### GENERAL ASSEMBLY OF NORTH CAROLINA

### **SESSION 1991**

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# HOUSE BILL 1568\* Second Edition Engrossed 6/29/92 Third Edition Engrossed 7/8/92

Short Title: Set	Fee Policy/Correct Budget Cite. (Public)
Sponsors: Repre	esentatives Diamont, Nesbitt, Ethridge, and H. Hunter.
Referred to: Ap	propriations.
	June 4, 1992
	A BILL TO BE ENTITLED
AN ACT TO	O ESTABLISH UNIFORM PRINCIPLES TO APPLY WHEN
ACCOUNT	ING FOR FEES, TO MAKE CONFORMING CHANGES TO
VARIOUS	FEES IN ACCORDANCE WITH THESE PRINCIPLES, AND TO
CORRECT	CROSS REFERENCES TO THE CURRENT OPERATIONS
APPROPRI	ATIONS ACT.
The General As	sembly of North Carolina enacts:
Section	on 1. Article 1 of Chapter 143 of the General Statutes is amended by
adding the follo	wing section to read:
" <u>§ 143-18.2.</u> H	ow revenue from certain fees is to be treated.
The following	ng principles apply to a fee payable to the Department of Environment,
Health, and Nat	ural Resources or a commission, board, or other agency that is located in
that Department	
<u>(1)</u>	A fee is a departmental receipt unless a law states that it is nontax
	<u>revenue.</u>
<u>(2)</u>	A fee reverts to the General Fund at the end of a fiscal year unless a
	law states that the fee does not revert.
<u>(3)</u>	A statement that a fee shall be used for a certain purpose is not a
	statement that the fee does not revert.

(4) Interest and other investment income earned by a nonreverting fee account is credited to the General Fund unless a law states that the income is to be credited to the nonreverting fee account."

Sec. 2. G.S. 143-18.2, as enacted by this act, reads as rewritten:

#### "§ 143-18.2. How revenue from certain-fees is to be treated.

The following principles apply to a fee payable to the Department of Environment, Health, and Natural Resources or a commission, board, or other agency that is located in that Department: a State agency:

- (1) A fee is a departmental receipt unless a law states that it is nontax revenue.
- (2) A fee reverts to the General Fund at the end of a fiscal year to the principal fund that provides the agency's operating budget unless a law states that the fee does not revert.
- (3) A statement that a fee shall be used for a certain purpose is not a statement that the fee does not revert.
- (4) Interest and other investment income earned by a nonreverting fee account is credited to the <u>appropriate principal fund</u>, such as the General Fund <u>or the Highway Fund</u>, unless a law states that the income is to be credited to the nonreverting fee account."

Sec. 3. G.S. 90A-42(b) reads as rewritten:

"(b) There is established within the Department a separate nonreverting fund into which fees collected pursuant to this section shall be credited. Subject to appropriation by the General Assembly, this fund shall be used to defray The Water Pollution Control System Account is established as a nonreverting account within the Department. Fees collected under this section shall be credited to the Account and applied to the costs of administering this Article."

Sec. 4. G.S. 97-73 reads as rewritten:

### "§ 97-73. Expenses of making examinations.

- (a) The Industrial Commission shall establish a schedule of reasonable charges to defray expenses incurred in conducting fees for examinations conducted and making reports made pursuant to G.S. 97-61.1 through 97-61.6 and 97-67 through 97-71, such charges to 97-71. The fees shall be collected in accordance with rules and regulations which shall be adopted by the Industrial Commission.
- (b) The Secretary of Environment, Health, and Natural Resources shall establish a schedule of reasonable charges for examinations conducted by the Department of Environment, Health, and Natural Resources pursuant to G.S. 97-60. Such charges The fees shall be collected in accordance with rules adopted by the Secretary of Environment, Health, and Natural Resources and shall be used, subject to appropriation by the General Assembly, to defray the costs of conducting the examinations. Resources.
- (c) <u>Charges Fees</u> imposed pursuant to this section shall be collected from employers who by order of the Industrial Commission are determined to be subject to the hazards of asbestosis or silicosis."

