

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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2

HOUSE BILL 83*
Committee Substitute Favorable With Amendments 6/4/91

Short Title: 1991 Current Operations/Expansion/Capital.

(Public)

Sponsors:

Referred to:

February 18, 1991

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE BASE BUDGET AND EXPANSION BUDGET
3 APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE
4 DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND TO MAKE
5 APPROPRIATIONS FOR CAPITAL IMPROVEMENTS FOR STATE
6 DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND TO MAKE
7 APPROPRIATIONS FOR OTHER PURPOSES.

8 The General Assembly of North Carolina enacts:

9

10 ---INTRODUCTION

11 Section 1. The appropriations made in this act are for maximum amounts
12 necessary to provide the services and accomplish the purposes described in the budget.
13 Savings shall be effected where the total amounts appropriated are not required to
14 perform these services and accomplish these purposes and, except as allowed by the
15 Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the
16 end of each fiscal year.

17

18 Requested by: Representatives Nesbitt, Diamont

19

---TITLE OF ACT

20 Sec. 2. This act shall be known as "The Current Operations, Expansion, and
21 Capital Improvements Appropriations Act of 1991."

22

23

TITLE I. - CURRENT OPERATIONS

1
2 PART I.—GENERAL FUND APPROPRIATIONS

3
4 —CURRENT OPERATIONS/GENERAL FUND

5 Sec. 3. Appropriations from the General Fund of the State for the
6 maintenance of the State departments, institutions, and agencies, and for other purposes
7 as enumerated are made for the biennium ending June 30, 1993, according to the
8 following schedule:

9		<u>1991-92</u>	<u>1992-93</u>
10	<u>Current Operations-General Fund</u>		
11			
12	General Assembly	\$ 18,058,584	\$ 21,046,954
13			
14	Judicial Department	206,053,407	209,135,828
15			
16	Department of the Governor		
17	01. Office of the Governor	5,487,406	5,502,312
18	02. Office of State Budget		
19	and Management	3,823,306	3,949,479
20			
21	Lieutenant Governor's Office		545,159 546,884
22			
23	Department of Secretary of State		4,356,396 4,051,550
24			
25	Department of State Auditor		12,916,863 12,932,026
26			
27	Department of State Treasurer		4,930,251 4,942,109
28			
29	Department of Public Education	3,220,243,920	3,280,320,323
30			
31	Department of Justice		49,750,476 49,098,004
32			
33	Department of Administration		
34	01. Administration	48,048,745	50,804,162
35	02. State Controller	4,995,821	5,003,852
36			
37	Department of Agriculture		39,078,314 38,895,711
38			
39	Department of Labor		8,047,871 8,054,821
40			
41	Department of Insurance		12,178,029 12,148,724
42			
43	Department of Transportation		
44	01. Aeronautics	8,316,571	8,116,571

1	02.	Aid to Railroads	128,406	100,000	
2					
3		Total Department of			
4		Transportation			8,444,977 8,216,571
5					
6		Department of Environment, Health, and			
7		Natural Resources			171,915,042 173,523,494
8					
9		Office of Administrative Hearings			1,281,763 -
10					
11		Administrative Rules Review Commission			251,153 251,330
12					
13		Department of Human Resources			
14	01.	Alcohol Drug Abuse Treatment Center -			
15		Black Mountain	3,850,898	3,863,726	
16	02.	Alcohol Drug Abuse Treatment Center -			
17		Butner	3,249,490	3,265,434	
18	03.	Alcohol Drug Abuse Treatment Center -			
19		Greenville	3,281,023	3,296,129	
20	04.	N.C. Special Care Center	636,247	677,743	
21	05.	Black Mountain Center	1,719,852	2,024,711	
22	06.	DHR - Secretary	7,727,680	7,720,229	
23	07.	Division of Aging	8,501,036	8,501,722	
24	08.	Schools for the Deaf and			
25		Hard of Hearing	19,182,026	19,314,192	
26	09.	Social Services	130,306,014	137,745,264	
27	10.	Medical Assistance	522,732,982	602,390,661	
28	11.	Social Services-State Aid to			
29		Non-State Agencies	5,440,669	5,440,669	
30	12.	Division of Services for the			
31		Blind	12,004,464	12,023,790	
32	13.	Division of Mental Health,			
33		Developmental Disabilities, and			
34		Substance Abuse Services	185,387,611	186,295,870	
35	14.	Dorothea Dix Hospital	35,390,232	37,689,383	
36	15.	Broughton Hospital	29,445,682	31,007,474	
37	16.	Cherry Hospital	30,679,936	31,973,149	
38	17.	John Umstead Hospital	30,733,855	34,128,381	
39	18.	Western Carolina Center	1,659,809	1,898,909	
40	19.	O'Berry Center	2,142,346	2,343,637	
41	20.	Murdoch Center	8,789,963	8,962,036	
42	21.	Caswell Center	5,797,091	7,746,005	
43	22.	Division of Facility Services	28,333,232	29,332,929	
44	23.	Division of Vocational			

