

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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SENATE BILL 1152*
Rules and Operations of the Senate Committee Substitute Adopted 7/16/04
Third Edition Engrossed 7/16/04
House Committee Substitute Favorable 7/18/04
Fifth Edition Engrossed 7/18/04

Short Title: Studies Act of 2004.

(Public)

Sponsors:

Referred to:

May 18, 2004

A BILL TO BE ENTITLED

AN ACT CONCERNING STUDIES.

The General Assembly of North Carolina enacts:

PART I. TITLE

SECTION 1. This act shall be known as "The Studies Act of 2004".

PART II. LEGISLATIVE RESEARCH COMMISSION

SECTION 2.1. The Legislative Research Commission may study the topics listed below. When applicable, the bill or resolution that originally proposed the issue or study and the name of the sponsor is listed. Unless otherwise specified, the listed bill or resolution refers to the measure introduced in the 2003 or 2004 Regular Session of the 2003 General Assembly. The Commission may consider the original bill or resolution in determining the nature, scope, and aspects of the study. The following groupings are for reference only:

(1) Government Regulatory Issues:

- a. Fire safety in local confinement facilities (H.B. 1050 – Frye)
- b. Regulating ticket brokers (H.B. 1072 – Miner, Gibson; S.B. 556 – Hoyle)
- c. Light pollution (Queen)
- d. Urban cores (Queen)
- e. Legislative and executive branch lobbying (Kinnaird; H.B. 1780 – Hackney, H.B. 1788 – Gibson, McComas, H.B. 1789)
- f. Alcoholic beverage control (Gibson)

- 1 g. State fire protection (S.B. 1377 – Kinnaird; H.B. 1648 – Insko,
- 2 Hackney)
- 3 h. Landscape/irrigation contractors (H.B. 947 – Gibson, McHenry)
- 4 i. Regulations regarding massage therapy (Gibson)
- 5 (2) Transportation Issues:
- 6 a. Purchasing alternative-fuel or low-emission school buses
- 7 (S.J.R. 768 – Bingham)
- 8 b. Commercial drivers license requirements and emergency
- 9 situations (Sloan)
- 10 c. Handheld cell phone use while driving (H.B. 623 – Bowie,
- 11 Luebke, McAllister)
- 12 d. State ports (H.B. 1249 – McComas)
- 13 e. Towing laws, salvage laws, and lienholder notification when
- 14 vehicles are abandoned or seized (Crawford)
- 15 (3) Consumer Issues:
- 16 a. Debt collection practices (Rand; H.B. 1039 – Weiss)
- 17 (4) Insurance Issues:
- 18 a. Workers' compensation/agricultural employment (S.B. 632 –
- 19 Clodfelter; H.B. 922 – Luebke)
- 20 b. Workers' compensation/trucking companies (H.B. 1370 –
- 21 Saunders; S.B. 1081 – Jenkins)
- 22 c. High-risk health insurance pools (H.B. 1494 – Insko, Bowie,
- 23 Justus, Allred; H.B. 1367 – Insko)
- 24 d. Health insurance mandates (H.B. 1476 – Owens, Bowie, Justus,
- 25 Blackwood)
- 26 e. Reduce workers' compensation premiums (H.B. 1626 –
- 27 Goodwin)
- 28 (5) Criminal Law Issues:
- 29 a. Review of sentencing guidelines
- 30 b. Judicial approval for pleas in certain cases (Clodfelter)
- 31 c. Reclassify statutory rape (H.B. 243 – Haire)
- 32 d. Amend habitual felon law (H.B. 242 – Haire)
- 33 e. Restructure prior criminal record points (H.B. 247 – Haire)
- 34 f. Sentence lengths (H.B. 264 – Haire)
- 35 g. Adjust penalties for B1 to E offenses (H.B. 246 – Haire)
- 36 h. Arson offenses (H.B. 244 – Haire)
- 37 i. Drug trafficking laws (H.B. 241 – Haire)
- 38 j. Giving notice of rights to contest mechanic's lien storage
- 39 charges of vehicles seized under the DWI forfeiture laws
- 40 (Lewis)
- 41 k. Youthful offenders (H.B. 1406 – Bordsen, Crawford)
- 42 l. Street gang terrorism prevention (H.B. 732 – Michaux)
- 43 (6) State/Local Government Employee Issues:

- 1 a. Pay equity (S.B. 747 – Lucas; H.B. 544 – Alexander, Clary,
2 Weiss, Insko)
- 3 b. Job sharing (H.J.R. 958 – Glazier)
- 4 c. Reemployment of retirees (S.B. 10 – Garwood; H.B. 219 –
5 Glazier; Rapp, Goodwin, McLawhorn)
- 6 d. Postretirement earnings (S.B. 1313 – Dorsett; H.B. 1658 –
7 Jeffus; H.B. 1505 – Rapp, Bell, McLawhorn)
- 8 e. State government employment (H.B. 861 – Earle, Wainwright)
- 9 f. Optional graduated 25-year retirement plan for local
10 governments (H.B. 1276 – Goodwin; Rapp, McLawhorn)
- 11 (7) Labor, Employment, and Economic Development Issues:
 - 12 a. Loss of manufacturing businesses (Culpepper)
 - 13 b. Film industry incentives (H.B. 1802 – McComas, Harrell)
 - 14 c. Credit for hiring apprentices (H.B. 1437 – Goodwin)
 - 15 d. Labor audit systems/incentives (H.B. 1599 – Goodwin)
 - 16 e. Non-English speaking worker safety (H.B. 1627 – Goodwin)
- 17 (8) Health and Human Services Issues:
 - 18 a. Dix Hospital property (H.B. 960 – Ross, Weiss, Munford,
19 Stam; S.B. 413 – Reeves)
 - 20 b. Care and safety of residents of residential care facilities (H.B.
21 1431 – Farmer-Butterfield, Insko)
 - 22 c. Promoting patient safety in the provision of health care (H.B.
23 1765 – L. Allen, England)
 - 24 d. Provision of emergency medical services in rural counties and
25 their funding mechanisms (Wright)
- 26 (9) Other:
 - 27 a. Immigration (S.J.R. 553 – Albertson)
 - 28 b. Casino nights for nonprofit organizations (H.B. 149 – Owens)
 - 29 c. Soil and water conservation issues (Brubaker)
 - 30 d. Trafficking of persons (S.J.R. 1197 – Kinnaird; H.J.R. 1086 –
31 Alexander; H.J.R. 1576 – Justice, Womble)
 - 32 e. Regulation of sellers of timeshares (Rand)
 - 33 f. Attorney solicitation regulation (S.B. 1317 – Rand)
 - 34 g. Compensation for eugenic sterilization (H.B. 1236 – Womble,
35 Parmon, Insko, Ross)
 - 36 h. Authority and responsibility of homeowners associations
37 (Earle)
 - 38 i. Charitable bingo/beach bingo (H.B. 1598 – Culpepper; H.B.
39 1637 – Gorman)
 - 40 j. Agribusiness and agriculture teaching fellows (H.B. 1762 –
41 Goodwin)
 - 42 k. Meeting IRS request for a defined retirement age (Rapp,
43 Goodwin, McLawhorn)

1 **SECTION 2.1.(a)** Size/Scope of Boards and Commissions (S.J.R. 924 –
2 Rand; H.J.R. 1067 – Dockham, Owens) – The Commission may study boards and
3 commissions. If this study is undertaken, the Commission shall establish a schedule for
4 reviewing boards and commissions so that approximately twenty-five percent (25%) of
5 the total number of State boards and commissions are reviewed each year for the next
6 four years. In reviewing boards and commissions, the Commission shall consider the
7 following:

- 8 (1) The consolidation of boards and commissions, where appropriate.
- 9 (2) Reducing the number of members serving on boards and commissions.
- 10 (3) Reducing the number of meetings of boards and commissions.
- 11 (4) The scope and authority of boards and commissions.
- 12 (5) The elimination of boards and commissions, where appropriate.

13 **SECTION 2.1.(b)** Availability of Health Insurance for Small Businesses and
14 Trade Associations (S.B. 758 – Rand, Clodfelter, Soles) – The Commission may study
15 the availability of health insurance for small employers. The Commission shall
16 examine the Small Employer Group Health Insurance Reform Act to determine whether
17 its provisions should be revised to increase the availability of health insurance offered to
18 small employers in North Carolina. The Commission shall also examine whether North
19 Carolina laws conflict with federal law regarding the ability of a trade association to
20 obtain health insurance through a commercial carrier.

21 **SECTION 2.1.(c)** Availability of Health Insurance for Uninsurable
22 Individuals (Rand) – The Commission may study ways to make insurance available to
23 individuals who have difficulty obtaining health insurance coverage. In conducting the
24 study, the Commission shall consider methods employed by other states to meet this
25 need, and possible administrative structures, funding mechanisms, and coverages.

26 **SECTION 2.1.(d)** Pawnbrokers (Glazier, Dickson) – The Commission may
27 study the laws regulating pawnbrokers and those nonregulated retail outlets engaging in
28 similar business and acting as pawnbrokers. If undertaken by the Commission, the study
29 shall include an examination of the advisability, viability, and cost of all of the
30 following modifications to existing law with the goal of more efficiently monitoring
31 pawnshop businesses that are engaging in similar business and to more effectively aid in
32 the speedy recovery of stolen property:

- 33 (1) Picture identification of sellers or pledgers.
- 34 (2) Thumbprints on each pawn or sales receipt.
- 35 (3) Machine-printed or otherwise legible pawn and sales receipts.
- 36 (4) Requirements for time and date on pawn or sales receipts.
- 37 (5) Recordation of any visible owner-applied numbers or markings on
38 property.
- 39 (6) Prohibition on receipt and sale of new property.
- 40 (7) Authorization of fees to support local pawnbroker-related law
41 enforcement.
- 42 (8) Computerization of pawnshop records.
- 43 (9) Requirement that pawnbroker records be made available to law
44 enforcement.

1 **SECTION 2.1.(e)** Medicaid Funding (H.B. 540 – Daughtridge, Carney; H.B.
2 1467 – Nye; Hunter) – The Commission may study the feasibility of eliminating county
3 financial participation in the Medicaid program. In conducting the study, the
4 Commission may consider alternative funding methods to ensure that the short- and
5 long-term impact on State funds of eliminating county financial participation in
6 Medicaid is revenue neutral when calculated on a statewide basis. The Commission
7 may also consider retaining the county contribution to administrative costs of the
8 Medicaid program. In making its recommendations to the General Assembly, the
9 Commission shall include a fiscal analysis of the impact on State revenue and Medicaid
10 expenses estimated to result from eliminating county participation in the Medicaid
11 program.

12 **SECTION 2.1.(f)** Study VoCATS – The Commission may study the
13 VoCATS program, which is the accountability system for vocational education courses.
14 If it undertakes this study, the Commission shall consider the following:

- 15 (1) Whether the State-developed tests are the appropriate means to
16 measure student mastery of the knowledge and skills taught in
17 vocational education courses, with specific focus on the agriculture
18 curriculum.
- 19 (2) The system for development of appropriate tests and methods of
20 measuring student achievement and program performance in
21 vocational and technical education.
- 22 (3) The public school system of measuring student performance in the
23 vocational and technical area as compared to the community college
24 system of measuring student performance in the vocational and
25 technical area.
- 26 (4) Alternatives to the current tests, methods, and techniques provided
27 through VoCATS.

28 **SECTION 2.1.(g)** Availability and Delivery of Government Services to
29 Hispanics (Reeves, Malone; Barnhart, McComas) – The Commission may study the
30 current State and local policies regarding the availability and delivery of government
31 services to the State's increasing Hispanic population, the issues confronted by
32 governmental agencies in effectively delivering those services, and the issues
33 confronted by members of the Hispanic community in obtaining those services. If it
34 undertakes this study, the Commission shall focus particularly on services in the areas
35 of education, health, and public safety. As part of its study, the Commission may
36 consider how all of the following complicate the delivery and receipt of government
37 services within the State's Hispanic community:

- 38 (1) Cultural differences.
- 39 (2) Language barriers.
- 40 (3) Difficulties encountered by members of the Hispanic community in
41 obtaining the personal identification documents that are often required
42 to obtain government services.
- 43 (4) Difficulties encountered by members of the Hispanic community in
44 obtaining drivers licenses, occupational licenses, professional licenses,

1 and other types of licenses required to qualify for governmental
2 services or to do business in the State.

3 (5) Federal immigration laws, the failure to comply with those laws, and
4 how the fear of discovery of noncompliance with federal immigration
5 laws affects the delivery and receipt of services, and in some instances
6 even the willingness to apply for those services.

7 (6) The increasing economic, personnel, and time demands placed on
8 State and local government agencies in responding to the growing
9 needs for governmental services.

10 (7) Any other issue relevant to this study.

11 If it undertakes this study, the Commission shall also identify those issues
12 that are best addressed at the local level, those that are best addressed at the State level,
13 and those best addressed at the federal level.

14 **SECTION 2.1.(h)** Office of State Energy (Daughtridge) – The Commission
15 may study the functions, duties, and responsibilities of the Office of State Energy and
16 may make a determination of whether those functions, duties, and responsibilities
17 support the legislative purpose for the Office or whether the purpose should be
18 modified.

19 **SECTION 2.1.(i)** Comprehensive Statewide Emergency Communications
20 Planning (Clodfelter; Culpepper) – The Commission may study and recommend
21 legislation, funding needs, interoperability, and policy to:

22 (1) Enact a comprehensive first and second responder statewide
23 communications goals list and plan that includes, at a minimum, law
24 enforcement, fire, medical, utilities, and emergency management
25 agencies.

26 (2) Coordinate and assist grant applications from State and local
27 organizations for federal communications funding.

28 **SECTION 2.1.(j)** Naturopathy (S.B.1268 – Kinnaird; H.B. 1142 and H.B.
29 1702 – Hill) – The Commission may study the practice of naturopathy in North Carolina
30 and make recommendations as to whether it would be in the public interest for
31 practitioners to be licensed or otherwise appropriately regulated.

32 In conducting the study, the Commission may consider the following:

33 (1) The definition and components of naturopathy and naturopathic
34 therapies.

35 (2) The health, cultural, and social significance of naturopathy in North
36 Carolina and nationally.

37 (3) The distinctions and similarities between naturopathic therapies and
38 conventional medical treatments.

39 (4) The education and training of practitioners and the quality of that
40 education and training, the extent to which the practice of naturopathy
41 requires specialized skills or training, and the standards for
42 determining the level of education and qualifications that should be
43 required for licensure.

- 1 (5) The extent to which there is, and can be, integration and coordination
2 of natural therapies and conventional medical treatments.
- 3 (6) The regulation and enforcement related to naturopathy in North
4 Carolina and nationally, the need for regulation, and the extent and
5 impact of previous regulatory efforts.
- 6 (7) Whether, without licensure, the general public possesses the ability to
7 determine whether a practitioner is competent.
- 8 (8) Whether substantial harm to the public health, safety, and welfare
9 exists if the practice of naturopathy is unregulated.
- 10 (9) The appropriate structure, composition, and responsibilities of a
11 regulatory board pertaining to the practice of naturopathy, the extent to
12 which the responsibilities of a board can be fulfilled, and whether
13 board operations can reasonably be financed through licensing fees.
- 14 (10) The extent to which naturopathy is regulated in other states, and the
15 impact of that regulation.
- 16 (11) The scope of practice applicable to practitioners of naturopathy.
- 17 (12) Whether practitioners of naturopathy in North Carolina have, or
18 propose to have, a code of ethics, a voluntary certification program, or
19 other measures to ensure minimum quality of service.
- 20 (13) The kinds of regulatory provisions that exist in other states.
- 21 (14) How the practice of naturopathy will be regulated, including the
22 qualifications and disciplinary proceedings to be applied to
23 practitioners.
- 24 (15) How the public will benefit from licensure or other regulation.
- 25 (16) The fiscal impact of licensure or other regulation upon the State.
- 26 (17) Any other information the Commission considers relevant.