Sec. 5. G.S. 113A-54.2 reads as rewritten:

### **"§ 113A-54.2. Approval Fees.**

- (a) The Commission may establish a fee schedule for the review and approval of erosion control plans under this Article. In establishing the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for reviewing the plans and for related compliance activities. The total amount of the fees collected under this section in any fiscal year may not exceed one-third of the total administrative and personnel costs incurred by the Department for reviewing the plans and for related compliance activities in the prior fiscal year, but in no event may any one year. An application fee may not exceed fifty dollars (\$50.00) per acre of disturbed land shown on the plans an erosion control plan or of land actually disturbed during the life of the project.
- (b) Fees collected under this section shall be eredited to the General Fund and may be used to:
  - (1) Defray the expenses of any project or program, including educational programs, supporting plan approval, and compliance activities under this Article; and
  - (2) Establish additional permanent positions, under Chapter 126 of the General Statutes, for plan approval and compliance activities under this Article.

applied to the costs of administering this Article.

- (c) The Department shall make a biennial report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division on the cost of the State's program to approve erosion control plans. The report shall include the fees established and collected under this section and any other information requested by the General Assembly or the Commission.
- (d) This section may not limit the existing authority of local programs approved pursuant to this Article to assess fees for the approval of erosion control plans."

Sec. 6. G.S. 113A-119.1 reads as rewritten:

## "§ 113A-119.1. Permit Fees.

- (a) The Commission shall have the power to establish a graduated fee schedule for the processing of applications for permits, renewal renewals of permits, modification modifications of permits, or transfers of permits issued pursuant to this Article. In determining the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for processing such applications and for the applications, related compliance activities—activities, and the complexity of the development sought to be undertaken for which a permit is required under this Article. The fee to be charged for processing an application may not exceed four hundred dollars (\$400.00). The total funds collected from fees authorized by the Commission pursuant to this section in any fiscal year shall not exceed thirty-three and one-third percent (33 1/3%) of the total personnel and administrative costs incurred by the Department for permit processing and compliance programs within the Division of Coastal Area Management.
- (b) Fees collected under this section shall be eredited to the General Fund and may be used to: (i) defray the expenses of any project or program, including educational programs, supporting the permitting and compliance activities under this Article and (ii)

establish additional permanent positions, under the Personnel Act, for permitting and compliance activities under this Article. applied to the costs of administering this Article.

(c) The Department shall make an annual report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the cost of the permit program authorized under this Article. The report shall include the fees established and collected under this section and any other information requested by the General Assembly."

Sec. 7. G.S. 130A-93.1 reads as rewritten:

#### "§ 130A-93.1. Fees for vital records copies or search; automation fund.

- (a) The State Registrar shall collect, process, and utilize fees for services as follows:
  - (1) A fee not to exceed ten dollars (\$10.00) shall be charged for issuing any copy of a vital record or for conducting a routine search of the files for the record when no copy is made.
  - (2) A fee not to exceed ten dollars (\$10.00) shall be charged in addition to the fee charged under subdivision (1) of this subsection and to all shipping and commercial charges when expedited service is specifically requested.
  - (3) An account of all fees received shall be kept and the fees turned over to the State Treasurer for use by the Department, subject to appropriation by the General Assembly, Except as provided in subsection (b), fees collected under this subsection shall be used by the Department for public health purposes.
- (b) A nonreverting vital records automation fund is established with the State Treasurer for the purpose of fully automating the system of vital records provided for in this Article. The Vital Records Automation Account is established as a nonreverting account within the Department. Five dollars (\$5.00) of each fee collected pursuant to subdivision (1) (a)(1) of subsection (a) of this section shall be deposited credited to the fund. Subject to appropriation by the General Assembly, the this Account. The Department shall utilize the fund use the revenue in the Account to fully automate the vital records system. When funds sufficient to fully automate the system have accumulated in the fund, Account, fees shall no longer be deposited credited to the fund Account but shall be deposited and utilized in accordance with subdivision (3) of subsection (a) of this section. used as specified in subdivision (a)(3)."

Sec. 8. G.S. 130A-125(c) reads as rewritten:

- "(c) The Department is authorized to establish and collect a reasonable may impose a fee for a laboratory tests test performed pursuant to this section by the State Public Health Laboratory. Such fees shall A fee for a test must be based on the actual cost of performing the tests. All fees collected by the Department test. The fees for laboratory tests shall be used to supplement and not supplant funds appropriated for the Newborn Screening Program.
- The Newborn Screening Fee Account is established as a nonreverting account within the Department. Fees collected by the Department pursuant to this section shall not

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revert to the General Fund at the end of each fiscal year, but shall remain in the Department to be credited to this Account and shall be used to support applied to the Newborn Screening Program, subject to appropriation by the General Assembly. Program."