1	Rehabilitation Services	21,764,338	21,764,916
2	24. Division of Youth Services	45,798,628	45,844,845
3			
4	Total Department of		
5	Human Resources	1,144,555,104	1,245,251,804
6			
7	Department of Correction	474,540,082	490,019,388
8			
9	Department of Economic and Community		
10	Development		
11	01. Economic and Community		
12	Development	24,613,189	24,626,628
13	02. Biotechnology	7,307,547	7,307,547
14	03. MCNC	15,675,140	15,150,000
15	04. Rural Economic Development		
16	Center	1,630,627	1,614,766
17			
18	Department of Revenue	53,197,751	53,164,856
19			
20	Department of Cultural Resources	38,955,956	39,671,588
21			
22	Department of Crime Control		
23	and Public Safety	27,255,975	27,358,666
24			
25	University of North Carolina - Board		
26	of Governors		
27	01. General Administration	14,794,357	16,875,887
28	02. University Institutional		
29	Program	6,388,426	6,488,426
30	03. Related Educational Programs	44,732,694	44,503,693
31	04. University of North Carolina		
32	at Chapel Hill		
33	a. Academic Affairs	132,634,294	139,319,026
34	b. Health Affairs	99,957,942	104,859,175
35	c. Area Health Education		
36	Centers	31,287,593	31,260,059
37	05. North Carolina State University		
38	at Raleigh		
39	a. Academic Affairs	169,787,112	172,933,442
40	b. Agricultural Research		
41	Service	35,695,033	35,530,097
42	c. Agricultural Extension		
43	Service	27,818,665	27,686,447
44	06. University of North Carolina at		

1		Greensboro	54,411,564	54,659,118
2	07.	University of North Carolina at		
3		Charlotte	55,124,066	55,228,519
4	08.	University of North Carolina at		
5		Asheville	16,558,044	16,639,255
6	09.	University of North Carolina at		
7		Wilmington	32,270,378	32,434,104
8	10.	East Carolina University		
9		a. Academic Affairs	71,449,417	71,802,831
10		b. Division of Health Affairs	51,017,273	52,977,868
11	11.	North Carolina Agricultural and		
12		Technical State University	35,602,821	35,872,214
13	12.	Western Carolina University	34,438,068	34,528,654
14	13.	Appalachian State University	52,494,997	52,683,026
15	14.	Pembroke State University	15,573,099	15,569,618
16	15.	Winston-Salem State University	15,714,775	15,814,179
17	16.	Elizabeth City State		
18		University	14,554,788	14,537,230
19	17.	Fayetteville State University	16,742,707	16,720,944
20	18.	North Carolina Central		
21		University	26,427,038	26,531,044
22	19.	North Carolina School of the		
23		Arts	8,280,060	8,287,663
24	20.	North Carolina School of		
25		Science and Mathematics	7,080,682	7,026,074
26	21.	UNC Hospitals at Chapel Hill	38,555,919	47,093,268
27				
28		Total University of North		
29		Carolina - Board of Governors		1,109,391,812 1,137,861,861
30				
31		Department of Community		
32		Colleges		334,055,464 361,599,391
33				
34		State Board of Elections		471,954 432,324
35				
36		Contingency and Emergency		1,125,000 1,125,000
37				
38		Reserve for Salary Adjustments		500,000 500,000
39				
40		Reserve for Lowest Paid Employees		750,000 750,000
41				
42		Reserve for Data Processing Equipment		5,000,000 5,000,000
43				
44		Reserve for State Employees Health		

1	Benefit Plan	79,700,000	95,000,000
2			
3	Reserve for Reimbursements to		
4	Local Governments	474,606,174	474,606,174
5			
6	Debt Service	<u>76,028,270</u>	<u>73,049,578</u>
7			
8			
9	GRAND TOTAL CURRENT OPERATIONS –		
10	GENERAL FUND	\$7,689,767,528	\$7,942,513,705

PART II.—CURRENT OPERATIONS/HIGHWAY FUND

Sec. 4. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the biennium ending June 30, 1993, according to the following schedule:

		<u>1991-92</u>	<u>1992-93</u>
20	<u>Current Operations-Highway Fund</u>		
21			
22	Department of Transportation		
23	01. Administration	\$ 34,171,517	\$ 34,329,674
24	02. Division of Highways		
25	a. Administration and		
26	Operations	32,800,070	32,866,712
27	b. State Construction		
28	(01) Primary Construction	-	-
29	(02) Secondary		
30	Construction		66,121,926
31	(03) Urban Construction		10,805,664
32	(04) Access and Public		
33	Service Roads		2,000,000
34	(05) Special Appropriation		
35	for Highways		5,000
36	(06) Spot Safety		
37	Improvements		9,100,000
38	c. State Funds to Match Federal		
39	Highway Aid		
40	(01) Construction	65,992,066	65,992,066
41	(02) Planning Survey and Highway		
42	Planning Research		2,959,649
43	d. State Maintenance		
44	(01) Primary	85,882,433	85,882,433

1	(02) Secondary	151,355,630	151,355,630
2	(03) Urban	22,714,972	22,714,972
3	(04) Contract Resurfacing	100,000,000	102,500,000
4	e. Ferry Operations	16,547,896	16,547,896
5	03. Division of Motor Vehicles	74,682,719	74,649,678
6	04. Governor's Highway Safety Program	288,398	288,736
7	05. State Aid to Municipalities		66,121,926 66,717,023
8	06. State Aid for Public		
9	Transportation	5,038,766	5,046,001
10	07. Salary Adjustments for Highway		
11	Fund Employees	200,000	200,000
12	08. Reserve to Correct Occupational		
13	Safety and Health Conditions	425,000	425,000
14	09. Reserve to Continue DOT		
15	Merit Salary Increases	4,510,383	4,510,383
16	10. Debt Service	38,227,230	38,018,250
17	11. Reserve for State Employee		
18	Health Benefit Plan	6,300,000	7,500,000
19			
20	Appropriations for Other State Agencies		
21	01. Crime Control and Public		
22	Safety	84,297,637	86,652,285
23	02. Other Agencies		
24	a. Department of Agriculture	2,892,001	2,790,013
25	b. Department of Revenue	1,921,279	1,923,941
26	c. Department of Environment,		
27	Health, and Natural Resources:		
28	LUST Trust Fund	5,186,720	5,586,046
29	Chemical Test Program	378,286	378,286
30	d. Department of Correction	4,614,056	4,614,056
31	e. Department of Justice	240,250	240,250
32	f. Department of Public		
33	Education	<u>22,930,662</u>	<u>22,868,826</u>
34			
35	GRAND TOTAL CURRENT OPERATIONS –		
36	HIGHWAY FUND		\$ 918,712,136 \$ 925,408,095
37			
38			
39	PART III.—HIGHWAY TRUST FUND		
40			
41	Sec. 4.1.		
42	<u>1991-92</u> <u>1992-93</u>		
43			
44	01. Intrastate System	\$ 201,279,015	\$ 203,941,317

