operating costs, the purchase of equipment, and the rental of real property.
9 (b) This section becomes effective June 30, 1995.

10
11 Requested by: Senator Ballance
12 **REPORT ON TRANSFER OF COMMUNITY SERVICE WORK PROGRAM TO**
13 **THE DEPARTMENT OF CORRECTION**
14 Sec. 19.7. The Department of Correction shall report quarterly beginning
15 October 1, 1995, to the Joint Legislative Corrections Oversight Committee and the Chairs
16 of the Senate and House Appropriations Subcommittees on Justice and Public Safety on
17 the integration of the community service work program into the Department of
18 Correction, Division of Adult Probation and Parole. The report shall:
19 (1) Identify any changes in the organizational structure of the community
20 service work program and probation and parole as a result of the
21 transfer;
22 (2) List the number and type of position classification changes for
23 community service work program positions and any accompanying
24 salary and grade increases or reductions;
25 (3) Describe any changes in the responsibilities and activities of the
26 community service work program;
27 (4) List the number of community service work program positions assigned
28 to each judicial district as of June 30, 1995, compared to position
29 numbers by district for each quarter thereafter; and
30 (5) Provide a progress report on any potential efficiencies and budget
31 savings that result from reorganization or integration of the community
32 service work program.

33
34 Requested by: Senator Ballance
35 **SUBSTANCE ABUSE FUNDS SHALL NOT REVERT**
36 Sec. 19.8. (a) The balance of the one hundred thousand dollars (\$100,000)
37 appropriated in Chapter 591 of the 1993 Session Laws to the Department of Correction
38 for the 1994-95 fiscal year for a pilot community-based treatment program for alcohol
39 and drug abusers on probation and parole shall not revert at the end of the fiscal year but
40 shall remain in the Department for that purpose.
41 (b) This section becomes effective June 30, 1995.

42
43 **PART 20. DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY**

1
2 Requested by: Representatives Justus, Thompson, Senator Ballance
3 **LEGISLATIVE REVIEW OF DRUG LAW ENFORCEMENT AND OTHER**
4 **GRANTS**

5 Sec. 20. (a) Section 1303(4) of the Omnibus Crime Control and Safe Streets Act
6 of 1968 provides that State applications for drug law enforcement grants are subject to
7 review by the State legislature or its designated body.

8 (b) The North Carolina General Assembly hereby provides that State applications
9 for grants under the State and Local Law Enforcement Assistance Act of 1986, Part M of
10 the Omnibus Crime Control and Safe Streets Act of 1968 as enacted by Subtitle K of P.L.
11 99-570, the Anti-Drug Abuse Act of 1986, are subject to review by the Joint Legislative
12 Commission on Governmental Operations if at the time of review the General Assembly
13 is not in session. Any State agency submitting a grant application for review shall also
14 report to the House Appropriations Subcommittee on Justice and Public Safety and to the
15 Senate Appropriations Subcommittee on Justice and Public Safety with regard to the
16 grant.

17 (c) Unless a State statute provides a different forum for review, when a federal law
18 or regulation provides that a State application for a grant must be reviewed by the State
19 legislature or its designated body and at the time of the review the General Assembly is
20 not in session, that application shall be reviewed by the Joint Legislative Commission on
21 Governmental Operations. Any State agency submitting a grant application for review
22 shall also report to the House Appropriations Subcommittee on Justice and Public Safety
23 and to the Senate Appropriations Committee on Justice and Public Safety with regard to
24 the grant.

25
26 Requested by: Senator Ballance
27 **ELIMINATE DEPARTMENT OF CRIME CONTROL AND PUBLIC**
28 **SAFETY/RELOCATE DIVISIONS**

29 Sec. 20.4. (a) There is established within the Office of the Governor the Office of
30 Public Safety.

31 (b) The statutory authority, powers, duties, and functions, records, personnel,
32 property, unexpended balances of appropriations, allocations or other funds, including the
33 functions of budgeting and purchasing, of the Crime Prevention Division of the
34 Department of Crime Control and Public Safety are transferred to the Department of
35 Justice.

36 (c) The statutory authority, powers, duties, and functions, records, personnel,
37 property, unexpended balances of appropriations, allocations or other funds, including the
38 functions of budgeting and purchasing, of the Highway Patrol Division of the Department
39 of Crime Control and Public Safety are transferred to the Office of Public Safety in the
40 Office of the Governor.

41 (d) The statutory authority, powers, duties, and functions, records, personnel,
42 property, unexpended balances of appropriations, allocations or other funds, including the
43 functions of budgeting and purchasing, of the Department of Crime Control and Public

1 Safety, Division of Victim and Justice Services, to conduct the Community Service Work
2 Program, are transferred to the Department of Correction, Division of Adult Probation
3 and Parole.

4 (e) The statutory authority, powers, duties, and functions, records, personnel,
5 property, unexpended balances of appropriations, allocations or other funds, including the
6 functions of budgeting and purchasing, of the Department of Crime Control and Public
7 Safety, Division of Victim and Justice Services, to conduct the Crime Victims
8 Compensation Program, are transferred to the Administrative Office of the Courts.

9 (f) The statutory authority, powers, duties, and functions, records, personnel,
10 property, unexpended balances of appropriations, allocations or other funds, including the
11 functions of budgeting and purchasing, of the Alcohol Law Enforcement Division of the
12 Department of Crime Control and Public Safety are transferred to the Department of
13 Justice.

14 (g) The statutory authority, powers, duties, and functions, records, personnel,
15 property, unexpended balances of appropriations, allocations or other funds, including the
16 functions of budgeting and purchasing, of the Emergency Management Division of the
17 Department of Crime Control and Public Safety are transferred to the Office of Public
18 Safety in the Office of the Governor.

19 (h) The statutory authority, powers, duties, and functions, records, personnel,
20 property, unexpended balances of appropriations, allocations or other funds, including the
21 functions of budgeting and purchasing, of the National Guard Division of the Department
22 of Crime Control and Public Safety are transferred to the Office of Public Safety in the
23 Office of the Governor.

24 (i) The statutory authority, powers, duties, and functions, records, personnel,
25 property, unexpended balances of appropriations, allocations or other funds, including the
26 functions of budgeting and purchasing, of the Civil Air Patrol Division of the Department
27 of Crime Control and Public Safety are transferred to the Office of Public Safety in the
28 Office of the Governor.

29 (j) The statutory authority, powers, duties, and functions, records, personnel,
30 property, unexpended balances of appropriations, allocations or other funds, including the
31 functions of budgeting and purchasing, of the Governor's Crime Commission of the
32 Department of Crime Control and Public Safety are transferred to the Office of Public
33 Safety in the Office of the Governor.

34 (k) The statutory authority, powers, duties, and functions, records, personnel,
35 property, unexpended balances of appropriations, allocations or other funds, including the
36 functions of budgeting and purchasing, of the Butner Public Safety Division of the
37 Department of Crime Control and Public Safety are transferred to the Office of Public
38 Safety in the Office of the Governor.

39 (l) G.S. 143B-475.1 is recodified as G.S. 143B-264.1. The Revisor of Statutes
40 shall change any reference in that section to "Crime Control and Public Safety" to
41 "Correction".

42 (m) Part 3A of Article 11 of Chapter 143B of the General Statutes, G.S. 143B-
43 480.1 through G.S. 143B-480.3, is recodified as Subchapter XIV, Article 62 of Chapter

1 7A of the General Statutes, G.S. 7A-778 through G.S. 7A-780. The Revisor of Statutes
2 shall change any reference to "Department of Crime Control and Public Safety" to
3 "Administrative Office of the Courts" and any reference to "Secretary" to "Director of the
4 Administrative Office of the Courts".

5 (n) Chapter 147 of the General Statutes is amended by adding a new Article
6 3C to be entitled "Office of Public Safety".

7 (o) Part 5A of Article 11 of Chapter 143B of the General Statutes, G.S. 143B-
8 495 through G.S. 143B-499.6, is recodified as Part 1 of Article 3C of Chapter 147 of the
9 General Statutes, G.S. 147-33.30 through G.S. 147-33.40. The Revisor of Statutes shall
10 change any reference to "Department of Crime Control and Public Safety" to "Office of
11 Public Safety" and shall change any reference to "Secretary" or "Secretary of Crime
12 Control and Public Safety" to "Director of the Office of Public Safety".

13 (p) Part 5 of Article 11 of Chapter 143B of the General Statutes, G.S. 143B-
14 490 through G.S. 143B-492, is recodified as Part 2 of Article 3C of Chapter 147 of the
15 General Statutes, G.S. 147-33.45 through G.S. 147-33.47. The Revisor of Statutes shall
16 change any reference to "Department of Crime Control and Public Safety" to "Office of
17 Public Safety" and shall change any reference to "Secretary" to "Director of the Office of
18 Public Safety".

19 (q) Part 3 of Article 11 of Chapter 143B of the General Statutes, G.S. 143B-
20 478 through G.S. 143B-480, is recodified as Part 3 of Article 3C of Chapter 147 of the
21 General Statutes, G.S. 147-33.50 through G.S. 147-33.52.

22 (r) Article 11 of Chapter 143B is repealed, and the Department of Crime
23 Control and Public Safety is abolished.

24 (s) The Revisor of Statutes shall change any reference to "Department of
25 Crime Control and Public Safety" to "Department of Justice" and any references to
26 "Secretary of Crime Control and Public Safety" to "Attorney General" whenever they
27 appear in each of the following sections of the General Statutes:

28 (1) G.S. 18B-101. Definitions.

29 (2) G.S. 18B-500. Alcohol law-enforcement agents.

30 (3) G.S. 20-39. Administering and enforcing law; rules and regulations;
31 agents, etc.; seal; fees; licenses and plates for undercover officers.

32 (4) G.S. 105-259. Secrecy required of officials; penalty for violation.

33 (t) The Revisor of Statutes shall change any references to "Crime Control and
34 Public Safety", "Department of Crime Control and Public Safety", or "Department" to
35 "Office of Public Safety" and any references to "Secretary" or "Secretary of Crime Control
36 and Public Safety" to "Director of the Office of Public Safety" whenever they appear in
37 each of the following sections of the General Statutes:

38 (1) G.S. 7A-289.13. Legislative intent.

39 (2) G.S. 8-50.2. Results of speed-measuring instruments; admissibility.

40 (3) G.S. 17C-6. Powers of Commission.

41 (4) G.S. 20-184. Patrol under supervision of Department of Crime Control
42 and Public Safety.

43 (5) G.S. 20-185. Personnel; appointment; salaries.

- 1 (6) G.S. 20-186. Oath of office.
- 2 (7) G.S. 20-187. Orders and rules for organization and conduct.
- 3 (8) G.S. 20-187.1. Awards.
- 4 (9) G.S. 20-187.3. Quotas prohibited.
- 5 (10) G.S. 20-188. Duties of Highway Patrol.
- 6 (11) G.S. 20-189. Patrolmen assigned to Governor's office.
- 7 (12) G.S. 20-190. Uniforms; motor vehicles and arms; expense incurred;
- 8 color of vehicle.
- 9 (13) G.S. 20-191. Use of facilities.
- 10 (14) G.S. 20-192. Shifting of patrolmen from one district to another.
- 11 (15) G.S. 20-195. Cooperation between patrol and local officers.
- 12 (16) G.S. 20-196. Statewide radio system authorized; use of telephone lines
- 13 in emergencies.
- 14 (17) G.S. 20-196.3. Who may hold supervisory positions over uniformed
- 15 personnel.
- 16 (18) G.S. 66-165. Permits required.
- 17 (19) G.S. 66-166. Exemption from permits.
- 18 (20) G.S. 66-168. Bond or trust account required.
- 19 (21) G.S. 104E-8. Radiation Protection Commission – Members; selections;
- 20 removal; compensation; quorum; services.
- 21 (22) G.S. 122C-408. Butner Public Safety Division of the Department of
- 22 Crime Control and Public Safety; jurisdiction; fire and police district.
- 23 (23) G.S. 122C-409. Community of Butner comprehensive emergency
- 24 management plan.
- 25 (24) G.S. 122C-411. Fire protection contracts.
- 26 (25) G.S. 127A-17.1. Confidentiality of national guard records.
- 27 (26) G.S. 127A-20. Administrative and operational relationships of the
- 28 Adjutant General.
- 29 (27) G.S. 127A-80. Authority to organize and maintain State defense militia
- 30 of North Carolina.
- 31 (28) G.S. 127A-81. State defense militia cadre.
- 32 (29) G.S. 127A-107. Rate of pay for other service.
- 33 (30) G.S. 127A-139. Allowance made to different organizations and
- 34 personnel.
- 35 (31) G.S. 127A-162. Authority to foster development of armories and
- 36 facilities.
- 37 (32) G.S. 127A-163. Powers of Department specified.
- 38 (33) G.S. 127A-164. Power to acquire land, make contracts, etc.
- 39 (34) G.S. 143B-181. Governor's Advisory Council on Aging – members;
- 40 selection; quorum; compensation.
- 41 (35) G.S. 143B-478, as recodified as G.S. 147-33.50 by Section 17 of this act.
- 42 Governor's Crime Commission – creation; composition; terms;
- 43 meetings, etc.

- 1 (36) G.S. 143B-479, as recodified as G.S. 147-33.51 by Section 17 of this
- 2 act. Governor's Crime commission – powers and duties.
- 3 (37) G.S. 164-37. Membership; chairman; meetings; quorum.
- 4 (38) G.S. 166A-5. State emergency management.
- 5 (39) G.S. 166A-6. State of disaster.
- 6 (40) G.S. 166A-6.1. Emergency planning; charge.
- 7 (41) G.S. 166A-21. Definitions.
- 8 (42) G.S. 166A-22. Hazardous materials emergency response program.
- 9 (43) G.S. 166A-23. Contracts; equipment loans.
- 10 (44) G.S. 166A-26. Regional Response Team Advisory Committee.
- 11 (45) G.S. 166A-27. Action for the recovery of costs of hazardous materials
- 12 emergency response.
- 13 (46) G.S. 166A-28. Hazardous Materials Emergency Response Fund.

14 (u) The Revisor of Statutes shall delete any references to "the Secretary of
 15 Crime Control and Public Safety", "Secretary of the Department of Crime Control and
 16 Public Safety", "Department of Crime Control and Public Safety", or "Crime Control and
 17 Public Safety", and delete any extraneous punctuation, whenever these references appear
 18 in the following sections of the General Statutes:

- 19 (1) G.S. 58-78-1. State Fire and Rescue Commission created: membership.
- 20 (2) G.S. 126-5. Employees subject to Chapter; exemptions.
- 21 (3) G.S. 127A-35. Elimination and disposition of officers; efficiency board;
- 22 transfer to inactive status.
- 23 (4) G.S. 127A-42. Distinguished Service Medal by Governor of North
- 24 Carolina.
- 25 (5) G.S. 143-341. Powers and duties of Department.
- 26 (6) G.S. 143B-2. Interim applicability of the Executive Organization Act of
- 27 1973.
- 28 (7) G.S. 143B-417. North Carolina Internship Council – creation; powers
- 29 and duties.
- 30 (8) G.S. 143B-426.22. Governor's Management Council.
- 31 (v) G.S. 7A-343.1 reads as rewritten:

32 **"§ 7A-343.1. Distribution of copies of the appellate division reports.**

33 The Administrative Officer of the Courts shall, at the State's expense distribute such
 34 number of copies of the appellate division reports to federal, State departments and
 35 agencies, and to educational institutions of instruction, as follows:

| | |
|--|----|
| 36 Governor, Office of the | 1 |
| 37 Lieutenant Governor, Office of the | 1 |
| 38 Secretary of State, Department of the | 2 |
| 39 State Auditor, Department of the | 1 |
| 40 Treasurer, Department of the State | 1 |
| 41 Superintendent of Public Instruction | 1 |
| 42 Office of the Attorney General | 11 |
| 43 State Bureau of Investigation | 1 |

| | | |
|----|---|--------------|
| 1 | Agriculture, Department of | 1 |
| 2 | Labor, Department of | 1 |
| 3 | Insurance, Department of | 1 |
| 4 | Budget Bureau, Department of Administration | 1 |
| 5 | Property Control, Department of Administration | 1 |
| 6 | State Planning, Department of Administration | 1 |
| 7 | Board of Environment, Health, and Natural Resources | 1 |
| 8 | Revenue, Department of | 1 |
| 9 | Board of Human Resources | 1 |
| 10 | Commission for the Blind | 1 |
| 11 | Board of Transportation | 1 |
| 12 | Motor Vehicles, Division of | 1 |
| 13 | Utilities Commission | 8 |
| 14 | Industrial Commission | 11 |
| 15 | Office of Administrative Hearings | 2 |
| 16 | Community Colleges, Department of | 38 |
| 17 | Employment Security Commission | 1 |
| 18 | Commission of Correction | 1 |
| 19 | Parole Commission | 1 |
| 20 | Archives and History, Division of | 1 |
| 21 | Crime Control and Public Safety, Department of | 2 |
| 22 | Department of Cultural Resources | 3 |
| 23 | Legislative Building Library | 2 |
| 24 | Justices of the Supreme Court | 1 |
| 25 | ea. | |
| 26 | Judges of the Court of Appeals | 1 |
| 27 | ea. | |
| 28 | Judges of the Superior Court | 1 |
| 29 | ea. | |
| 30 | Clerks of the Superior Court | 1 |
| 31 | ea. | |
| 32 | District Attorneys | 1 |
| 33 | ea. | |
| 34 | Emergency and Special Judges of the Superior Court | 1 |
| 35 | ea. | |
| 36 | Supreme Court | Library |
| 37 | | A |
| 38 | S MANY AS REQUESTED | |
| 39 | Appellate Division Reporter | 1 |
| 40 | University of North Carolina, Chapel Hill | 71 |
| 41 | University of North Carolina, Charlotte | 1 |
| 42 | University of North Carolina, Greensboro | 1 |
| 43 | University of North Carolina, Asheville | 1 |

| | | | |
|----|--|-------|----|
| 1 | North Carolina State University, Raleigh | | 1 |
| 2 | Appalachian State University | | 1 |
| 3 | East Carolina University | | 1 |
| 4 | Fayetteville State University | | 1 |
| 5 | North Carolina Central University | | 17 |
| 6 | Western Carolina University | | 1 |
| 7 | Duke University | | 17 |
| 8 | Davidson College | | 2 |
| 9 | Wake Forest University | | 25 |
| 10 | Lenoir Rhyne College | | 1 |
| 11 | Elon College | | 1 |
| 12 | Campbell College University | | 25 |
| 13 | Federal, Out-of-State and Foreign | | |
| 14 | Secretary of State | | 1 |
| 15 | Secretary of Defense | | 1 |
| 16 | Secretary of Health, Education and Welfare | | 1 |
| 17 | Secretary of Housing and Urban Development | | 1 |
| 18 | Secretary of Transportation | | 1 |
| 19 | Attorney General | | 1 |
| 20 | Department of Justice | | 1 |
| 21 | Internal Revenue Service | | 1 |
| 22 | Veterans' Administration | | 1 |
| 23 | Library of Congress | | 5 |
| 24 | Federal Judges resident in North Carolina | 1 ea. | |
| 25 | Marshal of the United States Supreme Court | 1 | |
| 26 | Federal District Attorneys resident | | |
| 27 | in North Carolina | 1 ea. | |
| 28 | Federal Clerks of Court resident | | |
| 29 | in North Carolina | 1 ea. | |
| 30 | Supreme Court Library exchange list | 1 | |

31 Each justice of the Supreme Court and judge of the Court of Appeals shall receive for
 32 his private use, one complete and up-to-date set of the appellate division reports. The
 33 copies of reports furnished each justice or judge as set out in the table above may be
 34 retained by him personally to enable him to keep up-to-date his personal set of reports."

35 (w) G.S. 14-86.1 reads as rewritten:

36 **"§ 14-86.1. Seizure and forfeiture of conveyances used in committing larceny and**
 37 **similar crimes.**

38 (a) All conveyances, including vehicles, watercraft or aircraft, used to unlawfully
 39 conceal, convey or transport property in violation of G.S. 14-71, 14-71.1, or 20-106, or
 40 used by any person in the commission of armed or common-law robbery, or used by any
 41 person in the commission of any larceny when the value of the property taken is more
 42 than two thousand dollars (\$2,000) shall be subject to forfeiture as provided herein,
 43 except that:

- 1 (1) No conveyance used by any person as a common carrier in the
2 transaction of the business of the common carrier shall be forfeited
3 under the provisions of this section unless it shall appear that the owner
4 or other person in custody or control of such conveyance was a
5 consenting party or privy to a violation that may subject the conveyance
6 to forfeiture under this section;
- 7 (2) No conveyance shall be forfeited under the provisions of this section by
8 reason of any act or omission committed or omitted while such
9 conveyance was unlawfully in the possession of a person other than the
10 owner in violation of the criminal laws of the United States, or any
11 state;
- 12 (3) No conveyance shall be forfeited pursuant to this section unless the
13 violation involved is a felony;
- 14 (4) A forfeiture of a conveyance encumbered by a bona fide security
15 interest is subject to the interest of the secured party who neither had
16 knowledge of nor consented to the act or omission;
- 17 (5) No conveyance shall be forfeited under the provisions of this section
18 unless the owner knew or had reason to believe the vehicle was being
19 used in the commission of any violation that may subject the
20 conveyance to forfeiture under this section;
- 21 (6) The trial judge in the criminal proceeding which may subject the
22 conveyance to forfeiture may order the seized conveyance returned to
23 the owner if he finds forfeiture inappropriate. If the conveyance is not
24 returned to the owner the procedures provided in subsection (e) shall
25 apply.

26 (b) Any conveyance subject to forfeiture under this section may be seized by any
27 law-enforcement officer upon process issued by any district or superior court having
28 original jurisdiction over the offense except that seizure without such process may be
29 made when:

- 30 (1) The seizure is incident to an arrest or subject to a search under a search
31 warrant; or
- 32 (2) The property subject to seizure has been the subject of a prior judgment
33 in favor of the State in a criminal injunction or forfeiture proceeding
34 under this section.

35 (c) The conveyance shall be deemed to be in custody of the law-enforcement
36 agency seizing it. The law-enforcement agency may remove the property to a place
37 designated by it or request that the North Carolina Department of Justice ~~or Department~~
38 ~~of Crime Control and Public Safety~~ take custody of the property and remove it to an
39 appropriate location for disposition in accordance with law; provided, the conveyance
40 shall be returned to the owner upon execution by him of a good and valid bond, with
41 sufficient sureties, in a sum double the value of the property, which said bond shall be
42 approved by an officer of the agency seizing the conveyance and shall be conditioned

1 upon the return of said property to the custody of said officer on the day of trial to abide
2 the judgment of the court.

3 (d) Whenever a conveyance is forfeited under this section, the law-enforcement
4 agency having custody of it may:

5 (1) Retain the conveyance for official use; or

6 (2) Transfer the conveyance which was forfeited under the provisions of
7 this section to the North Carolina Department of Justice ~~or to the North~~
8 ~~Carolina Department of Crime Control and Public Safety~~ when, in the
9 discretion of the presiding judge and upon application of the North
10 Carolina Department of Justice ~~or the North Carolina Department of~~
11 ~~Crime Control and Public Safety~~, Justice, said conveyance may be of
12 official use to the North Carolina Department of ~~Justice~~ Justice; ~~or the~~
13 ~~North Carolina Department of Crime Control and Public Safety~~; or

14 (3) Upon determination by the director of any law-enforcement agency that
15 a conveyance transferred pursuant to the provisions of this section is of
16 no further use to said agency, such conveyance may be sold as surplus
17 property in the same manner as other conveyances owned by the law-
18 enforcement agency. The proceeds from such sale, after deducting the
19 cost thereof, shall be paid to the school fund of the county in which said
20 conveyance was seized. Any conveyance transferred to any law-
21 enforcement agency under the provisions of this section which has been
22 modified or especially equipped from its original manufactured
23 condition so as to increase its speed shall be used in the performance of
24 official duties only. Such conveyance shall not be resold, transferred or
25 disposed of other than as junk unless the special equipment or
26 modification has been removed and destroyed, and the vehicle restored
27 to its original manufactured condition.