27 **SECTION 2.1.(k)** Equity-Building Homes (S.B. 894 – Queen) – The
28 Commission may study methods to substantially increase the number of North
29 Carolinians who own equity-building homes. As part of the study, the Commission
30 may:

- 31 (1) Determine the extent to which the public is knowledgeable about
32 housing products that are likely to build equity over time.
- 33 (2) Identify State, federal, and local barriers to constructing
34 equity-building homes in both high-demand locations and rural areas.
- 35 (3) Investigate the adequacy and funding of programs and counseling
36 services that are available to educate consumers about home financing
37 products, credit remediation, home maintenance, and foreclosure
38 prevention strategies.

39 As used in this section, the term "equity-building home" means a residential
40 structure that will be the purchaser's primary residence and that meets the State and
41 local building code standards in place at the time of construction, or if there were no
42 building codes in effect at the time of construction, that was constructed on-site. An
43 equity-building home will also have characteristics that are likely to cause it to
44 appreciate in value over time.

1 **SECTION 2.1.(l)** Funding/Budgeting of Occupational Licensing Boards
2 (Hagan) – The Commission may study the funding mechanisms of all of the
3 occupational licensing boards and commissions in the State and shall consider options
4 for funding and budgeting those boards and commissions more effectively and
5 efficiently, including funding and budgeting those boards and commissions through the
6 General Fund.

7 **SECTION 2.1.(m)** State-Local Relationships (S.B. 1336 – Hoyle, Foxx) –
8 The Commission may study the relationship between the State and local governments
9 with respect to the provision of services. The study shall address the following issues:

- 10 (1) Mandates that the State has placed on local governments regarding the
11 provision of services to State residents. This study shall include a
12 review of which mandates are a result of State law, which mandates
13 are a result of federal law, and which mandates are a result of a
14 combination of State and federal law.
- 15 (2) Funding sources for local governments. The study shall include a
16 review of all appropriations made from the State to local governments,
17 all revenues shared between the State and local governments, and all
18 methods of raising revenue allowed by the State to local governments.
- 19 (3) A comparison of the State-local relationship in North Carolina with the
20 state-local relationships in other states. In particular, the study shall
21 compare the percentage of the costs of services borne by the State in
22 comparison to the percentage of similar cost borne by other states.
- 23 (4) A comparison of local governments with regard to the burden on local
24 budgets of mandated programs. This study shall look at the property
25 tax rates in different jurisdictions and the percentage of local budgets
26 that support various programs.
- 27 (5) A comparison of the combined State-local tax burden on individuals
28 and businesses in comparison with those in other states.

29 In considering appointees to the committee to study this matter, the
30 appointing authorities shall consider inclusion of local government representatives.

31 **SECTION 2.1.(n)** Abandoned Junk Vehicles (Culpepper, Justus) – The
32 Commission may study issues relating to the environmental, aesthetic, and other public
33 benefits derived from the abatement and recycling of junked and abandoned
34 automobiles. If it undertakes this study, the Commission shall consider:

- 35 (1) Whether the abatement program can best be undertaken on a
36 county-by-county basis or a central statewide basis.
- 37 (2) The funding method for the abatement program.
- 38 (3) The process whereby junked vehicles might be delivered to scrap
39 processors as expeditiously as possible.
- 40 (4) The merits of use of a tax credit so as to encourage the expedited
41 collection and recycling of used and junked automobiles.
- 42 (5) Determination of the costs to the State and to local governments
43 associated with abandoned and junked automobiles and landfilling of
44 those automobiles.

1 (6) Any other related issues.

2 **SECTION 2.1.(o)** Single Administrator for State 401(k) and 457 Plans –
3 The Commission may study the Supplemental Retirement Income Plan of North
4 Carolina and the North Carolina Public Employee Deferred Compensation Plan to
5 determine whether these plans should be administered by a single administrator.

6 **SECTION 2.1.(p)** School Calendar/Later First Instructional Day/Workdays
7 – The Commission may study whether the first instructional day of the school year
8 should be later than the current practice. The Commission may also study the number
9 of teacher workdays. If the Commission undertakes this study, the Speaker of the
10 House of Representatives shall appoint six members of the House of Representatives,
11 and the President Pro Tempore of the Senate shall appoint six members of the Senate to
12 conduct the study, with one chair designated from among the appointees of each
13 appointing officer. In the course of the study, the Commission shall consult with
14 representatives of North Carolina's public schools, including the North Carolina School
15 Boards Association, North Carolina Association of Educators, North Carolina
16 Association of School Administrators, and parent organizations, as well as
17 representatives of the tourism and hospitality industries. The Commission shall
18 consider the following:

- 19 (1) The economic impact of setting the first instructional day of the school
20 year later than the current practice.
- 21 (2) The impact on elementary school students.
- 22 (3) The impact of the school calendar on the quality of education.
- 23 (4) The performance of students on block schedules as compared to
24 students on traditional schedules.
- 25 (5) The performance of students who take examinations before Christmas
26 as compared to those who take exams after Christmas.
- 27 (6) The impact on the schedule for high school and middle school athletic
28 events.
- 29 (7) The impact on school personnel, particularly those who must
30 coordinate their schedules with institutions of higher education to
31 maintain their certification.
- 32 (8) The school calendars of other states.
- 33 (9) The impact of weather on lost school days.
- 34 (10) The impact of an early August school start on family economics and
35 culture.
- 36 (11) The impact on teacher workdays.

37 The Commission may also study the value of the teacher workdays now
38 included in the school calendar and whether North Carolina students could benefit by
39 converting a number of those workdays to additional days of instruction.

40 **SECTION 2.2.** For each Legislative Research Commission committee
41 created during the 2003-2005 biennium, the cochairs of the Legislative Research
42 Commission shall appoint the committee membership.

43 **SECTION 2.3.** For each of the topics the Legislative Research Commission
44 decides to study under this part or pursuant to G.S. 120-30.17(1), the Commission may

1 report its findings, together with any recommended legislation, to the 2005 General
2 Assembly upon its convening.

3 **SECTION 2.4.** From the funds available to the General Assembly, the
4 Legislative Services Commission may allocate additional monies to fund the work of
5 the Legislative Research Commission.

6
7 **PART III. JOINT LEGISLATIVE GROWTH STRATEGIES OVERSIGHT**
8 **COMMITTEE**

9
10 **SECTION 3.1.** The Joint Legislative Growth Strategies Oversight
11 Committee may study the issues of:

- 12 (1) Delegating authority to cities and counties (S.B. 160 – Clodfelter).
- 13 (2) Modernizing city and county planning (S.B. 914 – Clodfelter).
- 14 (3) Transferable development rights.

15 **SECTION 3.2.** Section 3.3 of S.L. 2001-491 reads as rewritten:

16 "**SECTION 3.3.** This Part becomes effective January 15, 2002, and expires January
17 16, ~~2005-2007~~. Prior to its expiration on January 16, ~~2005-2007~~, the Committee shall
18 report to the General Assembly on its activities conducted pursuant to this Part."

19
20 **PART IV. STUDY COMMISSION ON RESIDENTIAL AND URBAN**
21 **DEVELOPMENT ENCROACHMENT ON MILITARY BASES AND TRAINING**
22 **AREAS (Rand)**

23
24 **SECTION 4.1.** There is created the Study Commission on Residential and
25 Urban Development Encroachment on Military Bases and Training Areas. The
26 Commission shall consist of 17 members as follows:

- 27 (1) Two county commissioners appointed by the President Pro Tempore of
28 the Senate.
- 29 (2) Two county commissioners appointed by the Speaker of the House of
30 Representatives.
- 31 (3) The commanding generals of Fort Bragg, Pope Air Force Base,
32 Seymour Johnson Air Force Base, Camp Lejeune, and Cherry Point
33 Air Station, or the general's designee.
- 34 (4) Three Senators appointed by the President Pro Tempore of the Senate.
- 35 (5) Three Representatives appointed by the Speaker of the House of
36 Representatives.
- 37 (6) One elected or appointed municipal official appointed by the President
38 Pro Tempore of the Senate.
- 39 (7) One elected or appointed municipal official appointed by the Speaker
40 of the House of Representatives.

41 The Speaker of the House of Representatives shall appoint a cochair, and the
42 President Pro Tempore of the Senate shall appoint a cochair for the Commission. The
43 Commission may meet at any time upon the joint call of the cochairs. Vacancies on the

1 Commission shall be filled by the same appointing authority as made the initial
2 appointment.

3 **SECTION 4.2.** The Commission shall study the following concerning
4 residential and urban development encroachment on military bases and training areas:

5 (1) Restricting the zoning in the areas around military bases and training
6 areas.

7 (2) How encroachment affects deed registration.

8 (3) Protecting the areas around military bases and training areas by
9 purchasing development rights and buffers using all available State
10 trust funds and other available funding mechanisms.

11 (4) Any other issue the Commission considers relevant.

12 **SECTION 4.3.** The Commission, while in the discharge of its official duties,
13 may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through
14 G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant
15 services as provided by G.S. 120-32.02.

16 Subject to the approval of the Legislative Services Commission, the
17 Commission may meet in the Legislative Building or the Legislative Office Building.
18 The Legislative Services Commission, through the Legislative Services Officer, shall
19 assign professional staff to assist the Commission in its work. The House of
20 Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff
21 to the Commission, and the expenses relating to the clerical employees shall be borne
22 by the Commission. Members of the Commission shall receive subsistence and travel
23 expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

24 **SECTION 4.4.** The Commission shall submit a final report of its findings
25 and recommendations, including any legislative recommendations, to the 2005 General
26 Assembly upon its convening. The Commission shall terminate upon the convening of
27 the 2005 General Assembly.

28 **SECTION 4.5.** Of the funds appropriated to the General Assembly, the
29 Legislative Services Commission shall allocate funds for the expenses of the
30 Commission established by this Part.

31
32 **PART V. LEGISLATIVE STUDY COMMISSION ON STATE PERSONNEL**
33 **STATUTES (S.B. 1378 – Reeves; H.B. 1651 – Gibson)**

34
35 **SECTION 5.1.** The General Assembly may study issues related to the State
36 Personnel Act. The Speaker of the House of Representatives and the President Pro
37 Tempore of the Senate shall designate an appropriate committee to conduct the study.
38 The Committee may make an interim report to the 2005 General Assembly and shall
39 make its final report to the 2006 Regular Session of the 2005 General Assembly.

40
41 **PART VI. ELECTRONIC RECORDATION AND REVISION OF NOTARY**
42 **LAWS (S.B. 1094 – Berger)**
43

1 **SECTION 6.1.** The General Statutes Commission shall study the issue of
2 electronic recordation, specifically with regard to real property documents and other
3 documents filed with registers of deeds. The Commission shall study methods for
4 establishing uniform legal standards for the receipt, recordation, authentication,
5 preservation, and retrieval of electronic documents. The Commission shall include in its
6 study consideration of the Uniform Real Property Electronic Recordation Act drafted by
7 the National Conference of Commissioners on Uniform State Laws as well as other
8 resources on electronic recording standards from national organizations such as the
9 Property Records Industry Association (PRIA) and the Mortgage Industry Standards
10 Maintenance Organization (MISMO). The General Statutes Commission shall report its
11 findings and recommendations and any legislative proposals to the 2005 General
12 Assembly upon its convening.

13 **SECTION 6.2.** The Secretary of State shall study the issue of amending the
14 notary public laws in order to modernize and simplify their administration. The study
15 shall also address the issue of electronic notarization. The Secretary of State shall report
16 its findings and recommendations and any legislative proposals to the 2005 General
17 Assembly upon its convening.

18 19 **PART VII. UNIFORM UNINCORPORATED NONPROFIT ASSOCIATION** 20 **ACT**

21
22 **SECTION 7.1.** The General Statutes Commission is directed to study the
23 Uniform Unincorporated Nonprofit Association Act in consultation with interested
24 parties and to report to the 2005 General Assembly on the Commission's
25 recommendations and legislative proposals.

26 27 **PART VIII. INNOVATIVE PEAT-BASED WASTEWATER SYSTEMS STUDY** 28 **(Baker)**

29
30 **SECTION 8.1.** The Commission for Health Services shall evaluate the
31 desirability and feasibility of developing and implementing a pilot program whereby
32 any individual seeking to use an innovative wastewater system, under
33 G.S. 130A-343(g), that employs peat-based technology, at the individual's residence
34 shall be required to use a wastewater system that satisfies all of the following:

- 35 (1) The peat-based wastewater system complies with Standard 40, a
36 standard developed by the National Sanitation Foundation, Inc. (NSF),
37 an independent testing and research organization.
- 38 (2) The peat-based wastewater system has a mandatory maintenance
39 agreement developed by the manufacturer of the system that is part of
40 the purchase contract for the system.

41 **SECTION 8.2.** As part of the evaluation required by Section 8.1 of this act,
42 the Commission shall identify two or more counties that would participate in the pilot
43 program.

1 **SECTION 8.3.** The Commission for Health Services shall report the results
2 of its evaluation to the Senate and House of Representatives Appropriations
3 Subcommittees on Natural and Economic Resources, the Fiscal Research Division, and
4 the Environmental Review Commission on or before January 15, 2005.

5
6 **PART IX. JOINT LEGISLATIVE UTILITY REVIEW COMMITTEE**

7
8 **SECTION 9.1.** The Joint Legislative Utility Review Committee may study
9 the economic, environmental, and social issues associated with the development and use
10 of renewable and alternative energy in the State including, but not limited to, the
11 following:

- 12 (1) The environmental benefits of renewable and alternative energy
13 development, including the reduction of: emissions such as sulfur
14 dioxides, nitrogen oxides, and mercury and greenhouse gases; waste
15 ash in landfills; and water and air quality degradation associated with
16 the extraction and transport of fossil fuels.
- 17 (2) The environmental benefits of conserving rural lands for traditional
18 uses.
- 19 (3) The environmental challenges to renewable and alternative energy
20 development in the State, including existing laws, aesthetic issues, the
21 impact on birds and the ecology, and secondary development
22 associated with alternate energy development.
- 23 (4) The potential for renewable and alternative energy to support rural
24 economic development by broadening the tax base and creating new
25 jobs.
- 26 (5) Initiatives taken in other states to address renewable and alternative
27 energy development.
- 28 (6) Options for permitting renewable and alternative energy in the State,
29 including suggestions for public involvement and environmental
30 review.
- 31 (7) Opportunities for renewable and alternative energy pilot projects in the
32 State.

33 In conducting the study, the Committee may solicit input from renewable and
34 alternative energy industry representatives, utility representatives, the State Energy
35 Office, conservationists, environmentalists, leaders in rural economic development,
36 tourism industry representatives, academics, local elected officials, and legislators from
37 the eastern and western regions of the State.

38
39 **PART X. NORTH CAROLINA BUILDING CODE COUNCIL STUDY**
40 **(Culpepper; Queen)**

41
42 **SECTION 10.1.** The General Assembly finds that the affordability of
43 housing is an important issue and that the State should endeavor to ensure that State
44 regulation does not unnecessarily increase the cost of housing. To that end, the North

1 Carolina Building Code Council shall study the Residential Building Code to determine
2 which provisions, if any, are unnecessary, outdated, overly stringent, or otherwise
3 unduly increase the cost of housing.

4 **SECTION 10.2.** The Building Code Council may submit a report of the
5 findings of its study, including any recommendations for statutory changes, to the 2005
6 General Assembly upon its convening.

