SESSION 1999

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SENATE BILL 826*

Short Title: UNC/Horace Williams Campus.

(Public)

Sponsors: Senators Lee; Kinnaird and Rand.

Referred to: Education/Higher Education.

April 12, 1999

1	A BILL TO BE ENTITLED
2	AN ACT TO ESTABLISH THE HORACE WILLIAMS CAMPUS TRUST FUND, TO
3	AUTHORIZE THE BOARD OF GOVERNORS OF THE UNIVERSITY OF
4	NORTH CAROLINA TO ISSUE REVENUE BONDS FOR THE DEVELOPMENT
5	OF THE HORACE WILLIAMS CAMPUS, TO EXEMPT THE HORACE
6	WILLIAMS CAMPUS FROM THE UMSTEAD ACT, AND TO MAKE VARIOUS
7	CONFORMING CHANGES.
8	The General Assembly of North Carolina enacts:
9	Section 1. G.S. 116-36.5 reads as rewritten:
10	"§ 116-36.5. Centennial Campus trust fund. fund; Horace Williams Campus trust
11	fund.
11 12	(a) All moneys received through development of the Centennial Campus of North
	(a) All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds
12	(a) All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds from the lease or rental of Centennial Campus real property, shall be placed in a special,
12 13	(a) All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds from the lease or rental of Centennial Campus real property, shall be placed in a special, continuing, and nonreverting trust fund having the sole and exclusive use for further
12 13 14	(a) All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds from the lease or rental of Centennial Campus real property, shall be placed in a special, continuing, and nonreverting trust fund having the sole and exclusive use for further development of the Centennial Campus, including its operational development. This
12 13 14 15	(a) All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds from the lease or rental of Centennial Campus real property, shall be placed in a special, continuing, and nonreverting trust fund having the sole and exclusive use for further development of the Centennial Campus, including its operational development. This fund shall be treated in the manner of institutional trust funds as provided in G.S. 116-
12 13 14 15 16	(a) All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds from the lease or rental of Centennial Campus real property, shall be placed in a special, continuing, and nonreverting trust fund having the sole and exclusive use for further development of the Centennial Campus, including its operational development. This
12 13 14 15 16 17	(a) All moneys received through development of the Centennial Campus of North Carolina State University at Raleigh, from whatever source, including the net proceeds from the lease or rental of Centennial Campus real property, shall be placed in a special, continuing, and nonreverting trust fund having the sole and exclusive use for further development of the Centennial Campus, including its operational development. This fund shall be treated in the manner of institutional trust funds as provided in G.S. 116-

1	special, or local law is inconsistent with this section, it is declared inapplicable to thi
2	section.
3	(b) All moneys received through development of the Horace Williams Campus of
4	the University of North Carolina at Chapel Hill, from whatever source, including the ne
5	proceeds from the lease or rental of Horace Williams Campus real property, shall b
6	placed in a special, continuing, and nonreverting trust fund having the sole and exclusive
7	use for further development of the Horace Williams Campus, including its operational
8	development. This fund shall be treated in the manner of institutional trust funds a
9	provided in G.S. 116-36.1. This fund shall be deemed an additional and alternativ
10	method of funding the Horace Williams Campus and not an exclusive one. For purpose
11	of this section the term 'Horace Williams Campus' is defined by G.S. 116-198.33(4a). To
12	the extent that any general, special, or local law is inconsistent with this section, it i
13	declared inapplicable to this section."
14	Section 2. The title of Article 21B of Chapter 116 of the General Statute
15	reads as rewritten:
16	"CENTENNIAL CAMPUS AND HORACE WILLIAMS CAMPUS FINANCING
17	ACT."
18	Section 3. G.S. 116-198.31 reads as rewritten:
19	"§ 116-198.31. Purpose of Article.
20	The purpose of this Article is to authorize the Board of Governors of The University
21	of North Carolina to issue revenue bonds, payable from any leases, rentals, charges, fees
22	and other revenues but with no pledge of taxes or the faith and credit of the State or any
23	agency or political subdivision thereof, to pay the cost, in whole or part, of buildings
24	structures, or other facilities for the Centennial Campus, located at North Carolina Stat
25	University at Raleigh. Raleigh and for the Horace Williams Campus located at th
26	University of North Carolina at Chapel Hill."
27	Section 4. G.S. 116-198.33 reads as rewritten:
28	"§ 116-198.33. Definitions.
29	As used in this Article, the following words and terms shall have the following
30	meanings, unless the context shall indicate another or different meaning or intent:
31	(1) The word 'Board' shall mean the Board of Governors of The University
32	of North Carolina.
33	(2) The word 'cost' as applied to any project, shall include the cost o
34	acquisition or construction; the cost of acquisition of all property, both
35	real and personal, or interests therein; the cost of demolishing
36	removing, or relocating any buildings or structures on land so acquired
37	including the cost of acquiring any lands to which such buildings o
38	structures may be removed or relocated; the cost of all labor, materials
39	equipment and furnishings, financing charges, interest prior to an
40	during construction and, if deemed advisable by the Board, for a period
41	not exceeding one year after completion of such construction
42	provisions for working capital, reserves for debt service and fo
43	extensions, enlargements, additions, and improvements; cost o