1	02.	Secondary Roads Construction	46,099,293	46,878,630
2	03.	Urban Loops	81,313,427	82,389,951
3	04.	State Aid - Municipalities	21,099,293	21,378,630
4	05.	Program Administration	15,108,972	15,311,472
5	06.	Transfer to General Fund	<u>170,000,000</u>	<u>170,000,000</u>
6				
7		GRAND TOTAL/HIGHWAY TRUST FUND		\$ 534,900,000 \$ 539,900,000
8				
9				

10 PART IV.—BLOCK GRANT APPROPRIATIONS

11 Requested by: Representatives Nye, Easterling, Ethridge, H. Hunter

12 —BLOCK GRANT PROVISIONS

13 Sec. 5. (a) Appropriations from federal block grant funds are made for the
 14 fiscal year ending June 30, 1992, according to the following schedule:

15 TOTAL JOB TRAINING PARTNERSHIP ACT \$
 16 35,316,871

17 COMMUNITY SERVICES BLOCK GRANT

- 18 01. Community Action Agencies \$ 8,906,905
- 19 02. Limited Purpose Agencies 494,305
- 20 03. Department of Human Resources
 21 to administer and monitor
 22 the activities of the
 23 Community Services Block Grant 484,890

24 TOTAL COMMUNITY SERVICES BLOCK GRANT \$
 25 9,886,100

26 COMMUNITY DEVELOPMENT BLOCK GRANT

- 27 01. State Administration \$ 913,140
- 28 02. Urgent Needs/Contingency 1,987,193
- 29 03. Development Planning/Housing 1,987,193
- 30 04. Economic Development 7,948,772
- 31 05. Community Revitalization 27,820,702

1	TOTAL COMMUNITY DEVELOPMENT		
2	BLOCK GRANT		\$
3	40,657,000		
4			
5	PREVENTIVE HEALTH BLOCK GRANT		
6			
7	01. Emergency Medical Services	\$ 451,915	
8			
9	02. Basic Public Health Services	928,395	
10			
11	03. Hypertension Programs	590,230	
12			
13	04. Health Education/Risk Reduction Programs and		
14	Health Promotion/Local Health Departments	1,013,371	
15			
16	05. Fluoridation of Water Supplies	158,134	
17			
18	06. Rape Prevention and Rape		
19	Crisis Programs	91,269	
20			
21	07. AIDS/HIV Education, Counseling,		
22	and Testing	290,577	
23			
24	08. TB Control Program	61,787	
25			
26	TOTAL PREVENTIVE HEALTH BLOCK GRANT		\$
27	3,585,678		
28			
29	MATERNAL AND CHILD HEALTH SERVICES		
30			
31	01. Healthy Mother/Healthy Children		
32	Block Grants to Local Health		
33	Departments	\$ 11,788,781	
34			
35	02. High Risk Maternity Clinic Services,		
36	Perinatal Education, and Consultation		
37	to Local Health Departments		
38	and Other Health Care Providers	1,554,303	
39			
40	03. Services to Disabled Children	5,367,054	
41			
42	04. Reimbursements for Local Health		
43	Departments for Contracted		
44	Nutritional Services	120,530	

1			
2	TOTAL MATERNAL AND CHILD		
3	HEALTH SERVICES		\$
4	18,830,668		
5			
6	SOCIAL SERVICES BLOCK GRANT		
7			
8	01. County Departments of Social Services	\$ 42,846,858	
9			
10	02. Allocation for In-Home Services provided		
11	by County Departments of		
12	Social Services	1,184,524	
13			
14	03. Division of Mental Health, Developmental		
15	Disabilities, and Substance Abuse	5,514,782	
16			
17	04. Division of Services for the Blind	3,162,920	
18			
19	05. Division of Youth Services	1,037,868	
20			
21	06. Division of Facility Services	330,573	
22			
23	07. Division of Aging	333,656	
24			
25	08. Day Care Services	12,158,899	
26			
27	09. Volunteer Services	55,086	
28			
29	10. State Administration and State Level		
30	Contracts	3,392,468	
31			
32	11. Voluntary Sterilization Funds	98,710	
33			
34	12. Transfer to Maternal and Child		
35	Health Block Grant	1,670,089	
36			
37	13. Adult Day Care Services	652,889	
38			
39	14. County Departments of Social Services for		
40	Child Abuse/Prevention and		
41	Permanency Planning	394,841	
42			
43	15. Allocation to Division of Maternal and		
44	Child Health for Grants-in-Aid to Prevention		