28 (e) All conveyances subject to forfeiture under the provisions of this section shall
29 be forfeited pursuant to the procedures for forfeiture of conveyances used to conceal,
30 convey, or transport intoxicating beverages found in G.S. 18B-504. Provided, nothing in
31 this section or G.S. 18B-504 shall be construed to require a conveyance to be sold when it
32 can be used in the performance of official duties of the law-enforcement agency."

33 (x) G.S. 15B-3 reads as rewritten:

34 **"§ 15B-3. Crime Victims Compensation Commission.**

35 (a) There is established the Crime Victims Compensation Commission of the
36 ~~Department of Crime Control and Public Safety~~, Administrative Office of the Courts,
37 consisting of five members as follows:

38 (1) One member to be appointed by the Governor;

39 (2) One member to be appointed by the General Assembly upon the
40 recommendation of the President of the Senate under G.S. 120-121;

41 (3) One member to be appointed by the General Assembly upon the
42 recommendation of the Speaker of the House of Representatives under
43 G.S. 120-121;

1 (4) The Attorney General or his designee; and

2 (5) ~~The Secretary of the Department of Crime Control and Public Safety~~
3 Director of the Administrative Office of the Courts or his designee.

4 (b) Members shall serve terms of four years. A member shall continue to serve
5 until his successor is duly appointed, but a holdover under this provision does not affect
6 the expiration date of the succeeding term.

7 (c) In case of a vacancy on the Commission before the expiration of a member's
8 term, a successor shall be appointed within 30 days of the vacancy for the remainder of
9 the unexpired term by the appropriate official pursuant to subsection (a). Vacancies in
10 legislative appointments shall be filled under G.S. 120-122.

11 (d) The Commission shall elect one of its members as chairman to serve until the
12 expiration of his term.

13 (e) A majority of the Commission constitutes a quorum to transact business.

14 (f) Members shall receive compensation and reimbursement for expenses as
15 provided in G.S. 138-5.

16 (g) The Commission shall name a Director upon the recommendation of the
17 ~~Secretary of Crime Control and Public Safety~~. Director of the Administrative Office of
18 the Courts. The Director shall serve at the pleasure of the Commission. The ~~Department~~
19 ~~of Crime Control and Public Safety~~ Administrative Office of the Courts shall provide for
20 the compensation of the Director and shall provide professional and clerical staff
21 necessary for the work of the Commission."

22 (y) G.S. 15B-6 reads as rewritten:

23 "**§ 15B-6. Powers of the Commission and Director.**

24 (a) In addition to powers authorized by this Chapter and Chapter 150B, the
25 Commission may:

26 (1) Adopt rules in accordance with Part 3, Article 1 of Chapter 143B and
27 Article 2 of Chapter 150B of the General Statutes necessary to carry out
28 the purposes of this Chapter;

29 (2) Establish general policies and guidelines for awarding compensation
30 and provide guidance to the staff assigned by the ~~Secretary of the~~
31 ~~Department of Crime Control and Public Safety~~ Director of the
32 Administrative Office of the Courts to administer the program;

33 (3) Accept for any lawful purpose and functions under this Chapter any and
34 all donations, both real and personal, and grants of money from any
35 governmental unit or public agency, or from any institution, person,
36 firm, or corporation, and may deposit the same to the Crime Victims
37 Compensation Fund.

38 (b) The Director shall have the following authority:

39 (1) With the consent of the district attorney, to request that law enforcement
40 officers employed by the State or any political subdivision provide
41 copies of any information or data gathered in the investigation of
42 criminally injurious conduct that is the basis of any claim to enable the

1 Director or Commission to determine whether, and the extent to which,
2 a claimant qualifies for an award of compensation;

- 3 (2) With the consent of the district attorney, to request that prosecuting
4 attorneys, law enforcement officers, and State agencies conduct
5 investigations and provide information necessary to enable the Director
6 or Commission to determine whether, and the extent to which, a
7 claimant qualifies for an award of compensation; and
8 (3) To require the claimant to supplement the application for an award of
9 compensation with any reasonably available medical or psychological
10 reports pertaining to the injury for which the award of compensation is
11 claimed.

12 Information obtained pursuant to this subsection is subject to the same privilege against
13 public disclosure that may be asserted by the providing source."

14 (z) G.S. 17C-3 reads as rewritten:

15 **"§ 17C-3. North Carolina Criminal Justice Education and Training Standards**
16 **Commission established; members; terms; vacancies.**

17 (a) There is established the North Carolina Criminal Justice Education and
18 Training Standards Commission, hereinafter called 'the Commission,' in the Department
19 of Justice. The Commission shall be composed of ~~26~~25 members as follows:

- 20 (1) Police Chiefs. – Three police chiefs selected by the North Carolina
21 Association of Chiefs of Police and one police chief appointed by the
22 Governor.
23 (2) Police Officers. – Three police officials appointed by the North Carolina
24 Police Executives Association and two criminal justice officers certified
25 by the Commission as selected by the North Carolina Law-Enforcement
26 Officers' Association.
27 (3) Departments. – The Attorney General of the State of North Carolina; ~~the~~
28 ~~Secretary of the Department of Crime Control and Public Safety;~~ the
29 Secretary of the Department of Human Resources; the Secretary of the
30 Department of Correction; the President of the Department of
31 Community Colleges.
32 (4) At-large Groups. – One individual representing and appointed by each
33 of the following organizations: one mayor selected by the League of
34 Municipalities; one law-enforcement training officer selected by the
35 North Carolina Law-Enforcement Training Officers' Association; one
36 criminal justice professional selected by the North Carolina Criminal
37 Justice Association; one sworn law-enforcement officer selected by the
38 North State Law-Enforcement Officers' Association; one member
39 selected by the North Carolina Law-Enforcement Women's Association;
40 and one District Attorney selected by the North Carolina Association of
41 District Attorneys.
42 (5) Citizens and Others. – The President of The University of North
43 Carolina; the Director of the Institute of Government; and two citizens,

1 one of whom shall be selected by the Governor and one of whom shall
2 be selected by the Attorney General. The General Assembly shall
3 appoint two persons, one upon the recommendation of the Speaker of
4 the House of Representatives and one upon the recommendation of the
5 President of the Senate. Appointments by the General Assembly shall
6 be made in accordance with G.S. 120-122. Appointments by the General
7 Assembly shall serve two-year terms to conclude on June 30th in odd-
8 numbered years.

9 (b) The members shall be appointed for staggered terms. The initial appointments
10 shall be made prior to September 1, 1983, and the appointees shall hold office until July 1
11 of the year in which their respective terms expire and until their successors are appointed
12 and qualified as provided hereafter:

13 For the terms of one year: one member from subdivision (1) of subsection (a),
14 serving as a police chief; three members from subdivision (2) of subsection (a), one
15 serving as a police official, and two criminal justice officers; one member from
16 subdivision (4) of subsection (a), appointed by the North Carolina Law-Enforcement
17 Training Officers' Association; and two members from subdivision (5) of subsection (a),
18 one appointed by the Governor and one appointed by the Attorney General.

19 For the terms of two years: one member from subdivision (1) of subsection (a),
20 serving as a police chief; one member from subdivision (2) of subsection (a), serving as a
21 police official; and two members from subdivision (4) of subsection (a), one appointed by
22 the League of Municipalities and one appointed by the North Carolina Association of
23 District Attorneys.

24 For the terms of three years: two members from subdivision (1) of subsection (a),
25 one police chief appointed by the North Carolina Association of Chiefs of Police and one
26 police chief appointed by the Governor; one member from subdivision (2) of subsection
27 (a), serving as a police official; and three members from subdivision (4) of subsection (a),
28 one appointed by the North Carolina Law-Enforcement Women's Association, one
29 appointed by the North Carolina Criminal Justice Association, and one appointed by the
30 North State Law-Enforcement Officers' Association.

31 Thereafter, as the term of each member expires, his successor shall be appointed for a
32 term of three years. Notwithstanding the appointments for a term of years, each member
33 shall serve at the will of the appointing authority.

34 The Attorney General, ~~the Secretary of the Department of Crime Control and Public~~
35 ~~Safety,~~ the Secretary of the Department of Human Resources, the Secretary of the
36 Department of Correction, the President of The University of North Carolina, the
37 Director of the Institute of Government, and the President of the Department of
38 Community Colleges shall be continuing members of the Commission during their
39 tenure. These members of the Commission shall serve ex officio and shall perform their
40 duties on the Commission in addition to the other duties of their offices. The ex officio
41 members may elect to serve personally at any or all meetings of the Commission or may
42 designate, in writing, one member of their respective office, department, university or

1 agency to represent and vote for them on the Commission at all meetings the ex officio
2 members are unable to attend.

3 Vacancies in the Commission occurring for any reason shall be filled, for the
4 unexpired term, by the authority making the original appointment of the person causing
5 the vacancy. A vacancy may be created by removal of a Commission member by
6 majority vote of the Commission for misconduct, incompetence, or neglect of duty. A
7 Commission member may be removed only pursuant to a hearing, after notice, at which
8 the member subject to removal has an opportunity to be heard."

9 (aa) G.S. 18B-110 reads as rewritten:

10 **"§ 18B-110. Emergency.**

11 When the Governor finds that a 'state of emergency,' as defined in G.S. 14-288.1,
12 exists anywhere in this State, he may

- 13 (1) Order the closing of all ABC stores, and
- 14 (2) Order the cessation of all sales, transportation, manufacture, and
15 bottling of alcoholic beverages.

16 The Governor's order shall apply in those portions of the State designated in the order,
17 for the duration of the state of emergency. Any order by the Governor under this section
18 shall be directed to the Chairman of the ~~Commission~~ Commission, ~~and to the Secretary~~
19 ~~of Crime Control and Public Safety.~~"

20 (bb) G.S. 20-79.5(a) reads as rewritten:

21 "(a) Plates. – The State government officials listed in this section are
22 eligible for a special registration plate under G.S. 20-79.4. The plate shall bear the
23 number designated in the following table for the position held by the official.

| 24 | 25 Position | 26 Number on Plate |
|----|---|--------------------|
| 26 | Governor | 1 |
| 27 | Lieutenant Governor | 2 |
| 28 | Speaker of the House of Representatives | 3 |
| 29 | President Pro Tempore of the Senate | 4 |
| 30 | Secretary of State | 5 |
| 31 | State Auditor | 6 |
| 32 | State Treasurer | 7 |
| 33 | Superintendent of Public Instruction | 8 |
| 34 | Attorney General | 9 |
| 35 | Commissioner of Agriculture | 10 |
| 36 | Commissioner of Labor | 11 |
| 37 | Commissioner of Insurance | 12 |
| 38 | Speaker Pro Tempore of the House | 13 |
| 39 | Legislative Administrative Officer | 14 |
| 40 | Secretary of Administration | 15 |
| 41 | Secretary of Environment, Health, and Natural Resources | 16 |
| 42 | Secretary of Revenue | 17 |
| 43 | Secretary of Human Resources | 18 |

| | | |
|----|---|-------------|
| 1 | Secretary of Commerce | 19 |
| 2 | Secretary of Correction | 20 |
| 3 | Secretary of Cultural Resources | 21 |
| 4 | Secretary of Crime Control and Public Safety | 22 |
| 5 | Governor's | Staff |
| 6 | | 23 |
| 7 | -29 | |
| 8 | State Budget Officer | 30 |
| 9 | State Personnel Director | 31 |
| 10 | Advisory Budget Commission Nonlegislative | Member |
| 11 | | 32 |
| 12 | -41 | |
| 13 | Chair of the State Board of Education | 42 |
| 14 | President of the U.N.C. System | 43 |
| 15 | Alcoholic Beverage Control | Commission |
| 16 | | 44 |
| 17 | -46 | |
| 18 | Assistant Commissioners of | Agriculture |
| 19 | | 47 |
| 20 | -48 | |
| 21 | Deputy Secretary of State | 49 |
| 22 | Deputy State Treasurer | 50 |
| 23 | Assistant State Treasurer | 51 |
| 24 | Deputy Commissioner for the Department of Labor | 52 |
| 25 | Chief Deputy for the Department of Insurance | 53 |
| 26 | Assistant Commissioner of Insurance | 54 |
| 27 | Deputies and Assistant to the Attorney | General |
| 28 | | 55 |
| 29 | -65 | |
| 30 | Board of Economic Development Nonlegislative | Member |
| 31 | | 66 |
| 32 | -88 | |
| 33 | State Ports Authority Nonlegislative | Member |
| 34 | | 89 |
| 35 | -96 | |
| 36 | Utilities Commission | Member |
| 37 | | 97 |
| 38 | -104 | |
| 39 | Parole Commission | Member |
| 40 | | 10 |
| 41 | 5-109 | |

1 State Board Member, Commission Member, or State Employee
2 11
3 0-200".

4 Not Named in List

5 (cc) G.S. 20-125(b) reads as rewritten:

6 "(b) Every vehicle owned and operated by a police ~~department~~ department, ~~or by~~
7 ~~the Department of Crime Control and Public Safety including the State Highway Patrol~~
8 ~~or by Patrol, the Office of Public Safety, the Department of Justice, the Wildlife~~
9 ~~Resources Commission~~ Commission, or the Division of Marine Fisheries and used
10 exclusively for law enforcement purposes, or by the Division of Emergency
11 Management, or by a fire department, either municipal or rural, or by a fire patrol,
12 whether such fire department or patrol be a paid organization or a voluntary association,
13 vehicles used by an organ procurement organization or agency for the recovery and
14 transportation of human tissues and organs for transplantation, and every ambulance or
15 emergency medical service emergency support vehicle used for answering emergency
16 calls, shall be equipped with special lights, bells, sirens, horns or exhaust whistles of a
17 type approved by the Commissioner of Motor Vehicles.

18 The operators of all such vehicles so equipped are hereby authorized to use such
19 equipment at all times while engaged in the performance of their duties and services, both
20 within their respective corporate limits and beyond.

21 In addition to the use of special equipment authorized and required by this subsection,
22 the chief and assistant chiefs of any police department or of any fire department, whether
23 the same be municipal or rural, paid or voluntary, county fire marshals, assistant fire
24 marshals, transplant coordinators, and emergency management coordinators, are hereby
25 authorized to use such special equipment on privately owned vehicles operated by them
26 while actually engaged in the performance of their official or semiofficial duties or
27 services either within or beyond their respective corporate limits.

28 ~~And~~ Any vehicles driven by law enforcement officers of the North Carolina Division
29 of Motor Vehicles shall be equipped with a bell, siren, or exhaust whistle of a type
30 approved by the Commissioner, and all vehicles owned and operated by the State Bureau
31 of Investigation for the use of its agents and officers in the performance of their official
32 duties may be equipped with special lights, bells, sirens, horns or exhaust whistles of a
33 type approved by the Commissioner of Motor Vehicles.

34 Every vehicle used or operated for law enforcement purposes by the sheriff or any
35 salaried deputy sheriff or salaried rural policeman of any county, whether owned by the
36 county or not, may be, but is not required to be, equipped with special lights, bells, sirens,
37 horns or exhaust whistles of a type approved by the Commissioner of Motor Vehicles.
38 Such special equipment shall not be operated or activated by any person except by a law
39 enforcement officer while actively engaged in performing law enforcement duties.

40 In addition to the use of special equipment authorized and required by this subsection,
41 the chief and assistant chiefs of each emergency rescue squad which is recognized or
42 sponsored by any municipality or civil preparedness agency, are hereby authorized to use
43 such special equipment on privately owned vehicles operated by them while actually

1 engaged in their official or semiofficial duties or services either within or beyond the
2 corporate limits of the municipality which recognizes or sponsors such organization."

3 (dd) G.S. 20-179.4 reads as rewritten:

4 **"§ 20-179.4. Community service alternative punishment; responsibilities of the**
5 **Department of ~~Crime Control and Public Safety~~; Correction; fee.**

6 (a) The Department of ~~Crime Control and Public Safety~~ Correction must conduct a
7 community service alternative punishment program for persons sentenced under G.S. 20-
8 179(i), (j) or (k).

9 (b) The Secretary of ~~Crime Control and Public Safety~~ Correction must assign
10 at least one coordinator to each district court district as defined in G.S. 7A-133 to assure
11 and report to the court the person's compliance with the community service sentence. The
12 appointment of each coordinator shall be made in consultation with and is subject to the
13 approval of the chief district court judge in the district to which the coordinator is
14 assigned. Each county must provide office space in the courthouse or other convenient
15 place, necessary equipment, and secretarial service for the use of each coordinator
16 assigned to that county.

17 (c) A fee of one hundred dollars (\$100.00) must be paid by all persons serving a
18 community service sentence. That fee must be paid to the clerk of court in the county in
19 which the person is convicted. The fee must be paid in full within two weeks unless the
20 court, upon a showing of hardship by the person, allows him additional time to pay the
21 fee. The person may not be required to pay the fee before he begins the community
22 service unless the court specifically orders that he do so. If the person is also ordered to
23 attend an Alcohol and Drug Education Traffic School established pursuant to G.S. 20-
24 179.2, the fee for supervision of community service punishment is fifty dollars (\$50.00).

25 (d) Fees collected under this section must be deposited in the general fund.

26 (e) The coordinator must report to the court in which the community service was
27 ordered a significant violation of the terms of the probation judgment related to
28 community service. In such cases, the court must conduct a hearing to determine if there
29 is a willful failure to comply. If the court determines there is a willful failure to pay the
30 prescribed fee or to complete the work as ordered by the coordinator within the
31 applicable time limits, the court must revoke any limited driving privilege issued in the
32 impaired driving case, and in addition may take any further action authorized by Article
33 82 of General Statutes Chapter 15A for violation of a condition of probation."

34 (ee) G.S. 58-32-1 reads as rewritten:

35 **"§ 58-32-1. Commission created; membership.**

36 There is hereby created within the Department a Public Officers and Employees
37 Liability Insurance Commission. The Commission shall consist of ~~11~~10 members who
38 shall be appointed as follows: the Commissioner shall appoint six members as follows:
39 two members who are members of the insurance industry who may be chosen from a list
40 of three nominees submitted to the Commissioner by the Independent Insurance Agents
41 of North Carolina, Inc., and a list of three nominees submitted by the Carolinas
42 Association of Professional Insurance Agents, North Carolina Division; one member who
43 is employed by a police department who may be chosen from a list of three nominees

1 submitted to the Commissioner jointly by the North Carolina Police Chiefs Association
2 and North Carolina Police Executives Association, and one member who is employed by
3 a sheriff's department who may be chosen from a list of three nominees submitted to the
4 Commissioner by the North Carolina Sheriff's Association; one member representing city
5 government who may be chosen from a list of three nominees submitted to the
6 Commissioner by the North Carolina League of Municipalities; and one member
7 representing county government who may be chosen from a list of three nominees
8 submitted to the Commissioner by the North Carolina Association of County
9 Commissioners; and the General Assembly shall appoint two persons, one upon the
10 recommendation of the Speaker of the House of Representatives, and one upon the
11 recommendation of the President of the Senate. The Commissioner or his designate shall
12 be an ex officio member. Appointments by the General Assembly shall be made in
13 accordance with G.S. 120-121, and vacancies in those appointments shall be filled in
14 accordance with G.S. 120-122. The terms of the initial appointees by the General
15 Assembly shall expire on June 30, 1983. ~~The Secretary of the Department of Crime~~
16 ~~Control and Public Safety or his designate shall be an ex officio member.~~ The Attorney
17 General or his designate shall be an ex officio member. One insurance industry member
18 appointed by the Commissioner shall be appointed to a term of two years and one
19 insurance industry member shall be appointed to a term of four years. The police
20 department member shall be appointed to a term of two years and the sheriff's department
21 member shall be appointed to a term of four years. The representative of county
22 government shall be appointed to a term of two years and the representative of city
23 government to a term of four years. Beginning July 1, 1983, the appointment made by
24 the General Assembly upon the recommendation of the Speaker shall be for two years,
25 and the appointment made by the General Assembly upon the recommendation of the
26 President of the Senate shall be for four years. Except as provided in this section, if any
27 vacancy occurs in the membership of the Commission, the appointing authority shall
28 appoint another person to fill the unexpired term of the vacating member. After the
29 initial terms established herein have expired, all appointees to the Commission shall be
30 appointed to terms of four years.

31 The Commission members shall elect the chairman and vice-chairman of the
32 Commission. The Commission may, by majority vote, remove any member of the
33 Commission for chronic absenteeism, misfeasance, malfeasance or other good cause."

34 (ff) G.S. 127A-19 reads as rewritten:

35 **"§ 127A-19. Adjutant General.**

36 The military head of the militia shall be the Adjutant General who shall hold the rank
37 of major general. The Adjutant General shall be appointed by the Governor in his
38 capacity as commander in chief of the ~~militia, in consultation with the Secretary of Crime~~
39 ~~Control and Public Safety, militia,~~ and shall serve at the pleasure of the Governor. No
40 person shall be appointed as Adjutant General who has less than five years'
41 commissioned service in an active status in any component of the armed forces of the
42 United States. The Adjutant General, while holding such office, may be a member of the
43 active national guard or naval militia.

1 Subject to the approval of the ~~Governor~~ Governor, ~~and in consultation with the~~
2 ~~Secretary, Department of Crime Control and Public Safety~~, the Adjutant General may
3 appoint a deputy adjutant general for army national guard and an assistant adjutant
4 general for air national guard, both of whom may hold the rank of brigadier general and
5 who shall serve at the pleasure of the Governor. The Adjutant General may also employ
6 such staff members and other personnel as may be authorized by the Secretary and
7 funded."

8 (gg) G.S. 127A-21(a) reads as rewritten:

9 "(a) The Governor of the ~~State~~, State ~~in consultation with the Secretary of Crime~~
10 ~~Control and Public Safety~~, shall appoint, designate, or detail, subject to the approval of
11 the Secretary of the Army and the Secretary of the Air Force, a qualified commissioned
12 officer of the North Carolina national guard who is also a commissioned officer of the
13 army national guard of the United States or the air national guard of the United States, as
14 the case may be, to be the United States property and fiscal officer for North Carolina. If
15 the officer is not on active duty, the President may order him to active duty, with his
16 consent, to serve as a property and fiscal officer."

17 (hh) G.S. 127A-22 reads as rewritten:

18 "**§ 127A-22. North Carolina property and fiscal officer.**

19 (a) Upon full mobilization of the North Carolina national guard into federal
20 service to the extent that the functions of a United States property and fiscal officer no
21 longer exist or are authorized under federal statutes, the Governor of the ~~State~~, State ~~in~~
22 ~~consultation with the Secretary of Crime Control and Public Safety~~, may appoint,
23 designate or detail a qualified individual to serve at the pleasure of the Governor as the
24 North Carolina property and fiscal officer for any composition of a nonfederally
25 recognized State national guard or State defense militia organized under the provisions of
26 G.S. 127A-1 et seq.

27 (b) In consideration of his services for the responsibility, care, utilization, and
28 issue of State or federal facilities and property, under the jurisdiction of the State of North
29 Carolina, the North Carolina property and fiscal officer shall receive from the State such
30 salary as the Governor may authorize to be just and proper; the salary to constitute a
31 charge upon appropriations made to the ~~Department of Crime Control and Public Safety~~.
32 Office of the Governor.

33 (c) The property and fiscal officer for North Carolina shall be an employee of the
34 ~~Department of Crime Control and Public Safety~~. Office of the Governor. He shall be
35 required to give good and sufficient bond to the State, the amount thereof to be
36 determined by the Governor, for the faithful performance of his duties and for the
37 safekeeping and proper distribution of such funds and property entrusted to his care. He
38 shall receipt for and account for all funds and property allotted to his custody from the
39 appropriation for military purposes by State and federal agencies, and shall make such
40 returns and reports through the ~~Secretary of Crime Control and Public Safety~~ Office of
41 the Governor concerning same as may be required by the Governor or State laws."