1		engineering, financial, and legal services, plans, specifications, studies,
2		surveys, and estimates of cost and of revenues; administrative expenses;
3		expenses necessary or incident to determining the feasibility or
4		practicability of constructing the project; and such other expenses as
5		may be necessary or incident to acquisition or construction with respect
6		to the project or to the placing of the project in operation. Any
7		obligation or expense incurred by the Board prior to the issuance of
8		bonds under the provisions of this Article in connection with any of the
9		foregoing items of cost may be regarded as a part of such cost.
10	(3)	The word 'Institution' shall mean North Carolina State University at
11		Raleigh. Raleigh and the University of North Carolina at Chapel Hill.
12	(4)	The term 'Centennial Campus' means all of the following properties:
13		a. The real property and appurtenant facilities bounded by Blue
14		Ridge Road, Hillsborough Street, Wade Avenue, and Interstate
15		440 that are the sites of the College of Veterinary Medicine, the
16		University Club, and the Agricultural Turf Grass Management
17		Program.
18		b. The real property and appurtenant facilities that are the former
19		Dix Hospital properties and other contiguous parcels of property
20		that are adjacent to Centennial Boulevard.
21		c. All other real property and appurtenant facilities designated by
22		the Board of Governors as part of the Centennial Campus. The
23		properties designated by the Board of Governors do not have to
24		be contiguous with the Centennial Campus to be designated as
25		part of that Campus.
26	(4a)	The term 'Horace Williams Campus' means all of the following
27	<u>(14)</u>	properties:
28		<u>a.</u> <u>The real property and appurtenant facilities left to the University</u>
29		of North Carolina at Chapel Hill by the Will of Henry Horace
30		Williams.
31		b. All other real property and appurtenant facilities designated by
32		the Board of Governors as part of the Horace Williams Campus.
33		The properties designated by the Board of Governors do not have
34		to be contiguous with the Horace Williams Campus to be
35		designated as part of that Campus.
36	(5)	The term 'existing facilities' shall mean buildings and facilities, then
37	(0)	existing, any part of the revenues of which are pledged under the
38		provisions of any resolution authorizing the issuance of revenue bonds
39		hereunder to the payment of such bonds.
40	(6)	The word 'project' shall mean and shall include any one or more
41		buildings, structures, administration buildings, libraries, research or
42		instructional facilities, housing maintenance, storage, or utility facilities,
43		and any facilities related thereto or required or useful for conducting of
15		and any mentions related merets of required of userul for conducting of