1	Programs	439,261	
2			
3	16. Transfer to Preventive Health		
4	Block Grant for Emergency Medical Services		
5	and Basic Public Health Services	486,258	
6			
7	17. Allocation to Preventive Health Block		
8	Grant for AIDS Education	290,577	
9			
10	18. Allocation to Department of Administration		
11	for North Carolina Fund for Children	45,270	
12			
13	19. Allocation to the Division of Economic		
14	Opportunity for Head Start,		
15	Elderly and Handicapped Services	197,421	
16			
17	TOTAL SOCIAL SERVICES BLOCK GRANT		\$
18	74,292,950		
19			
20	LOW INCOME ENERGY BLOCK GRANT		
21			
22	01. Energy Assistance Programs	\$ 18,407,453	
23			
24	02. Crisis Intervention	4,441,897	
25			
26	03. Administration	1,981,400	
27			
28	04. Weatherization Program	1,737,187	
29			
30	05. Indian Affairs	27,222	
31			
32	06. Transfer to Preventive Health Block Grant		
33	for Emergency Medical Services Program	209,116	
34			
35	07. Transfer to Social Services		
36	Block Grant for Adult		
37	Day Care Services	417,648	
38			
39	08. Transfer to Social Services Block		
40	Grant for State Administration		
41	& Contract Service	192,748	
42			
43	09. Transfer to Maternal and Child Health		
44	Block Grant in the Division of		

1	Maternal and Child Health		
2	for Healthy Mothers and Children	1,696,362	
3			
4	10. Transfer to SSBG for allocation to the		
5	Department of Administration for		
6	the North Carolina Fund for Children	45,270	
7			
8	TOTAL LOW INCOME ENERGY BLOCK GRANT		\$
9	29,156,303		
10			
11	ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH		
12	SERVICES BLOCK GRANT		
13			
14	01. Allocate funds to the four regional		
15	offices on a per capita basis		
16	for mental health services	\$ 1,866,556	
17			
18	02. Programs for the Chronically		
19	Mentally Ill	3,336,748	
20			
21	03. Continuation of child mental health		
22	nonresidential services in		
23	accordance with the Child Mental		
24	Health Plan	315,013	
25			
26	04. Continuation of child mental health		
27	residential services including group		
28	homes, specialized foster care,		
29	therapeutic homes, professional		
30	parenting programs, and respite care,		
31	with an emphasis on children under		
32	the age of 12	359,703	
33			
34	05. Continuation and expansion of community-		
35	based alcohol and drug services		
36	including prevention, early inter-		
37	vention, treatment, rehabilitation,		
38	nonhospital medical detoxification,		
39	and training	6,121,682	
40			
41	06. Continuation and expansion of services		
42	to female substance abusers,		
43	including specialized services at		
44	the ADATCS	2,652,698	

1			
2	07.	Continuation and expansion of services to	
3		IV drug abusers, including increased	
4		capacity for drug screens and IV	
5		services at the ADATCS	3,518,950
6			
7	08.	Services to adolescents, including	
8		continuation and expansion of services	
9		in accordance with the Youth Substance	
10		Abuse Plan	3,140,864
11			
12	09.	Funding to support the provision of	
13		Treatment Alternatives to Street	
14		Crimes (TASC) programs for adults	
15		and four demonstration projects with	
16		local jails	462,104
17			
18	10.	Continuing of funding for detoxification	
19		services in the Eastern Region	1,048,110
20			
21	11.	Administration	1,085,098
22			
23	TOTAL ALCOHOL, DRUG ABUSE AND		
24	MENTAL HEALTH SERVICES		
25	BLOCK GRANT		
26			\$
27			
28	MENTAL HEALTH SERVICES FOR THE HOMELESS		
29	BLOCK GRANT		
30			
31	01.	Specialized Community Services for the	
32		Chronically Mentally Ill	\$ 420,000
33			
34	02.	Community-Based Services for Chronically	
35		Mentally Ill Youth	97,656
36			
37	03.	Administration	13,344
38			
39	TOTAL MENTAL HEALTH SERVICES FOR THE		
40	HOMELESS BLOCK GRANT		
41			\$
42			
43	COMMUNITY YOUTH ACTIVITY PROGRAM BLOCK GRANT		
44			

1	01.	Development of Community-Based Substance		
2		Abuse Prevention Programs		
3		for Youth \$ 92,091		
4				
5		TOTAL COMMUNITY YOUTH ACTIVITY PROGRAM		
6		BLOCK GRANT		\$
7		92,091		
8				
9		CHILD CARE AND DEVELOPMENT BLOCK GRANT		
10				
11	01.	Child Day Care Services	14,752,146	
12				
13	02.	Head Start Wrap-Around	3,337,000	
14				
15	03.	Revolving Loans/Grants	500,000	
16				
17	04.	County Day Care Coordinators	467,167	
18				
19	05.	Staff/Child Ratio Reduction	208,300	
20				
21	06.	Study of Day Care Salaries	100,000	
22				
23	07.	Child Care Worker Credentials	100,000	
24				
25	08.	Resource and Referral Programs	650,000	
26				
27	09.	Facility Services Administration	202,054	
28				
29		TOTAL CHILD CARE AND DEVELOPMENT		
30		BLOCK GRANT		\$
31		20,316,667		

(b) Decreases in Federal Fund Availability

If federal funds are reduced below the amounts specified above after the effective date of this act, then every program, in each of the federal block grants listed above, shall be reduced by the same percentage as the reduction in federal funds.