Sec. 9. G.S. 130A-248(d) reads as rewritten:

- The Department shall charge each facility subject to this section, except ''(d)nutrition programs for the elderly administered by the Division of Aging of the Department of Human Resources and public school cafeterias, an annual fee of twentyfive dollars (\$25.00). The Department shall charge an additional twenty-five dollar (\$25.00) late payment fee to any facility that fails to pay the required fee within 45 days after billing by the Department. The Department may, in accordance with G.S. 130A-23, suspend or revoke the permit of a facility that fails to pay the required fee within 60 days after billing by the Department. The Commission shall adopt rules to implement this subsection. Fees collected under this subsection shall be <del>credited to the General Fund</del> and may be used to support-used for State and local public health programs and activities; provided that not-activities. No more than thirty-three and one-third percent (33 - 1/3%) of the fees collected may be used to support State health programs and activities. The Department shall make an annual report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division that shall include the fees collected and disbursed under this subsection and any other information requested by the General Assembly or the Commission."
  - Sec. 10. G.S. 130A-291.1(e) reads as rewritten:
- "(e) Every septage management firm operating one septage pumper truck shall pay to the Department an annual fee of three hundred dollars (\$300.00) by 1 January for that calendar year. Every septage management firm operating two or more septage pumper trucks shall pay to the Department an annual fee of four hundred dollars (\$400.00) by 1 January for that calendar year. A septage management firm shall pay an annual fee to the Department. The fee is due by January 1 of each year and varies as follows with the number of septage pumper trucks operated:

Number of Septage Pumper Trucks Operated

1
2 or more

Septage Pumper Trucks Operated

\$300
\$400.

All fees collected by the Department under this subsection shall be deposited with the State Treasurer and shall be used, subject to appropriation by the General Assembly, to staff and support and support applied to the costs of the septage management program."

Sec. 11. G.S. 130A-294.1(d) reads as rewritten:

- "(d) The Hazardous Waste Management Account is established as a nonreverting account within the Department. All fees collected by the Department under this section shall be deposited in a separate nonreverting fund within the Office of State Budget to be used, subject to appropriation by the General Assembly, to pay a portion of the State's share of the cost of the hazardous waste management program. credited to the Account and shall be used for the purposes listed in subsection (b)."
  - Sec. 12. G.S. 130A-326(7) reads as rewritten:
  - "(7) Establish and collect fees for certification and certification renewal of laboratories to perform analyses for compliance under this Article.

The fees shall not exceed twenty dollars (\$20.00) per analyte certified. The minimum fee for certification or certification renewal shall be two hundred fifty dollars (\$250.00) per analyte category. The maximum fee for certification or certification renewal shall be six hundred dollars (\$600.00) per analyte category. The fees collected under authority of—this subdivision shall be used to administer blind performance evaluation samples to certified laboratories to determine compliance with certification requirements, subject to appropriation for such purpose by the General Assembly, requirements."

Sec. 13. G.S. 130A-328(b) reads as rewritten:

"(b) The following fees are imposed for the issuance or renewal of a permit to operate a community water system; the fees are based on the number of persons served by the system:

14	Number of Persons Served	Fee
15	Number of Persons Served	<u>Fee</u>
16	100 or fewer	\$150
17	More than 100 but no more than 500	\$175
18	More than 500 but no more than 3300	\$300
19	More than 3300 but no more than 5000	\$450
20	More than 5000 but no more than 10,000	\$550
21	More than 10,000 but no more than 50,000	\$650
22	More than 50,000	\$850

All fees collected under this section shall be eredited to the General Fund and shall be used, subject to appropriation by the General Assembly to the Department, to defray the cost applied to the costs of administering and enforcing this Article."

Sec. 14. G.S. 143-215.3A reads as rewritten:

## "§ 143-215.3A. Use of application and permit fees.

- (a) There is established a separate The Water and Air Quality Account is established as a nonreverting account within the Department of Environment, Health, and Natural Resources. The account may be used, to the extent appropriated by the General Assembly, to (i) defray the expenses of any project or program supporting the permitting and compliance activities needed to protect the State's surface water, groundwater, and air quality, and (ii) establish additional permanent positions, under the Personnel Act, for water, groundwater, and air quality permitting and compliance activities. All Department. Revenue in the Account shall be applied to the costs of administering the programs for which the fees were collected. Except for the following fees, all application fees and permit administration fees collected by the State for permits issued under Articles 21, 21A, 21B, and 38, except those 38 of this Chapter shall be credited to the Account:
  - (1) Fees collected under Part 2 of Article 21A and deposited in credited to the Oil or Other Hazardous Substances Pollution Protection Fund and those Fund.
  - (2) <u>Fees\_eollected\_pursuant\_to\_G.S. 143-215.3(a)(1d) and\_deposited\_in</u> credited to the Title V nonreverting account, and except as provided in

- G.S. 143-215.28A and G.S. 143-215.3B shall be credited to the account. Account.
  - (3) Fees credited to the Wastewater Treatment Works Emergency Maintenance, Operation and Repair Fund under G.S. 143-215.3B.
  - (4) Fees collected under G.S. 143-215.28A.