7
8 **PART XI. LOCAL SCHOOL CONSTRUCTION FINANCING STUDY**
9 **COMMISSION (S.B. 1372 – Clodfelter; H.B. 1778 – Yongue)**

10
11 **SECTION 11.1.** Establishment of the Commission. – The Local School
12 Construction Financing Study Commission is established.

13 **SECTION 11.2.** Membership. – The Commission shall be composed of 19
14 members, as follows:

- 15 (1) One member appointed by the Governor, after consultation with the
16 President Pro Tempore of the Senate and the Speaker of the House of
17 Representatives, who shall serve as chair;
- 18 (2) Eight members appointed by the President Pro Tempore of the Senate:
19 two members of the Senate from urban areas, two members of the
20 Senate from rural areas, one member representing a large,
21 fast-growing, urban school administrative unit that is a plaintiff in the
22 Leandro school-financing litigation, one member from the financial
23 services industry, one county commissioner, and one educator;
- 24 (3) Eight members appointed by the Speaker of the House of
25 Representatives: two members of the House of Representatives from
26 urban areas, two members of the House of Representatives from rural
27 areas, one member representing a rural school administrative unit that
28 is a plaintiff in the Leandro school-financing litigation, one member
29 who is knowledgeable about municipal and school finance, one school
30 board member, and one educator;
- 31 (4) The State Treasurer or the Treasurer's designee; and
32 (5) The State Superintendent of Public Instruction or the Superintendent's
33 designee.

34 Vacancies shall be filled by the appointing authority.

35 **SECTION 11.3.** Duties of the Commission. – The Commission shall
36 examine the present system of local financing for school facilities and shall study
37 alternative options for financing local school construction, renovation, repair, and
38 maintenance. The Commission may study and consider public-private partnerships for
39 school construction and facility ownership, sale leaseback arrangements, private and
40 commercial financing arrangements, design standards for school facilities that may
41 facilitate alternative financing techniques, alternative local revenue sources for
42 financing school facilities, the use of real estate investment trusts, State and local
43 construction bond pools, and any other financing issues deemed pertinent by the
44 Commission.

1 **SECTION 11.4.** Expenses of Members. – Members of the Commission shall
2 receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1,
3 138-5, or 138-6, as appropriate.

4 **SECTION 11.5.** Consultants and Other Staff. – The Commission may hire
5 consultants to provide research, staff support, and information about school financing in
6 other states to the Commission, in accordance with G.S. 120-32.02. The Legislative
7 Services Office, with the prior approval of the Legislative Services Commission, shall
8 also assign professional and clerical staff to assist the Commission in its work.

9 **SECTION 11.6.** Cooperation by Government Agencies. – The Commission
10 may call upon any department, agency, institution, or officer of the State or any political
11 subdivision of the State for facilities, data, or other assistance. All State departments and
12 agencies, local governments, and their subdivisions shall cooperate with the
13 Commission and, upon request, shall furnish the Commission and its staff any
14 information in their possession or available to them.

15 **SECTION 11.7.** Meetings During Legislative Session. – The Commission
16 may meet during a regular or extra session of the General Assembly.

17 **SECTION 11.8.** Meeting Location. – The Legislative Services Commission
18 shall grant adequate meeting space to the Commission in the State Legislative Building
19 or the Legislative Office Building. The Commission may also meet at various locations
20 around the State in order to promote greater public participation in its deliberations.

21 **SECTION 11.9.** Reports. – The Commission shall make an interim report to
22 the 2005 General Assembly no later than January 31, 2005, and a final report to the
23 2006 Regular Session of the 2005 General Assembly no later than March 31, 2006. The
24 final report shall contain recommendations for legislation to implement
25 recommendations made by the Commission. The interim report may also contain
26 recommendations for legislation. The Commission shall terminate on March 31, 2006.

27 **SECTION 11.10.** Of the funds appropriated to the General Assembly, the
28 Legislative Services Commission shall allocate funds for the expenses of the
29 Commission established by this Part.

30
31 **PART XII. VOTER PAPER TRAIL STUDY (S.B. 1415 – Kinnaird, Lucas; H.B.**
32 **1748 – Insko, McGee)**

33
34 **SECTION 12.1.** There is established the Electronic Voting Systems Study
35 Commission. That Commission shall consist of nine members to be appointed as
36 follows:

- 37 (1) Four members shall be appointed by the President Pro Tempore of the
38 Senate. One shall be a county commissioner. One shall be a county
39 election director. One shall be a citizen of North Carolina who does
40 not hold public office and who has been an active advocate on the
41 issue of prohibiting direct record voting equipment without
42 voter-verifiable paper records.
- 43 (2) Four members shall be appointed by the Speaker of the House of
44 Representatives. One shall be a member of the State Board of

1 Elections. One shall be a county election board member. One shall be
2 a person with expertise in computer security.

3 (3) The Executive Director of the State Board of Elections.

4 **SECTION 12.2.** The Electronic Voting Systems Study Commission shall
5 study the issue of whether direct record electronic (DRE) voting systems should be
6 prohibited in North Carolina unless each unit of the system produces a voter-verifiable
7 paper record that is suitable for a recount or a manual audit and that is equivalent or
8 superior to the paper record produced by a paper ballot system.

9 In conducting the study, the Commission shall consider DRE voting systems,
10 compliance with the Help America Vote Act of 2002 (HAVA) and with voting-systems
11 standards to be adopted under HAVA, including providing sufficient opportunity for
12 access and participation, and privacy and independence, to all voters regardless of
13 disability. The Commission shall consider any other issue related to the use of electronic
14 voting systems. The Commission shall make a final report to the 2005 General
15 Assembly upon its convening. The report shall contain the Commission's findings and
16 recommendations. The Commission shall terminate on the earlier of the filing of its
17 final report or the convening of the 2005 General Assembly.

18 **SECTION 12.3.** The Speaker of the House of Representatives and the
19 President Pro Tempore of the Senate shall each appoint a cochair for the Commission.
20 The Commission may contract for consultant services as provided by G.S. 120-32.02.
21 Upon approval by the Legislative Services Commission, the Legislative Services
22 Officer shall assign professional and clerical staff to assist in the work of the
23 Commission. Clerical staff shall be furnished to the Commission through the offices of
24 the House of Representatives and Senate Supervisor of Clerks. The Commission may
25 meet in the Legislative Building or the Legislative Office Building upon the approval of
26 the Legislative Services Commission. The Commission, while in discharge of official
27 duties, may exercise all the powers provided under the provisions of G.S. 120-19
28 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and
29 departments of the State to provide any information, data, or documents within their
30 possession, ascertainable from their records, or otherwise available to them, and the
31 power to subpoena witnesses. Members of the Commission shall receive per diem,
32 subsistence, and travel allowances at the rate established in G.S. 120-3.1, 138-5, or
33 138-6, as appropriate. Vacancies shall be filled by the appointing authority.

34 **SECTION 12.4.** Of the funds appropriated to the General Assembly, the
35 Legislative Services Commission shall allocate funds for the expenses of the
36 Commission established by this Part.

37
38 **PART XIII. JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE**
39 **STUDIES**

40
41 **SECTION 13.1.** The Joint Legislative Education Oversight Committee may
42 study the topics listed in this part and report its findings, together with any
43 recommended legislation, to the 2005 Regular Session of the 2005 General Assembly
44 upon its convening.

1 **SECTION 13.2.** Teacher assistant salary schedule (Holliman; H.B. 800 –
2 Warner, Pate) – The Committee may study establishing a salary schedule for teacher
3 assistants.

4 **SECTION 13.3.** Rural schools (S.B. 703 – Swindell, Holloman) – The
5 Committee may study the unique issues that concern the rural schools in this State.

6 **SECTION 13.4.** Physical restraints/seclusion in schools (S.B. 977 – Dorsett)
7 – The Committee may study the use of physical restraints and seclusion in public
8 schools.

9 **SECTION 13.5.** High school graduation rate incentives (S.B. 949 – Lucas;
10 H.B. 1251 – Glazier) – The Committee may study whether bonuses should be paid to
11 principals for increased graduation rates.

12 **SECTION 13.6.** At-risk students single funding stream (S.B. 954 – Lucas;
13 H.B. 1250 – Glazier) – The Committee may study whether a single funding stream
14 should be targeted to at-risk students.

15 **SECTION 13.7.** Close achievement gap (S.B. 599 – Lucas; H.B. 938 –
16 Michaux) – The Committee may study the best practices and methodologies for closing
17 the achievement gap among children of various demographic groups who are
18 performing below grade level.

19 **SECTION 13.8.** E-textbooks for students (H.B. 940 – Miller) – The
20 Committee may study issues related to the availability and use of electronic copies of
21 textbooks for public school students.

22 **SECTION 13.9.** Attracting teachers to become coaches (Nesbitt; H.B. 1786
23 – Goodwin) – The Committee may study the need to attract teachers into assuming
24 additional duties of coaching interscholastic athletic teams in middle and high schools.
25 If it undertakes this study, the Committee shall consider the feasibility of establishing a
26 coaching fellowship program to attract students preparing to enter teaching through
27 higher education coursework into coaching.

28 **SECTION 13.10.** Kindergarten admission requirements (Pate) – The
29 Committee may study the issue of modifying kindergarten admission requirements as it
30 relates to student readiness to enter kindergarten.

31 **SECTION 13.11.** Update the job description for school counselors (H.B.
32 463 – Bell) – The Committee may study updating and clarifying the job description for
33 public school guidance counselors.

34 **SECTION 13.12.** Testing reform (Lucas, Apodaca) – The Committee may
35 study the State's testing program. If it undertakes this study, the Committee shall
36 consider:

- 37 (1) The number of tests currently mandated at the State level and the
38 process and cost of developing, validating, and scoring them.
- 39 (2) Whether the State should consider the use of nationally developed tests
40 as a substitute to State developed tests. In particular, the Committee
41 shall determine whether this use would: affect the ABCs Program;
42 adequately measure student achievement and performance; provide
43 more than minimum levels of achievement; provide a better
44 comparison to student achievement and performance in other states; be

1 practical for high school courses or higher level courses; reduce the
2 need for field testing; and offer any cost savings to the State.

3 (3) The number of grades in which State tests are given. The Committee
4 shall determine the necessity for testing all grades in third through
5 eighth grades, whether a reduction in the grades tested would affect the
6 receipt of federal money, and the extent to which a reduction would
7 impair the State's ability to identify schools under the ABCs Program.

8 (4) The high school courses for which State tests are given and whether
9 there is an appropriate distribution of tests across grades nine through
10 12 and that test an appropriate array of the minimum courses required
11 for admission to the constituent institutions of The University of North
12 Carolina. In addition, the Committee shall examine whether students
13 who take higher level courses and students in 12th grade are held
14 accountable for their academic growth and performance.

15 (5) The advantages and disadvantages of using a composite of
16 end-of-course tests or other tests such as the SAT, AP tests, or other
17 nationally standardized tests in high school rather than developing a
18 high school exit exam. If the Committee finds a high school exit exam
19 is preferable, then it shall determine whether it must be administered to
20 all students or limited to certain students, for example, those who do
21 not take the SAT or a certain number of courses for which there are
22 end-of-course tests.

23 (6) The extent to which additional testing, including field testing, practice
24 testing, and locally mandated testing, is occurring and whether this
25 should be limited or prohibited.

26 (7) Evaluate alternative schools to determine how educational
27 achievement is being advanced in these alternative school programs
28 and that placement in these programs is to improve student
29 performance rather than improve the performance of the school in
30 which the student originally was assigned.

31 (8) The number of school days that are spent on testing.

32 (9) Any other issue the Committee considers relevant.

33 **SECTION 13.13.** Total Teacher Program – The Committee may study the
34 Total Teacher Program, which is an instructional program designed to be used with the
35 North Carolina public school curriculum. In the course of the study, the Committee
36 may consider the effectiveness of the Program, the experience of schools in other states
37 in using the Program, the cost and potential cost savings due to the Program, and other
38 matters related to the Program.

39 **SECTION 13.14.** School construction (Garrou) – The Committee may study
40 issues relating to school construction and school capacity.

41 **SECTION 13.15.** Computer-based math and literacy programs for children
42 under age six – The Committee may study ways to improve math and literacy skills in
43 children age 18 months to six years of age through the use of innovative
44 computer-based software.

1 **SECTION 13.16.** Appropriate education for students on long-term
2 suspension – The Committee may study whether and to what extent North Carolina
3 should mandate the following:

- 4 (1) Local school administrative units in North Carolina shall provide or
5 cause to be provided an appropriate education for all students
6 recommended for a long-term suspension.
- 7 (2) Each student recommended for long-term suspension shall receive a
8 multidisciplinary assessment and evaluation to (i) ascertain his or her
9 educational history, needs, and special learning problems and (ii)
10 assess the risk the child poses to staff and other students. The
11 assessment and evaluation shall include feedback and
12 recommendations from local mental health and juvenile justice
13 professionals.
- 14 (3) An individualized education and service plan shall be developed for all
15 students recommended for long-term suspension by a committee that
16 includes education, mental health, and juvenile justice professionals,
17 the child's parent or guardian, and any other person the committee
18 considers appropriate. The chair of the Juvenile Crime Prevention
19 Council or a designee shall serve as chair of this committee.
- 20 (4) All efforts shall be made to reduce the risk the child poses to staff and
21 other students and to allow the child to continue his or her education in
22 his or her regular school without disruption. These efforts shall include
23 the provision of related services and interventions from other agencies
24 when considered necessary by the committee.
- 25 (5) During the first 10 days of suspension, the local school administrative
26 unit shall place the student recommended for suspension in a
27 diagnostic setting for purposes of ensuring there is no disruption to the
28 student's education and to complete the assessment process.
- 29 (6) The local education agency shall contract with private or public
30 agencies if an appropriate education cannot be provided within the
31 school system. Funds appropriated to a local school administrative unit
32 for the education of the child shall be used to pay for the program in
33 which the child is placed.
- 34 (7) The child's parent or guardian shall have the right to appeal the
35 recommendation for the long-term suspension or any placement
36 decision made by the local school administrative unit.
- 37 (8) No child shall be rejected for education and services by a local school
38 administrative unit unless a district court judge places the child in a
39 juvenile justice program or facility. In that circumstance, the
40 Department of Juvenile Justice and Delinquency Prevention is
41 responsible for providing the child's education.

42 **SECTION 13.17.** School nutrition/physical activity – The Committee may
43 study school nutrition and opportunities for physical activity to keep children healthy.

1 **SECTION 13.18.** Adequacy of Low-Wealth School Funds (H.B. 1706 –
2 McLawhorn) – The Committee may study the issue of low-wealth school funding.

3
4 **PART XIV. REVENUE LAWS STUDY COMMITTEE**

5
6 **SECTION 14.1.** The Revenue Laws Study Committee may study the topics
7 listed in this part and report its findings, together with any recommended legislation, to
8 the 2005 General Assembly upon its convening.

9 **SECTION 14.2.** Valuation of Lots in Subdivisions (S.B. 520 – Dalton; H.B.
10 528 – Moore, Clary, England) – The Committee may study the valuation of partially
11 improved, undeveloped lots in subdivisions.

12 **SECTION 14.3.** Private Activity Bonds (Rand) – The Committee may study
13 private activity bonds.

14 **SECTION 14.4.** Conform Bank Expense Deduction (H.B. 1290 –
15 McComas; H.B. 827 – Weiss, Luebke, Insko, Glazier) – The Committee may study
16 whether the State income tax on banks should be conformed to the federal income tax.

17 **SECTION 14.5.** Subsidiary Dividend Taxes (H.B. 1291 – McComas) – The
18 Committee may study whether the expense attribution law as it applies to deductible
19 dividends should be modified.

20 **SECTION 14.6.** Income Tax Derived From Manufacturing (H.B. 1268 –
21 Blackwood) – The Committee may study whether income derived from manufacturing
22 should be exempt from income taxation.