(c) Increases in Federal Fund Availability

Any block grant funds appropriated by the United States Congress in addition to the funds specified in this act shall be expended as follows:

- (1) For the Community Development Block Grant or for the Preventive Health Block Grant – each program category under the Community Development Block Grant or the Preventive Health Block Grant, as applicable, shall be increased by the same percentage as the increase in federal funds.

1 (2) For the Maternal and Child Health Services Block Grant – these
2 additional funds shall be allocated to local health departments to assist
3 in the reduction of infant mortality.

4 (3) For other block grants – these additional funds may be budgeted by the
5 appropriate department, with the approval of the Office of State
6 Budget and Management, provided the resultant increases are in
7 accordance with federal block grant requirements and are within the
8 scope of the block grant plan approved by the General Assembly. All
9 these budgeted increases shall be reported to the Joint Legislative
10 Commission on Governmental Operations and to the Director of the
11 Fiscal Research Division.

12 This subsection shall not apply to Job Training Partnership Act funds.

13 (d) Education Setaside of JTPA Funds

14 The Department of Economic and Community Development shall certify to
15 the Joint Legislative Commission on Governmental Operations and to the Fiscal
16 Research Division of the Legislative Services Office when Job Training Partnership Act
17 funds have been distributed to each agency, the total amount distributed to each agency,
18 and the total amount of eight percent (8%) Education Setaside funds received.

19
20
21 PART V.—GENERAL PROVISIONS

22
23 Requested by: Representatives Nesbitt, Diamont

24 —SPECIAL FUNDS, FEDERAL FUNDS, AND DEPARTMENTAL
25 RECEIPTS/AUTHORIZATION FOR EXPENDITURES

26 Sec. 6. There is appropriated out of the cash balances, federal receipts, and
27 departmental receipts available to each department, sufficient amounts to carry on
28 authorized activities included under each department's operations. All these cash
29 balances, federal receipts, and departmental receipts shall be expended and reported in
30 accordance with provisions of the Executive Budget Act, except as otherwise provided
31 by statute. The Director of the Budget shall develop necessary budget controls,
32 regulations, and systems to ensure that these funds and other State funds subject to the
33 Executive Budget Act, may not be spent in a manner which would cause a deficit in
34 expenditures.

35 Pursuant to G.S. 143-34.2, State departments, agencies, institutions, boards,
36 or commissions may make application for, receive, or disburse any form of non-State
37 aid. All non-State monies received shall be deposited with the State Treasurer unless
38 otherwise provided by State law. These funds shall be expended in accordance with the
39 terms and conditions of the fund award that are not contrary to the laws of North
40 Carolina.

41
42 Requested by: Representatives Nesbitt, Diamont

43 —INSURANCE AND FIDELITY BONDS

1 Sec. 7. All insurance and all official fidelity and surety bonds authorized for
2 the several departments, institutions, and agencies shall be effected and placed by the
3 Insurance Department, and the cost of placement shall be paid by the affected
4 department, institution, or agency with the approval of the Insurance Commissioner.

5
6 Requested by: Representatives Nesbitt, Diamont

7 ---CONTINGENCY AND EMERGENCY FUND ALLOCATION

8 Sec. 8. Of the funds appropriated in this Title to the Contingency and
9 Emergency Fund, \$900,000 for the 1991-92 fiscal year and \$900,000 for the 1992-93
10 fiscal year shall be designated for emergency allocations, which are for the purposes
11 outlined in G.S. 143-23(a1). \$225,000 for the 1991-92 fiscal year and \$225,000 for the
12 1992-93 fiscal year shall be designated for other allocations from the Contingency and
13 Emergency Fund.

14
15 Requested by: Representatives Nesbitt, Diamont

16 ---BUDGETING OF PILOT PROGRAMS

17 Sec. 9. (a) Any program designated by the General Assembly as experimental,
18 model, or pilot shall be shown as a separate budget item and shall be considered as an
19 expansion item until a succeeding General Assembly reapproves it.

20 Any new program funded in whole or in part through a special
21 appropriations bill shall be designated as an experimental, model, or pilot program.

22 (b) The Governor shall submit to the General Assembly with his proposed
23 budget a report of which items in the proposed budget are subject to the provisions of
24 this section.

25
26 Requested by: Representatives Nesbitt, Diamont

27 ---AUTHORIZED TRANSFERS

28 Sec. 10. The Director of the Budget may transfer to General Fund budget
29 codes from the General Fund salary adjustment appropriation, and may transfer to
30 Highway Fund budget codes from the Highway Fund salary adjustment appropriation,
31 amounts required to support approved salary adjustments made necessary by difficulties
32 in recruiting and holding qualified employees in State government. The funds may be
33 transferred only when the use of salary reserve funds in individual operating budgets is
34 not feasible.

35
36 Requested by: Representatives Nesbitt, Diamont

37 ---EXPENDITURES OF FUNDS IN RESERVES LIMITED

38 Sec. 11. All funds appropriated by this act into reserves may be expended
39 only for the purposes for which the reserves were established.

40
41 Requested by: Representatives Ethridge, H. Hunter

42 ---NONPROFITS MAY RELINQUISH FUNDS

43 Sec. 12. G.S. 143-6.1 reads as rewritten:

44 "**§ 143-6.1. Information from private organizations receiving State funds.**

1 Every private person, corporation, organization, and institution which receives, uses
2 or expends any State funds shall use or expend such funds only for the purposes for
3 which such State funds were appropriated by the General Assembly or collected by the
4 State.