The total monies collected per year from fees for permits under G.S. 143-215.3(a)(1a), after deducting those monies collected under G.S. 143-215.3(a)(1d), shall not exceed thirty percent (30%) of the total budgets from all sources of environmental permitting and compliance programs within the Department of Environment, Health, and Natural Resources. Department.

- (b) There is also-The Title V Account is established as a separate-nonreverting account within the Department of Environment, Health, and Natural Resources. The account shall be used, to the extent appropriated by the General Assembly, exclusively Department. Revenue in the Account shall be used for developing and implementing a permit program that meets the requirements of Title V. The Title V nonreverting account Account shall consist of fees collected pursuant to G.S. 143-215.3(a)(1d) and G.S. 143-215.106A. Fees collected under G.S. 143-215.3(a)(1d) shall be used only to cover the direct and indirect costs required to develop and administer the Title V permit program, and fees collected under G.S. 143-215.106A shall be used only for the eligible expenses of the Title V program. Expenses of the Air Quality Compliance Advisory Panel, the ombudsman for the Small Business Stationary Source Technical and Environmental Compliance Assistance Program, support staff, equipment, legal services provided by the Attorney General, and contracts with consultants and program expenses listed in section 502(b)(3)(A) of Title V shall be included among Title V program expenses.
- (c) The Department shall make an annual report to the General Assembly and its Fiscal Research Division on the cost of the State's environmental permitting programs contained within such Department. In addition, the Department shall make an annual report to the General Assembly and its Fiscal Research Division on the cost of the Title V program. The reports shall include, but are not limited to, fees set and established under this Article, fees collected under this Article, revenues received from other sources for environmental permitting and compliance programs, changes made in the fee schedule since the last report, anticipated revenues from all other sources, interest earned and any other information requested by the General Assembly."
  - Sec. 15. G.S. 143-213 is amended by adding a new subdivision to read:
    - "(29b) <u>'Title V Account' means the Account established in G.S. 143-215.3A(b)."</u>
  - Sec. 16. G.S. 143-215.3(a)(1d) reads as rewritten:
    - "(1d) The Commission may adopt and implement a graduated fee schedule sufficient to cover all reasonable direct and indirect costs required for the State to develop and administer a permit program which meets the requirements of Title V. The provisions of subdivision (1b) of this subsection do not apply to the adoption of a fee schedule under this subdivision. In adopting and implementing

 a fee schedule, the Commission shall require that the owner or operator of all air contaminant sources subject to the requirement to obtain a permit under Title V to pay an annual fee, or the equivalent over some other period, sufficient to cover costs as provided in section 502(b)(3)(A) of Title V. The fee schedule shall be adopted according to the procedures set out in Chapter 150B of the General Statutes.

- a. The total amount of fees collected under the fee schedule adopted pursuant to this subdivision shall conform to the requirements of section 502(b)(3)(B) of Title V. No fee shall be collected for more than 4,000 tons per year of any individual regulated pollutant, as defined in section 502(b)(3)(B)(ii) of Title V, emitted by any source. Fees collected pursuant to this subdivision shall be used solely to cover all reasonable direct and indirect costs required to develop and administer the Title V permit program. credited to the Title V Account.
- b. The Commission may reduce any permit fee required under this section to take into account the financial resources of small business stationary sources as defined under Title V and regulations promulgated by the United States Environmental Protection Agency.
- c. When funds in the Title V nonreverting account established in G.S. 143-215.3A Account exceed the total amount necessary to cover the cost of the Title V program for the next fiscal year, the Secretary shall reduce the amount billed for the next fiscal year so that the excess funds are used to supplement the cost of administering the Title V permit program in that fiscal year."