42 (ii) G.S. 127A-40(f) reads as rewritten:

1 "~~(f) The Secretary of Crime Control and Public Safety~~ Director of the Office of
2 Public Safety shall determine the eligibility of guard members for the benefits herein
3 provided and shall certify those eligible to the State Treasurer. In addition, the
4 ~~Department of Crime Control and Public Safety~~ Office of Public Safety shall, on and
5 after July 1, ~~1983, 1995,~~ provide the Department of State Treasurer with an annual census
6 population, by age and the number of years of creditable service, for all former members
7 of the National Guard in receipt of a pension as well as for all active members of the
8 National Guard who are not in receipt of a pension and who have seven and more years
9 of creditable service. The ~~Department of Crime Control and Public Safety~~ Office of
10 Public Safety shall also provide the State Treasurer a census population of all former
11 members of the National Guard who are not in receipt of a pension and who have 15 and
12 more years of creditable service. The Department of State Treasurer shall make pension
13 payments to those persons certified from the North Carolina National Guard Pension
14 Fund, which shall include general fund appropriations made to and transferred from the
15 ~~Department of Crime Control and Public Safety~~ Office of Public Safety. The Department
16 of State Treasurer shall have performed an annual actuarial valuation of the fund and
17 shall have the financial responsibility for maintaining the fund on a generally accepted
18 actuarial basis. The ~~Department of Crime Control and Public Safety~~ Office of Public
19 Safety shall provide the Department of State Treasurer with whatever assistance is
20 required by the State Treasurer in carrying out his financial responsibilities."

21 (jj) G.S. 127A-43 reads as rewritten:

22 **"§ 127A-43. North Carolina National Guard Meritorious Service Medal.**

23 There is hereby created the North Carolina National Guard Meritorious Service Medal
24 which shall be of appropriate design, and a ribbon, together with a rosette or other device
25 to be worn in lieu thereof. This medal and appurtenances thereto shall be of a design
26 approved by the Governor or his designated representative. The Governor or his
27 designated representative is authorized to award this medal upon the recommendation of
28 the ~~Secretary of Crime Control and Public Safety~~ in consultation with the Adjutant
29 General and a board of officers appointed by the Adjutant General. Any member or
30 former member of the armed forces discharged under honorable conditions, who has
31 distinguished himself by heroism, meritorious achievement, or meritorious service to the
32 North Carolina national guard, is eligible for this award. The Governor, on his own
33 authority, may award such medal to the ~~Secretary of Crime Control and Public Safety~~, the
34 Adjutant General or any other active or inactive general officer of the armed forces who
35 has distinguished himself by heroism, meritorious achievement, or meritorious service to
36 the North Carolina national guard. The required heroism, achievement, or service, while
37 of a lesser degree than that required for awarding of the North Carolina Distinguished
38 Service Medal, must nevertheless be accomplished with distinction."

39 (kk) G.S. 127A-161 reads as rewritten:

40 **"§ 127A-161. Definitions.**

41 As used in this Article, the following terms mean:

- 42 (1) Armory: Any building or building complex and related facilities,
43 including the lands for them, which are intended to be utilized by the

1 militia for training, administration, storage, and the maintenance and
2 servicing of equipment.

3 (2) Armory site: That land, meeting federal and State specifications, upon
4 which an armory may be constructed.

5 ~~(3) Department: The North Carolina Department of Crime Control and
6 Public Safety.~~

7 (4) Facilities: Those adjuncts to an armory, including but not limited to
8 yards, storage buildings, sheds, ramps, racks, target ranges, furniture,
9 fixtures and other equipment and installations.

10 (5) Funds: Any moneys appropriated by any municipality, county, the State
11 or the United States government and made available for the purpose of
12 acquiring armory sites or constructing or repairing any armory,
13 warehouse, or other facility for the use of any unit or for any other
14 purpose in connection with the housing, training, instruction or
15 promotion of the interest of any unit.

16 (6) Municipality: Any incorporated city, town or village.

17 (7) Unit: Any organizational entity of the militia."

18 (ll) G.S. 127A-192 reads as rewritten:

19 **"§ 127A-192. Definitions.**

20 (a) 'Business or Trade School'. – Any school within the State of North Carolina
21 which is licensed by the State Board of Education and listed by that Board as an approved
22 private business school or an approved private trade school.

23 (b) 'Private Educational Institutions'. – Any junior college, senior college or
24 university which is operated and governed by private interests not under the control of the
25 federal, State or any local government, which is located within and licensed by the State
26 of North Carolina, which does not operate for profit, whose curriculum is primarily
27 directed toward the awarding of associate, baccalaureate or graduate degrees, which
28 agrees to the applicable administration and funding provisions of this Article.

29 ~~(e) 'Secretary'. The Secretary of Crime Control and Public Safety or his
30 designee.~~

31 (d) 'State Educational Institutions'. – Any of the constituent institutions of the
32 University of North Carolina, or any community college operated under the provisions of
33 Chapter 115D of the General Statutes of North Carolina.

34 (e) 'Academic Year'. – Any period of 365 days beginning with the first day of
35 enrollment for a course of instruction."

36 (mm) G.S. 127A-195 reads as rewritten:

37 **"§ 127A-195. Administration and funding.**

38 ~~(a) The Secretary of Crime Control and Public Safety~~ Director of the Office of
39 Public Safety is charged with the administration of the tuition assistance program under
40 this Article. ~~He may delegate administrative tasks to other persons within the Department~~
41 ~~of Crime Control and Public Safety as he deems best for the orderly administration of this~~
42 ~~program.~~

1 (b) The ~~Secretary~~ Director of the Office of Public Safety shall determine the
2 eligibility of applicants, select the benefit recipients, establish the effective date of the
3 benefit, and may suspend or revoke the benefit if he finds that the recipient does not
4 maintain an adequate academic status, or if the recipient engages in riots, unlawful
5 demonstrations, the seizure of educational buildings, or otherwise engages in disorderly
6 conduct, breaches of the peace, or unlawful assemblies. The ~~Secretary~~ Director of the
7 Office of Public Safety shall maintain such records and shall promulgate such rules and
8 regulations as he deems necessary for the orderly administration of this program. The
9 ~~Secretary~~ Director of the Office of Public Safety may require of business or trade schools
10 or State or private educational institutions such reports and other information as he may
11 need to carry out the provisions of this Article and he shall disburse benefit payments for
12 recipients upon certification of enrollment by the enrolling institutions.

13 (c) All benefit disbursements shall be made to the business or trade school or State
14 or private educational institution concerned, for credit to the tuition account of each
15 recipient.

16 (d) The participation by any business or trade school or private educational
17 institution in this program shall be subject to the applicable provisions of this Article and
18 to examination by the State Auditor of the accounts of the benefit recipients attending or
19 having attended such private schools or institutions. The ~~Secretary~~ Director of the Office
20 of Public Safety may defer making an award or may suspend an award in any business or
21 trade school or private educational institution which does not comply with the provisions
22 of this Article relating to said institutions. The manner of payment to any business or
23 trade school or private educational institution shall be as prescribed by the ~~Secretary~~ Director
24 of the Office of Public Safety.

25 (e) Irrespective of other provisions of this Article, the ~~Secretary~~ Director of the
26 Office of Public Safety may prescribe special procedures for adjusting the accounts of
27 benefit recipients who, for reasons of illness, physical inability to attend classes or for
28 other valid reason satisfactory to the ~~Secretary~~ Director of the Office of Public Safety,
29 may withdraw from any business or trade school or State or private educational
30 institution prior to the completion of the term, semester, quarter or other academic period
31 being attended at the time of withdrawal."

32 (nn) G.S. 143-166.13(a) reads as rewritten:

33 **"§ 143-166.13. Persons entitled to benefits under Article.**

34 (a) The following persons who are subject to the Criminal Justice Training and
35 Standards Act are entitled to benefits under this Article:

- 36 (1) State Government Security Officers, Department of Administration;
- 37 (2) State Correctional Officers, Department of ~~Corrections~~; Correction;
- 38 (3) State Probation and Parole Officers, Department of ~~Corrections~~;
39 Correction;
- 40 (4) Sworn State Law-Enforcement Officers with the power of arrest,
41 Department of ~~Corrections~~; Correction;
- 42 (5) Alcohol Law-Enforcement Agents, ~~Department of Crime Control and~~
43 ~~Public Safety~~; Department of Justice;

- 1 (6) State Highway Patrol Officers, ~~Department of Crime Control and Public~~
2 ~~Safety; Office of Public Safety;~~
3 (7) State Legislative Building Special Police, General Assembly;
4 (8) Sworn State Law-Enforcement Officers with the power of arrest,
5 Department of Human Resources;
6 (9) Youth Correctional Officers, Department of Human Resources;
7 (10) Insurance Investigators, Department of Insurance;
8 (11) State Bureau of Investigation Officers and Agents, Department of
9 Justice;
10 (12) Director and Assistant Director, License and Theft Enforcement
11 Section, Division of Motor Vehicles, Department of Transportation;
12 (13) Members of License and Theft Enforcement Section, Division of Motor
13 Vehicles, Department of Transportation, designated by the
14 Commissioner of Motor Vehicles as either 'inspectors' or uniformed
15 weigh station personnel;
16 (14) Utilities Commission Transportation Inspectors and Special
17 Investigators;
18 (15) North Carolina Ports Authority Police, Department of Commerce;
19 (16) Sworn State Law-Enforcement Officers with the power of arrest,
20 Department of Environment, Health, and Natural Resources;
21 (17) Sworn State Law-Enforcement Officers with the power of arrest,
22 ~~Department of Crime Control and Public Safety. Office of Public~~
23 ~~Safety."~~

24 (oo) G.S. 143-215.93A(a) reads as rewritten:

25 "(a) Except as provided in subsection (b) of this section, a person is not liable under
26 this Part, Part 2C of this Article, Articles 21 and 21B of this Chapter, other provisions of
27 the General Statutes relating to protection of the environment or public health, Chapter
28 1B of the General Statutes, or common law causes of action in tort for removal costs or
29 damages which result from, arise out of, or are related to the discharge or threatened
30 discharge of oil, when such removal costs or damages result from acts or omissions in the
31 course of rendering care, assistance, or advice consistent with the National Contingency
32 Plan or as otherwise directed by the President of the United States, the Federal On-Scene
33 Coordinator, the Governor, the Secretary, ~~the Secretary of Crime Control and Public~~
34 ~~Safety,~~ or any person designated to direct oil discharge removal activities by the
35 President of the United States, the Governor, ~~the Secretary, or the Secretary of Crime~~
36 ~~Control and Public Safety. or the Secretary."~~

37 (pp) Article 19 of Chapter 143A of the General Statutes is repealed.

38 (qq) G.S. 143B-6 reads as rewritten:

39 "**§ 143B-6. Principal departments.**

40 In addition to the principal departments enumerated in the Executive Organization
41 Act of 1971, all executive and administrative powers, duties, and functions not including
42 those of the General Assembly and its agencies, the General Court of Justice and the
43 administrative agencies created pursuant to Article IV of the Constitution of North

1 Carolina, and higher education previously vested by law in the several State agencies, are
 2 vested in the following principal departments:

- 3 (1) Department of Cultural Resources
- 4 (2) Department of Human Resources
- 5 (3) Department of Revenue
- 6 ~~(4) Department of Crime Control and Public Safety~~
- 7 (5) Department of Correction
- 8 (6) Department of Environment, Health, and Natural Resources
- 9 (7) Department of Transportation
- 10 (8) Department of Administration
- 11 (9) Department of Commerce
- 12 (10) Department of Community Colleges."
- 13 (rr) G.S. 147-45 reads as rewritten:

14 **"§ 147-45. Distribution of copies of State publications.**

15 The Secretary of State shall, at the State's expense, as soon as possible after
 16 publication, provide such number of copies of the Session Laws and Senate and House
 17 Journals to federal, State, and local governmental officials, departments and agencies,
 18 and to educational institutions of instruction and exchange use, as is set out in the table
 19 below:

| <u>Agency or Institution</u> | <u>Laws</u> | <u>Journals</u> | Session | Assembly |
|--|-------------|-----------------|----------|----------|
| Governor, Office of the | | | 3 | 2 |
| <u>North Carolina Crime Commission</u> | | | <u>1</u> | <u>0</u> |
| <u>Adjutant General</u> | | | <u>2</u> | <u>0</u> |
| Lieutenant Governor, Office of the | | | 1 | 1 |
| Secretary of State, Department of the | | | 3 | 3 |
| Auditor, Department of the State | | | 3 | 1 |
| Treasurer, Department of the State | | | 3 | 1 |
| Local Government Commission | | | 2 | 0 |
| State Board of Education | | | 1 | 0 |
| Department of Public Instruction | | | 3 | 1 |
| Controller | | | 1 | 0 |
| Technical Assistance Centers | | | 1 ea. | 0 |
| Department of Community Colleges | | | 3 | 1 |
| Justice, Department of | | | | |
| Office of the Attorney General | | | 25 | 3 |
| Budget Bureau (Administration) | | | 1 | 0 |
| Property Control (Administration) | | | 1 | 1 |
| State Bureau of Investigation | | | 1 | 0 |
| Agriculture, Department of | | | 3 | 1 |
| Labor, Department of | | | 5 | 1 |
| Insurance, Department of | | | 5 | 1 |
| Administration, Department of | | | 1 | 1 |

| | | | |
|----|--|------------------|-----------------------|
| 1 | Budget Bureau | 2 | 1 |
| 2 | Controller | 1 | 0 |
| 3 | Property Control | 1 | 0 |
| 4 | Purchase and Contract | 2 | 0 |
| 5 | Policy and Development | 1 | 0 |
| 6 | Veterans Affairs Commission | 1 | 0 |
| 7 | Environment, Health, and Natural | | |
| 8 | Resources, Department of | 1 | 0 |
| 9 | Division of Environmental Management | 2 | 0 |
| 10 | Board of Environment, Health, and | | |
| 11 | Natural Resources | 1 | 0 |
| 12 | Soil and Water Conservation Commission | 1 | 0 |
| 13 | Wildlife Resources Commission | 2 | 0 |
| 14 | Revenue, Department of | 5 | 1 |
| 15 | Human Resources, Department of | 3 | 0 |
| 16 | Board of Human Resources | 1 | 0 |
| 17 | Health Services, Division of | 3 | 0 |
| 18 | Mental Health, Developmental | | |
| 19 | Disabilities, and Substance Abuse | | |
| 20 | Services, Division of | 1 | 0 |
| 21 | Social Services, Division of | 3 | 0 |
| 22 | Facilities Services, Division of | 1 | 0 |
| 23 | Youth Services, Division of | 1 | 0 |
| 24 | Hospitals and Institutions | 1 ea. | 0 |
| 25 | Transportation, Department of | 1 | 0 |
| 26 | Board of Transportation | 3 | 0 |
| 27 | Motor Vehicles, Division of | 1 | 0 |
| 28 | Commerce, Department of | 1 | 0 |
| 29 | Economic Development, Division of | 2 | 0 |
| 30 | State Ports Authority | 1 | 0 |
| 31 | Alcoholic Beverage Control Commission, | | |
| 32 | North Carolina | 2 | 0 |
| 33 | Banking Commission | 2 | 0 |
| 34 | Utilities Commission | 8 | 1 |
| 35 | Industrial Commission | 7 | 0 |
| 36 | Labor Force Development Council | 1 | 0 |
| 37 | Milk Commission | 5 | 0 |
| 38 | Employment Security Commission | 1 | 1 |
| 39 | Correction, Department of | 1 | 0 |
| 40 | Department of Correction | 26 | 0 <u>1</u> |
| 41 | Parole Commission | 2 | 0 |
| 42 | State Prison | 1 | 0 |
| 43 | Correctional Institutions | 1 ea. | 0 |

| | | | |
|----|--|----------------------|-------|
| 1 | Cultural Resources, Department of | 1 | 0 |
| 2 | Archives and History, Division of | 5 | 1 |
| 3 | State Library | 5 | 5 |
| 4 | Publications Division | 1 | 1 |
| 5 | Crime Control and Public Safety, | | |
| 6 | Department of | 2 | 1 |
| 7 | North Carolina Crime Commission | 1 | 0 |
| 8 | Adjutant General | 2 | 0 |
| 9 | Elections, State Board of | 2 | 0 |
| 10 | Office of Administrative Hearings | 2 | 0 |
| 11 | Legislative Branch | | |
| 12 | State Senators | 1 ea. | 1 ea. |
| 13 | State Representatives | 1 ea. | 1 ea. |
| 14 | Principal Clerk – Senate | 1 | 1 |
| 15 | Principal Clerk – House | 1 | 1 |
| 16 | Reading Clerk – Senate | 1 | 1 |
| 17 | Reading Clerk – House | 1 | 1 |
| 18 | Sergeant at Arms – House | 1 | 1 |
| 19 | Sergeant at Arms – Senate | 1 | 1 |
| 20 | Enrolling Clerk | 1 | 0 |
| 21 | Engrossing Clerk | 1 | 0 |
| 22 | Indexer of the Laws | 1 | 0 |
| 23 | Legislative Building Library | 35 | 15 |
| 24 | Judicial System | | |
| 25 | Justices of the Supreme Court | 1 ea. | 1 ea. |
| 26 | Judges of the Court of Appeals | 1 ea. | 1 ea. |
| 27 | Judges of the Superior Court | 1 ea. | 0 |
| 28 | Emergency and Special Judges of the | | |
| 29 | Superior Court 1 ea. | 0 | |
| 30 | District Court Judges | 1 ea. | 0 |
| 31 | District Attorneys | 1 ea. | 0 |
| 32 | Clerk of the Supreme Court | 1 | 1 |
| 33 | Clerk of the Court of Appeals | 1 | 1 |
| 34 | Administrative Office of the Courts | 4 | 1 |
| 35 | Supreme Court Library | AS MANY AS REQUESTED | |
| 36 | Colleges and Universities | | |
| 37 | The University of North Carolina System | | |
| 38 | Administrative Offices | 3 | 0 |
| 39 | University of North Carolina, | | |
| 40 | Chapel Hill | 65 | 25 |
| 41 | University of North Carolina, | | |
| 42 | Charlotte | 3 | 1 |
| 43 | University of North Carolina, | | |

| | | | | | |
|----|--|---|---|---|---|
| 1 | Greensboro | 3 | 1 | | |
| 2 | University of North Carolina, | | | | |
| 3 | Asheville | 2 | 1 | | |
| 4 | University of North Carolina, | | | | |
| 5 | Wilmington | 2 | 1 | | |
| 6 | North Carolina State University, | | | | |
| 7 | Raleigh | 5 | 3 | | |
| 8 | Appalachian State University | 2 | 1 | | |
| 9 | East Carolina University | 3 | 2 | | |
| 10 | Elizabeth City State University | 2 | 1 | | |
| 11 | Fayetteville State University | 2 | 1 | | |
| 12 | North Carolina Agricultural and | | | | |
| 13 | Technical University | 2 | 1 | | |
| 14 | North Carolina Central University | 5 | 5 | | |
| 15 | Western Carolina University | 2 | 1 | | |
| 16 | Pembroke State University | 2 | 1 | | |
| 17 | Winston-Salem State University | 2 | 1 | | |
| 18 | North Carolina School of the Arts | 1 | 1 | | |
| 19 | Private Institutions | | | | |
| 20 | Duke University | 6 | 6 | | |
| 21 | Davidson College | 3 | 2 | | |
| 22 | Wake Forest University | 5 | 5 | | |
| 23 | Lenoir Rhyne College | 1 | 1 | | |
| 24 | Elon College | | | 1 | 1 |
| 25 | Guilford College | | | 1 | 1 |
| 26 | Campbell College | | | 5 | 5 |
| 27 | Wingate College | | | 1 | 1 |
| 28 | Pfeiffer College | | | 1 | 1 |
| 29 | Barber Scotia College | | | 1 | 1 |
| 30 | Atlantic Christian Barton College | | | 1 | 1 |
| 31 | Shaw University | | | 1 | 1 |
| 32 | St. Augustine's College | | | 1 | 1 |
| 33 | J.C. Smith University | | | 1 | 1 |
| 34 | Belmont Abbey College | | | 1 | 1 |
| 35 | Bennett College | | | 1 | 1 |
| 36 | Catawba College | | | 1 | 1 |
| 37 | Gardner-Webb College | | | 1 | 1 |
| 38 | Greensboro College | | | 1 | 1 |
| 39 | High Point College | | | 1 | 1 |
| 40 | Livingstone College | | | 1 | 1 |
| 41 | Mars Hill College | | | 1 | 1 |
| 42 | Meredith College | | | 1 | 1 |
| 43 | Methodist College | | | 1 | 1 |

| | | | |
|----|---|-------|-------|
| 1 | North Carolina Wesleyan College | 1 | 1 |
| 2 | Queens College | 1 | 1 |
| 3 | Sacred Heart College | 1 | 1 |
| 4 | St. Andrews Presbyterian College | 1 | 1 |
| 5 | Salem College | 1 | 1 |
| 6 | Warren Wilson College | 1 | 1 |
| 7 | County and Local Officials | | |
| 8 | Clerks of the Superior Court | 1 ea. | 1 ea. |
| 9 | Register of Deeds | 1 ea. | 1 ea. |
| 10 | Federal, Out-of-State and Foreign | | |
| 11 | Secretary to the President | 1 | 0 |
| 12 | Secretary of State | 1 | 1 |
| 13 | Secretary of Defense | 1 | 0 |
| 14 | Secretary of Agriculture | 1 | 0 |
| 15 | Secretary of the Interior | 1 | 0 |
| 16 | Secretary of Labor | 1 | 1 |
| 17 | Secretary of Commerce | 1 | 1 |
| 18 | Secretary of the Treasury | 1 | 0 |
| 19 | Secretary of Health, Education | | |
| 20 | and Welfare | 1 | 0 |
| 21 | Secretary of Housing and Urban | | |
| 22 | Development | 1 | 0 |
| 23 | Secretary of Transportation | 1 | 0 |
| 24 | Attorney General | 1 | 0 |
| 25 | Postmaster General | 1 | 0 |
| 26 | Bureau of Census | 1 | 0 |
| 27 | Bureau of Public Roads | 1 | 0 |
| 28 | Department of Justice | 1 | 0 |
| 29 | Department of Internal Revenue | 1 | 0 |
| 30 | Veterans' Administration | 1 | 0 |
| 31 | Farm Credit Administration | 1 | 0 |
| 32 | Securities and Exchange Commission | 1 | 0 |
| 33 | Social Security Board | 1 | 0 |
| 34 | Environmental Protection Agency | 1 | 0 |
| 35 | Library of Congress | 8 | 2 |
| 36 | Federal Judges resident in North Carolina | 1 ea. | 0 |
| 37 | Federal District Attorneys resident in | | |
| 38 | North Carolina | 1 ea. | 0 |
| 39 | Marshal of the United States | | |
| 40 | Supreme Court | 1 | 0 |
| 41 | Federal Clerks of Court resident | | |
| 42 | in North Carolina | 1 ea. | 0 |
| 43 | Supreme Court Library exchange list | 1 ea. | 0 |

1 One copy of the Session Laws shall be furnished the head of any department of State
2 government created in the future.

3 State agencies, institutions, etc., not found in or covered by this list may, upon written
4 request from their respective department head to the Secretary of State, and upon the
5 discretion of the Secretary of State as to need, be issued copies of the Session Laws on a
6 permanent loan basis with the understanding that should said copies be needed they will
7 be recalled."

8 (ss) G.S. 166A-21(e) is repealed.
9

10 Requested by: Senator Ballance

11 **STUDY TRANSFER OF BUTNER PUBLIC SAFETY**

12 Sec. 20.5. (a) There is established a Study Commission on the Transfer of
13 Butner Public Safety to be composed of 12 members: six members to be appointed by
14 the Speaker of the House of Representatives and six members to be appointed by the
15 President Pro Tempore of the Senate. The appointees shall serve until the termination of
16 the Commission. The Speaker of the House and the President Pro Tempore of the Senate
17 shall each designate a cochair from their appointees. Either cochair may call the first
18 meeting of the Commission. Vacancies shall be filled in the same manner as the original
19 appointments were made.

20 (b) The Commission shall:

- 21 (1) Examine the potential for transferring the functions and responsibilities
22 of Butner Public Safety from the Office of the Governor to other State
23 or local entities, including the sale or transfer of equipment, State
24 buildings, or property currently occupied by Butner Public Safety;
- 25 (2) Determine the most appropriate means of meeting the service needs of
26 both the State institutions and the local residents that would be affected
27 by such a transfer, including the feasibility of incorporating Butner; and
- 28 (3) Determine the most cost-effective means of accomplishing such a
29 transfer.