5 Each private person, corporation, organization, and institution which uses or
6 expends State funds in the amount of twenty-five thousand dollars (\$25,000) or more
7 annually, except when the funds are compensation for goods or services, shall file
8 annually with the State Auditor and with the Joint Legislative Commission on
9 Governmental Operations a financial statement in such form and on such schedule as
10 shall be prescribed by the State Auditor, and shall furnish to the State Auditor for audit
11 all books, records and other information as shall be necessary for the State Auditor to
12 account fully for the use and expenditure of State funds. Each such private person,
13 corporation, organization, and institution shall furnish such additional financial or
14 budgetary information as shall be requested by the State Auditor or by the Joint
15 ~~Committee~~ Legislative Commission on Governmental Operations. The State shall not
16 disburse State funds appropriated by the General Assembly or collected by the State for
17 use by any private person, corporation, organization, or institution unless that person,
18 corporation, organization, or institution has provided all the reports and financial
19 information required by this section. All financial statements furnished to the State
20 Auditor or to the Joint Legislative Commission on Governmental Operations pursuant
21 to this section, and any audits or other reports prepared by the State Auditor, shall be
22 public records.

23 The receipt, use or expenditure of State funds by a private person, corporation,
24 organization, and institution shall not, in and of itself, make or constitute such person,
25 corporation, organization, or institution a State agency."
26

27 Requested by: Representatives Ethridge, H. Hunter

28 ---STATE MONEY RECIPIENTS/CONFLICT OF INTEREST POLICY

29 Sec. 13. Each private, nonprofit entity eligible to receive State funds, either
30 by General Assembly appropriation, or by grant, loan, or other allocation from a State
31 agency, before funds may be disbursed to the entity, shall file with the disbursing
32 agency a notarized copy of that entity's policy addressing conflicts of interest that may
33 arise involving the entity's management employees and the members of its board of
34 directors or other governing body. The policy shall address situations where any of
35 these individuals may directly or indirectly benefit, except as the entity's employees or
36 members of the board or other governing body, from the entity's disbursing of State
37 funds, and shall include actions to be taken by the entity or the individual, or both, to
38 avoid conflicts of interest and the appearance of impropriety.
39

40 Requested by: Representative Dockham

41 ---DEPARTMENTAL REDUCTIONS/COUNTIES HARMLESS

42 Sec. 14. The Departments of Environment, Health, and Natural Resources,
43 Economic and Community Development, Labor, and Agriculture shall not reduce
44 continuing operations disbursements to local governments for the 1991-92 fiscal year

1 and the 1992-93 fiscal year below the disbursement level for the 1990-91 fiscal year
2 solely for the purpose of effectuating reductions to those Departments required by this
3 act.

4

5 Requested by: Representatives Warner, Anderson

6 —STATE PURCHASES OF SUPPLIES, MATERIALS, EQUIPMENT

7 Sec. 14.1. (a) Notwithstanding the provisions of Article 3 of Chapter 143 of the
8 General Statutes, each governmental entity required by statute to use the services of the
9 Department of Administration in the purchase of supplies, materials, and equipment
10 may make direct purchases of supplies, materials, and equipment during the 1991-93
11 biennium without complying with Article 3 of Chapter 143 of the General Statutes
12 (Purchases and Contracts) provided that (1) all purchases shall be made pursuant to an
13 open competitive bidding process substantially similar to that provided for in that
14 Article, (2) no purchases may be made under the authority of this section except at a
15 price which is less than that for the same item or items under any State contract in effect
16 at the time of the purchase, and (3) all purchases shall be made under the authority of
17 this section without regard to race, creed, gender, or national origin.

18 (b) Each governmental entity required by statute to use the services of the
19 Department of Administration in the purchase of supplies, materials, and equipment that
20 makes direct purchases pursuant to subsection (a) of this section shall report to the Joint
21 Legislative Commission on Governmental Operations and the Fiscal Research Division
22 regarding these purchases by December 31, 1991, for the 1991-92 fiscal year and by
23 May 1, 1992, for the 1992-93 fiscal year.

24

25 PART VI.—STATE BOARD OF ELECTIONS

26

27 Requested by: Representatives Bowman, N.J. Crawford

28 —CHANGE THE DATE OF THE PRESIDENTIAL PRIMARY TO THE DATE OF
29 THE REGULAR STATEWIDE PRIMARY, AND ELIMINATE REIMBURSEMENT
30 TO THE COUNTIES OF THE EXPENSE OF HOLDING A SEPARATE PRIMARY

31 Sec. 15. (a) G.S. 163-213.2 reads as rewritten:

32 "**§ 163-213.2. Primary to be held; date; qualifications and registration of voters.**

33 On the ~~second Tuesday in March, 1988,~~ Tuesday after the first Monday in May,
34 1992, and every four years thereafter, the voters of this State shall be given an
35 opportunity to express their preference for the person to be the presidential candidate of
36 their political party.

37 Any person otherwise qualified who will become qualified by age to vote in the
38 general election held in the same year of the presidential preference primary shall be
39 entitled to register and vote in the presidential preference primary. Such persons may
40 register not earlier than 60 days nor later than the 21st day prior to the said primary. In
41 addition, persons who will become qualified by age to register and vote in the general
42 election for which the primary is held, who do not register during the special period may
43 register to vote after such period as if they were qualified on the basis of age, but until
44 they are qualified by age to vote, they may vote only in primary elections."