Sec. 17. G.S. 143-215.28A reads as rewritten:

# **"§ 143-215.28A. Application fees.**

- (a) In accordance with G.S. 143-215.3(a)(1a), the Commission may establish a fee schedule for processing applications for approvals of construction, repair, alteration, or removal of dams issued under this Part. In establishing the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for processing the applications and for related compliance activities. The total amount of fees collected in any fiscal year may not exceed one-third of the total personnel and administrative costs incurred by the Department for processing the applications and for related compliance activities in the prior fiscal year, but in no event may any one year. An approval fee may not exceed the larger of two hundred dollars (\$200.00) or two percent (2%) of the actual cost of construction, construction or removal of the applicable dam. The provisions of G.S. 143-215.3(a)(1b) do not apply to these fees.
- (b) Fees collected under this section shall be <u>applied to the costs of administering</u> this Part. eredited to the General Fund and may be used to:

- Defray the expenses of any project or program, including educational programs, supporting the application review and compliance activities under this Part; and

  Establish additional permanent positions, subject to Chapter 126 of the General Statutes, to conduct application review and compliance activities under this Part.
  - (c) The Department shall make a biennial report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division on the cost of the State's dam safety program. The report shall include the fees established and collected under this section and any other information requested by the General Assembly or the Commission."
  - Sec. 18. G.S. 143B-290(4) is recodified as G.S. 74-54.1 and reads as rewritten:

#### "§ 74-54.1. Permit fees.

(4) a.-The Commission may establish a fee schedule for the processing of permit applications and permit renewals and modifications. The fees may vary on the basis of the acreage, size, and nature of the proposed or permitted operations or modifications. In establishing the fee schedule, the Commission shall consider the administrative and personnel costs incurred by the Department for processing applications for permits and permit renewals and modifications and for related compliance activities and safeguards to prevent unusual fee assessments which that would result in impose a serious economic burden on an individual applicant or a class of applicants.

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b. The total amount of permit fees collected for any fiscal year may not exceed one-third of the total personnel and administrative costs incurred by the Department for processing applications for permits and permit renewals and modifications and for related compliance costs in the prior fiscal year, but in no event may they year. A fee for an application for a new permit may not exceed two thousand five hundred dollars (\$2,500) for any application for a new permit or (\$2,500), and a fee for an application to renew or modify a permit may not exceed five hundred dollars (\$500.00) for any application for a permit renewal or modification. (\$500.00). Fees

- c. Fees collected under this subdivision section shall be credited to the General Fund and may be used to:
  - 1. Defray the expenses of any project or program, including education programs, supporting the permitting and compliance activities under Article 7 of Chapter 74 of the General Statutes;
  - 2. Establish additional permanent positions, under Chapter 126 of the General Statutes, to conduct permitting, compliance, and educational activities under Article 7 of Chapter 74 of the General Statutes; and
  - 3. Improve the efficiency and decrease the length of the processing period for permit applications.
- applied to the costs of administering this Article.

d.—The Department shall make an annual report to the Joint Legislative Commission on Governmental Operations and the Director of the Fiscal Research Division on the cost of the State's mining permit program. The report shall include the fees established, collected, and disbursed under this section and any other information requested by the General Assembly or the Commission."

Sec. 19. G.S. 143-215.106A(a) reads as rewritten:

"(a) The holders of permits issued by the Commission for the control of sources of air pollution are assessed Title V program implementation fees on an annual basis in accordance with the schedule established in this section. The assessments are in addition to any other fees required to be paid by the permit holders in conjunction with the permits. The assessments shall be deposited in the separate nonreverting account established by G.S. 143-215.3A(b) for the Title V program, and shall be used only to defray the eligible expenses of the Title V program. credited to the Title V Account. The Secretary shall issue annual notices of the assessments to permit holders on or before 1 July of each fiscal year. Each notice of assessment shall include a summary of the data on which the assessment is based. Assessments shall be payable 30 days after receipt of notice. Failure to make timely payment within 90 days shall be grounds to revoke the permit and to institute a collection action against the permit holder by the Attorney General."