1		research or the operation of the Centennial Campus, Campus or the
2		Horace Williams Campus, including roads, water, sewer, power, gas,
3		greenways, parking, or any other support facilities essential or
4		convenient for the orderly conduct of the Centennial CampusCampus
5		or the Horace Williams Campus respectively.
6	(7)	The word 'revenues' shall mean all or any part of the rents, leases,
7		charges, fees, and other income revenues derived from or in connection
8		with any project or projects and existing facilities."
9	Sectio	on 5. G.S. 116-198.34 reads as rewritten:
10		General powers of Board of Governors.
11		hay exercise any one or more of the following powers:
12	(1)	To determine the location and character of any project or projects, and
13		to acquire, construct, and provide the same, and to maintain, repair, and
14		operate, and to enter into contracts for the management, lease, use, or
15		operation of all or any portion of any project or projects and any
16		existing facilities.
17	(2)	To issue revenue bonds as hereinafter provided to pay all or any part of
18		the cost of any project or projects, and to fund or refund the same.
19	(3)	To fix and revise from time to time and charge and collect rates, fees,
20	(-)	rents, and charges for the use of, and for the services furnished by, all or
21		any portion of any project or projects.
22	(4)	To establish and enforce, and to agree through any resolution or trust
23		agreement authorizing or securing bonds under this Article to make and
24		enforce, rules and regulations for the use of and services rendered by
25		any project or projects and any existing facilities, to provide for the
26		maximum use of any project or projects and any existing facilities.
27	(5)	To acquire, hold, lease, and dispose of real and personal property in the
28		exercise of its powers and the performance of its duties hereunder and to
29		lease all or any part of any project or projects and any existing facilities
30		upon such terms and conditions as the Board determines, subject to the
31		provisions of G.S. 143-341 and Chapter 146 of the General Statutes.
32		Notwithstanding G.S. 143-341 and Chapter 146 of the General
33		Statutes, a disposition by easement, lease, or rental agreement of space
34		in any building on the Centennial Campus or on the Horace Williams
35		Campus made for a period of 10 years or less shall not require the
36		approval of the Governor and the Council of State. All other
37		acquisitions and dispositions made under this subdivision are subject to
38		the provisions of G.S. 143-341 and Chapter 146 of the General Statutes.
39	(6)	To employ consulting engineers, architects, attorneys, accountants,
40	~ /	construction and financial experts, superintendents, managers, and such
41		other employees and agents as may be necessary in its judgment in
42		connection with any project or projects and existing facilities, and to fix
43		their compensation.

1	(7)	To make and enter into all contracts and agreements necessary or
2		incidental to the performance of its duties and the execution of its
3	(0)	powers under this Article.
4	(8)	To receive and accept from any federal, State, or other public agency
5 6		and any private agency, person or other entity donations, loans, grants, aid, or contributions of any money, property, labor, or other things of
7		value for any project or projects, and to agree to apply and use the same
8		in accordance with the terms and conditions under which the same are
9		provided.
10	(8a)	To designate the real property and appurtenant facilities to be included
11		as part of the Centennial Campus. Campus or the Horace Williams
12		<u>Campus.</u>
13	(9)	To do all acts and things necessary or convenient to carry out the
14		powers granted by this Article."
15		on 6. G.S. 116-198.35 reads as rewritten:
16		Issuance of bonds and bond anticipation notes.
17		s hereby authorized to issue, subject to the approval of the Director of the
18	-	ime or from time to time, revenue bonds of the Board for the purpose of
19 20		y part of the cost of acquiring, constructing, or providing any project or
20		Centennial <u>Campus.</u> Campus or on the Horace Williams Campus. The
21 22		ssue shall be dated, shall mature at such time or times not exceeding 40
22	•	ir date or dates, shall bear interest at such rate or rates as may be he Board, and may be redeemable before maturity, at the option of the
24	•	rice or prices and under such terms and conditions as may be fixed by the
25	-	he issuance of the bonds. The Board shall determine the form and manner
26	-	the bonds, including any interest coupons to be attached thereto, and shall
27		ation or denominations of the bonds and the place or places of payment of
28		terest, which may be at any bank or trust company within or without the
29	State. In case a	ny officer whose signature or a facsimile of whose signature shall appear
30	on any bonds or	coupons shall cease to be such officer before the delivery of such bonds,
31	-	r such facsimile shall nevertheless be valid and sufficient for all purposes
32		e had remained in office until such delivery. Notwithstanding any of the
33	-	of this Article or any recitals in any bonds issued under the provisions of
34		such bonds shall be deemed to be negotiable instruments under the laws
35		bject only to the provisions for registration in any resolution authorizing
36		such bonds or any trust agreement securing the same. The bonds may be
37 38		n or registered form or both or as book-entry bonds, as the Board may provision may be made for the registration of any coupon bonds as to
38 39		and also as to both principal and interest, and for the reconversion into
40	· ·	f any bonds registered as to both principal and interest, and interest. The Board may
	<u> </u>	
42		for the best interests of the Board.
41	sell such bonds	in such manner, at public or private sale, and for such price, as it may

The proceeds of the bonds of each issue shall be used solely for the purpose for which 1 2 such bonds shall have been authorized and shall be disbursed in such manner and under 3 such restrictions, if any, as the Board may provide in the resolution authorizing the 4 issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. Unless otherwise provided in the authorizing resolution or in the trust agreement securing 5 6 such bonds, if the proceeds of such bonds, by error of estimates or otherwise, shall be less 7 than such cost, additional bonds may in like manner be issued to provide the amount of 8 such deficit and shall be deemed to be of the same issue and shall be entitled to payment 9 from the same fund without preference or priority of the bonds first issued for the same 10 purpose.