30 (c) With the prior approval of the Legislative Services Commission, the
31 Legislative Administrative Officer shall assign professional and clerical staff to assist in
32 the work of the Commission. Clerical staff shall be furnished to the Commission through
33 the Offices of the House and Senate Supervisors of Clerks. The expenses of employment
34 of the clerical staff shall be borne by the Commission. With the prior approval of the
35 Legislative Services Commission, the Commission may hold its meetings in the State
36 Legislative Building or the Legislative Office Building.

37 (d) The Study Commission shall submit a final written report of its findings
38 and recommendations to the General Assembly by March 31, 1996. All reports shall be
39 filed with the Speaker of the House of Representatives and the President Pro Tempore of
40 the Senate. Upon filing its final report, the Commission shall terminate.

41 (e) Members of the Commission shall be paid per diem, subsistence, and travel
42 allowances as follows:

- 1 (1) Commission members who are also members of the General Assembly,
2 at the rate established in G.S. 120-3.1.
- 3 (2) Commission members who are officials or employees of the State or
4 local government agencies, at the rate established in G.S. 138-6.
- 5 (3) All other Commission members at the rate established in G.S. 138-5.
- 6 (f) There is allocated from the funds appropriated to the Legislative Services
7 Commission's studies reserve to the Study Commission on the Transfer of Butner Public
8 Safety the sum of twenty-five thousand dollars (\$25,000) for the 1995-96 fiscal year to
9 conduct the study directed by this section.

11 PART 21. JUDICIAL DEPARTMENT

13 Requested by: Representatives Justus, Thompson, Senator Ballance

14 JUDICIAL DEPARTMENT REDUCTIONS

15 Sec. 21. In addition to specific position reductions provided for in this act, the
16 Director of the Administrative Office of the Courts shall reduce the salary and wage line
17 item for the Judicial Department by four hundred thousand dollars (\$400,000) for each
18 year of the 1995-97 biennium by either eliminating positions, using salary reserve funds,
19 or both.

21 Requested by: Representatives Justus, Thompson, Senator Ballance

22 JURY FEE WAIVER PROGRAM

23 Sec. 21.1. (a) G.S. 7A-312 reads as rewritten:

24 "§ 7A-312. Uniform fees for jurors; meals.

25 A juror in the General Court of Justice including a petit juror, or a coroner's juror, but
26 excluding a grand juror, shall receive twelve dollars (\$12.00) per day, except that if any
27 person serves as a juror for more than five days in any 24-month period, the juror shall
28 receive thirty dollars (\$30.00) per day for each day of service in excess of five days. A
29 grand juror shall receive twelve dollars (\$12.00) per day. However, any juror may waive
30 payment of the per diem fees provided for in this section. A juror required to remain
31 overnight at the site of the trial shall be furnished adequate accommodations and
32 subsistence. If required by the presiding judge to remain in a body during the trial of a
33 case, meals shall be furnished the jurors during the period of sequestration. Jurors from
34 out of the county summoned to sit on a special venire shall receive mileage at the same
35 rate as State employees."

36 (b) The Administrative Office of the Courts shall conduct a program to determine
37 the extent to which cost savings may be generated by allowing jurors to waive payment
38 of the per diem jury fees pursuant to subsection (a) of this section. The Administrative
39 Office of the Courts shall report its findings on savings generated by this program to the
40 Chairs of the Senate and House Appropriations Committees and the Chairs of the Senate
41 and House Appropriations Subcommittees on Justice and Public Safety by March 1,
42 1997.

43 (c) Subsection (a) of this section expires June 30, 1997.

1
2 Requested by: Representatives Justus, Thompson, Senator Ballance

3 **TRANSFER OF EQUIPMENT AND SUPPLY FUNDS**

4 Sec. 21.3. Funds appropriated to the Judicial Department in the 1995-97
5 biennium for equipment and supplies shall be certified in a reserve account. The
6 Administrative Office of the Courts shall have the authority to transfer these funds to the
7 appropriate programs and between programs as the equipment priorities and supply
8 consumptions occur during the operating year. These funds may not be expended for any
9 other purpose. The Administrative Office of the Courts shall make quarterly reports on
10 transfers made pursuant to this section to the Joint Legislative Commission on
11 Governmental Operations and the Chairs of the Senate and House Appropriations
12 Subcommittees on Justice and Public Safety.

13
14 Requested by: Representatives Justus, Thompson, Senator Ballance

15 **REPORT ON DISPUTE SETTLEMENT CENTERS**

16 Sec. 21.5. (a) All local dispute settlement centers currently receiving State funds
17 shall report annually to the Judicial Department on the program's funding and activities,
18 including:

- 19 (1) Types of dispute settlement services provided;
- 20 (2) Clients receiving each type of dispute settlement service;
- 21 (3) Number and type of referrals received, cases actually mediated, cases
22 resolved in mediation, and total clients served in the cases mediated;
- 23 (4) Total program funding and funding sources;
- 24 (5) Itemization of the use of funds, including operating expenses and
25 personnel;
- 26 (6) Itemization of the use of State funds;
- 27 (7) Level of volunteer activity; and
- 28 (8) Identification of future service demands and budget requirements.

29 The Judicial Department shall compile and summarize the information
30 provided pursuant to this subsection and shall provide the information to the Chairs of the
31 House and Senate Appropriations Committees and the Chairs of the House and Senate
32 Appropriations Subcommittees on Justice and Public Safety by February 1 of each year.

33 (b) Each local dispute settlement center requesting State funds for the first time
34 shall provide the General Assembly with (i) the information enumerated in subsection (a)
35 of this section, or projections where historical data is not available, as well as a detailed
36 statement justifying the need for State funding, and (ii) certification that at least fifty
37 percent (50%) of total funding for the first fiscal year in which funding is requested shall
38 come from non-State sources, and (iii) if funding is requested for a second fiscal year,
39 certification that at least sixty percent (60%) of total funding for the second fiscal year
40 shall come from non-State sources.

41 (c) Each local dispute settlement center requesting an expansion of State funding
42 shall provide the General Assembly with (i) the information enumerated in subsection (a)
43 of this section, or projections where historical data is not available, as well as a detailed

1 statement justifying the need for the expansion of State funding, and (ii) certification that
2 at least sixty percent (60%) of total funding shall come from non-State sources.

3
4 Requested by: Representatives Justus, Thompson, Senator Ballance

5 **SPECIAL CAPITAL CASE REHEARING FUND**

6 Sec. 21.8. There is continued in the Judicial Department the nonreverting
7 special fund known as "The Special Capital Case Rehearing Fund". The funds shall be
8 used to provide for resentencing hearings, related appeals, and postconviction hearings
9 required by the decisions of the United States Supreme Court in McKoy v. North
10 Carolina, decided March 5, 1990, and of the Supreme Court of North Carolina upon
11 remand of that case, including the payment of attorneys' fees and related expenses for
12 representation of indigent persons as specified in Subchapter IX of Chapter 7A of the
13 General Statutes. As determined by the Director of the Administrative Office of the
14 Courts, any amounts in this fund not required to meet the needs of special capital case
15 rehearings may be transferred to the Indigent Persons' Attorney Fee Fund.

16
17 Requested by: Senator Ballance

18 **COMMUNITY PENALTIES PROGRAM**

19 Sec. 21.9. (a) Of the funds appropriated from the General Fund to the Judicial
20 Department for the 1995-97 biennium to conduct the Community Penalties program, the
21 sum of three million nine hundred eighty-four thousand nine hundred twelve dollars
22 (\$3,984,912) for the 1995-96 fiscal year and the sum of four million six hundred thirty-
23 four thousand nine hundred twelve dollars (\$4,634,912) for the 1996-97 fiscal year may
24 be allocated by the Judicial Department in each year of the biennium in any amount
25 among existing community penalties programs, including any State-operated programs,
26 or may be used to establish new State-operated community penalties programs.

27 (b) The Judicial Department shall report annually to the Senate and
28 House Appropriations Subcommittees on Justice and Public Safety and to the Fiscal
29 Research Division on the administrative expenditures of the community penalties
30 programs. The Judicial Department shall report quarterly to the Joint Legislative
31 Commission on Governmental Operations on any elimination or reduction of funding for
32 community penalties programs funded in the 1994-95 fiscal year or any program
33 receiving initial funding during the 1995-97 biennium.

34 (c) G.S. 7A-771(1) reads as rewritten:

35 "(1) 'Community penalties program' means an agency or State-run office
36 within the judicial district which shall (i) prepare community penalty
37 plans; (ii) arrange or contract with public and private agencies for
38 necessary services for offenders; and (iii) monitor the progress of
39 offenders placed on community penalty plans."

40 (d) G.S. 7A-772 reads as rewritten:

41 **"§ 7A-772. Allocation of funds.**

42 (a) The Director may award grants in accordance with the policies established by
43 this Article and in accordance with any laws made for that purpose, including

1 appropriations acts and provisions in appropriations acts, and adopt regulations for the
2 implementation, operation, and monitoring of community penalties programs.
3 Community penalties programs that are grantees shall use such funds to develop,
4 implement, and monitor community penalty plans. Grants shall be awarded by the
5 Director to agencies whose comprehensive program plans promise best to meet the goals
6 set forth herein.

7 (b) The Director may establish local community penalties programs and appoint
8 those staff as the Director deems necessary. These personnel may serve as full-time or
9 part-time State employees or may be hired on a contractual basis when determined
10 appropriate by the director. Contracts entered under the authority of this subsection shall
11 be exempt from the competitive bidding procedures under Chapter 143 of the General
12 Statutes. The Administrative Office of the Courts shall adopt rules necessary and
13 appropriate for the administration of the program. Funds appropriated by the General
14 Assembly for the establishment and maintenance of community penalties programs under
15 this Article shall be administered by the Administrative Office of the Courts."

16 (e) G.S. 7A-773 reads as rewritten:

17 "**§ 7A-773. Responsibilities of a community penalties program.**

18 A community penalties program shall be responsible for:

- 19 (1) Targeting offenders who are eligible to receive an intermediate
20 punishment based on their class of offense and prior record level and
21 who face an imminent and substantial threat of imprisonment.
- 22 (2) Preparing detailed community penalty plans for presentation to the
23 sentencing judge by the offender's ~~attorney~~-attorney or at the request of
24 the sentencing judge.
- 25 (3) Contracting or arranging with public or private agencies for services
26 described in the community penalty plan.
- 27 (4) Monitoring the progress of offenders under community penalty plans."

28
29 Requested by: Senator Ballance

30 **COURT REPORTING/USE OF AUDIO AND VIDEO EQUIPMENT**

31 Sec. 21.10. (a) The Administrative Office of the Courts may use funds appropriated
32 in this act for State court reporter positions and support, including contractual services, to
33 purchase audio and video recording equipment for use in the courtroom, provided that the
34 purchase is to implement budget reductions for court reporter programs as required in this
35 act.

36 (b) The Office of the State Auditor shall study the court reporting system and
37 determine the most cost-effective and appropriate use of official State court reporters,
38 contractual reporters, and audio and video recording equipment for court reporting. The
39 Office of the State Auditor shall consult with the Association of Official Court Reporters
40 as part of the study. The study shall identify specific cost savings that would result from
41 the implementation of the study recommendations. The Office of the State Auditor shall
42 report to the Chairs of the Senate and House Appropriations Committees and the Chairs

1 of the Senate and House Appropriations Subcommittees on Justice and Public Safety on
2 the results of this study by April 1, 1996.

3 (c) Any reduction in official court reporter positions pursuant to this section shall
4 be implemented notwithstanding the provisions of G.S. 7A-198(f) and G.S. 7A-95(e).

5 (d) The Administrative Office of the Courts shall make reasonable efforts to assist
6 official State court reporters and district court reporters in obtaining employment within
7 the court system.

8
9 Requested by: Representatives Justus, Thompson, Senator Ballance

10 **FUNDING OF JUDGESHIPS**

11 Sec. 21.11. The Judicial Department may use funds available to the
12 Department to fund the district court judgeships authorized in Section 200.6 of Chapter
13 321 of the 1993 Session Laws for District Court Districts 3A, 8, 12, and 18 upon the
14 assumption of office by the initial holders of those judgeships.

15
16 Requested by: Senator Ballance

17 **GUARDIAN AD LITEM STUDY**

18 Sec. 21.12. (a) The Legislative Research Commission may study the Guardian Ad
19 Litem program in the Judicial Department and the Children's Services program in the
20 Division of Social Services. The study shall:

- 21 (1) Identify the amount and source of funding for legal services and
22 administration in child abuse and neglect and dependency cases in those
23 programs;
- 24 (2) Identify the legal participants involved in child abuse and neglect and
25 dependency court cases and each participant's responsibilities;
- 26 (3) Study the purpose and activities of each program and identify activities
27 that are similar;
- 28 (4) Identify federal mandates and any federal funding that would be
29 affected by any changes in legal services or administration of either
30 program, and determine whether any federal funds are available to fund
31 the Guardian Ad Litem program;
- 32 (5) Review guardian ad litem programs and children's services in other
33 states, including cost-saving measures taken by those states, and identify
34 other methods of administering and funding those programs;
- 35 (6) Identify methods of reducing the costs for attorneys involved in child
36 abuse and neglect and dependency cases;
- 37 (7) Review administrative costs of each program and identify possible cost
38 savings; and
- 39 (8) Determine the extent to which guardian ad litem attorneys are
40 performing duties normally handled by volunteers and identify methods
41 to reduce such practices.

42 (b) The Commission may report its findings to the 1996 Regular Session of the
43 1995 General Assembly.

1
2 Requested by: Senator Ballance

3 **CHANGE GUARDIAN AD LITEM ATTORNEY APPOINTMENT**

4 Sec. 21.13. G.S. 7A-586(a) reads as rewritten:

5 "(a) When in a petition a juvenile is alleged to be abused or neglected, the judge
6 shall appoint a guardian ad litem to represent the juvenile. When a juvenile is alleged to
7 be dependent, the judge may appoint a guardian ad litem to represent the juvenile. The
8 guardian ad litem and attorney advocate have standing to represent the juvenile in all
9 actions under this Subchapter where they have been appointed. The appointment shall be
10 made pursuant to the program established by Article 39 of this Chapter unless
11 representation is otherwise provided pursuant to G.S. 7A-491 or G.S. 7A-492. In every
12 case where a nonattorney is appointed as a guardian ad litem, an attorney shall be
13 appointed in the case in order to assure protection of the child's legal rights ~~within the~~
14 ~~proceeding~~ through the dispositional phase of the proceedings, and after disposition
15 when necessary to further the best interests of the child. The duties of the guardian ad
16 litem program shall be to make an investigation to determine the facts, the needs of the
17 juvenile, and the available resources within the family and community to meet those
18 needs; to facilitate, when appropriate, the settlement of disputed issues; to offer evidence
19 and examine witnesses at adjudication; to explore options with the judge at the
20 dispositional hearing; and to protect and promote the best interest of the juvenile until
21 formally relieved of the responsibility by the judge."
22

23 Requested by: Senator Ballance

24 **DRUG TREATMENT COURTS/FUNDS IN RESERVE**

25 Sec. 21.14. (a) Chapter 7A of the General Statutes is amended by adding a new
26 Subchapter to read:

27 **"SUBCHAPTER XIV. DRUG TREATMENT COURTS.**

28 **"ARTICLE 62.**

29 **"NORTH CAROLINA DRUG TREATMENT COURT ACT.**

30 **"§ 7A-790. Short title.**

31 This Article shall be known and may be cited as the 'North Carolina Drug Treatment
32 Court Act of 1995'.

33 **"§ 7A-791. Purpose.**

34 The General Assembly recognizes that a critical need exists in this State for criminal
35 justice system programs that will reduce the incidence of drug use and drug addiction and
36 crimes committed as a result of drug use and drug addiction. It is the intent of the
37 General Assembly by this Article to create a program to facilitate the creation of drug
38 treatment court pilot programs in a minimum of two judicial districts.

39 **"§ 7A-792. Goals.**

40 The goals of the drug treatment court programs funded under this Article include the
41 following:

42 (1) To reduce alcoholism and other drug dependencies among offenders;

43 (2) To reduce recidivism;

- 1 (3) To reduce the drug-related court workload;
- 2 (4) To increase the personal, familial, and societal accountability of
- 3 offenders; and
- 4 (5) To promote effective interaction and use of resources among criminal
- 5 justice personnel and community agencies.

6 **"§ 7A-793. Establishment of Program.**

7 The North Carolina Drug Treatment Court Program is established in the

8 Administrative Office of the Courts to facilitate the creation of drug treatment court

9 programs and the funding of pilot drug treatment court programs. Drug treatment court

10 programs funded pursuant to this Article shall be operated consistent with the guidelines

11 promulgated by the Director of the Administrative Office of the Courts in consultation

12 with the State Drug Treatment Court Advisory Committee established in G.S. 7A-795. In

13 promulgating the guidelines, the Director and the Advisory Committee shall consider the

14 Substance Abuse and the Courts Action Plan and other recommendations of the

15 Substance Abuse and the Courts State Task Force.

16 **"§ 7A-794. Fund administration.**

17 The Drug Treatment Court Program Fund is created in the Administrative Office of

18 the Courts and is administered by the Director of the Administrative Office of the Courts

19 in consultation with the State Drug Treatment Court Advisory Committee. The Director

20 of the Administrative Office of the Courts shall award grants from this Fund and

21 implement drug treatment court programs in a minimum of two judicial districts. Grants

22 shall be awarded based upon the general guidelines set forth by the Director of the

23 Administrative Office of the Courts and the State Drug Treatment Court Advisory

24 Committee.

25 **"§ 7A-795. State Drug Treatment Court Advisory Committee.**

26 The State Drug Treatment Court Advisory Committee is established to develop

27 guidelines for the drug treatment court program and to monitor programs wherever they

28 are implemented. The Committee shall be chaired by the Director of the Administrative

29 Office of the Courts or the Director's designee and shall consist of not less than seven

30 members appointed by the Director and broadly representative of the courts, corrections,

31 and substance abuse treatment communities.

32 **"§ 7A-796. Local drug treatment court management committee.**

33 Each judicial district choosing to establish a drug treatment court or applying to

34 participate in a funded pilot program shall form a local drug treatment court management

35 committee which may consist of some or all of the following:

- 36 (1) A judge of the superior court;
- 37 (2) A judge of the district court;
- 38 (3) A district attorney or assistant district attorney;
- 39 (4) A public defender or assistant public defender in judicial districts served
- 40 by a public defender;
- 41 (5) A member of the private criminal defense bar;
- 42 (6) A clerk of superior court;

- 1 (7) The trial court administrator in judicial districts served by a trial court
- 2 administrator;
- 3 (8) A probation officer;
- 4 (9) A local law enforcement officer;
- 5 (10) A representative of the local community college;
- 6 (11) A representative of the treatment providers;
- 7 (12) The local program director provided for in G.S. 7A-798; and
- 8 (13) Any other persons selected by the local management committee.

9 The local drug treatment court management committee shall develop local guidelines
10 and procedures, not inconsistent with the State guidelines, that are necessary for the
11 operation and evaluation of the local drug treatment court.

12 **"§ 7A-797. Eligible population; drug treatment court procedures.**

13 The Director of the Administrative Office of the Courts, in conjunction with the State
14 Drug Treatment Court Advisory Committee, shall develop criteria for eligibility and
15 other procedural and substantive guidelines for drug treatment court operation.

16 **"§ 7A-798. Drug treatment court grant application; local program director.**

17 (a) Grant applications for the pilot programs shall be submitted to the Director of
18 the Administrative Office of the Courts, in such form and with such information as the
19 Director may require consistent with the provisions of this Article. Grants shall be
20 awarded to two or more judicial districts that submit the most comprehensive and feasible
21 plans for the implementation and operation of a drug treatment court. The Director shall
22 award and administer grants in accordance with any laws made for that purpose,
23 including appropriations acts and provisions in appropriations acts, and may adopt rules
24 for the implementation, operation, and monitoring of grant-funded programs.

25 (b) Grant applications shall specify a local program director who shall be
26 responsible for local administration of the project. Grant funds may be used to fund a
27 full-time or part-time local program director position. The local program director may be
28 an employee of the grant recipient, an employee of the court, or a grant-established
29 position under the senior resident superior court judge or chief district court judge.

30 **"§ 7A-799. Treatment not guaranteed.**

31 Nothing contained in this Article shall confer a right or an expectation of a right to
32 treatment for a defendant or offender within the criminal justice system.

33 **"§ 7A-800. Payment of costs of treatment program.**

34 Each defendant shall contribute to the cost of the substance abuse treatment received
35 in the drug treatment court program, based upon guidelines developed by the local drug
36 treatment court management committee.

37 **"§ 7A-801. Plan for evaluation.**

38 Each grant application requesting funding for the pilot program shall include a
39 method for evaluating the pilot program's effectiveness, based upon the goals stated in
40 G.S. 7A-792. Each funded program shall submit evaluation reports to the Administrative
41 Office of the Courts as requested. Additionally, the Administrative Office of the Courts
42 shall be responsible for developing an evaluation model on the State level to compare the

1 effectiveness of all pilot programs and shall submit a report to the General Assembly by
2 May 1, 1998."

3 (b) Funds to implement and evaluate the pilot programs established under the
4 North Carolina Drug Treatment Court Act shall be allocated from the reserve of eight
5 hundred thousand dollars (\$800,000) created in Section 41 of Chapter 24 of the Session
6 Laws of the 1994 Extra Session. These funds shall be used primarily to provide
7 substance abuse treatment, but the sum of forty-three thousand seven hundred seventy-
8 five dollars (\$43,775) for the 1995-96 fiscal year and the sum of fifty-two thousand five
9 hundred fifty-one thousand dollars (\$52,551) for the 1996-97 fiscal year may be used to
10 fund one program administrator position.

11 (c) Section 1 of this act becomes effective July 1, 1995, and expires June 30, 1998.
12 The remainder of this act becomes effective October 1, 1995.

13 14 **PART 22. DEPARTMENT OF JUSTICE**

15
16 Requested by: Senator Ballance

17 **REVERSION OF CERTAIN INSURANCE SETTLEMENT PROCEEDS**

18 Sec. 22. (a) Section 23.5 of Chapter 769 of the 1993 Session Laws, Regular
19 Session 1994, is repealed.

20 (b) Any funds received by the Department of Justice in settlement of insurance
21 claims arising from damage to the Blue Bell building at the North Carolina Justice
22 Academy shall be expended by the Department for replacement of the building and for no
23 other purpose. If any appropriation is made to the Department for replacement of the
24 Blue Bell Building, then any funds received as insurance settlement proceeds shall revert
25 to the General Fund.

26 (c) Subsection (a) of this section becomes effective June 30, 1995.

27
28 Requested by: Representatives Justus, Thompson, Senator Ballance

29 **DEPARTMENT OF JUSTICE SALARY FUNDS**

30 Sec. 22.1. Of the funds appropriated to the Department of Justice in this act,
31 the sum of ninety-three thousand four hundred fifty-three dollars (\$93,453) for the 1995-
32 96 fiscal year and the sum of ninety-three thousand four hundred fifty-three dollars
33 (\$93,453) for the 1996-97 fiscal year may be used for one-time annual salary adjustments
34 for attorneys who are determined to be eligible for the adjustments based upon
35 outstanding job performance for the preceding year.