Sec. 20. G.S. 166A-6.1 reads as rewritten:

#### "§ 166A-6.1. Emergency planning; charge.

- (a) Every person, firm, corporation or municipality who is licensed to construct or who is operating a fixed nuclear facility for the production of electricity shall pay to the State of North Carolina for use of the Department of Crime Control and Public Safety an annual fee of at least thirty thousand dollars (\$30,000) for each fixed nuclear facility which is located within this State or has a Plume Exposure Pathway Emergency Planning Zone of which any part is located within this State. This fee is to be used to assist in or partially defray such applied to the costs of planning and implementing emergency response activities as are required by the Federal Emergency Management Agency for the operation of nuclear facilities. Said fee is to be paid no later than July 31 of each year. This minimum fee may be increased from time to time as the costs of such planning and implementation increase. Such increases shall be by agreement between the State and the licensees or operators of the fixed nuclear facilities.
- (b) Every person, firm, corporation or municipality who is licensed to construct or who is operating a fixed nuclear facility for the production of electricity shall pay to the General Fund-Department of Crime Control and Public Safety, for the use of the Radiation Protection Division of the Department of Environment, Health, and Natural Resources, an annual fee of eighteen thousand dollars (\$18,000) for each fixed nuclear facility which is located within this State or has a Plume Exposure Pathway Emergency Planning Zone of which any part is located within this State. This fee shall be appropriated by the General Assembly and may be used to assist in or partially defray such applied to the costs of planning and implementing emergency response activities as are required by the Federal Emergency Management Agency for the operation of nuclear

facilities. Said fee is to be paid no later than July 31 of each year. The fee will be referred to the Department of Crime Control and Public Safety for collection.

- (c) Licensees or operators of fixed nuclear facilities are required to pay the fees required by this section for the first year on or before November 1, 1981, and for succeeding years on or before July 31 of each year. In the event that any funds collected for the purposes set forth herein are unexpended at the end of the fiscal year, such funds shall be brought forward to the next fiscal year thereby proportionally reducing The fees imposed by this section do not revert at the end of a fiscal year. The amount of fees carried forward from one fiscal year to the next shall be taken into consideration in determining the fee to be assessed each fixed nuclear facility under subsection (a) in such next that fiscal year."
- Sec. 21. Sections 157, 158, 159, 226, 227, 228, 230, and 231 of Chapter 689 of the 1991 Session Laws are repealed.
  - Sec. 22. Section 37.1 of Chapter 761 of the 1991 Session Laws is repealed.
  - Sec. 22.1. G.S. 143-215.3(a)(10) reads as rewritten:
    - "(10) To require a laboratory facility to be certified by the Department before performing any tests, analyses, measurements, or monitoring required under this Article or Article 21B of this Chapter and to establish fees therefor. These fees collected by the Department shall remain available to the Department to be used to offset shall be applied to the cost of certifying commercial, industrial, and municipal laboratory facilities."

Sec. 22.2. G.S. 130A-270 reads as rewritten:

### "§ 130A-270. Bedding law fund. Law Account.

- (a) The Bedding Law Account is established as a nonreverting account within the Department. All money fees collected under this Part shall be paid to the Secretary who shall place all money in a special 'bedding law fund' which is created and specifically appropriated to the Department solely for expenses in furtherance of the enforcement of this Part. credited to the Account and applied to the following costs:
  - (b) All money in the 'bedding law fund' shall be expended solely for:
    - (1) Salaries and expenses of inspectors and other employees who enforce this Part; or Part.
    - (2) Expenses directly connected with the enforcement of this Part, including attorney's fees, which are expressly authorized to be incurred by the Secretary without authority from any other source when in the Secretary's opinion it is advisable to employ an attorney to prosecute any persons. A sum not exceeding twenty percent (20%) of the salaries and expenses above enumerated may be used for supervision and general expenses of the Department."

Sec. 23. G.S. 7A-101(c) reads as rewritten:

"(c) In lieu of merit and other increment raises paid to regular State employees, a clerk of superior court shall receive as longevity pay an amount equal to four and eight-tenths percent (4.8%) of the <u>clerk's</u> annual salary set forth in the <u>Budget Appropriation Act</u> payable monthly after five years of service, nine and six-tenths percent (9.6%) after 10

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years of service, fourteen and four-tenths percent (14.4%) after 15 years of service, and nineteen and two-tenths percent (19.2%) after 20 years of service. Service shall mean service in the elective position of clerk of superior court, as an assistant clerk of court and as a supervisor of clerks of superior court with the Administrative Office of the Courts and shall not include service as a deputy or acting clerk. Service shall also mean service as a justice or judge of the General Court of Justice or as a district attorney."

Sec. 24. G.S. 53-96 reads as rewritten:

#### "§ 53-96. Salary of Commissioner; legal assistance and compensation.

The salary of the Commissioner of Banks shall be fixed by the General Assembly in the Budget Appropriation Act. Current Operations Appropriations Act. The Governor may in his discretion appoint and assign legal assistance to the Commissioner of Banks such legal assistance as in his judgment may be when the Governor considers it necessary. Compensation of those appointed and assigned to provide legal assistance shall be within the salary classification for attorneys established by the State Personnel Commission."