The resolution providing for the issuance of revenue bonds, and any trust agreement securing such bonds, may also contain such limitations upon the issuance of additional revenue bonds as the Board may deem proper, and such additional bonds shall be issued under such restrictions and limitations as may be prescribed by such resolution or trust agreement.

Prior to the preparation of definitive bonds, the Board may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Board may also provide for the replacement of any bonds which shall become mutilated or be destroyed or lost.

Except as herein otherwise provided, bonds may be issued under this Article and other powers vested in the Board under this Article may be exercised by the Board without obtaining the consent of any department, division, commission, board, bureau, or agency of the State and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by this Article.

The Board may enter into or negotiate a note with an acceptable bank or trust company in lieu of issuing bonds for the financing of projects covered under this section. The terms and conditions of any note of this nature shall be in accordance with the terms and conditions surrounding issuance of bonds.

The Board is hereby authorized to issue, subject to the approval of the Director of the 31 32 Budget, at one time or from time to time, revenue bond anticipation notes of the Board in 33 anticipation of the issuance of bonds authorized pursuant to the provisions of this Article. The principal of and the interest on such notes shall be payable solely from the proceeds 34 35 of bonds or renewal notes, or, in the event bond or renewal note proceeds are not 36 available, any available revenues of the project or projects for which such bonds shall have been authorized. The notes of each issue shall be dated, shall mature at such time or 37 38 times not exceeding two years from their date or dates, shall bear interest at such rate or 39 rates as may be determined by the Board, and may be redeemable before maturity, at the option of the Board, at such price or prices and under such terms and conditions as may 40 be fixed by the Board prior to the issuance of the notes. The Board shall determine the 41 42 form and the manner of execution of the notes, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the notes and the 43

place or places of payment of principal and interest, which may be at any bank or trust 1 2 company within or without the State. In case any officer whose signature or a facsimile 3 of whose signature shall appear on any notes or coupons shall cease to be such officer 4 before the delivery of such notes, such signature or such facsimile shall nevertheless be 5 valid and sufficient for all purposes the same as if he had remained in office until such 6 delivery. Notwithstanding any of the other provisions of this Article or any recitals in 7 any notes issued under the provisions of this Article, all such notes shall be deemed to be 8 negotiable instruments under the laws of this State, subject only to the provisions for 9 registration in any resolution authorizing the issuance of such notes or any trust 10 agreement securing the bonds in anticipation of which such notes are being issued. The notes may be issued in coupon or registered form or both or as book entry notes, as the 11 12 Board may determine, and provision may be made for the registration of any coupon notes as to principal alone and also as to both principal and interest, and for the 13 14 reconversion into coupon notes of any notes registered as to both principal and interest. 15 The Board may sell such notes in such manner, at public or private sale, and for such price, as it may determine to be for the best interests of the Board. 16

The proceeds of the notes of each issue shall be used solely for the purpose for which the bonds in anticipation of which such notes are being issued shall have been authorized, and such note proceeds shall be disbursed in such manner and under such restrictions, if any, as the Board may provide in the resolution authorizing the issuance of such notes or bonds or in the trust agreement securing such bonds.

The resolution providing for the issuance of notes, and any trust agreement securing the bonds in anticipation of which such notes are being authorized, may also contain such limitations upon the issuance of additional notes as the Board may deem proper, and such additional notes shall be issued under such restrictions and limitations as may be prescribed by such resolution or trust agreement. The Board may also provide for the replacement of any notes which shall become mutilated or be destroyed or lost.

Except as herein otherwise provided, notes may be issued under this Article and other powers vested in the Board under this Article may be exercised by the Board without obtaining the consent of any department, division, commission, board, bureau, or agency of the State and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by this Article.

Unless the context shall otherwise indicate, the word "bonds"wherever used in this Article, shall be deemed and construed to include the words 'bond anticipation notes'."

36

Section 7. G.S. 116-198.37 reads as rewritten:

37 "§ 116-198.37. Fixing fees, rents, and charges; sinking fund.