23 **SECTION 14.7.** Tax Foreclosures (H.B. 981 – A. Williams) – The Property
24 Tax Subcommittee of the Revenue Laws Study Committee may study the issue of
25 foreclosures on tax liens, including proposals for expediting the foreclosure action.

26 **SECTION 14.8.** Comparative Tax Burden (H.B. 1247 – McComas) – The
27 Committee may study the comparative tax burden on residents of South Carolina and
28 residents of North Carolina.

29 **SECTION 14.9.** Tax Incentives to Promote Preservation of Open Spaces
30 (S.B. 950 – Lucas; H.B. 887 – G. Allen, Hackney) – The Committee may study whether
31 tax incentives should be provided to promote the preservation of open spaces.

32 **SECTION 14.10.** Sales and Use Tax Exemption (Kerr; Pate) – The
33 Committee may study the issue of allowing local school administrative units a sales and
34 use tax exemption instead of a sales and use tax refund and methods to fund this change.

35 **SECTION 14.11.** Tax Preferences (H.B. 959 – Glazier) – The Committee
36 may study whether tax expenditures should be reviewed at least once every 10 years.

37 **SECTION 14.12.** Reduce Utility Equipment Sales Tax (H.B. 759 – Goforth)
38 – The Committee may study whether light construction equipment should be given
39 preferential sales and use tax treatment.

40 **SECTION 14.13.** Business Taxation (S.B. 1330 – Clodfelter) – The
41 Committee may study comprehensive reform and simplification of the existing State
42 taxes on business entities, including corporations, limited liability companies,
43 partnerships, business trusts, associations, and other entities engaged in business. The
44 elements of the plan to be studied shall include the following:

- 1 (1) Repealing the corporate income tax, Part 1 of Article 4 of Chapter 105
2 of the General Statutes.
- 3 (2) Including all types of business entities under a revised form of the
4 franchise tax, Article 3 of Chapter 105 of the General Statutes.
- 5 (3) Limiting the annual filing fee for all business entities to the amount of
6 the filing fee for corporations.
- 7 (4) Revising the current franchise tax to include two components, an
8 assessment based on asset values and an assessment based on gross
9 income or receipts from business activities.
- 10 (5) The revised franchise tax would be calculated and applied on a
11 consolidated basis for members of a related or affiliated group of
12 business entities, allocated and apportioned to this State using existing
13 formulas for allocating and apportioning corporate income.
- 14 (6) The tax rates to be applied to these components would be the rates that
15 are determined to yield revenue equal to the current combined revenue
16 from corporate income and franchise taxes.
- 17 (7) The Department of Revenue would annually review the revenue
18 generated by the new simplified tax to determine if rate adjustments
19 are necessary to preserve the revenue-neutrality of the simplification.
- 20 (8) Any other issues or elements the Study Committee considers
21 appropriate.

22 **SECTION 14.14.** Travel and Tourism Capital Investment (H.B. 1316 –
23 Earle, Miner, McComas) – The Commission shall study the establishment of a Travel
24 and Tourism Capital Investment Program in the Department of Commerce.

25 **SECTION 14.15.** Small Business Health Insurance Credit (H.B. 1375 –
26 Goforth; S.B. 1059 – Rand) – The Commission may study providing a tax credit for
27 small businesses that provide employee health insurance.

28 **SECTION 14.16.** Tax Preferences to Support Military – The Commission
29 may study allowing a full or partial motor fuel tax refund for motor fuel used on a
30 military base and other preferences that would demonstrate this State's support for the
31 military.

32
33 **PART XV. JOINT LEGISLATIVE HEALTH CARE OVERSIGHT**
34 **COMMITTEE**

35
36 **SECTION 15.1.** The Joint Legislative Health Care Oversight Committee
37 may study the topics listed in this part and report its findings, together with any
38 recommended legislation, to the 2005 General Assembly upon its convening.

39 **SECTION 15.2.** Benefits for State Employee Dependents (Rand) – The
40 Committee may study alternative benefit plans for dependents of State employees.

41 **SECTION 15.3.** Consolidation of State Health Care Services (Rand) – The
42 Committee may study whether a State entity should be established to purchase health
43 care services provided with State funds and to administer data consolidation and claims
44 processing systems in order to enhance quality of care, promote cost containment, and

1 achieve administrative efficiency and effectiveness in the system of services provided
2 by the State.

3 **SECTION 15.4.** State Cost of Prescription Drugs (H.B. 1234 – Insko,
4 Glazier, Ross) – The Committee may study whether the State should establish a single
5 State entity for negotiating the cost of prescription drugs paid for by the State.

6 **SECTION 15.5.** Miscellaneous Topics – The Committee may also study the
7 following topics:

- 8 (1) Nursing shortage (S.J.R. 142 – Forrester, Purcell; H.B. 329 – Setzer)
- 9 (2) Medical errors (S.J.R. 634 – Forrester)
- 10 (3) Environmental causes of cancer (S.J.R. 143 – Forrester, Purcell; H.B.
11 330 – Setzer)
- 12 (4) Educating the public on ovarian cancer risks and prevention (S.J.R.
13 636 – Forrester)
- 14 (5) Reducing prescription drug costs (H.B. 1234 – Insko, Glazier, Ross)
- 15 (6) Bulk purchasing of pharmaceutical drugs (S.J.R. 968 – Kinnaird)
- 16 (7) Internet sale of prescription drugs (Rand)
- 17 (8) Pain management and palliative care (Luebke)

18
19 **PART XVI. STUDY OF VARIOUS WAYS TO PROMOTE GOVERNMENT**
20 **EFFICIENCY AND SAVINGS IN STATE SPENDING (Rand)**

21
22 **SECTION 16.1.** The University of North Carolina (through the Office of the
23 President), the Judicial Branch (through the Administrative Office of the Courts), the
24 Executive Branch (through the Department of Administration), the Legislative Branch
25 (through the Legislative Services Office), the Community College System (through the
26 President's Office), and the Department of Public Instruction shall jointly study various
27 ways to promote government efficiency and savings on State spending, including the
28 following proposals:

- 29 (1) Consolidate Administrative Functions (S.B. 805, S.B. 808 – Rand;
30 H.B. 1052 – Owens, Dockham)
- 31 (2) Statewide Benefit Committee Established (H.B. 1068 – Dockham,
32 Owens)
- 33 (3) DMV-NCDL/Registration Extensions (S.B. 804 – Rand)
- 34 (4) Combine State Safety Programs (S.B. 807 – Rand)
- 35 (5) Increase Use of Public Defenders (S.B. 810 – Rand)
- 36 (6) Controller's Fee – (S.B. 813 – Rand)
- 37 (7) Deferred Retirement Option Program (S.B. 817 – Rand)

38 **SECTION 16.2.** The Department of Administration shall report the results
39 of this study to the Legislative Research Commission by January 15, 2005.

40
41 **PART XVII. JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT**
42 **COMMITTEE STUDIES**

1 **SECTION 17.1.** The Joint Legislative Transportation Oversight Committee
2 may study the topics listed in this part and report its findings, together with any
3 recommended legislation, to the 2005 General Assembly upon its convening.

4 **SECTION 17.2.** I-95 Tolls (Rand) – The Committee may study the
5 feasibility of establishing tolls on Interstate 95 from the South Carolina to Virginia
6 borders.

7 **SECTION 17.3.** Alternative Fuels (Daughtridge) – The Committee may
8 study the use, availability, benefits, and disadvantages of alternative fuels. The study
9 may include consideration of the following issues:

- 10 (1) The existence and availability of federal grants or other incentive
11 programs for alternative fuels and alternative fuel vehicles and the
12 impact of these programs on the need or desirability for a State
13 program.
- 14 (2) The impact of increased alternative fuel vehicle use on the collection
15 of motor fuel taxes and highway use taxes and whether the taxation of
16 alternative fuels or vehicles using nonliquid or hybrid fuels needs to be
17 modified.

18 **SECTION 17.4.** Comprehensive Transportation Issues (S.B. 1015 – Berger)
19 – The Committee may study all aspects of transportation, including planning and
20 scheduling of projects, legislative and executive oversight, revenues, funding, and
21 expenditures of the Highway Fund, the Highway Trust Fund, and Federal Aid programs
22 for transportation. The study shall include an examination of all the following:

- 23 (1) The effectiveness of legislative oversight of the Department of
24 Transportation and all other transportation-related programs in North
25 Carolina.
- 26 (2) The gap between transportation funding structures and the actual
27 transportation needs of the State.
- 28 (3) Historical and projected application of funds within the several
29 transportation funding sources.
- 30 (4) Deficiencies in matching funding and expenditures between the
31 several Funds.
- 32 (5) Economic feasibility of alternate transportation modes, including
33 cost/benefit comparisons of planning, construction, and operation of
34 alternate transportation programs.
- 35 (6) Alternative methods of funding, financing, and planning transportation
36 construction, maintenance, and operations.
- 37 (7) Delivery of construction and maintenance projects, including
38 alternative management structures, outsourcing, and privatization.
- 39 (8) Any other issue related to transportation, transportation funding,
40 project planning, and management of transportation programs.

41 **SECTION 17.5.** Registration of all-terrain vehicles (H.B. 473 – Baker) –
42 The Committee may study whether all-terrain vehicles should be registered and
43 regulated.

1 **SECTION 17.6.** Clarify disclosure of motor vehicle total loss claims (H.B.
2 1152 – Cole) – The Committee may study whether any motor vehicle that is declared a
3 total loss shall have the registration card and the back of the title marked total loss claim
4 vehicle.

5
6 **PART XVIII. STUDY FINANCING OF MENTAL HEALTH,
7 DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES**

8
9 **SECTION 18.1.** The Department of Health and Human Services shall study
10 the financing of mental health, developmental disabilities, and substance abuse services.
11 The study shall include the following:

- 12 (1) An examination of all sources of funds used in the delivery of mental
13 health, developmental disabilities, and substance abuse services
14 throughout the Department.
15 (2) An examination of alternative financing mechanisms for funding
16 mental health, developmental disabilities, and substance abuse
17 services, including Medicaid.
18 (3) Recommendations for feasible alternative financing mechanisms.

19 The Department shall report its findings and recommendations to the Legislative
20 Oversight Committee on Mental Health, Developmental Disabilities, and Substance
21 Abuse Services, the House of Representatives Appropriations Subcommittee on Health
22 and Human Services, the Senate Appropriations Committee on Health and Human
23 Services, and the Fiscal Research Division no later than July 1, 2005.

24
25 **PART XIX. ENVIRONMENTAL REVIEW COMMISSION STUDIES**

26
27 **SECTION 19.1.** The Environmental Review Commission may study the
28 topics listed in this part and report its findings, together with any recommended
29 legislation, to the 2005 General Assembly upon its convening.

30 **SECTION 19.2.** Effectiveness of Environmental Programs – The
31 Commission may study the overall effectiveness of the State's efforts to protect the
32 environment and conserve the natural resources of North Carolina. This study should
33 include a comprehensive evaluation of the implementation of existing legal mandates
34 and of the organizational structure of the Department of Environment and Natural
35 Resources. This study should also consider:

- 36 (1) The adequacy of current funding levels, additional funding needs, and
37 funding options, including increasing fees to cover the cost of
38 permitting, inspections, and enforcement.
39 (2) Options to improve efficiency and reduce costs, including the
40 consolidation of permitting, inspection, and enforcement functions.
41 (3) The adequacy of current staffing levels.
42 (4) Options to improve coordination among programs.

- 1 (5) The adequacy of current inspection and enforcement activities and
2 options to improve compliance with environmental laws and rules,
3 including improvements in the use of civil penalties.

4 **SECTION 19.3.** Plan to Share Floodplain Mapping Information (H.J.R.
5 1157 – Daughtridge) – The Commission may study whether the information compiled
6 on a regular basis by the Statewide Floodplain Mapping Unit would be useful and
7 relevant to dam operators, local agencies, and State agencies with regard to making
8 decisions about coordinating and controlling water releases from dams, flood control,
9 floodplain management, and emergency evacuation procedures. If it undertakes this
10 study, the Commission may consider the type of information compiled by the Statewide
11 Floodplain Mapping Unit and the value of that information in assisting with decisions
12 regarding flood control techniques, floodplain management, and the time, frequency,
13 and manner of water releases from dams. The Commission may also consider the
14 feasibility of making that information readily available to dam operators, appropriate
15 local agencies, and appropriate State agencies. The Commission may also consider
16 whether it is appropriate to incorporate the information available from the Statewide
17 Floodplain Mapping Unit into local emergency management plans and downstream
18 inundation maps. The Commission may also study any other issues relevant to this
19 topic.

20 **SECTION 19.4.** Water Restriction Guidelines (Gibson) – The Commission
21 may study water restriction guidelines created by the Department of Environment and
22 Natural Resources and implemented by local governments. If it undertakes this study,
23 the Commission shall consider the State's role and authority to regulate water usage
24 during times of drought conditions and shall also consider:

- 25 (1) The economic impact of water conservation measures.
26 (2) The balance between protecting water supply and economic impact on
27 local communities.
28 (3) Recommendations on establishing consistency across the State with
29 respect to classes of water use, specifically the use of the terms
30 essential and nonessential use.

31 **SECTION 19.5.** Regional Water Supplies (S.B. 1409 – Shaw) – The
32 Commission may study the issue of the development and funding of regional water
33 supply systems.

34 **SECTION 19.6.** Clean Air Trust Fund – The Commission may study
35 establishing a Clean Air Trust Fund.

36 **SECTION 19.7.** Fair Bargain Act (S.B. 878 – Horton) – The Commission
37 may study revocation of contracts under certain circumstances.

38 **SECTION 19.8.** Deterrents to Stormwater Runoff (Horton) – The
39 Commission may study the feasibility of encouraging permeable surfaces as a deterrent
40 to stormwater runoff.

41 **SECTION 19.9.** Protecting Property Owners Adjacent to Activities for
42 which a Stormwater Permit is Issued (S.B. 888 – Rucho) – The Commission may study
43 ways to protect a property owner whose land is adjacent to or downstream from a site
44 on which alterations of the existing flow of stormwater will occur.

1 **SECTION 19.10.** Highway Use Tax Based on Efficiency/Vehicle
2 Registration Based on Vehicle Miles Traveled (S.B. 1374 – Clodfelter) – The
3 Commission shall study both of the following:

- 4 (1) Whether the State should modify the current highway use tax so that
5 all or a portion of the highway use tax paid on a private passenger
6 vehicle is based on the fuel efficiency rating of the vehicle.
7 (2) Whether the State should modify the current vehicle registration fee so
8 that all or a portion of the annual vehicle registration renewal fee for a
9 passenger vehicle is based on the vehicle miles traveled by the vehicle.

10 In its conduct of these studies, the Commission shall consider whether the
11 modifications studied under subsection (a) of this section should be made on a
12 revenue-neutral basis or should be made so as to generate additional revenue to be used
13 to fund initiatives designed to improve air quality and the efficiency of the
14 transportation system in the State.

15 **SECTION 19.11.** Stormwater Issues. – The Commission may study various
16 approaches to prevent and reduce stormwater pollution throughout the State, including
17 but not limited to: low impact design as a stormwater management technique; financial
18 and regulatory incentives for the use of innovative stormwater management techniques;
19 technical assistance for local governments in implementing successful stormwater
20 management programs or collaborative regional programs; State and local efforts to
21 reduce sedimentation pollution; potential funding sources for improved stormwater
22 management; and protection of highly sensitive waters such as shellfishing and
23 recreational waters and trout streams.