36
37 Requested by: Representatives Justus, Thompson, Senator Ballance

38 **SBI FUNDS/SPENDING PRIORITIES**

39 Sec. 22.2. Of the funds appropriated in this act to the Department of Justice,
40 State Bureau of Investigation, for the 1995-97 biennium for overtime payments, the first
41 priority for use of the funds by the Department shall be:

- 42 (1) To make overtime payments to SBI agents in the Field Investigations
43 Division; and

- 1 (2) To make overtime payments to supervisory personnel receiving
2 overtime payments as of June 30, 1995, up to a maximum of five
3 thousand two hundred dollars (\$5,200) annually per individual.
4

5 Requested by: Representatives Justus, Thompson, Senator Ballance

6 **SBI USE OF COURT-ORDERED REIMBURSEMENT FUNDS**

7 Sec. 22.3. The State Bureau of Investigation (SBI) may use funds available
8 from court-ordered reimbursement in undercover drug operations.
9

10 Requested by: Representatives Justus, Thompson, Senator Ballance

11 **PRIVATE PROTECTIVE SERVICES AND ALARM SYSTEMS LICENSING**
12 **BOARDS PAY FOR USE OF STATE FACILITIES AND SERVICES**

13 Sec. 22.4. The Private Protective Services and Alarm Systems Licensing
14 Boards shall pay the appropriate State agency for the use of physical facilities and
15 services provided to those boards by the State.
16

17 Requested by: Senator Ballance

18 **LIMITS ON COMPUTER SYSTEM UPGRADE**

19 Sec. 22.5. Any proposed increase in mainframe computer capacity or system
20 upgrade for the Judicial Department, the Department of Correction, or the Department of
21 Justice, to be funded from the Continuation Budget, shall be reported to the Joint
22 Legislative Commission on Governmental Operations, to the Senate and House Chairs of
23 the Appropriations Committees, and to the Chairs of the Justice and Public Safety
24 Committees before the department enters into any contractual agreement. This report is
25 to be made jointly by the Information Resource Management Commission, the Office of
26 State Budget and Management, and the requesting department.
27

28 Requested by: Senator Ballance

29 **CERTAIN LITIGATION EXPENSES TO BE PAID BY CLIENT AGENCIES**

30 Sec. 22.6. Client departments, agencies, and boards shall reimburse the
31 Department for reasonable court fees, attorney travel and subsistence costs, and other
32 costs directly related to litigation in which the Department is representing that client
33 department, agency, or board.
34

35 Requested by: Senator Ballance

36 **USE OF SEIZED AND FORFEITED PROPERTY TRANSFERRED TO STATE**
37 **LAW ENFORCEMENT AGENCIES BY THE FEDERAL GOVERNMENT**

38 Sec. 22.7. (a) Assets transferred to the Department of Justice during the 1995-97
39 biennium pursuant to 19 U.S.C. § 1616a shall be credited to the budget of that
40 Department and shall result in an increase of law enforcement resources for the
41 Department. Assets transferred to the Office of Public Safety, Office of the Governor,
42 during the 1995-97 biennium pursuant to 19 U.S.C. § 1616a shall be credited to the
43 budget of that Office and shall result in an increase of law enforcement resources for the

1 Office of Public Safety. The Department and the Office shall report to the Joint
2 Legislative Commission on Governmental Operations upon the receipt of these assets
3 and, before using these assets, shall report the intended use of these assets and the
4 departmental priorities on which the assets may be expended.

5 The General Assembly finds that the use of these assets for new personnel
6 positions, new projects, the acquisition of real property, repair of buildings where such
7 repair includes structural change, and construction of or additions to buildings may result
8 in additional expenses for the State in future fiscal periods; therefore, the Department of
9 Justice and the Office of Public Safety are prohibited from using these assets for such
10 purposes without the prior approval of the General Assembly, except during the 1995-97
11 biennium, the Department of Justice may:

- 12 (1) Use an amount not to exceed the sum of twenty-five thousand dollars
13 (\$25,000) of the funds to extend the lease of space in the Town of
14 Salemburg for SBI training; and
- 15 (2) Use an amount not to exceed fifty thousand dollars (\$50,000) of the
16 funds to lease space for its technical operations unit, storage of its
17 equipment and vehicles, and command post vehicle.

18 (b) Nothing in this section prevents North Carolina law enforcement agencies from
19 receiving funds from the United States Department of Justice pursuant to 19 U.S.C. §
20 1616a.

21
22 Requested by: Senator Ballance

23 **VICTIMS ASSISTANCE NETWORK FUNDS**

24 Sec. 22.8. (a) Of the funds appropriated in this act to the Department of Justice, the
25 sum of one hundred fifty thousand dollars (\$150,000) for the 1995-96 fiscal year and the
26 sum of one hundred fifty thousand dollars (\$150,000) for the 1996-97 fiscal year shall be
27 used to support the Victims Assistance Network. These funds shall be used by the
28 Victims Assistance Network to perform the following functions under the direction of
29 and as required by the Department of Justice:

- 30 (1) Conduct surveys and gather data on crime victims and their needs;
- 31 (2) Act as a clearinghouse for crime victims services;
- 32 (3) Provide an automated crime victims bulletin board for subscribers;
- 33 (4) Coordinate and support the activities of other crime victims advocacy
34 groups;
- 35 (5) Identify training needs of crime victims services providers and criminal
36 justice personnel and coordinate training efforts for those persons; and
- 37 (6) Provide other services as identified by the Governor's Crime
38 Commission or the Department of Justice.

39 (b) This section becomes effective July 1, 1995.

41 **PART 23. DEPARTMENT OF HUMAN RESOURCES**

42
43 Requested by: Senator Martin of Guilford

REDUCE DHR FUNDS IN ANTICIPATION OF RECEIPT OF FEDERAL FUNDS

Sec. 23. Funds appropriated to the Department of Human Resources for the 1995-96 fiscal year have been reduced by fourteen million thirteen thousand three hundred ninety-six dollars (\$14,013,396) in anticipation of the receipt of federal funds from the Title IV A - Emergency Assistance Program and the Social Services Block Grant. If these federal funds are not received or if only a portion of these funds are received, notwithstanding G.S. 143-15.3, the Director of the Budget may use funds available to the Department, not to exceed fourteen million thirteen thousand three hundred ninety-six dollars (\$14,013,396).

Requested by: Senator Martin of Guilford

DHR EMPLOYEES/IN-KIND MATCH

Sec. 23.1. Notwithstanding the limitations of G.S. 143B-139.4, the Secretary of the Department of Human Resources may assign employees of the Office of Rural Health and Resource Development to serve as in-kind match to nonprofit corporations working to establish health care programs that will improve health care access while controlling costs.

Requested by: Senator Martin of Guilford

LIABILITY INSURANCE

Sec. 23.2. The Secretary of the Department of Human Resources, the Secretary of the Department of Environment, Health, and Natural Resources, and the Secretary of the Department of Correction may provide medical liability coverage not to exceed one million dollars (\$1,000,000) on behalf of employees of the Departments licensed to practice medicine or dentistry and on behalf of physicians in all residency training programs from The University of North Carolina who are in training at institutions operated by the Department of Human Resources. This coverage may include commercial insurance or self-insurance and shall cover these individuals for their acts or omissions only while they are engaged in providing medical and dental services pursuant to their State employment or training.

The coverage provided under this section shall not cover any individual for any act or omission that the individual knows or reasonably should know constitutes a violation of the applicable criminal laws of any state or the United States, or that arises out of any sexual, fraudulent, criminal, or malicious act, or out of any act amounting to willful or wanton negligence.

The coverage provided pursuant to this section shall not require any additional appropriations and shall not apply to any individual providing contractual service to the Department of Human Resources, the Department of Environment, Health, and Natural Resources, or the Department of Correction, with the exception that coverage may include physicians in all residency training programs from The University of North Carolina who are in training at institutions operated by the Department of Human Resources.

1 Requested by: Senator Martin of Guilford

2 **TRANSFERS OF CERTAIN FUNDS AUTHORIZED**

3 Sec. 23.3. In order to assure maximum utilization of funds in county
4 departments of social services, county or district health agencies, and area mental health,
5 developmental disabilities, and substance abuse authorities, the Director of the Budget
6 may transfer excess funds appropriated to a specific service, program, or fund, whether
7 specified service in a block grant plan or General Fund appropriation, into another
8 service, program, or fund for local services within the budget of the respective State
9 agency.

10

11 Requested by: Senator Martin of Guilford

12 **HEALTH CENTERS' PURCHASE OF MEDICATIONS**

13 Sec. 23.4. Notwithstanding any provisions of law to the contrary, State rural
14 health centers and federally funded community and migrant health centers shall be
15 permitted to purchase medications by participating in contracts administered by the
16 Department of Administration, Division of Purchase and Contract.

17

18 Requested by: Senator Martin of Guilford

19 **S.O.S. AND FAMILY RESOURCE CENTER GRANT PROGRAMS**
20 **ADMINISTRATIVE COSTS LIMITS**

21 Sec. 23.6. (a) Of the funds appropriated to the Department of Human Resources in
22 this act, the Department may use up to a total of three hundred fifty thousand dollars
23 (\$350,000) each fiscal year of the biennium to administer the S.O.S. Program, to provide
24 technical assistance to applicants and to local S.O.S. programs, and to evaluate the local
25 S.O.S. programs. The Department may contract with appropriate public or nonprofit
26 agencies to provide the technical assistance, including training and related services.

27 (b) Of the funds appropriated in this act to the Department of Human Resources
28 for the Family Resource Center Grant Program, the Department may use up to three
29 hundred thousand dollars (\$300,000) each fiscal year of the biennium to administer the
30 Program.

31

32 Requested by: Senator Martin of Guilford

33 **COUNCIL ON DEVELOPMENTAL DISABILITIES SERVICES MAINTAINED**

34 Sec. 23.6A. The Department of Human Resources shall ensure that grants
35 provided at the local level through the Council on Developmental Disabilities are
36 provided at the level funded in the 1994-95 fiscal year, at a minimum. Notwithstanding
37 any law to the contrary, the Department may use funds available to it to maintain this
38 minimum level of funding.

39

40 Requested by: Senator Martin of Guilford

41 **DHR RESOURCE STUDIES**

1 Sec. 23.6B. The Department shall study the following two issues and shall
2 report these two issues, together with any recommendations, to the 1995 General
3 Assembly, Regular Session 1996, within one week of convening:

- 4 (1) The average staff vacancy rate by division over the last five fiscal years,
5 to determine its effect on lapsed salaries; and
6 (2) An analysis of unbudgeted revenues in excess of revenues in the
7 certified budget as amended by the General Assembly received by the
8 Department in the last two fiscal years, including:
9 a. Indirect cost receipts; and
10 b. Prior year earned revenue.

11
12 Requested by: Senator Martin of Guilford

13 **DAY CARE FUNDS MATCHING REQUIREMENT**

14 Sec. 23.7. No local matching funds may be required by the Department of
15 Human Resources as a condition of any locality's receiving any State day care funds
16 appropriated by this act unless federal law requires such a match.

17
18 Requested by: Senator Martin of Guilford

19 **DAY CARE ALLOCATION FORMULA**

20 Sec. 23.8. (a) To simplify current day care allocation methodology and more
21 equitably distribute State day care funds, the Department of Human Resources shall
22 apply the following allocation formula to all noncategorical federal and State day care
23 funds used to pay the costs of necessary day care for minor children of needy families:

- 24 (1) One-third of budgeted funds shall be distributed according to the
25 county's population in relation to the total population of the State;
26 (2) One-third of the budgeted funds shall be distributed according to the
27 number of children under 6 years of age in a county who are living in
28 families whose income is below the State poverty level in relation to the
29 total number of children under 6 years of age in the State in families
30 whose income is below the poverty level; and
31 (3) One-third of budgeted funds shall be distributed according to the
32 number of working mothers with children under 6 years of age in a
33 county in relation to the total number of working mothers with children
34 under 6 years of age in the State.

35 (b) A county's initial allocation shall not be less than that county's initial allocation
36 was in fiscal year 1990-91 under the formula prescribed by Section 102 of Chapter 500 of
37 the 1989 Session Laws. However, if the total amount available to allocate is less than the
38 amount allocated by formula in the 1990-91 fiscal year, a county's allocation may be less
39 than the county's initial allocation was in that fiscal year.

40
41 Requested by: Senator Martin of Guilford

42 **CHILD DAY CARE REVOLVING LOAN FUND**

1 Sec. 23.9. Notwithstanding any law to the contrary, funds budgeted for the
2 Child Day Care Revolving Loan Fund may be transferred to and invested by the financial
3 institution contracted to operate the Fund. The principal and any income to the Fund may
4 be used to make loans, reduce loan interest to borrowers, serve as collateral for
5 borrowers, pay the contractor's cost of operating the Fund, or to pay the Department's
6 cost of administering the program.

7
8 Requested by: Senator Martin of Guilford

9 **DAY CARE**

10 Sec. 23.10. Except for the allocation of support costs from federal grants by
11 the General Assembly or the reallocation of federal grant funds by the Office of State
12 Budget and Management, the Department of Human Resources shall distribute the funds
13 appropriated and otherwise available to it for the purchase of day care for minor children
14 of needy families so as to serve the greatest number of children possible.

15
16 Requested by: Senator Martin of Guilford

17 **DAY CARE RATES**

18 Sec. 23.11. (a) Rules for the monthly schedule of payments for the purchase of day
19 care services for low-income children shall be established by the Social Services
20 Commission pursuant to G.S. 143B-153(8)a., in accordance with the following
21 requirements:

- 22 (1) For day care facilities, as defined in G.S. 110-86(3), in which fewer than
23 fifty percent (50%) of the enrollees are subsidized by State or federal
24 funds, the State shall continue to pay the same fee paid by private
25 paying parents for a child in the same age group in the same facility.
- 26 (2) Facilities in which fifty percent (50%) or more of the enrollees are
27 subsidized by State or federal funds may be paid the rate established by
28 the local purchasing agency, not to exceed the county market rate.
- 29 (3) A market rate shall be calculated for each county and for each age group
30 or age category of enrollees and shall be representative of fees charged
31 to unsubsidized private paying parents for each age group of enrollees
32 within the county. The county market rates shall be calculated from
33 facility fee schedules collected by the Division of Child Development
34 on a routine basis. The Division shall also calculate a statewide market
35 rate for each age category. The Division may also calculate regional
36 market rates for each age group and age category. The Social Services
37 Commission shall adopt rules to establish minimum county rates that
38 use the statewide market rates as a reference point.
- 39 (4) Child day care homes as defined in G.S. 110-86(4) and other home-
40 based day care arrangements that are not required to be regulated by the
41 State licensing agency may be paid the rate established by the local
42 purchasing agency, not to exceed market rate for day care homes, which
43 shall be calculated at least biennially by the Division of Child

1 Development according to the method described in subdivision (3) of
2 subsection (a) of this section.

3 (b) Facilities licensed pursuant to Article 7 of Chapter 110 of the General Statutes
4 may participate in the program that provides for the purchase of care in day care facilities
5 for minor children of needy families. No separate licensing requirements shall be used to
6 select facilities to participate. In addition, day care facilities shall be required to meet any
7 additional applicable requirements of federal law or regulations.

8 Day care homes as defined in G.S. 110-86(4) from which the State purchases
9 day care services shall meet the standards established by the Child Day Care Commission
10 pursuant to G.S. 110-101 and G.S. 110-105.1 and any additional requirements of State
11 law or federal law or regulations. Child care arrangements exempt from State regulation
12 pursuant to Article 7 of Chapter 110 of the General Statutes shall meet the requirements
13 established by other State law and by the Social Services Commission.

14 County departments of social services or other local contracting agencies shall
15 not use a provider's failure to comply with requirements in addition to those specified in
16 this subsection as a condition for reducing the provider's subsidized child day care rate.

17 (c) County departments of social services shall continue to negotiate with day care
18 providers for day care services below those rates prescribed by subsection (a) of this
19 section. County departments shall purchase day care services so as to serve the greatest
20 number of children possible with existing resources.

21
22 Requested by: Senator Martin of Guilford

23 **EARLY CHILDHOOD EDUCATION AND DEVELOPMENT INITIATIVES**
24 **QUALITY ASSURANCE/ACCOUNTABILITY**

25 Sec. 23.12. (a) The General Assembly finds, in consultation with the Governor, that
26 it is essential to begin to develop comprehensive programs that provide high quality early
27 childhood education and development services locally for children and their families.
28 The General Assembly also finds that it is equally essential that these programs be
29 developed in a manner that will provide both quality assurance and performance-based
30 accountability to the children, their families, their communities, and the State.

31 (b) The Department of Human Resources shall develop and implement a
32 performance-based evaluation system to evaluate the Early Childhood Education and
33 Development Initiatives authorized by Part 10B of Article 3 of Chapter 143B of the
34 General Statutes, if enacted. The Department shall design this system:

35 (1) To incorporate the elements of a formative evaluation, including process
36 and efficiency studies, and of a summative evaluation, including
37 outcome and effectiveness studies, in order to:

- 38 a. Provide information to the Department and to the General
39 Assembly on how to improve and refine the Programs;
40 b. Enable the Department and the General Assembly to assess the
41 overall quality and impact of the existing Programs and any
42 future ones; and

- 1 c. Enable the Department and the General Assembly to determine
2 whether to make the Early Childhood Education and
3 Development Initiatives statewide;
- 4 (2) To focus the Programs, as they develop and continue, on quality
5 assurance, by making quality a central and ongoing priority and to
6 ensure that quality improvement efforts address outcomes, such as
7 functions and processes, rather than persons, specific details, or
8 paperwork;
- 9 (3) To use reliable statistical methods to measure performance of processes,
10 functions, efforts, and outcomes, which methods shall allow adequate
11 tracking of children and families through the program and into the
12 school system, in order to provide a real, objective measure of the
13 outcome of the Programs; and
- 14 (4) To provide a detailed fiscal analysis of the use to which State funds for
15 these Programs are put.

16
17 Requested by: Senator Martin of Guilford

18 **EARLY CHILDHOOD EDUCATION AND DEVELOPMENT INITIATIVES**
19 **PLAN**

20 Sec. 23.13. Counties participating in the Early Childhood Education and
21 Development Initiatives authorized by Part 10B of Article 3 of Chapter 143B of the
22 General Statutes may use the county's allocation of State and federal child care funds to
23 subsidize child care according to the county's Early Childhood Education and
24 Development Initiatives Plan as approved by the Department of Human Resources. The
25 use of federal funds shall be consistent with the appropriate federal regulations. Day care
26 providers shall, at a minimum, comply with the applicable requirements for State
27 licensure or registration pursuant to Article 7 of Chapter 110 of the General Statutes, with
28 other applicable requirements of State law or rule, including rules adopted for
29 nonregistered day care by the Social Services Commission, and with applicable federal
30 regulations.

31
32 Requested by: Senator Martin of Guilford

33 **SUPPLEMENTAL HEAD START FUNDS**

34 Sec. 23.13A. Supplemental Head Start funds appropriated in this act to the
35 Department of Human Resources shall continue to be allocated to those counties
36 currently receiving these funds.

37
38 Requested by: Senator Martin of Guilford

39 **EARLY CHILDHOOD EDUCATION AND DEVELOPMENT INITIATIVES**
40 **LOCAL PARTNERSHIP FUNDING FOR ADMINISTRATIVE COSTS**

41 Sec. 23.13B. The Secretary of Human Resources may allow local partnerships
42 receiving funds for Early Childhood Education and Development Initiatives to use up to
43 five percent (5%) or up to one hundred thousand dollars (\$100,000) of their total

1 allocation, whichever is greater, to fund the staff and administrative support for local
2 partnership board activities if the local partnership demonstrates that this additional
3 administrative funding is needed.

4
5 Requested by: Senator Martin of Guilford

6 **MEDICAID**

7 Sec. 23.14. (a) Funds appropriated in this act for services provided in accordance
8 with Title XIX of the Social Security Act (Medicaid) are for both the categorically needy
9 and the medically needy. Funds appropriated for these services shall be expended in
10 accordance with the following schedule of services and payment bases. All services and
11 payments are subject to the language at the end of this subsection.

12 Services and payment bases:

- 13 (1) Hospital-Inpatient - Payment for hospital inpatient services will be
14 prescribed in the State Plan as established by the Department of Human
15 Resources. Administrative days for any period of hospitalization shall
16 be limited to a maximum of three days.
- 17 (2) Hospital-Outpatient - Eighty percent (80%) of allowable costs or a
18 prospective reimbursement plan as established by the Department of
19 Human Resources.
- 20 (3) Nursing Facilities - Payment for nursing facility services will be
21 prescribed in the State Plan as established by the Department of Human
22 Resources. Nursing facilities providing services to Medicaid recipients
23 who also qualify for Medicare, must be enrolled in the Medicare
24 program as a condition of participation in the Medicaid program. State
25 facilities are not subject to the requirement to enroll in the Medicare
26 program.
- 27 (4) Intermediate Care Facilities for the Mentally Retarded - As prescribed
28 in the State Plan as established by the Department of Human Resources.
- 29 (5) Drugs - Drug costs as allowed by federal regulations plus a professional
30 services fee per month excluding refills for the same drug or generic
31 equivalent during the same month. Reimbursement shall be available
32 for up to six prescriptions per recipient, per month, including refills.
33 Payments for drugs are subject to the provisions of subsection (f) of this
34 section and to the provisions at the end of subsection (a) of this section,
35 or in accordance with the State Plan adopted by the Department of
36 Human Resources consistent with federal reimbursement regulations.
37 Payment of the professional services fee shall be made in accordance
38 with the Plan adopted by the Department of Human Resources,
39 consistent with federal reimbursement regulations. The professional
40 services fee shall be five dollars and sixty cents (\$5.60) per prescription.
41 Adjustments to the professional services fee shall be established by the
42 General Assembly.

- 1 (6) Physicians, Chiropractors, Podiatrists, Optometrists, Dentists, Certified
2 Nurse Midwife Services - Fee schedules as developed by the
3 Department of Human Resources. Payments for dental services are
4 subject to the provisions of subsection (g) of this section.
- 5 (7) Community Alternative Program, EPSDT Screens - Payment to be
6 made in accordance with rate schedule developed by the Department of
7 Human Resources.
- 8 (8) Home Health and Related Services, Private Duty Nursing, Clinic
9 Services, Prepaid Health Plans, Durable Medical Equipment - Payment
10 to be made according to reimbursement plans developed by the
11 Department of Human Resources.
- 12 (9) Medicare Buy-In - Social Security Administration premium.
- 13 (10) Ambulance Services - Uniform fee schedules as developed by the
14 Department of Human Resources.
- 15 (11) Hearing Aids - Actual cost plus a dispensing fee.
- 16 (12) Rural Health Clinic Services - Provider-based - reasonable cost;
17 nonprovider based - single cost reimbursement rate per clinic visit.
- 18 (13) Family Planning - Negotiated rate for local health departments. For
19 other providers - see specific services, for instance, hospitals,
20 physicians.
- 21 (14) Independent Laboratory and X-Ray Services - Uniform fee schedules as
22 developed by the Department of Human Resources.
- 23 (15) Optical Supplies - One hundred percent (100%) of reasonable wholesale
24 cost of materials.
- 25 (16) Ambulatory Surgical Centers - Payment as prescribed in the
26 reimbursement plan established by the Department of Human
27 Resources.
- 28 (17) Medicare Crossover Claims - An amount up to the actual coinsurance or
29 deductible or both, in accordance with the Plan, as approved by the
30 Department of Human Resources.
- 31 (18) Physical Therapy and Speech Therapy - Services limited to EPSDT
32 eligible children. Payments are to be made only to the Children's
33 Special Health Services program at rates negotiated by the Department
34 of Human Resources.
- 35 (19) Personal Care Services - Payment in accordance with Plan approved by
36 the Department of Human Resources.
- 37 (20) Case Management Services - Reimbursement in accordance with the
38 availability of funds to be transferred within the Department of Human
39 Resources.
- 40 (21) Hospice - Services may be provided in accordance with Plan developed
41 by the Department of Human Resources.
- 42 (22) Other Mental Health Services - Unless otherwise covered by this
43 section, coverage is limited to agencies meeting the requirements of the

1 rules established by the Commission for Mental Health, Developmental
2 Disabilities, and Substance Abuse Services, and reimbursement is made
3 in accordance with a Plan developed by the Department of Human
4 Resources not to exceed the upper limits established in federal
5 regulations.

6 (23) Medically Necessary Prosthetics or Orthotics for EPSDT Eligible
7 Children - Reimbursement in accordance with Plan approved by the
8 Department of Human Resources.

9 (24) Health Insurance Premiums - Payments to be made in accordance with
10 the Plan adopted by the Department of Human Resources consistent
11 with federal regulations.