For the purpose of aiding in the acquisition, construction, or provision of any project and the maintenance, repair, and operation of any project or any existing facilities, the Board is authorized to fix, revise from time to time, charge, and collect such fee or fees for such privileges and services and in such amount or amounts as the Board shall determine, and to fix, revise from time to time, charge, and collect other fees, rents, and charges for the use of and for the services furnished or to be furnished by any project or

projects and any existing facilities, or any portion thereof, and to contract with any 1 2 person, partnership, association, or corporation for the lease, use, occupancy, or operation 3 of any project or projects and any existing facilities, or any part thereof, and to fix the 4 terms, conditions, fees, rents, and charges for any such lease, use, occupancy, or 5 operation. So long as bonds issued hereunder and payable therefrom are outstanding, 6 such fees, rents, and charges shall be so fixed and adjusted, with relation to other revenues available therefor, as to provide funds pursuant to the requirements of the 7 8 resolution or trust agreement authorizing or securing such bonds at least sufficient with 9 such other revenues, if any, (i) to pay the cost of maintaining, repairing, and operating 10 any project or projects and any existing facilities any part of the revenues of which are pledged to the payment of the bonds issued for such project or projects, (ii) to pay the 11 12 principal of and the interest on such bonds as the same shall become due and payable. 13 and (iii) to create and maintain reserves for such purposes. Any surplus funds remaining 14 after application to the purposes mentioned in (i), (ii), and (iii), above, shall be held in 15 trust and applied by the Board to the development of the Centennial Campus. Campus or the Horace Williams Campus as applicable. Such fees, rents, and charges shall not be 16 17 subject to supervision or regulation by any other commission, board, bureau, or agency of 18 the State. A sufficient amount of the revenues, except such part thereof as may be necessary to pay such cost of maintenance, repair, and operation and to provide such 19 20 reserves therefor and for renewals, replacements, extensions, enlargements, and 21 improvements as may be provided for in the resolution authorizing the issuance of such bonds or in the trust agreement securing the same, shall be set aside at such regular 22 23 intervals as may be provided in such resolution or such trust agreement in a sinking fund 24 which is hereby pledged to and charged with the payment of the principal of and the interest on such bonds as the same shall become due and the redemption price or the 25 purchase price of bonds retired by call or purchase as therein provided. Such pledge shall 26 be valid and binding from the time when the pledge is made; the fees, rents, and charges 27 and other revenues or other moneys so pledged and thereafter received by the Board shall 28 29 immediately be subject to the lien of such pledge without any physical delivery thereof or further act; and the lien of any such pledge shall be valid and binding as against all 30 parties having claims of any kind in tort, contract, or otherwise against the Board, 31 32 irrespective of whether such parties have notice thereof. Neither the resolution nor any 33 trust agreement by which a pledge is created need be filed or recorded except in the records of the Board. The use and disposition of moneys to the credit of such sinking 34 35 fund shall be subject to the provisions of the resolution authorizing the issuance of such bonds or of the trust agreement securing the same." 36

37

Section 8. G.S. 146-30(b1) reads as rewritten:

38 "(b1) Notwithstanding the other provisions of this section, no service charge into the 39 State Land Fund shall be deducted from or levied against the proceeds of any disposition 40 by lease, rental, or easement of State lands that are designated as part of the Centennial 41 Campus as defined by G.S. 116-198.33(4).-<u>116-198.33(4)</u> or that are designated as part of 42 <u>the Horace Williams Campus as defined by G.S. 116-198.33(4a)</u>. All net proceeds of 43 those dispositions are governed by G.S. 116-36.5."