24
25 **PART XX. HIGHWAY TRUST FUND STUDY COMMITTEE EXTENDED**

26
27 **SECTION 20.1.** Section 29.12 of S.L. 2003-284 reads as rewritten:

28 "**SECTION 29.12.(k)** Report. – The Study Committee may make interim reports
29 and shall make a final report to the Joint Legislative Transportation Oversight
30 Committee no later than ~~November 1, 2004.~~ January 31, 2005. Regardless of whether it
31 has filed an interim or final report, the Committee shall terminate on ~~November 1,~~
32 ~~2004.~~ January 31, 2005."

33
34 **PART XXI. DEPARTMENT OF ADMINISTRATION STUDY (Nesbitt)**

35
36 **SECTION 21.1.** The Department of Administration may study retainage
37 from payment on public construction projects. If it undertakes this study, the
38 Department shall consider the following:

- 39 (1) Retainage by public owners from payment to contractors and retainage
40 by those contractors from payment to subcontractors.
41 (2) Retainage from periodic progress payments and final payment,
42 including a maximum allowable amount of retainage.

- 1 (3) A time certain for the owner's release of retainage, based upon the
2 owner's occupancy, substantial completion of the work, or the owner's
3 use of the improvements for the purposes intended.
- 4 (4) A time certain for the contractor's release of retainage to a
5 subcontractor, based upon the contractor's receipt of retainage.
- 6 (5) Conditions permitting withholding of retention beyond the date of
7 release, including those stated in G.S. 143-134.1(d), and limits on the
8 amount of retainage for a condition permitting withholding.
- 9 (6) Interest on wrongfully withheld retainage and conditions for the
10 payment of attorneys' fees for the collection of wrongfully withheld
11 retainage.
- 12 (7) Line-item release of retainage, based upon a schedule of values, for
13 specific work that has been completed by the contractor and approved
14 by the owner.
- 15 (8) Any other matters relating to the withholding and release of retainage
16 on public construction projects.

17 **SECTION 21.2.** The Department shall report the results of its study to the
18 2005 General Assembly upon its convening.

19
20 **PART XXII. UNC BOARD OF GOVERNORS STUDY COMMISSION**

21
22 **SECTION 22.1.** There is created the UNC Board of Governors Study
23 Commission. The Commission shall consist of 10 members appointed as follows: five
24 by the President Pro Tempore of the Senate and five by the Speakers of the House of
25 Representatives. The Speakers of the House of Representatives shall appoint a cochair
26 and the President Pro Tempore of the Senate shall appoint a cochair for the
27 Commission. Vacancies on the Commission shall be filled by the appointing authority.
28 The Commission shall meet upon the call of the chairs. A majority of the members of
29 the Commission shall constitute a quorum.

30 **SECTION 22.2.** The Commission shall study the method of election or
31 appointment of members of the Board of Governors, the length of members' terms, the
32 number of terms a member may serve, and the size of the Board of Governors. As part
33 of the study, the Commission may examine the governing boards of other states'
34 institutions of higher education. The Commission shall report its findings and any
35 recommendations to the 2005 Regular Session of the General Assembly.

36 **SECTION 22.3.** Members of the Commission shall receive per diem,
37 subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as
38 appropriate.

39 **SECTION 22.4.** Subject to the approval of the Legislative Services
40 Commission, the Commission may meet in the State Legislative Building or the
41 Legislative Office Building. The Legislative Services Commission, through the
42 Legislative Services Officer, shall assign professional staff to assist in the work of the
43 Commission. The House of Representatives' and the Senate's Supervisors of Clerks
44 shall assign clerical staff to the Commission, and the expenses relating to the clerical

1 employees shall be borne by the Commission. All State departments and agencies and
2 local governments and their subdivisions shall furnish the Commission with information
3 in their possession or available to them. Of the funds appropriated to the General
4 Assembly, the Legislative Services Commission shall allocate funds for the expenses of
5 the Commission established by this part.

6 **SECTION 22.5.** The Commission shall terminate upon the filing of its final
7 report.

8
9 **PART XXIII. NORTH CAROLINA STUDY COMMISSION ON AGING**
10 **STUDIES**

11
12 **SECTION 23.1.** The North Carolina Study Commission on Aging may
13 study the topics listed in this part and report its findings, together with any
14 recommended legislation, to the 2005 General Assembly upon its convening.

15 **SECTION 23.2.** Long-term care remediation (S.B. 206 – Swindell, Purcell)
16 – The Commission may study the feasibility of implementing a remediation program for
17 long-term care facilities in this State that is similar to the Collaborative Remediation
18 Project in Michigan.

19 **SECTION 23.3.** Mentally ill long-term care residents (S.B. 1150 – Swindell;
20 H.B. 1490 – Clary, Nye, Weiss) – The Commission may study issues related to mentally
21 ill residents in long-term care facilities.

22
23 **PART XXIV. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON**
24 **MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE**
25 **ABUSE SERVICES STUDIES**

26
27 **SECTION 24.1.** The Joint Legislative Oversight Committee on Mental
28 Health, Developmental Disabilities, and Substance Abuse Services may study the topics
29 listed in this part and report its findings, together with any recommended legislation, to
30 the 2005 General Assembly upon its convening.

31 **SECTION 24.2.** Integration of care for children with multiple system
32 service needs (S.B. 262 – Foxx, Allran, Dannelly, Lucas, Purcell; H.B. 169 – Insko) –
33 The Committee shall conduct a comprehensive review of the State's system of care for
34 children with multiple system service needs. The purpose of the comprehensive review
35 is to determine the extent to which children who need services from multiple State and
36 local agencies in this system are or are not receiving those services in a timely manner,
37 the effectiveness of the services provided, the potential long-term impact on the
38 children, their families, and State and local resources of not providing all services in a
39 timely and cost-effective manner, and to make detailed recommendations on the system
40 changes necessary to address the problems identified as quickly as possible.
41 Recommendations on system changes shall include programmatic and funding changes,
42 and an analysis and estimate of implementation costs and projected cost-savings to the
43 State in future years. In order to ensure a dedicated focus and appropriate expertise for
44 the comprehensive review, the Committee shall convene a task force to conduct the

1 review. The task force shall be comprised of the cochairs of the Oversight Committee,
2 the Joint Legislative Education Oversight Committee, the Joint Legislative Corrections,
3 Crime Control, and Juvenile Justice Oversight Committee, the Joint Legislative Health
4 Care Oversight Committee, and other individuals appointed by the cochairs of the
5 Oversight Committee upon recommendation of the other members of the task force.

6 In conducting its review, the task force shall consider thoroughly all of the
7 following:

- 8 (1) State-of-the-art approaches to services to children with multiple
9 system service needs as the basis of reform in North Carolina.
- 10 (2) Evidence-based best practices in North Carolina and elsewhere for
11 potential systemwide adoption.
- 12 (3) Barriers to access for developing a uniform access process to
13 implement a "no wrong door" policy such that children and families
14 may enter any service access point but will be afforded seamless
15 access to all necessary services.
- 16 (4) Initiatives taken or under consideration in other states to ensure a
17 unified approach to system services, including the feasibility of
18 establishing a funding consortium for pooling resources of all involved
19 agencies in order to streamline access to the system by children and
20 involvement in the system by service providers.
- 21 (5) Ways to improve the multidisciplinary identification and evaluation of
22 children's multiple service needs and the communication of those
23 needs to all appropriate service providers.
- 24 (6) The extent to which children currently in the juvenile justice system
25 have not received adequate and appropriate educational, mental health,
26 or other health services, and the reasons why the children have not
27 been adequately served.
- 28 (7) Information from the Department of Public Instruction and other
29 organizations showing the number of children who have been
30 suspended or expelled from public school, the reasons for the
31 suspension or expulsion, the number of these children who have
32 received alternative placements to ensure that they are being
33 adequately and appropriately served by State and local service
34 systems.
- 35 (8) Necessary changes to North Carolina service systems involving mental
36 health, developmental disabilities, and substance abuse services, social
37 services, education services, juvenile justice, and other related service
38 systems that will enable these systems to work together to ensure
39 effective and timely access to services for children and their families.

40 The Oversight Committee, subject to the provisions of G.S. 120-32.02, may
41 hire a consultant to assist the task force in its comprehensive review. The Oversight
42 Committee shall establish interim and final reporting time lines for the consultant's
43 findings and recommendations, and, subject to the requirements of this section, for
44 meetings and reports of the task force.

1 **SECTION 24.3.** Mental health in prisons (H.B. 1085 – Insko) – The
2 Committee may study the incidence of mental illness and substance abuse problems
3 among inmates in the North Carolina prison and juvenile justice systems.
4

5 **PART XXV. JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND**
6 **AQUACULTURE STUDY (H.B. 758 – Stiller)**
7

8 **SECTION 25.1.** The Joint Legislative Commission on Seafood and
9 Aquaculture may study whether it should be unlawful to take shrimp with trawl nets in
10 certain inland waters. The Commission may report the results of its findings, together
11 with any recommended legislation, to the 2005 General Assembly upon its convening.
12

13 **PART XXVI. ADMINISTRATIVE OFFICE OF THE COURTS/DEPARTMENT**
14 **OF CORRECTION STUDY (H.B. 890 – Eddins, Holliman)**
15

16 **SECTION 26.1.** The Administrative Office of the Courts and the
17 Department of Correction shall jointly study the processes for the collection and
18 payment of restitution in this State, and shall determine methods for reducing the
19 number of restitution payments that go unclaimed. The Administrative Office of the
20 Courts and the Department of Correction shall report their findings and
21 recommendations to the 2005 General Assembly upon its convening.
22

23 **PART XXVII. UNC BOARD OF GOVERNORS STUDY FEASIBILITY OF**
24 **FORGIVENESS OF STUDENT DEBT PROGRAM**
25

26 **SECTION 27.1.** The Board of Governors of The University of North
27 Carolina, in conjunction with the North Carolina State Education Assistance Authority,
28 may study the feasibility of a program that would forgive student indebtedness for
29 teachers who have continuing certification in and are teaching in the disciplines of
30 mathematics, science, or special education. The Board shall report the results of its
31 study to the Joint Legislative Education Oversight Committee by January 15, 2005.
32

33 **PART XXVIII. STATE BOARD TEACHER RETENTION TASK FORCE**
34

35 **SECTION 28.1.** The State Board of Education shall form a Task Force
36 cochaired by the State Board of Education Chairman or designee and the Lt. Governor
37 or designee to study issues related to effective recruitment and retention of teachers for
38 the North Carolina public schools. The Task Force shall include practicing public
39 school teachers, principals, superintendents, local boards of education, and
40 representatives from the University System, the Community College System, and others
41 as deemed appropriate by the cochairs. In the course of this study, the State Board of
42 Education shall consider:

- 43 (1) Impediments to effective teacher recruitment and retention;

- 1 (2) Strategies for increasing the effectiveness or recruitment and retention
2 efforts;
- 3 a. Modifications to teacher salaries and benefits that will ensure
4 that teacher compensation in North Carolina remains at or
5 above the national average, thereby better enabling the public
6 schools to recruit and retain highly qualified teachers. The State
7 Board may consider:
- 8 1. Increased salaries for beginning teachers to make the
9 profession more attractive at the entry level;
- 10 2. Increased salaries for teachers at those points at which
11 higher numbers of teachers leave the teaching
12 profession;
- 13 3. Retirement options for teachers with 30 years of
14 experience that will provide opportunities for those
15 highly skilled and experienced teachers to continue in
16 service;
- 17 4. Differentiated salary opportunities for teachers who
18 demonstrate exemplary teaching skills, work in certain
19 areas of certification, work in hard-to-staff schools, or
20 serve as mentors, school improvement team leaders, or
21 serve as leaders in a Quality Teacher as Leader Program;
- 22 5. Other modifications to teacher salaries and benefits
23 necessary to recruit and retain highly qualified teachers
24 in the public schools.
- 25 b. Tax incentives to encourage experienced teachers to remain in
26 the teaching profession;
- 27 c. Locally designed initiatives to facilitate teacher recruitment and
28 retention;
- 29 d. Strategies for increasing the number of highly qualified
30 beginning teachers such as:
- 31 1. Expanding teacher preparation programs;
- 32 2. Expanding scholarship loan programs for prospective
33 teachers to recruit the most qualified high school
34 students to the teaching profession; and
- 35 3. Ensuring that graduates of teacher preparation programs
36 are well prepared to meet teacher-certification
37 requirements.
- 38 e. Strategies for giving beginning teachers the opportunity to
39 develop into skilled professionals such as assigning them to
40 teach only in their area of certification and minimizing their
41 noninstructional duties;
- 42 f. Strategies for ensuring that school-based administrators are
43 adequately trained to provide support for both experienced and
44 inexperienced teachers and that they provide that support;

- 1 g. Strategies for ensuring that teachers are treated respectfully by
2 students, such as a Teachers' Bill of Rights;
3 h. Increased expectations regarding parental involvement in and
4 support of their children's education;
5 i. The availability of communications devices in the classroom;
6 j. Strategies for a Quality Teacher as Leader Program as a career
7 option that compensates teachers for accomplished teaching and
8 values teachers as leaders; and
9 k. Strategies for ensuring that schools are staffed appropriately
10 and teachers have the time necessary to meet the State, federal
11 and local demands for quality teaching and learning
12 environments.

13 **SECTION 28.2.** The State Board of Education shall report its findings and
14 recommendations to the Joint Legislative Education Oversight Committee prior to
15 February 15, 2005. These recommendations may include changes to laws and policies.

16 **SECTION 28.3.** The Department of Public Instruction shall provide staff to
17 support the work of the Task Force upon the request of the cochairs or staff and
18 consultants may be hired from funds designated to support the work of the Task Force.

19 **SECTION 28.4.** The State Board of Education shall use federal funds to
20 support the work of the Task Force.

21
22 **PART XXIX. JOINT LEGISLATIVE CORRECTIONS, CRIME CONTROL,
23 AND JUVENILE JUSTICE OVERSIGHT COMMITTEE STUDIES**
24

25 **SECTION 29.1.** The Joint Legislative Corrections, Crime Control, and
26 Juvenile Justice Oversight Committee may study the topics listed in this part and report
27 its findings, together with any recommended legislation, to the 2005 Regular Session of
28 the 2005 General Assembly upon its convening.

29 **SECTION 29.2.** Deter juvenile escapes (H.B. 956 – Haire) – The Committee
30 may study the issue of persons who escape from the custody of the Department of
31 Juvenile Justice and Delinquency Prevention (Department) and develop appropriate
32 sanctions for those persons. If it undertakes this study, the Committee shall consult with
33 the Department, the Administrative Office of the Courts, and the North Carolina
34 Sentencing and Policy Advisory Commission to develop a statutory scheme through
35 which both juveniles and persons who are over the age of 16 years shall be punished for
36 escaping from the custody of the Department.

37 **SECTION 29.3.** Federal Structured Sentencing System (Culpepper) – The
38 Committee may study the State's current system of structured sentencing and compare
39 that with the federal system of structured sentencing. In its study, the Committee shall
40 consider all of the following:

- 41 (1) A comparison of the role and responsibilities of the North Carolina
42 Sentencing and Policy Advisory Commission with regard to structured
43 sentencing with the role and responsibilities of the Commission's
44 federal counterpart.

1 (2) The effectiveness of both the State and federal systems in adjusting the
2 sentencing grid and the factors considered in the sentencing process so
3 that the sentencing range available to the court is appropriate for the
4 crime committed and also allows appropriate flexibility for the court to
5 consider the circumstances on a case-by-case standard.

6 (3) The effect of the structured sentencing system at the State and federal
7 levels on the number of prison beds required and whether regular
8 periodic adjustments of the sentencing structure that take into account
9 both the nature of the crimes most often committed, the effectiveness
10 of the punishments imposed, and the increase or decrease in prison
11 populations provides a more equitable and economic criminal justice
12 system.

13 (4) Any other issue relevant to this study.