12 (25) Medical Care/Other Remedial Care - Services not covered elsewhere in
13 this section include related services in schools; health professional
14 services provided outside the clinic setting to meet maternal and infant
15 health goals; and services to meet federal EPSDT mandates. Services
16 addressed by this paragraph are limited to those prescribed in the State
17 Plan as established by the Department of Human Resources. Providers
18 of these services must be certified as meeting program standards of the
19 Department of Environment, Health, and Natural Resources.

20 (26) Pregnancy Related Services - Covered services for pregnant women
21 shall include nutritional counseling, psychosocial counseling, and
22 predelivery and postpartum home visits by maternity care coordinators
23 and public health nurses.

24 Services and payment bases may be changed with the approval of the Director of the
25 Budget.

26 Reimbursement is available for up to 24 visits per recipient per year to any one
27 or combination of the following: physicians, clinics, hospital outpatient, optometrists,
28 chiropractors, and podiatrists. Prenatal services, all EPSDT children, and emergency
29 rooms are exempt from the visit limitations contained in this paragraph. Exceptions may
30 be authorized by the Department of Human Resources where the life of the patient would
31 be threatened without such additional care. Any person who is determined by the
32 Department to be exempt from the 24-visit limitation may also be exempt from the six-
33 prescription limitation.

34 (b) Allocation of Nonfederal Cost of Medicaid. The State shall pay eighty-five
35 percent (85%); the county shall pay fifteen percent (15%) of the nonfederal costs of all
36 applicable services listed in this section.

37 (c) Copayment for Medicaid Services. The Department of Human Resources may
38 establish copayment up to the maximum permitted by federal law and regulation.

39 (d) Medicaid and Aid to Families With Dependent Children Income Eligibility
40 Standards. The maximum net family annual income eligibility standards for Medicaid
41 and Aid to Families with Dependent Children, and the Standard of Need for Aid to
42 Families with Dependent Children shall be as follows:
43

| | <u>Categorically Needy</u> | | | <u>Medically Needy</u> | | |
|----|----------------------------|----------------|---------------|------------------------|-------|-------------|
| | Family | Standard | AFDC Payment | | | |
| | <u>Size</u> | <u>of Need</u> | <u>Level*</u> | <u>AA, AB, AD*</u> | | |
| 4 | 1 | \$ 4,344 | \$ 2,172 | \$ 2,900 | | |
| 5 | 2 | 5,664 | 2,832 | 3,800 | | |
| 6 | 3 | 6,528 | 3,264 | 4,400 | | |
| 7 | 4 | 7,128 | 3,564 | 5 | 7,776 | 3,888 5,200 |
| 8 | 6 | 8,376 | 4,188 | 5,600 | | |
| 9 | 7 | 8,952 | 4,476 | 6,000 | | |
| 10 | 8 | 9,256 | 4,680 | 6,300 | | |

*Aid to Families With Dependent Children (AFDC); Aid to the Aged (AA); Aid to the Blind (AB); and Aid to the Disabled (AD).

The payment level for Aid to Families With Dependent Children shall be fifty percent (50%) of the standard of need.

These standards may be changed with the approval of the Director of the Budget with the advice of the Advisory Budget Commission.

(e) All Elderly, Blind, and Disabled Persons who receive Supplemental Security Income are eligible for Medicaid coverage.

(f) ICF and ICF/MR Work Incentive Allowances. The Department of Human Resources may provide an incentive allowance to Medicaid-eligible recipients of ICF and ICF/MR facilities who are regularly engaged in work activities as part of their developmental plan and for whom retention of additional income contributes to their achievement of independence. The State funds required to match the federal funds that are required by these allowances shall be provided from savings within the Medicaid budget or from other unbudgeted funds available to the Department. The incentive allowances may be as follows:

Monthly Net Wages Monthly Incentive Allowance

| | |
|----------------------|---------------|
| \$1.00 to \$100.99 | Up to \$50.00 |
| \$101.00 - \$200.99 | \$80.00 |
| \$201.00 to \$300.99 | \$130.00 |
| \$301.00 and greater | \$212.00. |

(g) Dental Coverage Limits. Dental services shall be provided on a restricted basis in accordance with rules adopted by the Department to implement this subsection.

(h) Dispensing of Generic Drugs. Notwithstanding G.S. 90-85.27 through G.S. 90-85.31, under the Medical Assistance Program (Title XIX of the Social Security Act) a prescription order for a drug designated by a trade or brand name shall be considered to be an order for the drug by its established or generic name, except when the prescriber personally indicates, either orally or in his own handwriting on the prescription order, "dispense as written" or words of similar meaning. Generic drugs, when available in the pharmacy, shall be dispensed at a lower cost to the Medical Assistance Program

1 rather than trade or brand name drugs, subject to the prescriber's "dispense as written"
2 order as noted above.

3 As used in this subsection "brand name" means the proprietary name the
4 manufacturer places upon a drug product or on its container, label, or wrapping at the
5 time of packaging; and "established name" has the same meaning as in section 502(e)(3)
6 of the Federal Food, Drug, and Cosmetic Act as amended, 21 U.S.C. § 352(e)(3).

7 (i) Exceptions to Service Limitations, Eligibility Requirements, and Payments.
8 Service limitations, eligibility requirements, and payments bases in this section may be
9 waived by the Department of Human Resources, with the approval of the Director of the
10 Budget, to allow the Department to carry out pilot programs for prepaid health plans,
11 managed care plans, or community-based services programs in accordance with plans
12 approved by the United States Department of Health and Human Services, or when the
13 Department determines that such a waiver will result in a reduction in the total Medicaid
14 costs for the recipient.

15 (j) Volume Purchase Plans and Single Source Procurement. The Department
16 of Human Resources, Division of Medical Assistance, may, subject to the approval of a
17 change in the State Medicaid Plan, contract for services, medical equipment, supplies,
18 and appliances by implementation of volume purchase plans, single source procurement,
19 or other similar processes in order to improve cost containment.

20 (k) Cost Containment Programs. The Department of Human Resources,
21 Division of Medical Assistance, may undertake cost containment programs including
22 preadmissions to hospitals and prior approval for certain outpatient surgeries before they
23 may be performed in an inpatient setting.

24 (l) For all Medicaid eligibility classifications for which the federal poverty
25 level is used as an income limit for eligibility determination, the income limits will be
26 updated each April 1 immediately following publication of federal poverty guidelines.

27 (m) The Department of Human Resources shall provide Medicaid to 19-, 20-,
28 and 21-year olds in accordance with federal rules and regulations.

29 (n) The Department of Human Resources shall provide coverage to pregnant
30 women and to children according to the following schedule:

31 (1) Pregnant women with incomes equal to or less than one hundred eighty-
32 five percent (185%) of the federal poverty guidelines as revised each
33 April 1 shall be covered for Medicaid benefits;

34 (2) Infants under the age of 1 with family incomes equal to or less than one
35 hundred eighty-five percent (185%) of the federal poverty guidelines as
36 revised each April 1 shall be covered for Medicaid benefits;

37 (3) Children aged 1 through 5 with family incomes equal to or less than one
38 hundred thirty-three percent (133%) of the federal poverty guidelines as
39 revised each April 1 shall be covered for Medicaid benefits;

40 (4) Children aged 6 through 18 with family incomes equal to or less than
41 the federal poverty guidelines as revised each April 1 shall be covered
42 for Medicaid benefits. Services to pregnant women eligible under this
43 section continue throughout the pregnancy but include only those

1 related to pregnancy and to those other conditions determined by the
2 Department as conditions that may complicate pregnancy. In order to
3 reduce county administrative costs and to expedite the provision of
4 medical services to pregnant women, to infants, and to children eligible
5 under this section, no resources test shall be applied; and

6 (5) The Department of Human Resources shall provide Medicaid coverage
7 for adoptive children with special or rehabilitative needs regardless of
8 the adoptive family's income.

9 (o) The Department of Human Resources may use Medicaid funds budgeted
10 from program services to support the cost of administrative activities to the extent that
11 these administrative activities produce a net savings in services requirements.
12 Administrative initiatives funded by this section shall be first approved by the Office of
13 State Budget and Management.

14 (p) The Department of Human Resources shall submit a monthly status report
15 on expenditures for acute care and long-term care services to the Fiscal Research
16 Division and to the Office of State Budget and Management. This report shall include an
17 analysis of budgeted versus actual expenditures for eligibles by category and for long-
18 term care beds. In addition, the Department shall revise the program's projected spending
19 for the current fiscal year and the estimated spending for the subsequent fiscal year on a
20 quarterly basis. Reports for the preceding month shall be forwarded to the Fiscal
21 Research Division and to the Office of State Budget and Management no later than the
22 third Thursday of the month.

23
24 Requested by: Senator Martin of Guilford

25 **NONMEDICAID REIMBURSEMENT**

26 Sec. 23.16. Providers of medical services under the various State programs,
27 other than Medicaid, offering medical care to citizens of the State shall be reimbursed at
28 rates no more than those under the North Carolina Medical Assistance Program.

29 The Department of Human Resources may reimburse hospitals at the full
30 prospective per diem rates without regard to the Medical Assistance Program's annual
31 limits on hospital days. When the Medical Assistance Program's per diem rates for
32 inpatient services and its interim rates for outpatient services are used to reimburse
33 providers in non-Medicaid medical service programs, retroactive adjustments to claims
34 already paid shall not be required.

35 Notwithstanding the provisions of paragraph one, the Department of Human
36 Resources may negotiate with providers of medical services under the various
37 Department of Human Resources programs, other than Medicaid, for rates as close as
38 possible to Medicaid rates for the following purposes: contracts or agreements for
39 medical services and purchases of medical equipment and other medical supplies. These
40 negotiated rates are allowable only to meet the medical needs of its non-Medicaid eligible
41 patients, residents, and clients who require such services which cannot be provided when
42 limited to the Medicaid rate.

1 Maximum net family annual income eligibility standards for services in these
 2 programs shall be as follows:

| 3 | 4 | 5 | 6 | 7 |
|-------------|----------------------------|-----------------------|----------|---|
| Family Size | Medical Eye Care Adults | All Rehabilitation | Other | |
| 6 1 | \$ 4,860 | \$ 8,364 | \$ 4,200 | |
| 7 2 | 5,940 | 10,944 | 5,300 | |
| 8 3 | 6,204 | 13,500 | 6,400 | |
| 9 4 | 7,284 | 16,092 | 7,500 | |
| 10 5 | 7,824 | 18,648 | 7,900 | |
| 11 6 | 8,220 | 21,228 | 8,300 | |
| 12 7 | 8,772 | 21,708 | 8,800 | |
| 13 8 | 9,312 | 22,220 | 9,300 | |

14 The eligibility level for children in the Medical Eye Care Program in the
 15 Division of Services for the Blind and for adults in the Clozaril Program in the Division
 16 of Mental Health, Developmental Disabilities, and Substance Abuse Services shall be one
 17 hundred percent (100%) of the federal poverty guidelines, as revised annually by the
 18 United States Department of Health and Human Services and in effect on July 1 of each
 19 fiscal year.

20 The Department of Human Resources shall contract at, or as close as possible
 21 to, Medicaid rates for medical services provided to residents of State facilities of the
 22 Department.

23 Requested by: Senator Martin of Guilford

24 **PRIVATE AGENCY UNIFORM COST FINDING REQUIREMENT**

25 Sec. 23.17. To ensure uniformity in rates charged to area programs and funded
 26 with State-allocated resources, the Division of Mental Health, Developmental
 27 Disabilities, and Substance Abuse Services of the Department of Human Resources may
 28 require a private agency that provides services under contract with two or more area
 29 programs, except for hospital services that have an established Medicaid rate, to complete
 30 an agency-wide uniform cost finding in accordance with G.S. 122C-143.2(a) and G.S.
 31 122C-147.2. The resulting cost shall be the maximum included for the private agency in
 32 the contracting area program's unit cost finding.

33 Requested by: Senator Martin of Guilford

34 **CLIENT SERVICES MONITORING**

35 Sec. 23.17A. The Department of Human Resources, Division of Mental
 36 Health, Developmental Disabilities, and Substance Abuse Services, shall utilize a system
 37 of monitoring and control for client services. This system shall ascertain whether
 38 services are provided in a timely manner. Notwithstanding any other provisions of law,
 39 the Division shall withhold area mental health agencies' administrative funds until
 40 services are provided in a timely manner.
 41
 42
 43

1 Requested by: Senator Martin of Guilford

2 **NONSUPPLANTING OF MENTAL HEALTH, DEVELOPMENTAL**
3 **DISABILITIES, AND SUBSTANCE ABUSE FUNDS**

4 Sec. 23.18. The Department of Human Resources shall ensure that counties do
5 not reduce county appropriations and expenditures for area mental health, developmental
6 disabilities, and substance abuse authorities because the authorities have received
7 additional State appropriations for services.

8

9 Requested by: Senator Martin of Guilford

10 **MIXED BEVERAGE TAX FOR AREA MENTAL HEALTH PROGRAMS**

11 Sec. 23.19. Funds received by the Department of Human Resources from the
12 tax levied on mixed beverages under G.S. 18B-804(b)(8) shall be expended by the
13 Department of Human Resources as prescribed by G.S. 18B-805(h). These funds shall be
14 allocated to the area mental health programs for substance abuse services on a per capita
15 basis as determined by the Office of State Budget and Management's most recent
16 estimates of county populations.

17

18 Requested by: Senator Martin of Guilford

19 **WILLIE M.**

20 Sec. 23.20. (a) Legislative Findings. – The General Assembly finds:

21 (1) That there is a need in North Carolina to provide appropriate treatment
22 and education programs to children under the age of 18 who suffer from
23 emotional, mental, or neurological handicaps accompanied by violent or
24 assaultive behavior;

25 (2) That children meeting these criteria have been identified as a Class in
26 the case of Willie M., et al. v. Hunt, et al., formerly Willie M., et al. v.
27 Martin, et al.; and

28 (3) That these children have a need for a variety of services, in addition to
29 those normally provided, that may include, but are not limited to,
30 residential treatment services, educational services, and independent
31 living arrangements.

32 (b) Funds appropriated by the General Assembly to the Department of Human
33 Resources for serving members of the Willie M. Class shall be expended only for
34 programs serving members of the Willie M. Class identified in Willie M., et al. v. Hunt,
35 et al., formerly Willie M., et al. v. Martin, et al., including evaluations of potential Class
36 members. The Department shall reallocate these funds among services to Willie M.
37 Class members during the year as it deems advisable in order to use the funds efficiently
38 in providing appropriate services to Willie M. Class children.

39 (c) Funds for Department of Public Education. – Funds appropriated to the
40 Department of Public Education in this act for members of the Willie M. Class are to
41 establish a supplemental reserve fund to serve only members of the Class identified in
42 Willie M., et al. v. Hunt, et al., formerly Willie M., et al. v. Martin, et al. These funds
43 shall be allocated by the State Board of Education to the local education agencies to serve

1 those Class members who were not included in the regular average daily membership and
2 the census of children with special needs, and to provide the additional program costs
3 which exceed the per pupil allocation from the State Public School Fund and other State
4 and federal funds for children with special needs.

5 (d) The Department of Human Resources shall continue to implement its
6 prospective unit cost reimbursement system and shall ensure that unit cost rates reflect
7 reasonable costs by conducting cost center service type rate comparisons and cost center
8 line item budget reviews as may be necessary, and based upon these reviews and
9 comparisons, the Department shall reduce and/or cap rates to programs which are
10 significantly higher than those rates paid to other programs for the same service.

11 Any exception to this requirement shall be approved by the Director of the
12 Division of Mental Health, Developmental Disabilities, and Substance Abuse Services,
13 and shall be reported in the Department's annual joint report to the Governor and the
14 General Assembly and in any periodic report the Department may make to the Joint
15 Legislative Commission on Governmental Operations.

16 (d1) The Department of Human Resources shall implement a process to
17 review those cases for whom treatment has been recommended whose annual cost is
18 anticipated to be in excess of one hundred fifty percent (150%) of the average annual per
19 client expenditure of the previous fiscal year and shall take actions to reduce these
20 treatment costs where appropriate.

21 (e) Reporting Requirements. – The Department of Human Resources and the
22 Department of Public Education shall submit, by May 1 of each fiscal year, a joint report
23 to the Governor and the General Assembly on the progress achieved in serving members
24 of the Willie M. Class. The report shall include the following unduplicated data for each
25 county: (i) the number of children nominated for the Willie M. Class; (ii) the number of
26 children actually identified as members of the Class in each county; (iii) the number of
27 children served as members of the Class in each county; (iv) the number of children who
28 remain unserved or for whom additional services are needed in order to be determined to
29 be appropriately served; (v) the types and locations of treatment and education services
30 provided to Class members; (vi) the cost of services, by type, to members of the Class
31 and the maximum and minimum rates paid to providers for each service; (vii) the number
32 of cases whose treatment costs were in excess of one hundred fifty percent (150%) of the
33 average annual per client expenditure; (viii) information on the impact of treatment and
34 education services on members of the Class; (ix) an explanation of, and justification for,
35 any waiver of departmental rules that affect the Willie M. program; and (x) the total State
36 funds expended, by program, on Willie M. Class members, other than those funds
37 specifically appropriated for the Willie M. programs and services.

38 (e1) From existing funds available to it, the Department of Human Resources
39 shall begin a process to document and assess individual Class members' progress through
40 the continuum of services. Standardized measures of functioning shall be administered
41 periodically to each member of the Class, and the information generated from these
42 measures shall be used to assess client progress and program effectiveness.

1 (f) The Departments of Human Resources and Public Education shall provide
2 periodic reports of expenditures and program effectiveness on behalf of the Willie M.
3 Class to the Fiscal Research Division. As part of these reports, the Departments shall
4 explain measures they have taken to control and reduce program expenditures.

5 (g) In fulfilling the responsibilities vested in it by the Constitution of North
6 Carolina, the General Assembly finds:

7 (1) That the General Assembly has evaluated the known needs of the State
8 and has endeavored to satisfy those needs in comparison to their social
9 and economic priorities; and

10 (2) That the funds appropriated will enable the development and
11 implementation of placement and services for the Class members in
12 Willie M., et al. v. Hunt, et al., formerly Willie M., et al. v. Martin, et
13 al., within a reasonable period of time considered within the context of
14 the needs of the Class members, the other needs of the State and the
15 resources available to the State.

16 (h) The General Assembly supports the efforts of the responsible officials and
17 agencies of the State to meet the requirements of the court order in Willie M., et al. v.
18 Hunt, et al., formerly Willie M., et al. v. Martin, et al. To ensure that Willie M. Class
19 members are appropriately served, no State funds shall be expended on placement and
20 services for Willie M. Class members except:

21 (1) Funds specifically appropriated by the General Assembly for the
22 placement and services of Willie M. Class members; and

23 (2) Funds for placement and services for which Willie M. Class members
24 are otherwise eligible.

25 This limitation shall not preclude the use of unexpended Willie M. funds from prior fiscal
26 years to cover current or future needs of the Willie M. program subject to approval by the
27 Director of the Budget. These Willie M. expenditures shall not be subject to the
28 requirements of G.S. 143-18.

29 (i) Notwithstanding any other provision of law, if the Department of Human
30 Resources determines that a local program is not providing appropriate services to
31 members of the Class identified in Willie M., et al. v. Hunt, et al., formerly Willie M., et
32 al. v. Martin, et al., the Department may ensure the provision of these services through
33 contracts with public or private agencies or by direct operation by the Department of such
34 programs.

35
36 Requested by: Senator Martin of Guilford

37 **THOMAS S.**

38 Sec. 23.21. (a) Funds appropriated to the Department of Human Resources in this
39 act for the 1995-96 fiscal year and the 1996-97 fiscal year for members of the Thomas S.
40 Class as identified in Thomas S., et al. v. Britt, formerly Thomas S., et al. v. Flaherty,
41 shall be expended only for programs serving Thomas S. Class members or for services
42 for those clients who are:

- 1 (1) Adults with mental retardation, or who have been treated as if they had
2 mental retardation, who were admitted to a State psychiatric hospital on
3 or after March 22, 1984, and who are included on the Division of
4 Mental Health, Developmental Disabilities, and Substance Abuse
5 Services' official list of prospective Class members;
- 6 (2) Adults with mental retardation who have a documented history of State
7 psychiatric hospital admissions regardless of admission date and who,
8 without funding support, have a good probability of being readmitted to
9 a State psychiatric hospital;
- 10 (3) Adults with mental retardation who have never been admitted to a State
11 psychiatric hospital but who have a documented history of behavior
12 determined to be of danger to self or others that results in referrals for
13 inpatient psychiatric treatment and who, without funding support, have a
14 good probability of being admitted to a State psychiatric hospital; or
- 15 (4) Adults who are included on the Division of Mental Health,
16 Developmental Disabilities, and Substance Abuse Services' official list
17 of prospective Class members and have yet to be confirmed as Class
18 members, who currently reside in the community, and who have a good
19 probability of being admitted to a facility licensed as a 'home for the
20 aged and disabled'.

21 No more than five percent (5%) of the funds appropriated in this act for the Thomas S.
22 program shall be used for clients meeting subdivisions (2), (3), or (4) of this subsection.

23 (b) To ensure that Thomas S. Class members are appropriately served, no State
24 funds shall be expended on placement and services for Thomas S. Class members except:

- 25 (1) Funds specifically appropriated by the General Assembly for the
26 placement and services of Thomas S. Class members; and
- 27 (2) Funds for placement and services for which Thomas S. Class members
28 are otherwise eligible.

29 (c) The Department of Human Resources shall continue to implement a
30 prospective unit cost reimbursement system and shall ensure that unit cost rates reflect
31 reasonable costs by conducting cost center service type rate comparisons and cost center
32 line item budget reviews as may be necessary.

33 (d) Reporting requirements. The Department of Human Resources shall submit by
34 April 1 of each fiscal year a report to the General Assembly on the progress achieved in
35 serving members and prospective members of the Thomas S. Class. The report shall
36 include the following:

- 37 (1) The number of Thomas S. clients confirmed as Class members;
- 38 (2) The number of prospective Class members evaluated;
- 39 (3) The number of prospective Class members awaiting evaluation;
- 40 (4) The number of Class members or prospective Class members added in
41 the preceding 12 months due to their admission to a State psychiatric
42 hospital;

1 (5) A description of the types of treatment services provided to Class
2 members; and

3 (6) An analysis of the use of funds appropriated for the Class.

4 (e) Notwithstanding any other provision of law, if the Department of Human
5 Resources determines that a local program is not providing minimally adequate services
6 to members of the Class identified in Thomas S., et al. v. Britt, formerly Thomas S., et al.
7 v. Flaherty, or does not show a willingness to do so, the Department may ensure the
8 provision of these services through contracts with public or private agencies or by direct
9 operation by the Department of these programs.

10
11 Requested by: Senator Martin of Guilford

12 **PHYSICIAN SERVICES**

13 Sec. 23.21A. With the approval of the Office of State Budget and
14 Management, the Department of Human Resources may use funds appropriated in this
15 act for across-the-board salary increases and performance pay to offset similar increases
16 in the costs of contracting with private and independent universities for the provision of
17 physician services to clients in facilities operated by the Division of Mental Health,
18 Developmental Disabilities, and Substance Abuse Services. This offsetting shall be done
19 in the same manner as is currently done with constituent institutions of The University of
20 North Carolina.

21
22 Requested by: Senator Martin of Guilford

23 **MENTAL HEALTH COUNTY FUNDS REQUIREMENT**

24 Sec. 23.21B. Notwithstanding any other provisions of law, the Department of
25 Human Resources shall ensure that counties do not reduce county appropriations and
26 expenditures for area mental health, developmental disabilities, and substance abuse
27 authorities because of the availability of State-allocated funds, fees, or capitation amounts
28 to the authorities.

29
30 Requested by: Senator Martin of Guilford

31 **FOSTER CARE REPORTING**

32 Sec. 23.22. Counties receiving funds for foster care shall report annually,
33 beginning with the 1995-96 fiscal year, to the Division of Social Services, Department of
34 Human Resources, the following:

35 (1) A narrative description of the use of State funds;

36 (2) Workload statistics and indicators for foster care as established by the
37 Division of Social Services; and

38 (3) Development of a coordinated approach to providing children's services,
39 with emphasis on meeting the total needs of the children and families
40 being served.

