

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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HOUSE BILL 1176

Short Title: IT Funds Flexibility.

(Public)

Sponsors: Representative Miller.

Referred to: Science and Technology.

April 10, 2003

1 A BILL TO BE ENTITLED
2 AN ACT AMENDING THE EXECUTIVE BUDGET ACT TO PROVIDE
3 FLEXIBILITY IN BUDGETING FOR THE STATE'S INFORMATION
4 TECHNOLOGY NEEDS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 143-23(a2) reads as rewritten:

7 "(a2) Funds appropriated for salaries and wages are also subject to the limitation
8 that they may only be used for:

9 (1) Salaries and wages or for premium pay, overtime pay, longevity,
10 unemployment compensation, workers' compensation, temporary
11 wages, moving expenses of employees, payment of accumulated
12 annual leave, certain awards to employees, tort claims, and employer's
13 social security, retirement, and hospitalization payments;

14 (2) Contracted personal services if (i) the contract is for temporary
15 services or special project services, (ii) the term of the contract does
16 not extend beyond the fiscal year, (iii) the contract does not impose
17 obligations on the State after the end of the fiscal year; and (iv) the
18 total of all overexpenditures for contracted personal services approved
19 in a program for a fiscal year does not exceed the greater of five
20 hundred thousand dollars (\$500,000) or ten percent (10%) of the
21 lapsed salary funds in the program for the fiscal year; and

22 (3) Uses for which overexpenditures are permitted by subdivision (2) of
23 subsection (a1) of this section but the Director of the Budget shall
24 include such use and the reason for it in his quarterly report to the Joint
25 Legislative Commission on Governmental Operations.

26 (4) Information technology expenditures if (i) there is a critical need for
27 the expenditure as determined by the Office of State Budget and
28 Management in consultation with the State Chief Information Officer.

1 (ii) the expenditure will be fully funded for the fiscal year, and (iii) the
2 expenditure will not continue into the next fiscal year."

3 **SECTION 2.** This act becomes effective July 1, 2003.