14 **SECTION 29.4.** Confinement of Incapacitated Inmates (S.B. 1014 – Berger)

15 – The Committee may study the confinement of inmates who are irreversibly,
16 physically incapacitated due to chronic illness or disability. The Committee's study may
17 include, but is not limited to, a review of current policies, a calculation of potential
18 population figures and medical care costs, a determination of possible alternatives to
19 incarceration and accompanying costs, and a consideration of procedures for
20 termination or commutation of sentences.

21 **SECTION 29.5.** The Committee shall report its findings and
22 recommendations, including any proposed legislation, no later than the convening of the
23 2005 General Assembly.

24
25 **PART XXX. AGRICULTURE AND FORESTRY AWARENESS STUDY**
26 **COMMISSION STUDIES**

27
28 **SECTION 30.1.** The Agriculture and Forestry Awareness Study
29 Commission may study the topics listed in this part and report its findings, together with
30 any recommended legislation, to the 2005 General Assembly upon its convening.

31 **SECTION 30.2.** Agriculture Commodity Incentives (Albertson) – The
32 Commission may study the possibility of establishing incentive programs to benefit
33 firms purchasing additional large quantities of North Carolina farm commodity products
34 when an overabundance of a specific commodity is designated by the State Department
35 of Agriculture and Consumer Services to be available for sale.

36 **SECTION 30.3.** Food Safety and Security (S.B. 834 – Albertson) – The
37 Commission may study ways to protect the State's food supply system and the
38 agricultural industry base.

39 **SECTION 30.4.** Dairy Industry (Albertson, Rand; H.B. 1143 – Hill) – The
40 Commission shall study the condition of the dairy industry in the State. As a part of its
41 study, the Commission shall examine:

42 (1) The short-term and long-term problems associated with maintaining a
43 viable dairy industry and supplying the needed quantity of milk in the
44 State.

- 1 (2) Ways to sustain the existing dairy industry in the State.
- 2 (3) Opportunities for expanding the dairy industry, including attracting
3 both new dairy producers and new processors into the State.
- 4 (4) The contribution of dairy farmers to the maintenance of prime
5 agricultural lands, and working lands, and the quality of life in the
6 State.
- 7 (5) The need for programs that stabilize the pricing of milk at the farm
8 level, such as counter-cyclical or safety net type programs in the Farm
9 Security and Rural Investment Act of 2002, or a milk transportation
10 grant program to maintain a local supply of fresh milk for processing
11 and consumption, programs that facilitate the entry of young farmers
12 into the dairy industry, and programs that preserve dairy green space
13 along the urban fringe.
- 14 (6) Other factors impacting the dairy industry in North Carolina.

15
16 **PART XXXI. COMMITTEE ON EMPLOYEE HOSPITAL AND MEDICAL**
17 **BENEFITS STUDY NEWBORN COVERAGE (S.B. 1421 – Kinnaird; H.B. 1787 –**
18 **Insko)**

19
20 **SECTION 31.1.** The Committee on Employee Hospital and Medical
21 Benefits may study the following issues pertaining to benefits under the Teachers' and
22 State Employees' Comprehensive Major Medical Plan ("Plan"):

- 23 (1) Whether to repeal or otherwise modify G.S. 135-40.6(7) that limits
24 coverage for examination and supervision of a normal newborn infant
25 to only when the mother of the infant is receiving maternity benefits
26 under the Plan.
- 27 (2) Whether to adopt a federally qualified health reimbursement
28 arrangement as an additional component of the Plan.
- 29 (3) Whether deductibles and co-payment amounts applicable under the
30 Plan should be based on income of the Plan member, with
31 lower-income Plan members paying less than higher-income Plan
32 members.

33
34 **PART XXXII. HURRICANE EVACUATION STANDARDS STUDY**
35 **COMMISSION**

36
37 **SECTION 32.1.** The Hurricane Evacuation Standards Study Commission is
38 established. The Commission shall consist of six members to be appointed as follows:

- 39 (1) Three members of the House of Representatives to be appointed by the
40 Speaker of the House of Representatives; and
- 41 (2) Three members of the Senate to be appointed by the President Pro
42 Tempore of the Senate.

43 **SECTION 32.2.** The Commission shall study the development and
44 establishment of hurricane evacuation standards for the State. The Commission shall

1 consider and recommend to the General Assembly those legislative actions necessary to
2 implement its recommendations.

3 **SECTION 32.3.** The following State employees shall attend each meeting of
4 the Commission and shall provide technical support and expertise to the Commission to
5 develop appropriate State hurricane evacuation standards:

- 6 (1) Director, Division of Emergency Management, Department of Crime
7 Control and Public Safety.
- 8 (2) Chief of Logistics, Division of Emergency Management, Department
9 of Crime Control and Public Safety.
- 10 (3) State Roadway Design Engineer, Department of Transportation.
- 11 (4) Assistant State Roadway Design Engineer, Department of
12 Transportation.
- 13 (5) Division Engineer, Division 1, Department of Transportation.
- 14 (6) Division Engineer, Division 2, Department of Transportation.
- 15 (7) Division Engineer, Division 3, Department of Transportation.
- 16 (8) Division Traffic Engineer, Division 1, Department of Transportation.
- 17 (9) Division Traffic Engineer, Division 2, Department of Transportation.
- 18 (10) Division Traffic Engineer, Division 3, Department of Transportation.

19 **SECTION 32.4.** Upon approval of the Legislative Services Commission, the
20 Legislative Services Officer shall assign professional and clerical staff to assist in the
21 work of the Commission. Clerical staff shall be furnished to the Commission through
22 the offices of the House of Representatives and Senate Supervisors of Clerks. The
23 Commission may meet in the Legislative Building or the Legislative Office Building
24 upon the approval of the Legislative Services Commission. The members of the
25 Commission, while in the discharge of official duties, may exercise all the powers
26 provided under the provisions of G.S. 120-19 through G.S. 120-19.4, including the
27 power to request all officers, agents, agencies, and departments of the State to provide
28 any information, data, or documents within their possession, ascertainable from their
29 records, or otherwise available to them, and the power to subpoena witnesses. Members
30 of the Commission shall receive per diem, subsistence, and travel allowances at the rate
31 established in G.S. 120-3.1.

32 **SECTION 32.5.** The Commission shall report its findings and any
33 recommendations to the Governor and the Joint Legislative Transportation Oversight
34 Committee of the General Assembly by January 15, 2005. Upon the earlier of the filing
35 of its final report or the convening of the 2005 General Assembly, the Commission shall
36 terminate.

37 **SECTION 32.6.** From funds appropriated to the General Assembly, the
38 Legislative Services Commission shall allocate funds for the expenses of the Hurricane
39 Evacuation Standards Commission.

40 **PART XXXIII. STREAM MAPPING (H.B. 1797 – Luebke)**

41 **SECTION 33.1.** The Geographic Information Coordinating Council and the
42 Department of Environment and Natural Resources shall develop and recommend a
43
44

1 plan to improve the mapping and digital representation of surface waters in North
2 Carolina, including intermittent and perennial streams, lakes, and ponds, to the General
3 Assembly and the Environmental Review Commission on January 15, 2005.

4 **SECTION 33.2.** The plan shall include at a minimum: mapping
5 specifications and standards; estimated budget and schedule for statewide
6 implementation; and entry of the data into NC OneMap.

7 **SECTION 33.3.** The Geographic Information Coordinating Council and the
8 Department shall include at a minimum the Division of Emergency Management in the
9 Department of Crime Control and Public Safety, the Department of Commerce, the
10 Department of Transportation, and the US Geological Survey in the development of the
11 plan.

12 **SECTION 33.4.** The General Assembly encourages municipalities and
13 counties to share the mapping and digital representation of surface waters that they have
14 developed with the Geographic Information Coordinating Council, NC OneMap, and
15 the public.

16
17 **PART XXXIV. STUDY COMMISSION ON HEALTH CARE WORKFORCE**
18 **DEVELOPMENT (H.B. 1498 – Tolson, Goforth, Allred, Bell)**

19
20 **SECTION 34.1.** There is created the Health Care Workforce Study
21 Commission ("Commission"). The Commission shall consist of 21 members appointed
22 as follows:

- 23 (1) Five members appointed by the Governor, to include:
- 24 a. One person who is a health care provider or a pharmacist in a
25 rural community.
 - 26 b. One person who is a hospital administrator from
27 recommendations provided by the North Carolina Hospital
28 Association.
 - 29 c. One person who is a dental care provider.
 - 30 d. One person from the Office of Research, Demonstrations, and
31 Rural Health Development of the Department of Health and
32 Human Services.
 - 33 e. The Program Director of the North Carolina AHEC Program.
- 34 (2) Eight members appointed by the Speakers of the House of
35 Representatives, to include:
- 36 a. Four members of the House of Representatives.
 - 37 b. One person who is a nursing home administrator from
38 recommendations provided by the NC Health Care Facilities
39 Association.
 - 40 c. One person who is a community college president from
41 recommendations provided by the President of the North
42 Carolina Community College System.
 - 43 d. One person who is a physician.

- 1 e. One person who is a home care administrator from
2 recommendations provided by the Association of Home and
3 Hospice Care of North Carolina.
- 4 (3) Eight members appointed by the President Pro Tempore of the Senate,
5 to include:
- 6 a. Four members of the Senate.
- 7 b. One person who operates an adult care home from
8 recommendations provided by the NC Association of Long
9 Term Care Facilities.
- 10 c. One person who is a university president from
11 recommendations provided by the President of The University
12 of North Carolina System.
- 13 d. One person who is a health care provider with expertise in
14 respiratory care.
- 15 e. One person who is a nurse from recommendations provided by
16 the North Carolina Nurses Association.

17 **SECTION 34.2.** The purpose of the Commission is to determine methods to
18 increase the number of people providing health and dental care in this State and to
19 overcome existing barriers contributing to the health care provider shortages. In
20 undertaking this study, the Commission shall consider the following:

- 21 (1) How to cultivate an interest in health occupations programs at the
22 secondary school level.
- 23 (2) How to address the shortage of adequately prepared health care
24 occupations faculty at community colleges, including designating
25 health care occupation degrees as "high cost" programs and paying
26 health care occupation faculty at a higher rate, designating a salary
27 differential for faculty members who provide clinical or classroom
28 training during evening, night, and weekend shifts, and offering other
29 incentives to encourage masters trained professionals to teach at
30 community colleges.
- 31 (3) How to address the attrition rates for students in health care occupation
32 curriculums in community colleges.
- 33 (4) Resources available to assist community colleges with the purchase of
34 equipment necessary to train students for health care occupations.
- 35 (5) Shortages of faculty at the university level.
- 36 (6) Restoring funding for university level Fast Track programs.
- 37 (7) Whether a curriculum program that offers a baccalaureate degree in
38 respiratory therapy should be established in The University of North
39 Carolina System.
- 40 (8) How to improve current programs responsible for addressing dentist
41 and physician shortages, particularly in the rural parts of the State.
- 42 (9) How to address nursing shortages, taking into consideration the
43 Institute of Medicine's Nursing Task Force recommendations.

- 1 (10) How to address shortages of pharmacists and other allied health care
- 2 providers.
- 3 (11) Completion of the articulation plan between the North Carolina
- 4 Community College System and The University of North Carolina
- 5 System's health care training programs.
- 6 (12) Any other issue the Commission considers relevant.

7 **SECTION 34.3.** The Speakers of the House of Representatives shall appoint
8 a cochair and the President Pro Tempore of the Senate shall appoint a cochair for the
9 Commission. The Commission may contract for consultant services as provided by
10 G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative
11 Services Officer shall assign professional and clerical staff to assist in the work of the
12 Commission. Clerical staff shall be furnished to the Commission through the offices of
13 the House of Representatives and Senate Supervisors of Clerks. The Commission may
14 meet in the Legislative Building or the Legislative Office Building upon the approval of
15 the Legislative Services Commission. The Commission, while in discharge of official
16 duties, may exercise all the powers provided under the provisions of G.S. 120-19
17 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and
18 departments of the State to provide any information, data, or documents within their
19 possession, ascertainable from their records, or otherwise available to them, and the
20 power to subpoena witnesses. Members of the Commission shall receive per diem,
21 subsistence, and travel allowances at the rate established in G.S. 120-3.1, 138-5, or
22 138-6, as appropriate. Vacancies shall be filled by the appointing authority.

23 **SECTION 34.4.** The Commission shall submit an interim report to the 2005
24 Regular Session of the 2005 General Assembly that contains its recommendations,
25 legislative proposals, and cost analyses. The Commission shall make a final report to
26 the 2006 Regular Session of the 2005 General Assembly and shall terminate upon the
27 earlier of the filing of its final report or April 30, 2006.

28 **SECTION 34.5.** From the funds appropriated to the General Assembly, the
29 Legislative Services Commission shall allocate funds for the expenses of the
30 Commission established in this act.

31 **PART XXXV. SMART START FUNDING STUDY (Hagan)**

32 **SECTION 35.1.** Commission Established. – There is established a Smart
33 Start Funding Study Commission.

34 **SECTION 35.2.** Membership. – The Commission shall be composed of 21
35 members as follows:

- 36 (1) Four members of the Senate appointed by the President Pro Tempore
- 37 of the Senate.
- 38 (2) Four members of the House of Representatives appointed by the
- 39 Speaker of the House of Representatives.
- 40 (3) North Carolina Partnership for Children board member appointed by
- 41 the Speaker of the House of Representatives.
- 42 (4) President of the North Carolina Partnership for Children.
- 43
- 44

- 1 (5) Secretary of the Department of Health and Human Services or
2 designee.
- 3 (6) North Carolina Budget and Tax Center representative appointed by the
4 President Pro Tempore of the Senate.
- 5 (7) State Budget Director or designee.
- 6 (8) Department of Social Services County Director appointed by the
7 Speaker of the House of Representatives.
- 8 (9) Department of Public Health County Director appointed by the
9 President Pro Tempore of the Senate.
- 10 (10) County Commissioner appointed by the Speaker of the House of
11 Representatives.
- 12 (11) Local Partnership for Children Executive Director appointed by the
13 President Pro Tempore of the Senate.
- 14 (12) Local Partnership for Children board chair appointed by the Speaker of
15 the House of Representatives.
- 16 (13) Two business leaders representing small and corporate business, one
17 appointed by the President Pro Tempore of the Senate and one by the
18 Speaker of the House of Representatives.
- 19 (14) Representative of the Rural Economic Development Center appointed
20 by the President Pro Tempore of the Senate.

21 **SECTION 35.3.** Secretary of Health and Human Services. – The
22 Commission shall invite the Secretary of Health and Human Services to attend each
23 meeting of the Commission and encourage the Secretary's participation in the
24 Commission's deliberations.

25 **SECTION 35.4.** Duties of Commission. – The Commission shall study the
26 funding of the North Carolina Partnership for Children, Inc. In conducting the study,
27 the Commission shall consider the following:

- 28 (1) The current funding system of the North Carolina Partnership for
29 Children, Inc.
- 30 (2) Any strategies for achieving full funding and full service for North
31 Carolina's young children and families.
- 32 (3) Funding equity among all counties and local partnerships.
- 33 (4) Any other information the Commission deems relevant.

34 **SECTION 35.5.** Vacancies. – Any vacancy on the Commission shall be
35 filled by the appointing authority.

36 **SECTION 35.6.** Cochairs. – Cochairs of the Commission shall be
37 designated by the President Pro Tempore of the Senate and the Speaker of the House of
38 Representatives from among their respective appointees. The Commission shall meet
39 upon the call of the chairs.

40 **SECTION 35.7.** Expenses of Members. – Members of the Commission shall
41 receive per diem, subsistence, and travel allowances in accordance with G.S.120-3.1,
42 138-5, or 138-6, as appropriate.