Sec. 25. G.S. 113-54 reads as rewritten:

#### "§ 113-54. Duties of forest rangers; payment of expenses by State and counties.

Forest rangers shall have charge of measures for controlling forest fires, protection of forests from pests and diseases, and the development and improvement of the forests for maximum production of forest products; shall post along highways and in other conspicuous places copies of the forest fire laws and warnings against fires, which shall be supplied by the Secretary; shall patrol and man lookout towers and other points during dry and dangerous seasons under the direction of the Secretary, Secretary; and shall perform such other acts and duties as shall be considered necessary by the Secretary in the protection, development and improvement of the forested area of each of the counties within the State. No county may be held liable for any part of the expenses thus incurred unless specifically authorized by the board of county commissioners under prior written agreement with the Secretary; appropriations for meeting the county's share of such expenses so authorized by the board of county commissioners shall be provided annually in the county budget. For each county in which financial participation by the county is authorized, the Secretary shall keep or cause to be kept an itemized account of all expenses thus incurred and shall send such accounts periodically to the board of county commissioners of said county; upon approval by the board of the correctness of such accounts, the county commissioners shall issue or cause to be issued a warrant on the county treasury for the payment of the county's share of such expenditures, said payment to be made within one month after receipt of such statement from the Secretary. Appropriations made by a county for the purposes set out in Articles 4, 4A, 4C and 6A of this Chapter in the cooperative forest protection, development and improvement work are not to replace State and federal funds which may be available to the Secretary for the work in said county, but are to serve as a supplement thereto. The funds-Funds appropriated to the Department in the biennial budget-appropriation act-for a fiscal year for the purposes set out in Articles 4, 4A, 4C and 6A of this Chapter shall not be expended in a county unless that county

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43 44 shall contribute at least twenty-five percent (25%) of the total cost of the forestry program."

Sec. 26. G.S. 115C-249(h) reads as rewritten:

"(h) Appropriations made in the biennial Budget Appropriation Act by the General Assembly for the purchase of public school buses shall be permanent appropriations, and unexpended portions of those appropriations shall not revert to the General Fund at the end of the biennium for which appropriated. Fund. Any unexpended portion of those appropriations shall at the end of each fiscal year be transferred to a reserve account and shall be held, together with any other funds appropriated for the purpose, for the purchase of public school buses."

Sec. 27. G.S. 116-11(9)b. reads as rewritten:

b. Funds for the continuing operation of each constituent institution shall be appropriated directly to the institution. Funds for salary increases for employees exempt from the State Personnel Act shall be appropriated to the board-Board in a lump sum for allocation to the institutions. Funds for the third category in paragraph a of this subdivision shall be appropriated to the Board in a lump sum. The Board shall allocate sum for allocation to the institutions any funds appropriated, said allocation to be made institutions. The Board shall make allocations among the institutions in accordance with the Board's schedule of priorities and in accordance with any specifications in the Budget Appropriation Act; provided, however, that when Current Operations Appropriations Act. When both the Board and the Director of the Budget deem it to be in the best interest of the State, funds in the third category may be allocated, in whole or in part, for other items within the list of priorities or for items not included in the list. Provided, nothing herein shall be construed to allow the General Assembly, except as to capital improvements, to refer to particular constituent institutions in any specifications as to priorities in the third category. Prior to taking any action under this paragraph, the Director of the Budget may consult with the Advisory Budget Commission."

Sec. 28. G.S. 122A-4(f) reads as rewritten:

"(f) The Governor shall designate from among the members of the Board a chairman and a vice-chairman. The terms of the chairman and vice-chairman shall extend to the earlier of either two years or the date of expiration of their then current terms as members of the Board of Directors of the Agency. The Agency shall exercise all of its prescribed statutory powers independently of any principal State Department except as described in this Chapter. The Executive Director of the Agency shall be appointed by the Board of Directors, subject to approval by the Governor. All staff and employees of the Agency shall be appointed by the Executive Director, subject to approval by the Board of Directors; shall be eligible for participation in the State Employees' Retirement System; and shall be exempt from the provisions of the State Personnel Act. All employees other than the Executive Director shall be compensated in accordance with the salary schedules adopted pursuant to the State Personnel Act. The

salary of the Executive Director shall be fixed by the General Assembly in the Current Operations Appropriations Act. The salary of the Executive Director and all staff and employees of the Agency shall not be subject to any limitations imposed pursuant to any salary schedule adopted pursuant to the terms of the State Personnel Act. The Board of Directors shall, subject to the approval of the Governor, elect and prescribe the duties of such-any other officers as-it shall deem-finds necessary or advisable, and the General Assembly shall fix the compensation of such-these officers in the Budget Appropriation Current Operations Appropriations Act. The books and records of the Agency shall be maintained by the Agency and shall be subject to periodic review and audit by the State.