41
42 Requested by: Senator Martin of Guilford

43 **ADOPTION SUBSIDY**

1 Sec. 23.23. The maximum rates for State participation in the adoption
2 assistance program are established on a graduated scale as follows:

- 3 (1) \$315.00 per child per month for children aged birth through 5;
4 (2) \$365.00 per child per month for children aged 6 through 12; and
5 (3) \$415.00 per child per month for children aged 13 through 18.
6

7 Requested by: Senator Martin of Guilford

8 **FOSTER CARE**

9 Sec. 23.24. The maximum rates for State participation in the foster care
10 assistance program are established on a graduated scale as follows:

- 11 (1) \$315.00 per child per month for children aged birth through 5;
12 (2) \$365.00 per child per month for children aged 6 through 12; and
13 (3) \$415.00 per child per month for children aged 13 through 18.

14 Of these amounts, fifteen dollars (\$15.00) is a special needs allowance for the child.
15

16 Requested by: Senator Martin of Guilford

17 **FOSTER CARE AND ADOPTION TRAINING**

18 Sec. 23.25. The Division of Social Services, Department of Human Resources,
19 shall continue the in-house training component that provides a mandated minimum of 30
20 hours of preservice training for foster care parents and 84 hours for foster care workers
21 and adoption care workers and a mandated minimum of 10 hours of continuing education
22 for all foster care parents and 18 hours for foster care workers and adoption care workers.

23 This section remains in effect until modified or repealed by the General
24 Assembly.
25

26 Requested by: Senator Martin of Guilford

27 **CHILD PROTECTIVE SERVICES**

28 Sec. 23.26. (a) The funds appropriated in this act to the Department of Human
29 Resources, Division of Social Services, for the 1995-96 fiscal year for Child Protective
30 Services shall be allocated to county departments of social services based upon a formula
31 which takes into consideration the number of Child Protective Services cases in that
32 county and the number of Child Protective Services workers necessary to meet
33 recommended standards adopted by the North Carolina Association of County Directors
34 of Social Services.

35 (b) Funds allocated under subsection (a) of this section shall be used by county
36 departments for carrying out investigations of reports of child abuse or neglect or for
37 providing protective or preventive services in which the department confirms abuse,
38 neglect, or dependency.

39 (c) The Division of Social Services, Department of Human Resources, shall
40 establish criteria and guidelines to ensure that the allocations to county departments of
41 social services are used in accordance with this section and that available Federal
42 Emergency Assistance funds for Child Protective Services are maximized.

1 (d) As long as federal Emergency Assistance funds are available, counties shall
2 use these federal funds, State Child Protective Services appropriations, and county funds
3 to provide Child Protective Services.
4

5 Requested by: Senator Martin of Guilford

6 **LIMITATION ON STATE ABORTION FUND**

7 Sec. 23.27. (a) No State funds, whether from tax revenues, gifts, bequests,
8 grants, or any other source, in excess of fifty thousand dollars (\$50,000) each fiscal year
9 of the biennium shall be expended for the State Abortion Fund's funding of the
10 performance of abortions.

11 (b) Eligibility for services of the State Abortion Fund shall be limited to
12 women whose income is below the federal poverty level, as revised annually, or who are
13 eligible for Medicaid. The State Abortion Fund shall be used to fund abortions only to
14 terminate pregnancies resulting from cases of rape or incest, or to terminate pregnancies
15 that, in the written opinion of one doctor licensed to practice medicine in North Carolina,
16 endanger the life of the mother.
17

18 Requested by: Senator Martin of Guilford

19 **HIV FOSTER CARE AND ADOPTIONS BOARD PAYMENT**

20 Sec. 23.28. The maximum rates for State participation in HIV Foster Care and
21 Adoptions Board Payments are established on a graduated scale as follows:

- 22 (1) \$800.00 per month per child with indeterminate HIV status;
- 23 (2) \$1,000 per month per child confirmed HIV-infected, asymptomatic;
- 24 (3) \$1,200 per month per child confirmed HIV-infected, symptomatic; and
- 25 (4) \$1,600 per month per child terminally ill with complex care needs.
26

27 Requested by: Senator Martin of Guilford

28 **FOOD STAMP OUTREACH**

29 Sec. 23.29. The Department of Human Resources shall continue a Food Stamp
30 Outreach Program. Under the Program, the Department shall inform public and private
31 agencies, community groups, potentially eligible persons, and the general public
32 regarding the eligibility requirements of the Food Stamp Program. The Department shall
33 maintain a referral list of public and private agencies, community groups, and interested
34 persons and organizations who serve low-income persons. The Department shall inform
35 these agencies and persons regarding the Food Stamp Program and changes in the law
36 that affect client eligibility or the extent of benefits. The Department shall develop and
37 distribute informational materials, such as public service announcements, brochures,
38 pamphlets, posters, and correspondence.
39

40 Requested by: Senator Martin of Guilford

41 **AFDC PROGRAMS AND SERVICES FOR WOMEN IN THE THIRD** 42 **TRIMESTER OF PREGNANCY**

1 Sec. 23.29A. Women in their third trimester of pregnancy with their first child
2 who otherwise meet all the eligibility criteria for Aid to Families with Dependent
3 Children (AFDC) are eligible for all programs and services available to AFDC recipients
4 other than AFDC cash assistance.

5
6 Requested by: Senator Martin of Guilford

7 **RETROSPECTIVE ACCOUNTING ADJUSTMENT**

8 Sec. 23.29B. The Department of Human Resources shall use funds
9 appropriated to it by this act to provide a State supplementary payment to Aid to Families
10 with Dependent Children (AFDC) households adversely affected by the retrospective
11 accounting procedure as allowed under section 403(a) of the Social Security Act, as
12 amended by section 157(a) of the Tax Equity and Fiscal Responsibility Act of 1982. The
13 amount of the State supplement shall not exceed the maximum payment standard for the
14 AFDC Program.

15
16 Requested by: Senator Martin of Guilford

17 **EMERGENCY ASSISTANCE**

18 Sec. 23.29C. The Division of Social Services, Department of Human
19 Resources, shall not expend more State funds than are appropriated for the cash
20 assistance component of the Emergency Assistance Program for the 1995-97 fiscal
21 biennium. Within this limit, Emergency Assistance cash benefits shall not exceed three
22 hundred dollars (\$300.00) per year per family, payable over a 30-day period. After this
23 30-day period, Emergency Assistance cash benefits are not available to that family until
24 12 months have elapsed from the initial authorization date. The family may have no
25 more than a total of three hundred dollars (\$300.00) in liquid assets in order to qualify for
26 the cash assistance component of the Emergency Assistance Program pursuant to this
27 section.

28 It is the intent of the General Assembly that cash benefits under the Emergency
29 Assistance Program shall only be used to provide assistance to persons to alleviate an
30 emergency. In evaluating whether an emergency exists, the agency receiving the
31 application shall apply prudent judgment to evaluate each emergency on its own merits.
32 Prudent judgment will permit the agency to consider whether the client created the
33 emergency and whether the assistance will resolve the emergency.

34
35 Requested by: Senator Martin of Guilford

36 **FAMILY SUPPORT ACT**

37 Sec. 23.29D. (a) The General Assembly finds that it is in the best interest of the State
38 and of all its citizens to encourage recipients of Aid to Families with Dependent Children
39 (AFDC) to obtain jobs and become self-sufficient. It further finds that, by continuing
40 medical assistance and providing limited wage assistance to those recipients who are
41 working, the State will make it possible to help many recipients to be able to keep their
42 jobs, support their families, and become self-sufficient.

1 Therefore, the General Assembly adopts a payment method that will result in
2 more recipients being able to find work and keep working.

3 (b) AFDC payments shall be determined by subtracting countable income
4 from the State standard of need, and paying a percentage of the difference. The
5 percentage that shall be applied to determine the amount of assistance shall be the same
6 percentage set in the Current Operations Appropriations Act that determines the AFDC
7 payment level from the standard of need.

8
9 Requested by: Senator Martin of Guilford

10 **SENIOR CENTER OUTREACH**

11 Sec. 23.30. (a) Funds appropriated to the Department of Human Resources,
12 Division of Aging, for the 1995-97 fiscal biennium, shall be used by the Division of
13 Aging to enhance senior center programs as follows:

14 (1) To test "satellite" services provided by existing senior centers to
15 unserved or underserved areas; or

16 (2) To provide start-up funds for new senior centers.

17 All of these funds shall be allocated by October 1 of each fiscal year.

18 (b) Prior to funds being allocated pursuant to this section for start-up funds for
19 a new senior center, the county commissioners of the county in which the new center will
20 be located shall:

21 (1) Formally endorse the need for such a center;

22 (2) Formally agree on the sponsoring agency for the center; and

23 (3) Make a formal commitment to use local funds to support the ongoing
24 operation of the center.

25 (c) State funding shall not exceed ninety percent (90%) of reimbursable costs.

26
27 Requested by: Senator Martin of Guilford

28 **CAREGIVER SUPPORT SHARING**

29 Sec. 23.31. (a) Of the funds appropriated to the Division of Aging, Department of
30 Human Resources, for the 1995-97 fiscal biennium, the sum of one million eight
31 thousand dollars (\$1,008,000) for the 1995-96 fiscal year and the sum of one million
32 eight thousand dollars (\$1,008,000) for the 1996-97 fiscal year shall be used for services
33 that support family caregivers of elderly persons with functional disabilities, whether
34 physical or mental, who want to stay in their homes rather than be institutionalized but
35 who need assistance with the activities of daily living in order to remain at home. The
36 services that may be purchased from funds received under this section include:

37 (1) Respite Care;

38 (2) Adult Day Care;

39 (3) Stipends and other related costs for senior companions, modeled after
40 the federal Senior Companion Program; and

41 (4) Other related services that meet needs not now adequately addressed by
42 the services described in subdivisions (1) through (3) of this subsection.

1 (b) The Division of Aging shall expend funds for these services according to the
2 population of persons 70 years of age or older in each region. The Division of Aging
3 shall use a minimum of ninety-five percent (95%) of the funds it receives under this
4 section for the services described in subdivisions (1) through (4) of subsection (a) of this
5 section and may only use a maximum of five percent (5%) for technical assistance as
6 described in subsection (c) of this section. The Division of Aging shall choose providers
7 in accordance with procedures under the Older Americans Act. Funds allocated by the
8 Division pursuant to this section shall be allocated by October 1 of each fiscal year.

9 (c) The Division of Aging may contract for technical assistance. The technical
10 assistance shall include training assistance, coordination of various service delivery and
11 funding sources, and ideas for innovative ways to build a lasting system of services for
12 family caregivers.

13
14 Requested by: Senator Martin of Guilford

15 **REIMBURSEMENT AND COMPENSATION OF MEMBERS OF THE NORTH**
16 **CAROLINA VOCATIONAL REHABILITATION ADVISORY COUNCIL, THE**
17 **STATEWIDE INDEPENDENT LIVING COUNCIL, AND THE COMMISSION**
18 **FOR THE BLIND**

19 Sec. 23.32. Notwithstanding G.S. 138-5(a)(1), those members of the North
20 Carolina Vocational Rehabilitation Advisory Council, the Statewide Independent Living
21 Council, and the Commission for the Blind, who are unemployed or who must forfeit
22 wages from other employment to attend council or commission meetings or to perform
23 related duties, may receive compensation not to exceed fifty dollars (\$50.00) a day for
24 attending these meetings or for performing related duties, as authorized in Sections 105
25 and 705 of P.L. 102-569, the Rehabilitation Act of 1973, 42 U.S.C. § 701 et seq., as
26 amended. This compensation is instead of the compensation specified in G.S. 138-
27 5(a)(1). Reimbursement for subsistence and travel expenses is as specified in G.S. 138-5.

28
29 Requested by: Senator Martin of Guilford

30 **DHR STUDY OF DIVISION OF YOUTH SERVICES' PROGRAMS AND**
31 **SERVICES EXTENDED**

32 Sec. 23.34. Section 25.26 of Chapter 769 of the 1993 Session Laws, Regular
33 Session 1994, which amended subsection (d) of Section 36 of Chapter 24 of the Session
34 Laws of the 1994 Extra Session reads as rewritten:

35 "Sec. 25.26. Subsection (d) of Section 36 of Chapter 24 of the 1994 Extra Session
36 reads as rewritten:

37 '(d) The Department shall complete this study by ~~March 1, 1995~~, October 1, 1995,
38 and shall report the results of this study to the 1995 General Assembly by ~~April 1, 1995~~.
39 November 1, 1995."

40
41 Requested by: Senator Martin of Guilford

42 **COMMUNITY-BASED ALTERNATIVES PARTICIPATION**

1 Sec. 23.35. County governments participating in the Community-Based
2 Alternatives Program shall certify annually to the Division of Youth Services,
3 Department of Human Resources, that Community-Based Alternatives Aid to Counties
4 shall not be used to duplicate or supplant other programs within the county.

5
6 Requested by: Senator Martin of Guilford

7 **EDUCATION AND SERVICES FOR CERTAIN DEAF AND HARD-OF-**
8 **HEARING STUDENTS**

9 Sec. 23.35A. Of the funds appropriated to the Division of Services for the
10 Deaf and Hard of Hearing, Department of Human Resources, for the 1995-96 fiscal year,
11 the sum of five hundred thousand dollars (\$500,000) for the 1995-96 fiscal year shall be
12 used as transition grants for the local school administrative units for the 1995-96
13 academic year that are educating students who were educated at the Central North
14 Carolina School for the Deaf during the 1994-95 academic year. These funds shall be
15 allocated to the local school administrative units on the basis of twenty-four thousand
16 dollars (\$24,000) per such student per academic year.

17
18 **PART 24. DEPARTMENT OF AGRICULTURE**

19
20 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

21 **AUTHORIZE THE AGRICULTURAL FINANCE AUTHORITY TO USE THE**
22 **INTEREST FROM THE RESERVE FOR FARM LOANS FOR**
23 **ADMINISTRATIVE EXPENSES**

24 Sec. 24. Funds in the Reserve for Farm Loans shall be used for the purposes
25 set out in Chapter 122D of the General Statutes, but shall not be used for the
26 administration of that Chapter. Interest on funds in the Reserve for Farm Loans and
27 interest from agricultural loans, as defined in G.S. 122D-3, may be used for any of the
28 purposes set out in Chapter 122D of the General Statutes and for the administration of
29 that Chapter.

30
31 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

32 **STUDY REGARDING THE STATE FARMERS MARKETS COSTS**

33 Sec. 24.1. The Department of Agriculture shall evaluate and recommend
34 options for each of the State's Farmers Markets to reach a goal of becoming self-
35 supporting within four years. No later than April 1, 1996, the Department shall report its
36 findings and recommendations to the Joint Legislative Commission on Governmental
37 Operations.

38
39 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

40 **FEASIBILITY STUDY REGARDING FEES AT THE MARITIME MUSEUM**

41 Sec. 24.2. The Department of Agriculture shall study the feasibility of
42 charging admission fees at the North Carolina Maritime Museum. This study shall
43 evaluate different options for admission fees and shall include a proposed implementation

1 plan, anticipated revenues, anticipated costs of developing and implementing admission
2 fees, and anticipated personnel that would be required for each admission fee option. No
3 later than April 1, 1996, the Department shall report its findings and recommendations to
4 the Joint Legislative Commission on Governmental Operations.

5
6 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

7 **TIMBER SALES FUNDS FOR MAINTENANCE OF STATE FARMS**
8 **FORESTLANDS**

9 Sec. 24.3. From funds received from the sale of timber that are deposited with
10 the State Treasurer pursuant to G.S. 146-30 to the credit of the Department of Agriculture
11 in a capital improvement account, the sum of twenty thousand dollars (\$20,000) is
12 transferred to the Reserve for Forest Management for expenditure during the 1995-96
13 fiscal year and the sum of twenty thousand dollars (\$20,000) is transferred to the Reserve
14 for Forest Management for expenditure during the 1996-97 fiscal year. The Department
15 may increase its expenditures of timber receipts by twenty thousand dollars (\$20,000)
16 each year, provided that the maximum expenditure in each fiscal year shall not exceed
17 fifty thousand dollars (\$50,000). These funds are in addition to any other funds already in
18 that Reserve.

19
20 **PART 25. DEPARTMENT OF COMMERCE**

21
22 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

23 **INDUSTRIAL DEVELOPMENT FUND/LOCAL MATCH**

24 Sec. 25. Local governments requesting financial assistance from the Industrial
25 Development Fund that wish to request to be exempted from the local matching
26 requirements placed on the receipt of this assistance shall demonstrate to the satisfaction
27 of the Department of Commerce that it would be an economic hardship for the local
28 government to match State assistance from the Fund with local funds. The Department
29 shall develop guidelines for determining hardship.

30
31 Requested by: Senator Martin of Pitt

32 **REGIONAL COMMISSION REPORTS**

33 Sec. 25.3. The regional economic development commissions receiving grants-
34 in-aid from the Department of Commerce shall report on their programs to the Joint
35 Legislative Commission on Governmental Operations on or before March 1 and October
36 1 of each fiscal year, and more frequently as requested by the Commission. The reports
37 shall include information on the activities and accomplishments during the past fiscal
38 year, itemized expenditures during the past fiscal year with sources of funding, planned
39 activities and accomplishments for at least the next 12 months, and itemized anticipated
40 expenditures with sources of funding for the next 12 months.

41
42 Requested by: Senator Martin of Pitt

43 **REGIONAL ECONOMIC DEVELOPMENT COMMISSION ALLOCATIONS**

1 Sec. 25.4. (a) Funds appropriated in this act to the Department of Commerce for
2 regional economic development commissions shall be allocated to the following
3 commissions in accordance with subsection (b) of this section: Western North Carolina
4 Regional Economic Development Commission, Research Triangle Regional
5 Commission, Southeastern North Carolina Regional Economic Development
6 Commission, Piedmont Triad Partnership, Northeastern North Carolina Regional
7 Economic Development Commission, Global TransPark Development Commission, and
8 Carolinas Partnership, Inc.

9 (b) Funds appropriated pursuant to subsection (a) of this section shall be allocated
10 to each regional economic development commission as follows:

11 (1) First, the Department shall establish each commission's allocation by
12 determining the sum of allocations to each county that is a member of
13 that commission. Each county's allocation shall be determined by
14 dividing the county's distress factor by the sum of the distress factors for
15 eligible counties and multiplying the resulting percentage by the amount
16 of the appropriation. As used in this subdivision, the term "distress
17 factor" means a county's distress factor as calculated under G.S. 105-
18 130.40(c);

19 (2) Next, the Department shall subtract from funds allocated to the Global
20 TransPark Development Zone the sum of three hundred fifteen thousand
21 dollars (\$315,000) in each fiscal year, which sum represents the interest
22 earnings of the Global TransPark Development Zone in each fiscal year;
23 and

24 (3) Next, the Department shall redistribute the sum of three hundred fifteen
25 thousand dollars (\$315,000) in each fiscal year to the seven regional
26 economic development commissions named in subsection (a) of this
27 section. Each commission's share of this redistribution shall be
28 determined according to the distress factor formula set out in
29 subdivision (1) of this subsection. This redistribution shall be in
30 addition to each commission's allocation determined under subdivision
31 (1) of this subsection.
32

33 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

34 **TOURISM PROMOTION FUNDS**

35 Sec. 25.5. Funds appropriated in this act to the Department of Commerce for
36 tourism promotion grants shall be allocated according to per capita income,
37 unemployment, and population growth in an effort to direct funds to counties most in
38 need in terms of lowest per capita income, highest unemployment, and slowest
39 population growth, in the following manner:

40 (1) Counties 1 through 20 are each eligible to receive a maximum grant of
41 \$7,500 for each fiscal year, provided these funds are matched on the
42 basis of one non-State dollar for every four State dollars.

1 (2) Counties 21 through 50 are each eligible to receive a maximum grant of
2 \$3,500 for two of the next three fiscal years, provided these funds are
3 matched on the basis of one non-State dollar for every three State
4 dollars.

5 (3) Counties 51 through 100 are each eligible to receive a maximum grant
6 of \$3,500 for alternating fiscal years, beginning with the 1991-92 fiscal
7 year, provided these funds are matched on the basis of four non-State
8 dollars for every State dollar.
9

10 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

11 **BIOTECHNOLOGY CENTER**

12 Sec. 25.7. (a) The North Carolina Biotechnology Center shall recapture funds
13 spent in support of successful research efforts in the nonacademic private sector.

14 (b) The North Carolina Biotechnology Center shall provide funding for
15 biotechnology and related bioscience applications under its Economic and Corporate
16 Development Program.

17 (c) The North Carolina Biotechnology Center shall report on all of the Center's
18 programs to the Joint Legislative Commission on Governmental Operations and the
19 Fiscal Research Division on or before March 1 of each fiscal year, and more frequently as
20 requested by the Commission. The initial report shall include information on the
21 activities and accomplishments during the past fiscal year, itemized expenditures during
22 the past fiscal year with sources of funding, planned activities and accomplishments for at
23 least the next 12 months, and itemized anticipated expenditures with sources of funding
24 for the next 12 months. Subsequent reports shall include updates of the initial report.

25 (d) The North Carolina Biotechnology Center shall provide a report containing
26 detailed budget, personnel, and salary information to the Office of State Budget and
27 Management and to the Fiscal Research Division in the same manner as State
28 departments and agencies in preparation for biennium budget requests.
29

30 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

31 **BIOTECHNOLOGY FUNDS FOR MINORITY UNIVERSITIES**

32 Sec. 25.8. Of the funds appropriated in this act from the General Fund to the
33 North Carolina Biotechnology Center for the 1995-96 and the 1996-97 fiscal years, the
34 sum of one million dollars (\$1,000,000) in each fiscal year shall be used to continue the
35 special biotechnology program initiative for North Carolina's Public Historically Black
36 Universities and Pembroke State University. This program initiative is a means to get
37 more funds to these institutions of higher education in the short run to help them develop
38 their biotechnology programs and a means to develop a mechanism to improve these
39 institutions' capacity over the long term. The Center's special initiative shall, at a
40 minimum, provide for:

41 (1) A range of program activities, including grants, designed to enhance the
42 existing strengths and capabilities of Pembroke State University, and the
43 Public Historically Black Universities;

- 1 (2) A Facilities and Infrastructure Review Committee to advise the Center
- 2 on major program elements and priority projects that would be most
- 3 helpful to these institutions; and
- 4 (3) A Program Advisory Panel with representation from these institutions to
- 5 advise and make recommendations to the Center's President and Board
- 6 of Directors on funding proposals under this initiative.

7 The Center shall report on its biotechnology program grants to universities to

8 the Joint Legislative Commission on Governmental Operations and the Fiscal Research

9 Division on or before March 1 of each fiscal year, and more frequently as requested by

10 the Commission. These reports shall include the current number of enrollments and the

11 capacity of enrollments in the biotechnology program in each of the universities, the

12 number of faculty in the biotechnology program in each of the universities, whether and

13 to what extent the enrollments, capacity, and number of faculty have changed in the last

14 three academic years in the biotechnology program in each of the universities, how the

15 funds allocated by this section are being used in each of the universities, and any other

16 information that indicates whether these grants are accomplishing their purpose.

17

18 Requested by: Senator Martin of Pitt

19 **MCNC**

20 Sec. 25.9. (a) MCNC shall report on all of its programs to the Joint Legislative

21 Commission on Governmental Operations and the Fiscal Research Division on or before

22 March 1 of each fiscal year, and more frequently as requested by the Commission. The

23 reports shall include information on the activities and accomplishments during the past

24 fiscal year, itemized expenditures during the past fiscal year with sources of funding,

25 planned activities, and accomplishments for at least the next 12 months, and itemized

26 anticipated expenditures with sources of funding for the next 12 months. The report on

27 the activities of the Supercomputer program shall identify the users of the

28 Supercomputer, the major projects conducted by the users, and the potential benefits of

29 the projects.