1 **SECTION 35.8.** Staff. – Upon the prior approval of the Legislative Services
2 Commission, the Legislative Services Officer shall assign professional staff to the
3 Commission to aid its work.

4 **SECTION 35.9.** Consultants. – The Commission may hire consultants to
5 assist with the study. Before expending any funds for a consultant, the Commission
6 shall report to the Joint Legislative Commission on Governmental Operations on the
7 consultant selected, the work products to be provided by the consultant, and the cost of
8 the contract, including an itemization of the cost components.

9 **SECTION 35.10.** Meetings During Legislative Session. – The Commission
10 may meet during a regular or extra session of the General Assembly, subject to approval
11 of the President Pro Tempore of the Senate and the Speaker of the House of
12 Representatives.

13 **SECTION 35.11.** Meeting Location. – The Commission shall meet at
14 various locations around the State in order to promote greater public participation in its
15 deliberations. Subject to the approval of the Legislative Services Commission, the
16 Commission may meet in the Legislative Building or the Legislative Office Building.

17 **SECTION 35.12.** Report. – The Commission shall make its findings and
18 recommendations in a final report to the 2005 General Assembly. Upon the earlier of
19 the filing of its final report or the convening of the 2005 General Assembly, the
20 Commission shall terminate.

21 **SECTION 35.13.** Funding. – From funds appropriated to the General
22 Assembly, the Legislative Services Commission shall allocate funds for the purpose of
23 conducting the study provided for in this section.

24
25 **PART XXXVI. CHILD WELFARE SYSTEM REFORM (Nye, Barnhart, Clary)**

26
27 **SECTION 36.1.** The Department of Health and Human Services shall
28 transfer funds to the General Assembly to hire an independent consultant to evaluate
29 North Carolina's Child Welfare System at the State and local levels and provide
30 recommendations to reform that system.

31 **SECTION 36.2.** The Fiscal Research Division, through the Legislative
32 Services Office, in consultation with the Department of Health and Human Services,
33 shall issue a Request for Proposal (RFP) for an independent consultant with extensive
34 experience in child welfare systems to develop recommendations for reforming the
35 State's existing system. The contractor shall evaluate the overall administration and
36 oversight of the existing system and make specific recommendations to strengthen the
37 system. The contractor shall review North Carolina's historical performance in meeting
38 national performance outcome measurements and note any progress in taking corrective
39 action to address the areas identified as weaknesses in the existing system. The
40 contractor shall evaluate variances in resources, including staffing levels, at the local
41 level as well as the administrative structure at the State level. The contractor shall
42 review statewide abuse and neglect data to determine if the data is accurate and useful
43 and make recommendations for improving the data collection system. The contractor's

1 final report shall include recommendations to ensure accountability and consistency at
2 both the State and local levels.

3 **SECTION 36.3.** The final report from the consultant shall be presented to
4 the House of Representatives Appropriations Subcommittee on Health and Human
5 Services, the Senate Appropriations Committee on Health and Human Services, and the
6 Fiscal Research Division no later than October 1, 2005.

7
8 **PART XXVII. GENERAL STATUTES COMMISSION STUDY (H.B. 1198 –**
9 **Alexander)**

10
11 **SECTION 37.1.** The General Statutes Commission may recommend
12 legislation to amend the General Statutes to delete the words "handicap" and
13 "handicapped" whenever they appear and substitute the appropriate phrase to describe
14 persons with disabilities, unless the words are required by federal law or describe some
15 other situation. If undertaken, the report shall be made to the General Assembly no later
16 than January 15, 2005.

17
18 **PART XXVIII. DEPARTMENT OF CULTURAL RESOURCES/COMMISSION**
19 **OF INDIAN AFFAIRS STUDY (H.B. 747 – Sutton)**

20
21 **SECTION 38.1.** The Department of Cultural Resources and the Commission
22 of Indian Affairs of the Department of Administration may jointly study the future of
23 the North Carolina Archaeological Collection, which is currently maintained by the
24 Research Laboratories of Archaeology at the University of North Carolina at Chapel
25 Hill. If the study is undertaken, the Department and the Commission shall consider the
26 steps necessary to ensure the future preservation of the collection and the need to use
27 the collection to its fullest potential as a resource for research, teaching, and other public
28 programs.

29 **SECTION 38.2.** If the study is undertaken, the Department of Cultural
30 Resources and the Department of Administration shall report their findings and
31 recommendations to the 2004 Regular Session of the 2003 General Assembly and shall
32 include a specific recommendation on a permanent home for the collection where it can
33 be safely housed and where a permanent facility can be established in which the
34 collection can be exhibited for the benefit of the public.

35
36 **PART XLI. WILMINGTON RACE RIOT COMMISSION (Wright)**

37
38 **SECTION 41.1.** Section 17.1(c) of S.L. 2000-138, as amended by Section
39 3.1 of S.L. 2002-180, reads as rewritten:

40 **"Section 17.1.(c)** The Commission shall consist of 13 members, each of whom shall
41 serve a ~~four-year~~ five-year term. Commission members shall be appointed on or before
42 September 1, 2000, as follows:

- 43 (1) The President Pro Tempore of the Senate shall appoint three members.

1 (2) The Speaker of the House of Representatives shall appoint three
2 members.

3 (3) The Governor shall appoint three public members, one of whom shall
4 be a historian.

5 (4) The Mayor and City Council of the City of Wilmington shall appoint
6 two members.

7 (5) The New Hanover County Commissioners shall appoint two members.

8 The Commission shall terminate on December 31, ~~2004~~, 2005."

9 **SECTION 41.2.** Section 17.1(e) of S.L. 2000-138, as amended by S.L.
10 2002-180, reads as rewritten:

11 "**Section 17.1.(e)** The Commission may remove any of its members for neglect of
12 duty, incompetence, or unprofessional conduct. Members serve at the pleasure of the
13 appointing authority. A member subject to disciplinary proceedings shall be
14 disqualified from participating in the official business of the Commission until the
15 charges have been resolved."

16 **SECTION 41.3.** Section 17.1.(f) of S.L. 2000-138, as amended by S.L.
17 2002-180, reads as rewritten:

18 "**Section 17.1.(f)** Members of the Commission ~~shall not~~may receive per diem or
19 reimbursement for travel or subsistence. From funds appropriated to the General
20 Assembly, the Legislative Services Commission shall allocate funds for the per diem of
21 the Commission."

22 **SECTION 41.4.** Section 17.1(g) of S.L. 2000-138, as amended by Section
23 3.2 of S.L. 2002-180, reads as rewritten:

24 "**Section 17.1.(g)** The Commission's officers shall consist of two cochairs, a
25 vice-chair, and other officers deemed necessary by the Commission to carry out the
26 purposes of this Article. The President Pro Tempore of the Senate and the Speaker of
27 the House of Representatives shall appoint the cochairs of the Commission. All other
28 officers shall be elected by the Commission. All officers shall serve for ~~four-year~~
29 five-year terms and shall serve until their successors are elected and qualified."

30 **SECTION 41.5.** Section 17.1(j) of S.L. 2000-138, as amended by Section
31 3.3 of S.L. 2002-180, reads as rewritten:

32 "**Section 17.1.(j)** The Commission may submit to the General Assembly an interim
33 report of its findings and recommendations. The Commission shall submit to the
34 General Assembly a final report of its findings and recommendations no later than
35 ~~December 31, 2004~~.December 31, 2005. The final report may include suggestions for a
36 permanent marker or memorial of the riot and whether to designate the event as with a
37 historic site."
38

39 **PART XLII. OFFICE OF STATE PERSONNEL STUDY (Albertson)**

40
41 **SECTION 42.1.** The Office of State Personnel shall conduct a
42 reclassification study of all sworn law enforcement officers employed in the Division of
43 Parks and Recreation of the Department of Environment and Natural Resources. The

1 Office of State Personnel shall report the results of this study to the General Assembly
2 and the Fiscal Research Division of the General Assembly by January 3, 2005.

3
4 **PART XLIII. CRAVEN AND PAMLICO TECHNICAL HIGH SCHOOL TASK**
5 **FORCE STUDIES (Gorman)**

6
7 **SECTION 43.1.** The State Board of Community Colleges, the State Board
8 of Education, Craven Community College, and the Craven County Schools may
9 establish a task force to develop a plan to expand students' educational opportunities
10 within the public school system by creating a technical high school. If the task force is
11 established, in developing the plan, the task force shall consider similar programs
12 currently operated in the State, including, but not limited to, the Middle College
13 program in Guilford County and the Technical High School in Union County. The task
14 force shall also take into account the State's high school graduation requirements. If the
15 task force is established, the task force shall report to the Joint Legislative Education
16 Oversight Committee no later than January 15, 2005.

17 **SECTION 43.2.** The State Board of Community Colleges, the State Board
18 of Education, Pamlico Community College, and the Pamlico County Schools may
19 establish a task force to develop a plan to expand students' educational opportunities
20 within the public school system by creating a technical high school. If the task force is
21 established, in developing the plan, the task force shall consider similar programs
22 currently operated in the State, including, but not limited to, the Middle College
23 program in Guilford County and the Technical High School in Union County. The task
24 force shall also take into account the State's high school graduation requirements. If the
25 task force is established, the task force shall report to the Joint Legislative Education
26 Oversight Committee no later than January 15, 2005.

27
28 **PART XLIV. NORTH CAROLINA SENTENCING AND POLICY ADVISORY**
29 **COMMISSION STUDY**

30
31 **SECTION 44.1.** The North Carolina Sentencing and Policy Advisory
32 Commission, pursuant to its statutory responsibilities under Article 4 of Chapter 164 of
33 the General Statutes, shall study the North Carolina Structured Sentencing Act in light
34 of the United States Supreme Court's decision in *Blakely v. Washington*, decided June
35 24, 2004. The Commission shall report its findings and recommendations, including
36 any proposed legislation, to the 2005 General Assembly upon its convening.

37
38 **PART XLV. LEGISLATIVE STUDY COMMISSION ON STATE**
39 **GUARDIANSHIP LAWS (H.B. 1409 – Nye, Weiss, G. Wilson; S.B. 1152 –**
40 **Swindell)**

41
42 **SECTION 45.1.** There is created the Legislative Study Commission on State
43 Guardianship Laws. The purpose of the Commission is to review State law pertaining to

1 guardianship and its relationship to other pertinent State laws such as the health care
2 power of attorney, the right to a natural death, and durable power of attorney.

3 **SECTION 45.2.** The Commission shall consist of 16 members as follows:

- 4 (1) Four members of the House of Representatives appointed by the
5 Speaker of the House of Representatives.
- 6 (2) Four members of the Senate appointed by the President Pro Tempore
7 of the Senate.
- 8 (3) The Director of the Administrative Office of the Courts, or the
9 Director's designee.
- 10 (4) The Director of the Division of Aging in the Department of Health and
11 Human Services, or the Director's designee.
- 12 (5) A county director of social services appointed by the President Pro
13 Tempore of the Senate.
- 14 (6) A clerk of superior court appointed by the Speaker of the House of
15 Representatives.
- 16 (7) A physician who specializes in geriatrics appointed by the President
17 Pro Tempore of the Senate.
- 18 (8) An attorney who has experience in guardianship matters appointed by
19 the Speaker of the House of Representatives.
- 20 (9) A representative of the Governor's Advocacy Council for Persons
21 With Disabilities.
- 22 (10) An area authority or county program director for mental health,
23 developmental disabilities, and substance abuse services, appointed by
24 the Speaker of the House of Representatives.

25 In addition, representatives designated by the following organizations shall
26 serve as ex officio, nonvoting members of the Commission:

- 27 (1) The North Carolina Bar Association.
- 28 (2) The Arc of North Carolina.
- 29 (3) North Carolina Guardianship Association.
- 30 (4) Alzheimer's Association – Western Chapter.
- 31 (5) Alzheimer's Association – Eastern Chapter.
- 32 (6) Carolina Legal Assistance.
- 33 (7) The Area Agencies on Aging.
- 34 (8) County Departments of Aging.
- 35 (9) Friends of Residents in Long Term Care.

36 The Speaker of the House of Representatives shall designate one
37 Representative as cochair, and the President Pro Tempore shall designate one Senator as
38 cochair. Vacancies on the Commission shall be filled by the same appointing authority
39 as made the initial appointment. The Commission shall expire upon delivering its final
40 report.

41 The Commission, while in the discharge of its official duties, may exercise all
42 powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The
43 Commission may meet at any time upon the joint call of the cochairs. The Commission
44 may meet in the Legislative Building or the Legislative Office Building. The

1 Commission may contract for professional, clerical, or consultant services as provided
2 by G.S. 120-32.02.

3 The Legislative Services Commission, through the Legislative Services
4 Officer, shall assign professional staff to assist the Commission in its work. The House
5 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to
6 the Commission, and the expenses relating to the clerical employees shall be borne by
7 the Commission. Members of the Commission shall receive subsistence and travel
8 expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

9 **SECTION 45.3.** In conducting the study, the Commission shall consider the
10 following:

- 11 (1) Whether guardianship should be a remedy of last resort used only if
12 less restrictive alternatives are insufficient.
- 13 (2) The definition of incompetency.
- 14 (3) Whether courts should be required to make express findings regarding
15 the extent of a person's incapacity and limit the scope of the
16 guardianship accordingly.
- 17 (4) Legal rights retained or lost as a result of being adjudicated
18 incompetent.
- 19 (5) The proper role of attorneys and guardians ad litem in guardianship
20 proceedings.
- 21 (6) The role of public human services agencies in providing guardianship
22 services.
- 23 (7) Legal procedures and protections in guardianship proceedings.
- 24 (8) Public monitoring of guardianship.
- 25 (9) Funding for guardianship services provided by public and nonprofit
26 agencies.
- 27 (10) Educating citizens with respect to guardianship and alternatives to
28 guardianship.
- 29 (11) Prudent investor rules.
- 30 (12) Powers, duties, and liabilities of guardians.
- 31 (13) Review of the State's adult protective services law.
- 32 (14) Enactment of the Uniform Guardianship and Protective Proceedings
33 Act (UGPPA).
- 34 (15) Whether guardianship statutes need revision to provide greater
35 protection of the health and welfare of incapacitated adults.
- 36 (16) Whether the State should track the number of people under private
37 guardianship and, if so, proposed methods for the tracking.

38 **SECTION 45.4.** The Legislative Study Commission on State Guardianship
39 Laws may make an interim report to the 2005 General Assembly not later than the
40 convening of the 2005 General Assembly, and shall make its final report to the 2006
41 Regular Session of the 2005 General Assembly upon its convening.

42 **SECTION 45.5.** All State departments and agencies and local governments
43 and their subdivisions shall furnish the Commission with any information in their
44 possession or available to them.

1 **SECTION 45.6.** Of the funds appropriated to the General Assembly, the
2 Legislative Services Commission shall allocate funds for the expenses of the
3 Commission.

4
5 **PART XLVI. TWENTY-FIRST CENTURY REVENUE SYSTEM STUDY**
6 **COMMISSION (Daughtridge)**

7
8 **SECTION 46.1.** Findings. – The General Assembly finds the following:

- 9 (1) In recent years, several legislative study commissions have examined
10 North Carolina's tax system and found that restructuring is needed to
11 achieve fairness, efficiency, and simplicity in light of the changing
12 economics and changing needs of our State.
- 13 (2) The Governor's Commission to Modernize State Finances built on
14 those studies, outlining in its 2002 report the new realities of the State
15 and the ways in which the finance structure should be revised in order
16 to respond to modern conditions so that economic growth can continue
17 while adequate services are provided and the tax burden is shared
18 equitably.
- 19 (3) These studies found that the State and local tax laws have grown
20 increasingly Byzantine and unwieldy as each year new laws pile on
21 additional adjustments, requirements, exceptions, and calculations,
22 many of which are perceived as unfair preferences for special interests
23 leaving ordinary citizens to shoulder more than their share of rising
24 taxes. The overarching recommendation of the Governor's
25 Commission that tax rates be lowered and tax bases broadened is a
26 vital step toward solving these problems.
- 27 (4) The budget shortfalls of recent years have emphasized the inadequacy
28 of the current revenue structure to meet the State's needs. This
29 weakness will worsen with the upcoming sunset of two major revenue
30 sources, reinforcing the findings of legislative and executive
31 commissions that long-term and fundamental changes are required to
32 establish a stable, fair, and simple system for raising revenue for public
33 services.