1 (b) G.S. 163-213.3 reads as rewritten:

2 **"§ 163-213.3. Conduct of election.**

3 The presidential preference primary election shall be conducted and canvassed by
4 the same authority and in the manner provided by law for the conduct and canvassing of
5 the primary election for the office of Governor and all other offices enumerated in G.S.
6 163-187 and under the same provisions stipulated in G.S. ~~163-188, 163-188.~~ ~~except that~~
7 ~~the earliest date by which absentee ballots shall be available shall be 35 days prior to the~~
8 ~~date of the primary.~~ The State Board of Elections shall have authority to promulgate
9 reasonable rules and regulations, not inconsistent with provisions contained herein,
10 pursuant to the administration of this Article."

11 (c) G.S. 163-213.4 reads as rewritten:

12 **"§ 163-213.4. Nomination by State Board of Elections.**

13 The State Board of Elections shall convene in Raleigh on the first Tuesday in
14 ~~January-February~~ preceding the presidential preference primary election. At the meeting
15 required by this section, the State Board of Elections shall nominate as presidential
16 primary candidates all candidates affiliated with a political party, recognized pursuant to
17 the provisions of Article 9 of Chapter 163 of the General Statutes, who have become
18 eligible to receive payments from the Presidential Primary Matching Payment Account,
19 as provided in section 9033 of the U.S. Internal Revenue Code of 1954, as amended.
20 Immediately upon completion of these requirements, the Board shall release to the news
21 media all such nominees selected. Provided, however, nothing shall prohibit the partial
22 selection of nominees prior to the meeting required by this section, if all provisions
23 herein have been complied with."

24 (d) G.S. 163-213.11 is repealed.

25

26

27 PART VII.—OFFICE OF STATE AUDITOR

28

29 Requested by: Representatives Bowman, N.J. Crawford

30 —DEPARTMENT OF REVENUE PERFORMANCE AUDIT

31 Sec. 16. The State Auditor shall conduct an operations performance audit of
32 the Department of Revenue with particular attention to auditing the efficiency of
33 information systems and the effectiveness of tax collection systems. The State Auditor
34 shall report the results of the audit to the General Assembly on or before May 1, 1992.

35

36

37 PART VIII.—DEPARTMENT OF ADMINISTRATION

38

39 Requested by: Representatives Bowman, N.J. Crawford

40 —BOARD OF SCIENCE AND TECHNOLOGY LIMITATION

41 Sec. 17. All funds appropriated in the 1991-92 fiscal year and the 1992-93
42 fiscal year for research grants for the Board of Science and Technology shall be used
43 only for research grants and shall not be transferred to any other objects of expenditure.

44

1 Requested by: Representatives Bowman, N.J. Crawford
2 —OFFICE OF STATE PERSONNEL DECENTRALIZATION

3 Sec. 18. (a) Effective January 1, 1993, the Office of State Personnel shall
4 have decentralized the classification and salary administration functions of all State
5 departments with more than 500 permanent full-time employees, subject to criteria and
6 standards set by the State Personnel Commission. The Commission shall have the
7 authority to suspend decentralization when agencies violate State Personnel
8 Commission criteria and standards.

9 The Office of State Personnel shall report annually to the Joint Legislative
10 Commission on Governmental operations and to the Fiscal Research Division by
11 December 1 of each year, beginning on December 1, 1991, on its progress towards this
12 decentralization.

13 (b) The Office of State Personnel shall present its plan for decentralization of
14 the classification and salary administration functions to the State Personnel Study
15 Commission or its successor. The State Personnel Study Commission shall consider
16 those statutory changes as may facilitate decentralization and report its
17 recommendations to the General Assembly by April 1, 1992.

18

19 Requested by: Representatives Bowman, N.J. Crawford
20 —COUNCIL OF GOVERNMENT FUNDS

21 Sec. 19. (a) Of the funds appropriated in this Title to the Department of
22 Administration, \$864,270 for 1991-92 fiscal year and \$864,270 for 1992-93 fiscal year
23 shall only be used as provided by this section. Each regional council of government or
24 lead regional organization is allocated up to \$48,015 each fiscal year, with the actual
25 amount calculated as provided in subsection (b) of this section.

26 (b) The funds shall be allocated as follows: A share of the maximum \$48,015
27 each fiscal year shall be allocated to each county and smaller city based on the most
28 recent annual estimate of the Office of State Budget and Management of the population
29 of that county (less the population of any larger city within that county) or smaller city,
30 divided by the sum of the total population of the region (less the population of larger
31 cities within that region) and the total population of the region living in smaller cities.
32 Those funds shall be paid to the regional council of government for the region in which
33 that city or county is located upon receipt by the Department of Administration of a
34 resolution of the governing board of the county or city requesting release of the funds.
35 If any city or county does not so request payment of funds by June 30 of a State fiscal
36 year, that share of the allocation for that fiscal year shall revert to the General Fund.

37 (c) A regional council of government may use funds appropriated by this section
38 only to assist local governments in grant applications, economic development,
39 community development, support of local industrial development activities, and other
40 activities as deemed appropriate by the member governments.

41 (d) Funds appropriated by this section may not be used for payment of dues or
42 assessments by the member governments, and may not supplant funds appropriated by
43 the member governments.

1 (e) As used in this section "Larger City" means an incorporated city with a
2 population of 50,000 or over. "Smaller City" means any other incorporated city.

3
4 Requested by: Representatives Ethridge, N.J. Crawford

5 —ALLOCATION OF RAPE CRISIS CENTER FUNDS

6 Sec. 20. All funds for the Rape Crisis Centers appropriated to the
7 Department of Administration, Council of the Status of Women, for the 1991-92 fiscal
8 year and the 1992-93 fiscal year in this Title shall be available to Rape Crisis Centers
9 providing direct services to victims of sexual assault and rape prevention services.
10 Funds shall be awarded according to criteria established by the Department of
11 Administration. In reviewing grant applications, the Department shall consider the
12 impact of discontinued federal funding on those centers that received funding through
13 Section 41 of Chapter 1086 of the 1987 Session Laws, Regular Session 1988. Grants
14 shall be awarded by September 1 each fiscal year and the funds disbursed on a quarterly
15 basis.

