

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2013

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HOUSE BILL 893

Short Title: Study Nonprofit Compensation. (Public)

Sponsors: Representatives Catlin, Bumgardner, and Millis (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Rules, Calendar, and Operations of the House.

April 15, 2013

A BILL TO BE ENTITLED

AN ACT TO STUDY COMPENSATION FOR OFFICERS AND EMPLOYEES OF
NONPROFITS RECEIVING PASS-THROUGH STATE FUNDS.

The General Assembly of North Carolina enacts:

SECTION 1. The Study Commission on Nonprofit Compensation is created. The Commission shall consist of five members of the House of Representatives, appointed by the Speaker of the House of Representatives, and five members of the Senate, appointed by the President Pro Tempore of the Senate. The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate one member as a cochair. Vacancies to the Commission shall be filled by the same appointing authority making the initial appointment. The Commission will meet upon the call of the cochairs. A quorum shall be a majority of the Commission members.

SECTION 2. The Commission may study the following:

- (1) The benefits and negative impacts of a requirement prohibiting use of State funds for salaries and requiring that all State pass-through appropriations to nonprofits be dedicated to services.
- (2) The benefits and negative impacts of a cap on the percentage of State pass-through appropriations to State agencies that can be committed to salaries.
- (3) The benefits and negative impacts of a cap of one hundred thousand dollars (\$100,000) in salary for any single employee that can be funded by State pass-through appropriations to nonprofits.
- (4) Overlaps and duplication of services between nonprofits receiving State funds and other nonprofits or State agencies.

SECTION 3. The Commission, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet in the Legislative Building or the Legislative Office Building. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1.

The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. The Commission may contract for professional, clerical, or consultant services, as provided by G.S. 120-32.02.



1 **SECTION 4.** The Commission may make an interim report, including any
2 proposed legislation, to the 2013 Regular Session of the General Assembly when it reconvenes
3 in 2014. The Commission shall terminate upon filing its final report or upon the convening of
4 the 2015 Regular Session of the General Assembly, whichever is earlier.

5 **SECTION 5.** This act is effective when it becomes law.