34 **SECTION 46.2.** Commission Created. – There is created the Legislative
35 Study Commission on a 21st Century Revenue System. The purpose of the Commission
36 is to build on the recommendations of past legislative and executive branch
37 commissions to design a realignment of the State and local revenue system in
38 accordance with a clear, consistent tax policy in light of modern economic, social, and
39 political conditions.

40 **SECTION 46.3.** Membership. – The Commission consists of 12 members as
41 follows:

- 42 (1) Six Senators appointed by the President Pro Tempore of the Senate.
43 (2) Six Representatives appointed by the Speaker of the House of
44 Representatives.

1 **SECTION 46.4.** Cochairs. – The President Pro Tempore must designate one
2 Senator as cochair, and the Speaker must designate one Representative as cochair.
3 Vacancies on the Commission must be filled by the same appointing authority as made
4 the initial appointment.

5 **SECTION 46.5.** Administration. – The Commission, while in the discharge
6 of its official duties, may exercise all powers provided for under G.S. 120-19 and
7 G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the
8 joint call of the cochairs. The Commission may meet in the Legislative Building or the
9 Legislative Office Building. The Commission may contract for professional, clerical, or
10 consultant services as provided by G.S. 120-32.02.

11 The Legislative Services Commission, through the Legislative Services
12 Officer, must assign professional staff to assist the Commission in its work. The House
13 of Representatives' and the Senate's Supervisors of Clerks must assign clerical staff to
14 the Commission, and the expenses relating to the clerical employees must be borne by
15 the Commission. Members of the Commission are entitled to receive subsistence and
16 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

17 **SECTION 46.6.** Duties. – The Commission must:

- 18 (1) Establish the principles of taxation upon which a sound State and local
19 tax structure should be built for the 21st century.
- 20 (2) Recommend changes in the State and local tax structure to align it with
21 these benchmark tax principles.
- 22 (3) Recommend changes to simplify and consolidate existing taxes to
23 provide uniformity; to ease the administrative burden on the taxpayer;
24 to provide low tax rates applied to broad tax bases; and to reduce the
25 costs of collecting and administering taxes.

26 **SECTION 46.7.** Report. – The Commission may make an interim report to
27 the 2005 General Assembly not later than its convening, and must make its final report
28 to the 2006 Regular Session of the 2005 General Assembly upon its convening. The
29 Commission shall terminate the earlier of the filing of its final report or upon the
30 convening of the 2006 Regular Session of the 2005 General Assembly.

31 **SECTION 46.8.** Of the funds appropriated to the General Assembly, the
32 Legislative Services Commission shall allocate funds for the expenses of the
33 Commission.

34
35 **PART XLVII. CONTINUE JOINT COMMITTEE ON EXECUTIVE**
36 **BUDGET ACT REVISIONS/ADDITIONAL STUDY (Culpepper)**

37
38 **SECTION 47.1.** Section 6.12(b) of S.L. 2003-284 reads as rewritten:

39 **"SECTION 6.12.(b)** The Committee shall consider contemporary financial
40 management practices in reviewing the current budget process. The Committee shall
41 recommend any changes to the Executive Budget Act that are needed to modernize and
42 improve the processes of budget preparation, budget adoption, budget execution, and
43 program evaluation. The Committee shall report its recommendations to the ~~2003-2005~~
44 General Assembly on or before ~~April 1, 2004.~~ its convening."

1 **SECTION 47.2.** The Joint Committee on Executive Budget Act Revisions
2 shall consider the issues raised by the provisions contained in House Bill 1218, 2003
3 Regular Session, and Senate Bill 726, 2003 Regular Session, and include in its report
4 any recommendations concerning those issues.

5
6 **PART XLVIII. NORTH CAROLINA CENTRAL UNIVERSITY STUDY**
7 **(H.B. 826 – Earle, Wainwright)**
8

9 **SECTION 48.1.** North Carolina Central University, in conjunction with its
10 Department of Sociology, may study whether there is an overrepresentation of minority
11 youth in North Carolina youth development centers. If it undertakes the study, the
12 University shall:

- 13 (1) Compile and analyze data of youth development center commitments
14 for the years 1992 to 2002, including data of the race, age, gender, and
15 level of offense of all juveniles committed to youth development
16 centers in all 100 counties of the State during those years;
- 17 (2) Survey all programs throughout the State that serve as prevention
18 programs and alternatives to commitment for juveniles adjudicated
19 delinquent in order to analyze the impact these programs have in
20 deterring minority youth commitment;
- 21 (3) Assess the availability and accessibility of prevention programs and
22 programs that serve as alternatives to commitment to minority and
23 at-risk youth in all 100 counties of the State, including the percentage
24 of minority and at-risk youth adjudicated delinquent who are placed in
25 programs that serve as alternatives to commitment; and
- 26 (4) Test data for variables contributing to minority youth
27 overrepresentation in State youth development centers, including data
28 related to the role of the court system in either committing juveniles to
29 youth development centers or placing them in alternative programs.

30 **SECTION 48.2.** If it undertakes this study, North Carolina Central
31 University shall present its findings, including policy recommendations and legislative
32 proposals, to the Department of Juvenile Justice and Delinquency Prevention and the
33 General Assembly on or before January 15, 2005.
34

35 **PART XLIX. STUDY COMMISSION ON ECONOMIC DEVELOPMENT**
36 **INFRASTRUCTURE (Harrell)**
37

38 **SECTION 49.1.** There is created the Study Commission on Economic
39 Development Infrastructure. The Commission shall consist of 32 members as follows:

- 40 (1) 16 members appointed by the President Pro Tempore of the Senate.
- 41 (2) 16 members appointed by the Speaker of the House of
42 Representatives.

43 **SECTION 49.2.** At least half of the members appointed to the Commission
44 by the President Pro Tempore of the Senate and at least half of the members appointed

1 to the Commission by the Speaker of the House of Representatives shall be persons who
2 are not members of the General Assembly and who are either actively engaged in
3 economic development or C-Level Executives of private corporations.

4 **SECTION 49.3.** The President Pro Tempore of the Senate shall appoint two
5 cochairs of the Commission and the Speaker of the House of Representatives shall
6 appoint two cochairs of the Commission. The Commission may meet at any time upon
7 the joint call of the cochairs. Vacancies on the Commission shall be filled by the same
8 appointing authority as made the initial appointment.

9 **SECTION 49.4.** The Commission shall examine the existing infrastructure
10 for the delivery of economic development, including the many entities involved in
11 economic development. The Commission shall develop a plan to restructure and
12 consolidate the infrastructure for the delivery of economic development to improve its
13 organization and effectiveness. The Commission shall specifically examine the role of
14 the following in the delivery of economic development:

15 (1) The Department of Commerce.

16 (2) The regional councils of government created pursuant to
17 G.S. 160A-470.

18 (3) The Economic Development Board created pursuant to
19 G.S. 143B-434. The Commission shall consider whether the Economic
20 Development Board, which is currently advisory in nature, should be
21 reconstituted and given responsibility for policy development or
22 regulatory authority.

23 (4) The regional planning and economic development commissions
24 created pursuant to Article 2 of Chapter 158 of the General Statutes.
25 The Commission shall consider whether regional planning and
26 economic development commissions should be given greater
27 responsibility for marketing and business recruitment.

28 **SECTION 49.5.** The Commission, while in the discharge of its official
29 duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1
30 through G.S. 120-19.4. The Commission may contract for professional, clerical, or
31 consultant services as provided by G.S. 120-32.02.

32 **SECTION 49.6.** Subject to the approval of the Legislative Services
33 Commission, the Commission may meet in the Legislative Building or the Legislative
34 Office Building. The Legislative Services Commission, through the Legislative Services
35 Officer, shall assign professional staff to assist the Commission in its work. The House
36 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support
37 staff to the Commission, and the expenses relating to the clerical employees shall be
38 borne by the Commission. Members of the Commission shall receive subsistence and
39 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

40 **SECTION 49.7.** The Commission shall submit a final report of its findings
41 and recommendations, including any legislative recommendations, to the 2005 General
42 Assembly upon its convening. The Commission shall terminate upon the convening of
43 the 2005 General Assembly.

1 **SECTION 49.8.** Of the funds appropriated to the General Assembly, the
2 Legislative Services Commission shall allocate funds for the expenses of the
3 Commission established by this Part.

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5 **PART L. STUDY COMMISSION ON THE ORGANIZATION, POWERS,**
6 **DUTIES, FUNCTIONS, FUNDING, AND POTENTIAL CONSOLIDATION OR**
7 **ELIMINATION OF STATE BOARDS, COMMISSIONS, AND COUNCILS**
8 **(Harrell)**

9
10 **SECTION 50.1.** There is created the Study Commission on State Boards,
11 Commissions, and Councils. The Commission shall consist of 28 members as follows:

- 12 (1) 14 members appointed by the President Pro Tempore of the Senate.
13 (2) 14 members appointed by the Speaker of the House of
14 Representatives.

15 **SECTION 50.2.** The President Pro Tempore of the Senate shall appoint two
16 cochairs of the Commission and the Speaker of the House of Representatives shall
17 appoint two cochairs of the Commission. The Commission may meet at any time upon
18 the joint call of the cochairs. Vacancies on the Commission shall be filled by the same
19 appointing authority as made the initial appointment.

20 **SECTION 50.3.** The Commission shall examine the organization, powers,
21 duties, functions, and funding of State boards, commissions, and councils. The
22 Commission shall specifically consider the following:

- 23 (1) Whether the boards, commissions, or councils should be eliminated or
24 consolidated with one or more other boards, commissions, or councils.
25 (2) Whether the number of members serving on boards, commissions, and
26 councils or the manner in which members are selected should be
27 altered.
28 (3) Whether the number and frequency of meetings of boards,
29 commissions, and councils should be altered.
30 (4) The cost of supporting each board, commission, or council, including
31 salaries, per diem, travel, clerical and administrative support, and other
32 expenses.
33 (5) The productivity and effectiveness of the boards, commissions, and
34 councils.

35 **SECTION 50.4.** The Commission, while in the discharge of its official
36 duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1
37 through G.S. 120-19.4. The Commission may contract for professional, clerical, or
38 consultant services as provided by G.S. 120-32.02.

39 **SECTION 50.5.** Subject to the approval of the Legislative Services
40 Commission, the Commission may meet in the Legislative Building or the Legislative
41 Office Building. The Legislative Services Commission, through the Legislative Services
42 Officer, shall assign professional staff to assist the Commission in its work. The House
43 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support
44 staff to the Commission, and the expenses relating to the clerical employees shall be

1 borne by the Commission. Members of the Commission shall receive subsistence and
2 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

3 **SECTION 50.6.** The Commission shall submit a final report of its findings
4 and recommendations, including any legislative recommendations, to the 2005 General
5 Assembly upon its convening. The Commission shall terminate upon the convening of
6 the 2005 General Assembly.

7 **SECTION 50.7.** Of the funds appropriated to the General Assembly, the
8 Legislative Services Commission shall allocate funds for the expenses of the
9 Commission established by this Part.

10 **PART LI. STUDY COMMISSION ON WORKER RETRAINING (Harrell)**

11 **SECTION 51.1.** There is created the Study Commission on Worker
12 Retraining. The Commission shall consist of 32 members as follows:

13 (1) 16 members appointed by the President Pro Tempore of the Senate.

14 (2) 16 members appointed by the Speaker of the House of
15 Representatives.

16 **SECTION 51.2.** At least half of the members appointed to the Commission
17 by the President Pro Tempore of the Senate and at least half of the members appointed
18 to the Commission by the Speaker of the House of Representatives shall be persons who
19 are not members of the General Assembly and who are actively engaged in worker
20 retraining or welfare reform as either private citizens, administrators of State agencies,
21 or administrators or faculty at community colleges in the State.

22 **SECTION 51.3.** The President Pro Tempore of the Senate shall appoint two
23 cochairs of the Commission and the Speaker of the House of Representatives shall
24 appoint two cochairs of the Commission. The Commission may meet at any time upon
25 the joint call of the cochairs. Vacancies on the Commission shall be filled by the same
26 appointing authority as made the initial appointment.

27 **SECTION 51.4.** The Commission shall examine:

28 (1) Business incentives that encourage employers to support efforts by
29 employees to retrain in order to qualify for higher paying or
30 non-exportable jobs by allowing employees time off, reimbursing
31 employees for education expenses, or providing other support.

32 (2) Successful retraining incentive programs in this and other states.

33 **SECTION 51.5.** The Commission, while in the discharge of its official
34 duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1
35 through G.S. 120-19.4. The Commission may contract for professional, clerical, or
36 consultant services as provided by G.S. 120-32.02.

37 **SECTION 51.6.** Subject to the approval of the Legislative Services
38 Commission, the Commission may meet in the Legislative Building or the Legislative
39 Office Building. The Legislative Services Commission, through the Legislative Services
40 Officer, shall assign professional staff to assist the Commission in its work. The House
41 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support
42 staff to the Commission, and the expenses relating to the clerical employees shall be
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borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 51.7. The Commission shall submit a final report of its findings and recommendations, including any legislative recommendations, to the 2005 General Assembly upon its convening. The Commission shall terminate upon the convening of the 2005 General Assembly.

SECTION 51.8. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART LII. NORTH CAROLINA BLUE RIBBON COMMISSION ON MEDICAID REFORM

SECTION 52.1. S.L. 2003-284, Section 6.14A.(b) reads as rewritten:

"SECTION 6.14A.(b) The Commission shall consist of ~~12~~16 members appointed as follows:

- (1) ~~Six~~Eight members appointed by the Speaker of the House of Representatives, including one member who shall be designated as House Cochair. No more than ~~three~~ five may be legislators.
- (2) ~~Six~~Eight members appointed by the President Pro Tempore of the Senate, including one member who shall be designated as Senate Cochair. No more than ~~three~~ five may be legislators.

The appointing officer shall fill vacancies. The Commission shall meet at the call of the Cochairs. Members of the Commission shall receive per diem, subsistence, and travel expenses as provided in G.S. 120-3.1, 138-5, or 138-6, as appropriate. The Commission may contract for consultant services as provided in G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional staff to assist the Commission in its work. Clerical staff shall be furnished to the Commission through the offices of the House of Representatives and Senate Directors of Legislative Assistants. The Commission may meet in the Legislative Building or the Legislative Office Building. The Commission may exercise all of the powers provided under G.S. 120-19 through G.S. 120-19.4 while in the discharge of its official duties. The funds appropriated by this act to the Reserve for the Blue Ribbon Commission on Medicaid Reform shall be transferred to the Department of Health and Human Services in order to draw down federal match funds to be used to cover the cost of the Commission's work."

PART LIII. BILL AND RESOLUTION REFERENCES

SECTION 53.1. The listing of the original bill or resolution in this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

PART LIV. EFFECTIVE DATE AND APPLICABILITY

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SECTION 54.1. Except as otherwise specifically provided, this act is effective when it becomes law. If a study is authorized both in this act and in the Current Operations and Capital Improvements Appropriations Act of 2004, the study shall be implemented in accordance with the Current Operations and Capital Improvements Appropriations Act of 2004 as ratified.