No part of the revenues or assets of the Agency shall inure to the benefit of or be distributable to its members or officers or other private persons. The members of the Agency shall receive no compensation for their services but shall be entitled to receive, from funds of the Agency, for attendance at meetings of the Agency or any committee thereof and for other services for the Agency reimbursement for such actual expenses as may be incurred for travel and subsistence in the performance of official duties and such per diem as is allowed by law for members of other State boards, commissions and committees.

The Executive Director shall administer, manage and direct the affairs and business of the Agency, subject to the policies, control and direction of the members of the Agency Board of Directors. The Secretary of the Agency shall keep a record of the proceedings of the Agency and shall be custodian of all books, documents and papers filed with the Agency, the minute book or journal of the Agency and its official seal. He shall have authority to cause copies to be The Secretary may have copies made of all minutes and other records and documents of the Agency and to-may give certificates under the official seal of the Agency to the effect that such copies are true copies, and all persons dealing with the Agency may rely upon such certificates. Seven members of the Board of Directors of the Agency shall constitute a quorum and the affirmative vote of a majority of the members present at a meeting of the Board of Directors duly called and held shall be necessary for any action taken by the Board of Directors of the Agency, except adjournment; provided, however, that the Board of Directors may appoint an executive committee to act in behalf of said Board during the period between regular meetings of said Board, and said committee shall have full power to act upon the vote of a majority of its members. No vacancy in the membership of the Agency shall impair the rights of a quorum to exercise all the rights and to perform all the duties of the Agency."

Sec. 29. G.S. 143B-426.37 reads as rewritten:

#### "§ 143B-426.37. State Controller.

- (a) The Office of the State Controller shall be headed by the State Controller who shall maintain the State accounting system and shall administer the State disbursing system.
- (b) The State Controller shall be a person qualified by education and experience for the <u>office</u>. He <u>office</u> and shall be appointed by the Governor subject to confirmation by the General Assembly. The term of office of the State Controller shall be for seven years; the first full term shall begin July 1, 1987.

The Governor shall submit the name of the person to be appointed, for confirmation by the General Assembly, to the President of the Senate and the Speaker of the House of Representatives by May 1 of the year in which the State Controller is to be appointed. If the Governor does not submit the name by that date, the President of the Senate and the Speaker of the House of Representatives shall submit a name to the General Assembly for confirmation.

In case of death, incapacity, resignation, removal by the Governor for cause, or vacancy for any other reason in the Office of State Controller prior to the expiration of his—the term of office while the General Assembly is in session, the Governor shall submit the name of his—a successor to the President of the Senate and the Speaker of the House of Representatives within four weeks after the vacancy occurs. If the Governor does not do so, the President of the Senate and the Speaker of the House of Representatives shall submit a name to the General Assembly for confirmation.

In case of death, incapacity, resignation, removal by the Governor for cause, or vacancy for any other reason in the Office of State Controller prior to the expiration of his-the term of office while the General Assembly is not in session, the Governor shall appoint a State Controller to serve on an interim basis pending confirmation by the General Assembly.

Notwithstanding the provisions of this section, the Governor may appoint a State Controller to serve from August 1, 1986, until July 1, 1987, or until the 1987 General Assembly disapproves the appointment.

(c) The salary of the State Controller shall be set by the General Assembly in the Budget Current Operations Appropriations Act."

Sec. 30. Section 2 of this act becomes effective July 1, 1993. The remaining sections of this act are effective upon ratification.

All fees collected under G.S. 90A-42, 130A-125, or 130A-294.1 and designated as nonreverting before the effective date of this act shall be credited to the respective accounts established by those statutes in this act. All fees credited to the nonreverting vital records automation fund under G.S. 130A-93.1(b) before the effective date of this act shall be credited to the account established by that statute in this act. All fees credited to the nonreverting account established in G.S. 143-215.3A(b) before the effective date of this act shall be credited to the Title V Account established by this act.