1		Section	on 9. G.S. 66-58(b) reads as rewritten:
2	"(b)	The p	provisions of subsection (a) of this section shall not apply to:
3		(1)	Counties and municipalities.
4		(2)	The Department of Health and Human Services or the Department of
5			Agriculture and Consumer Services for the sale of serums, vaccines, and
6			other like products.
7		(3)	The Department of Administration, except that the agency shall not
8			exceed the authority granted in the act creating the agency.
9		(4)	The State hospitals for the mentally ill.
10		(5)	The Department of Health and Human Services.
11		(6)	The North Carolina School for the Blind at Raleigh.
12		(6a)	The Office of Juvenile Justice.
13		(7)	The North Carolina Schools for the Deaf.
14		(8)	The Greater University of North Carolina with regard to its utilities and
15			other services now operated by it nor to the sale of articles produced
16			incident to the operation of instructional departments, articles incident
17			to educational research, articles of merchandise incident to classroom
18			work, meals, books, or to articles of merchandise not exceeding twenty-
19			five cents (25ϕ) in value when sold to members of the educational staff
20			or staff auxiliary to education or to duly enrolled students or
21			occasionally to immediate members of the families of members of the
22			educational staff or of duly enrolled students nor to the sale of meals or
23			merchandise to persons attending meetings or conventions as invited
24			guests nor to the operation by the University of North Carolina of an inn
25			or hotel and dining and other facilities usually connected with a hotel or
26			inn, nor to the hospital and Medical School of the University of North
27			Carolina, nor to the Coliseum of North Carolina State University at
28			Raleigh, and the other schools and colleges for higher education
29			maintained or supported by the State, nor to the Centennial Campus of
30			North Carolina State University at Raleigh, nor to the Horace Williams
31			Campus of the University of North Carolina at Chapel Hill, nor to the
32			comprehensive student health services or the comprehensive student
33			infirmaries maintained by the constituent institutions of the University
34			of North Carolina.
35		(9)	The Department of Environment and Natural Resources, except that the
36			Department shall not construct, maintain, operate or lease a hotel or
37			tourist inn in any park over which it has jurisdiction. The North
38			Carolina Wildlife Resources Commission may sell wildlife memorabilia
39			as a service to members of the public interested in wildlife conservation.
40		(10)	Child-caring institutions or orphanages receiving State aid.
41		(11)	Highlands School in Macon County.
42		(12)	The North Carolina State Fair.
43		(13)	Rural electric memberships corporations.

1	(13a)	State Farm Operations Commission.
2	(13a) (13b)	•
3	(150)	its lessees at farmers' markets operated by the Department.
4	(13c)	
5	(13c) (13d)	-
6	(150)	of Agriculture and Consumer Services.
7	(14)	Nothing herein contained shall be construed to prohibit the engagement
8	(14)	in any of the activities described in subsection (a) hereof by a firm,
8 9		
		corporation or person who or which is a lessee of space only of the State
10		of North Carolina or any of its departments or agencies; provided the
11		leases shall be awarded by the Department of Administration to the
12		highest bidder, as provided by law in the case of State contracts and
13		which lease shall be for a term of not less than one year and not more
14	(15)	than five years.
15	(15)	The State Department of Correction is authorized to purchase and install
16		automobile license tag plant equipment for the purpose of
17		manufacturing license tags for the State and local governments and for
18		such other purposes as the Department may direct.
19		The Commissioner of Motor Vehicles, or such other authority as
20		may exercise the authority to purchase automobile license tags is hereby
21		directed to purchase from, and to contract with, the State Department of
22		Correction for the State automobile license tag requirements from year
23		to year.
24		The price to be paid to the State Department of Correction for the
25		tags shall be fixed and agreed upon by the Governor, the State
26		Department of Correction, and the Motor Vehicle Commissioner, or
27		such authority as may be authorized to purchase the supplies.
28	(16)	Laundry services performed by the Department of Correction may be
29		provided only for agencies and instrumentalities of the State which are
30		supported by State funds and for county or municipally controlled and
31		supported hospitals presently being served by the Department of
32		Correction, or for which services have been contracted or applied for in
33		writing, as of May 22, 1973. In addition to the prior sentence, laundry
34		services performed by the Department of Correction may be provided
35		for the Governor Morehead School and the North Carolina School for
36		the Deaf.
37		The services shall be limited to wet-washing, drying and ironing of
38		flatwear or flat goods such as towels, sheets and bedding, linens and
39		those uniforms prescribed for wear by the institutions and further
40		limited to only flat goods or apparel owned, distributed or controlled
41		entirely by the institutions and shall not include processing by any dry-
42		cleaning methods; provided, however, those garments and items
43		presently being serviced by wet-washing, drying and ironing may in the

2 a dry-cleaning method.
3 (17) The North Carolina Global TransPark Authority or a lessee of the
4 Authority.
5 (18) The activities and products of private enterprise carried on or
6 manufactured within a State prison facility pursuant to G.S. 148-70."
7 Section 10. This act becomes effective July 1, 1999.