30 (b) MCNC shall provide a report containing detailed budget information to the

31 Office of State Budget and Management in the same manner as State departments and

32 agencies in preparation for biennium budget requests. Specific salary information will be

33 provided upon written request by the Chairs of the Joint Legislative Commission on

34 Governmental Operations or the Chairs of the House Appropriations Subcommittee on

35 Natural and Economic Resources and the Chairs of the Senate Appropriations Committee

36 on Natural and Economic Resources.

37 (c) The funds appropriated in this act to MCNC shall be used as follows:

| | <u>FY 1995-96</u> | <u>FY 1996-97</u> |
|---------------------------------------|-------------------|-------------------|
| 38 Microelectronics Program | \$5,362,523 | |
| 39 \$5,362,523 | | |
| 40 Supercomputer | 9,576,319 | |
| 41 9,576,319 | | |

1 Telecommunications 4,826,158
2 4,826,158

3 (d) Of the funds appropriated to MCNC for the Microelectronics Program, five
4 million three hundred sixty-two thousand five hundred twenty-three dollars (\$5,362,523)
5 in each fiscal year is contingent upon a dollar-for-dollar match in non-State funds.

6 (e) If MCNC finds it necessary to make changes in the program allocations
7 specified in subsection (c) of this section, MCNC shall report such changes to the Joint
8 Legislative Commission on Governmental Operations 30 days before the reallocation.

9 (f) Funds appropriated in this act to MCNC for Migration of Current Network
10 to the North Carolina Information Highway System (NCIHS) shall be used as follows:

11 (1) To cover the costs of connecting and operating the North Carolina
12 Research and Education Network through the North Carolina
13 Information Highway so that universities and research centers will
14 continue to have the capability currently available through the North
15 Carolina Research and Education Network,

16 (2) For program support, and

17 (3) For MCNC to serve as gateway to the North Carolina Information
18 Highway for the 18 sites.

19

20 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

21 **MCNC PLAN FOR SELF-SUPPORT**

22 Sec. 25.10. MCNC shall develop a plan for carrying out its statutory,
23 contractual, and other duties, responsibilities, and purposes without financial support
24 from the State through General Fund or other appropriations. The plan shall provide for
25 MCNC to be totally self-supporting by July 1, 1999. MCNC shall submit the plan to the
26 Joint Legislative Commission on Governmental Operations not later than April 1, 1996.
27 The plan shall indicate, at a minimum, the following:

28 (1) Financial support received from State appropriations for each of the last
29 six years;

30 (2) Activities and purposes for which State appropriated funds were used
31 over the last six years;

32 (3) Funds that will be needed to continue operations over each of the fiscal
33 years commencing July 1, 1995; and

34 (4) Public and private sources and amounts of anticipated revenue for each
35 fiscal year commencing July 1, 1995 through June 30, 2001.

36

37 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

38 **RURAL ECONOMIC DEVELOPMENT CENTER**

39 Sec. 25.11. (a) Of the funds appropriated in this act to the Rural Economic
40 Development Center the sum of one million two hundred seventy thousand dollars
41 (\$1,270,000) for the 1995-96 fiscal year and the sum of one million two hundred seventy
42 thousand dollars (\$1,270,000) for the 1996-97 fiscal year shall be allocated as follows:

43 95-96 FY 96-97 FY

| | | | |
|---|-----------------------------------|-----------|-----------|
| 1 | Research & Demonstration Grants | \$475,864 | \$475,864 |
| 2 | Technical Assistance and Center | | |
| 3 | Administration of Research and | | |
| 4 | Demonstration Grants | | 444,136 |
| 5 | | | 444,136 |
| 6 | Center Administration, Oversight, | | |
| 7 | and Other Programs | | 350,000 |
| 8 | | | 350,000 |

9 (b) The Rural Economic Development Center, Inc., shall report on the Center's
10 programs to the Joint Legislative Commission on Governmental Operations on or before
11 March 1 of each fiscal year, and more frequently as requested by the Commission. The
12 report shall include information on the activities and accomplishments during the fiscal
13 year, itemized expenditures during the fiscal year with sources of funding, planned
14 activities and accomplishments for at least the next 12 months, and itemized anticipated
15 expenditures with sources of funding for the next fiscal year.

16 (c) The Rural Economic Development Center, Inc., shall provide a report
17 containing detailed budget, personnel, and salary information to the Office of State
18 Budget and Management in the same manner as State departments and agencies in
19 preparation for biennium budget requests.

20 (d) Not more than fifty percent (50%) of the interest earned on State funds
21 appropriated to the Rural Economic Development Center, Inc., may be used by the Rural
22 Economic Development Center, Inc., for administrative purposes, including salaries and
23 fringe benefits.

24
25 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

26 **OPPORTUNITIES INDUSTRIALIZATION CENTER FUNDS**

27 Sec. 25.12. Of the funds appropriated in this act to the Rural Economic
28 Development Center, Inc., the sum of one hundred thousand dollars (\$100,000) for the
29 1995-96 fiscal year and the sum of one hundred thousand dollars (\$100,000) for the
30 1996-97 fiscal year shall be allocated as follows:

- 31 (1) \$25,000 in each fiscal year to the Opportunities Industrialization Center
32 of Wilson, Inc., for its ongoing job training programs;
- 33 (2) \$25,000 in each fiscal year to Opportunities Industrialization Center,
34 Inc., in Rocky Mount, for its ongoing job training programs;
- 35 (3) \$25,000 in each fiscal year to Pitt-Greenville Opportunities
36 Industrialization Center, Inc. for its ongoing job training programs; and
- 37 (4) \$25,000 in each fiscal year to the Opportunities Industrialization Center
38 of Lenoir, Green, and Jones Counties.

39 The Rural Economic Development Center, Inc., shall report on the use of these
40 funds to the Joint Legislative Commission on Governmental Operations on or before
41 March 1 of each fiscal year, and more frequently as requested by the Commission.

42
43 Requested by: Senator McKoy

COMMUNITY DEVELOPMENT INITIATIVE

Sec. 25.13. Of the funds appropriated in this act to the Department of Commerce, the sum of one million eight hundred thousand dollars (\$1,800,000) for fiscal year 1995-96 and the sum of one million eight hundred thousand dollars (\$1,800,000) for fiscal year 1996-97 shall be used to support the grant and loan fund and operations of the North Carolina Community Development Initiative, Inc. The Initiative shall provide operating and project activity grants to mature community development corporations that have demonstrated project and organizational capacity.

The North Carolina Community Development Initiative, Inc., shall report to the Joint Legislative Commission on Governmental Operations on the use of these funds on or before March 1 of each fiscal year, and more frequently as requested by the Commission.

PART 26. DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

Requested by: Representatives Baker, Nichols, Senator Martin of Pitt

EHNR STUDY STATE-FUNDED ENVIRONMENTAL EDUCATION

Sec. 26. The Department of Environment, Health, and Natural Resources shall prepare a report identifying all State-funded environmental education programs, activities, and initiatives statewide, including efforts by all State entities as well as efforts by other entities funded by grants-in-aid. In addition, the Department shall include in its report a plan for consolidating some or all of these programs, activities, and initiatives. The Department shall submit this report on or before January 15, 1996, to the Joint Legislative Commission on Governmental Operations.

Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

FUNDS FOR VOLUNTARY REMEDIAL ACTIONS

Sec. 26.1. (a) During the 1995-97 fiscal biennium, the Secretary of Environment, Health, and Natural Resources may contribute from the Inactive Hazardous Sites Cleanup Fund up to ten percent (10%) of the cost each fiscal year, not to exceed fifty thousand dollars (\$50,000) per site, of implementing a voluntary remedial action program at up to three high-priority sites that substantially endanger public health or the environment.

(b) No later than April 1 of each year of the 1995-97 fiscal biennium, the Department of Environment, Health, and Natural Resources shall report to the General Assembly. Each report shall contain the location of the sites for which a voluntary remedial action program was implemented under subsection (a) of this section, the rationale for the State contributing to the cost of that remedial action, and the amount of the contribution made from the Inactive Hazardous Sites Cleanup Fund.

Requested by: Senator Martin of Pitt

WASTE REDUCTION ASSISTANCE TO SMALL BUSINESSES WITH NEED

1 Sec. 26.2A. The Office of Waste Reduction shall, to the extent feasible, give
2 greatest priority to small businesses that can demonstrate financial need when the Office
3 of Waste Reduction awards grants or otherwise provides technical or financial assistance.
4

5 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

6 **PARTNERSHIP FOR THE SOUNDS, INC.**

7 Sec. 26.3. Partnership for the Sounds, Inc., shall report on all of its programs
8 to the Joint Legislative Commission on Governmental Operations and the Fiscal
9 Research Division on March 1 of each fiscal year, and more frequently as requested by
10 the Commission. The reports shall include information on the activities and the
11 accomplishments during the past fiscal year, itemized expenditures during the past fiscal
12 year with sources of funding, planned activities, and accomplishments for at least the
13 next 12 months, and itemized anticipated expenditures with sources of funding for the
14 next 12 months.
15

16 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

17 **COMMUNICABLE DISEASE CONTROL AID TO COUNTIES FLEXIBILITY**

18 Sec. 26.4. (a) For the 1995-96 and 1996-97 fiscal years, the Department of
19 Environment, Health, and Natural Resources may combine and allocate funds
20 appropriated for Aid to Counties in the Acute Communicable Disease Control Fund, the
21 Tuberculosis Control Fund, and the Sexually Transmitted Disease Control Fund into one
22 Acute Communicable Disease Control Aid to Counties Grant. Communicable Disease
23 Aid to Counties funding to local health departments and other authorized recipients will
24 be based on a general communicable disease formula to be developed by the Department
25 of Environment, Health, and Natural Resources.

26 (b) The Department of Environment, Health, and Natural Resources, in
27 conjunction with local health departments, will maintain a system to monitor and identify
28 Aid to Counties communicable disease expenditures by each communicable disease
29 group. The Department shall report to the Joint Legislative Commission on
30 Governmental Operations not later than October 1, 1995, and annually thereafter, on Aid
31 to Counties expenditures by county for each communicable disease group and the
32 purpose of the expenditures for the fiscal year. The report shall also include an
33 evaluation of the effectiveness of combining Aid to Counties funding into one grant fund
34 and the effectiveness of the formula used to allocate funds.
35

36 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

37 **DWI TEST CHANGES**

38 Sec. 26.5. (a) Section 272 of Chapter 321 of the 1993 Session Laws is repealed.

39 (b) Amounts collected under G.S. 20-16.5(j) for fiscal years 1993-94 and 1994-95
40 and designated for the alcohol testing program of the Injury Control Section of the
41 Department of Environment, Health, and Natural Resources shall not revert to the
42 General Fund unless the amounts exceed the amounts appropriated by the General
43 Assembly for the 1993-94 and 1994-95 fiscal years.

1 Beginning with the 1995-96 fiscal year, any funds collected under G.S. 20-
2 16.5(j) that are designated for the alcohol testing program of the Injury Control Section of
3 the Department of Environment, Health, and Natural Resources and are not needed for
4 that program shall be transferred annually to the Governor's Highway Safety Program for
5 grants to local law enforcement agencies for training and enforcement of the laws on
6 driving while impaired. The Governor's Highway Safety Program shall expend funds
7 transferred to it under this section within 13 months of receipt of the funds. Amounts
8 received by the Governor's Highway Safety Program shall not revert until the June 30
9 following the 13-month period.

10
11 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

12 **IMMUNIZATION PROGRAM FUNDING**

13 Sec. 26.6. (a) Of the funds appropriated to the Department of Environment,
14 Health, and Natural Resources for the 1995-97 fiscal biennium for childhood
15 immunization programs for positions, operating support, equipment, and
16 pharmaceuticals, the sum of up to one million dollars (\$1,000,000) each fiscal year may
17 be used for projects and activities that are also designed to increase childhood
18 immunization rates in North Carolina. These projects and activities shall include the
19 following:

- 20 (1) Outreach efforts at the State and local levels to improve service delivery
21 of vaccines. Outreach efforts may include educational seminars, media
22 advertising, support services to parents to enable children to be
23 transported to clinics, longer operating hours for clinics, and mobile
24 vaccine units; and
- 25 (2) Continued development of an automated immunization registry.

26 (b) Funds authorized to be used for immunization efforts under subsection (a) of
27 this section shall not be used to fund additional State positions in the Department of
28 Environment, Health, and Natural Resources.

29
30 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

31 **PUBLIC HEALTH NUTRITION INTERN PROGRAM**

32 Sec. 26.7. Of the funds appropriated to the Department of Environment,
33 Health, and Natural Resources for the Special Supplemental Food Program for Women,
34 Infants, and Children (WIC), the sum of up to one hundred seventy thousand dollars
35 (\$170,000) for the 1995-96 fiscal year and the sum of up to one hundred seventy
36 thousand dollars (\$170,000) for the 1996-97 fiscal year may be used for the purpose of
37 establishing and maintaining a Public Health Nutritionist Internship Program.

38
39 Requested by: Senator Martin of Pitt

40 **MOSQUITO CONTROL FUNDS/USAGE**

41 Sec. 26.7A. G.S. 130A-347 reads as rewritten:
42 "**§ 130A-347. Mosquito control funds.**

1 Funds received by the Department for mosquito control may be used to aid mosquito
2 control districts and other units of local government engaged in mosquito control. The
3 Commission shall adopt rules concerning the allocation of the funds. The rules shall
4 provide for priority funding to those local activities that involve the abatement of
5 breeding grounds. The rules may include provisions to withhold part of the mosquito
6 control funds for the suppression of potential or documented mosquito-borne disease
7 outbreaks. State aid for local physical control methods such as, but not limited to,
8 cleaning, reopening or construction of ditches, restoration of streams and construction of
9 impoundments shall not exceed the amount of funds and the value of services and
10 facilities provided locally except State aid may be provided up to twice the locally
11 provided amount for physical control methods in salt marsh areas. State aid for local
12 chemical and biological control methods such as, but not limited to, control of immature
13 and adult mosquitoes by use of chemicals, bacteria, fungi and mosquito fish shall not
14 exceed the amount of funds and the value of services and facilities provided locally. State
15 aid shall not be granted with respect to each individual project until the Department finds
16 and certifies in writing for each project that: (i) the required local share is available; (ii)
17 there is a documented mosquito problem which requires abatement; (iii) a work plan
18 describing the method and procedures to be used for abatement is appropriate; and (iv)
19 the rules of the Commission have been met."
20

21 Requested by: Senator Martin of Pitt

22 **ADOLESCENT PREGNANCY PREVENTION COALITION OF**
23 **N.C./REPORTING**

24 Sec. 26.7B. The Adolescent Pregnancy Prevention Coalition of N.C. shall
25 report on all of its programs to the Joint Legislative Commission on Governmental
26 Operations on or before March 1 of each fiscal year and more frequently as requested by
27 the Commission. The reports shall include information on the Coalition's activities and
28 accomplishments during the past fiscal year, a list of the groups, organizations,
29 communities, and other recipients of assistance from the Coalition in the last 12 months,
30 itemized expenditures during the past fiscal year with sources of funding, planned
31 activities, and accomplishments for at least the next 12 months, and itemized anticipated
32 expenditures with sources of funding for the next 12 months.
33

34 Requested by: Senator Martin of Pitt

35 **ADDITIONAL USE OF AQUARIUM FEES**

36 Sec. 26.8A. Notwithstanding the provisions of G.S. 143B-344.17, the
37 Department of Environment, Health, and Natural Resources may use funds in the North
38 Carolina Special Aquariums Fund for one full-time position at each aquarium site to
39 collect admission fees and to maintain records of visitors at the sites and, during high
40 visitation periods, for seasonal temporary positions at each site for additional
41 maintenance, housekeeping, and educational services and to collect admission fees.
42

43 Requested by: Senator Martin of Pitt

STATE PARK FUNDS

Sec. 26.8B. Of the funds appropriated to the Department of Environment, Health, and Natural Resources in this act, the sum of one million dollars (\$1,000,000) for each fiscal year of the 1995-97 fiscal biennium shall be allocated to the Parks and Recreation Trust Fund established in G.S. 113-44.15 and expended in accordance with the provisions of G.S. 113-44.15(b).

Requested by: Senator Martin of Pitt

BLUE RIBBON ADVISORY COUNCIL ON OYSTERS

Sec. 26.8C. (a) Subsection (f) of Section 27.16 of Chapter 769 of the 1993 Session Laws reads as rewritten:

"(f) The Advisory Council shall make written quarterly reports to the Marine Fisheries Commission and the Joint Legislative Commission on Seafood and Aquaculture beginning October 1, 1994. The Advisory Council shall complete its study and make its final written report on or before ~~October 1, 1995.~~ June 30, 1997. Upon making its final written report, the Advisory Council shall terminate."

(b) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources, the sum of one hundred thousand dollars (\$100,000) for the 1995-96 fiscal year and the sum of one hundred thousand dollars (\$100,000) for the 1996-97 fiscal year shall be used for administrative and other expenses incurred by the Blue Ribbon Advisory Council on Oysters.

Requested by: Senator Martin of Pitt

OCCONEECHEE MOUNTAIN, BIRD ISLAND, HAMMOCKS BEACH STATE PARK LAND ACQUISITION FUNDS

Sec. 26.8D. Notwithstanding G.S. 143-16.3, the Divisions of Parks and Recreation and of Coastal Management of the Department of Environment, Health, and Natural Resources may apply to the Natural Heritage Trust Fund and to other State and federal agencies for funds to acquire Occoneechee Mountain, Bird Island, and additional land at Hammocks Beach State Park.

Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

GRASSROOTS SCIENCE PROGRAM

Sec. 26.10. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the Grassroots Science Program, the sum of five hundred thousand dollars (\$500,000) for fiscal year 1995-96 and the sum of five hundred thousand dollars (\$500,000) for fiscal year 1996-97 are allocated as grants-in-aid for each fiscal year as follows:

| | | |
|-----------|---------|--------|
| Catawba | Science | Center |
| \$50,000 | | |
| Discovery | | Place |
| \$50,000 | | |

1 Imagination Station
 2 \$50,000
 3 North Carolina Museum of
 4 Life and Science
 5 \$50,000
 6 Rocky Mount Children's Museum
 7 \$50,000
 8 Schiele Museum of Natural History
 9 \$50,000
 10 Sci Works Science Center and Environmental
 11 Park of Forsyth County
 12 \$50,000
 13 Natural Science Center of Greensboro
 14 \$50,000
 15 Western North Carolina Nature Center
 16 \$15,000
 17 The Health Adventure Museum of Pack Place
 18 Education, Arts and Science
 19 Center, Inc.
 20 \$35,000
 21 Cape Fear Museum
 22 \$50,000

PART 27. DEPARTMENT OF LABOR

26 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

ELEVATOR DIVISION SELF-SUPPORTING

28 Sec. 27. The Department of Labor shall study and make recommendations to
 29 the General Assembly on a plan to make the Elevator Division of the Department of
 30 Labor self-supporting. The report shall study the corresponding fee increases that will be
 31 required for inspection periods of six months, nine months, and twelve months. The
 32 report shall also state the corresponding operating costs and personnel requirements,
 33 including expansions and reductions of positions, for each inspection period. The
 34 Department's plan shall be developed as if it were to be implemented in the 1996-97
 35 fiscal year. The Department shall report to the Joint Legislative Commission on
 36 Governmental Operations of the General Assembly on or before April 1, 1996.

38 Requested by: Representatives Mitchell, Weatherly, Senator Martin of Pitt

OSHA POSITIONS

40 Sec. 27.1. (a) The Department of Labor may use funds appropriated to the
 41 Department of Labor for the Occupational Safety and Health Act of North Carolina
 42 (OSHANC) program to fully fund enforcement personnel in the Compliance Bureau of
 43 the OSHANC program, provided the Department of Labor certifies to the Office of State

1 Budget and Management that no federal match is available for the 1995-96 fiscal year
2 and for the 1996-97 fiscal year.

3 (b) If federal Occupational Safety and Health Administration funds are granted to
4 match all or part of the funds for enforcement positions and support that are one hundred
5 percent (100%) State-funded, then State funds equivalent to the federal match shall revert
6 to the General Fund at the end of the fiscal year for which the federal match was
7 received.

8
9 Requested by: Representative Ken Miller, Senator Martin of Pitt

10 **DEPARTMENTAL STUDY OF WORKPLACE RETALIATORY**
11 **DISCRIMINATION DIVISION OF THE DEPARTMENT OF LABOR**

12 Sec. 27.2. The Department of Labor, the Department of Commerce, and the
13 Employment Security Commission shall jointly undertake a study to determine if the
14 functions of the Workplace Retaliatory Discrimination Division of the Department of
15 Labor can effectively and efficiently be combined with certain related activities of the
16 Employment Security Commission. The study shall include review of federal law
17 pertaining to employment security and retaliatory discrimination to ensure that the
18 combining of these functions would not conflict with pertinent federal law. The
19 Department of Labor shall be the lead agency on this study and shall report the results
20 and recommendations of the study to the Joint Legislative Commission on Governmental
21 Operations by March 1, 1996.

22
23 **PART 28. MISCELLANEOUS PROVISIONS**

24
25 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
26 Perdue

27 **EFFECT OF HEADINGS**

28 Sec. 28. The headings to the Parts and sections of this act are a convenience to
29 the reader and are for reference only. The headings do not expand, limit, or define the
30 text of this act.

31
32 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
33 Perdue

34 **EXECUTIVE BUDGET ACT REFERENCE**

35 Sec. 28.1. The provisions of the Executive Budget Act, Chapter 143, Article 1
36 of the General Statutes, are reenacted and shall remain in full force and effect and are
37 incorporated in this act by reference.

38
39 Requested by: Senators Odom, Plyler, Perdue

40 **COMMITTEE REPORT**

41 Sec. 28.2. (a) The Senate Appropriations Committee Continuation Budget Report,
42 dated May 17, 1995, which was distributed in the Senate and used to explain this act,
43 shall indicate action by the General Assembly on this act and shall therefore be used to

1 construe this act, as provided in G.S. 143-15 of the Executive Budget Act, and for these
2 purposes shall be considered a part of this act.

3 (b) The budget enacted by the General Assembly for the maintenance of the
4 various departments, institutions, and other spending agencies of the State for the 1995-
5 97 fiscal biennium is a line item budget, in accordance with the Budget Code Structure
6 and the State Accounting System Uniform Chart of Accounts set out in the
7 Administrative Policies and Procedures Manual of the Office of the State Controller.
8 This budget includes the appropriations made from all sources including the General
9 Fund, Highway Fund, special funds, cash balances, federal receipts, and departmental
10 receipts.

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

- 15 (1) Negative reserves set out in the submitted budget were deleted and the
16 totals were increased accordingly.
- 17 (2) The base budget was adjusted in accordance with the base budget cuts
18 and additions that were set out in the Senate Appropriations Committee
19 Continuation Budget Report, dated May 17, 1995.
- 20 (3) Transfers of funds supporting programs were made in accordance with
21 the Senate Appropriations Committee Continuation Budget Report,
22 dated May 17, 1995.

23 The budget enacted by the General Assembly shall also be interpreted in
24 accordance with the special provisions in this act and in accordance with other
25 appropriate legislation.

26 In the event that there is a conflict between the line item budget certified by the
27 Director of the Budget and the budget enacted by the General Assembly, the budget
28 enacted by the General Assembly shall prevail.

29
30 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
31 Perdue

32 **MOST TEXT APPLIES ONLY TO 1995-97**

33 Sec. 28.3. Except for statutory changes or other provisions that clearly indicate
34 an intention to have effects beyond the 1995-97 biennium, the textual provisions of this
35 act shall apply only to funds appropriated for and activities occurring during the 1995-97
36 biennium.

37
38 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
39 Perdue

40 **SEVERABILITY CLAUSE**

41 Sec. 28.4. If any section or provision of this act is declared unconstitutional or
42 invalid by the courts, it does not affect the validity of the act as a whole or any part other
43 than the part so declared to be unconstitutional or invalid.

1
2 Requested by: Representatives Holmes, Creech, Esposito, Senators Odom, Plyler,
3 Perdue
4 **EFFECTIVE DATE**
5 Sec. 28.5. Except as otherwise provided, this act becomes effective July 1,
6 1995.