16
17 Requested by: Representatives Bowman, N.J. Crawford

18 —DOMESTIC VIOLENCE CENTER FUNDS

19 Sec. 21. The funds appropriated in this Title to the Department of
20 Administration, Council on the Status of Women, for fiscal years 1991-92 and 1992-93
21 for domestic violence centers, shall be allocated equally among all of the 61 domestic
22 violence centers in operation on July 1, 1989, that offered services including a hotline,
23 transportation services, community education programs, daytime services, and call
24 forwarding during the night. For the 1991-92 fiscal year and for the 1992-93 fiscal
25 year, each grant shall be \$17,500. Grants shall be awarded based on criteria established
26 by the Department of Administration and disbursed on a quarterly basis. The North
27 Carolina Coalition Against Domestic Violence, Incorporated, is eligible for a grant of
28 \$10,000 under this section.

29
30 Requested by: Representatives Bowman, N.J. Crawford

31 —MOTOR FLEET MANAGEMENT CHANGES/EFFICIENCY
32 MEASURES/COMMUTING AND SPECIAL USE VEHICLE RESTRICTIONS

33 Sec. 22. G.S. 143-341(8)i. reads as rewritten:

34 "i. To establish and operate a central motor pool and such
35 subsidiary related facilities as the Secretary may deem
36 necessary, and to that end:

- 37 1. To establish and operate central facilities for the
38 maintenance, repair, and storage of state-owned
39 passenger motor vehicles for the use of State agencies; to
40 utilize any available State facilities for that purpose; and
41 to establish such subsidiary facilities as the Secretary
42 may deem necessary.
- 43 2. To acquire passenger motor vehicles by transfer from
44 other State agencies and by purchase. All motor vehicles

- 1 transferred to or purchased by the Department shall
2 become part of a central motor pool.
- 3 3. To require on a schedule determined by the Department
4 all State agencies to transfer ownership, custody or
5 control of any or all passenger motor vehicles within the
6 ownership, custody or control of that agency to the
7 Department, except those motor vehicles under the
8 ownership, custody or control of the Highway Patrol or
9 the State Bureau of Investigation which are used
10 primarily for law-enforcement purposes, and except
11 those motor vehicles under the ownership, custody or
12 control of the Department of Crime Control and Public
13 Safety for Butner Public Safety which are used primarily
14 for law-enforcement, fire, or emergency purposes.
- 15 4. To maintain, store, repair, dispose of, and replace state-
16 owned motor vehicles under the control of the
17 Department. The Department shall ensure that state-
18 owned vehicles are not normally replaced until they have
19 been driven for 90,000 miles or more.
- 20 5. Upon proper requisition, proper showing of need for use
21 on State business only, and proper showing of proof that
22 all persons who will be driving the motor vehicle have
23 valid drivers' licenses, to assign suitable transportation,
24 either on a temporary or permanent basis, to any State
25 employee or agency. An agency assigned a motor
26 vehicle may not allow a person to operate that motor
27 vehicle unless that person displays to the agency and
28 allows the agency to copy that person's valid driver's
29 license. Notwithstanding G.S. 20-30(6), persons or
30 agencies requesting assignment of motor vehicles may
31 photostat or otherwise reproduce drivers' licenses for
32 purposes of complying with this subpart.
- 33 As used in this subpart, 'suitable transportation'
34 means the standard vehicle in the State motor fleet,
35 unless special towing provisions are required by the
36 employee or agency. The Department may not assign
37 any employee or agency a motor vehicle that is not
38 suitable. The Department shall not approve requests
39 for vehicle assignment or reassignment when the
40 purpose of that assignment or reassignment is to
41 provide any employee with a newer or lower mileage
42 vehicle because of his or her rank, management
43 authority, or length of service or because of any non-
44 job-related reason. The Department shall not assign

'special use' vehicles, such as four-wheel drive vehicles or law enforcement vehicles, to any agency or individual except upon written justification, verified by historical data, and accepted by the Secretary.

6. To allocate and charge against each State agency to which transportation is furnished, on a basis of mileage or of rental, its proportionate part of the cost of maintenance and operation of the motor pool.

The amount allocated and charged by the Department of Administration to State agencies to which transportation is furnished shall be at least as follows:

- I. Pursuit vehicles and full size ~~4-wheel~~four-wheel drive vehicles – \$.24/mile.
- II. Vans and compact ~~4-wheel~~four-wheel drive vehicles – \$.22/mile.
- III. All other vehicles – \$.20/mile.
7. To adopt, with the approval of the Governor, reasonable rules for the efficient and economical operation, maintenance, repair, and ~~replacement~~replacement, as limited in paragraph 4. of this subdivision, of all state-owned motor vehicles under the control of the Department, and to enforce those rules; and to adopt, with the approval of the Governor, reasonable rules regulating the use of private motor vehicles upon State business by the officers and employees of State agencies, and to enforce those rules. The Department, with the approval of the Governor, may delegate to the respective heads of the agencies to which motor vehicles are permanently assigned by the Department the duty of enforcing the rules adopted by the Department pursuant to this paragraph. Any person who violates a rule adopted by the Department and approved by the Governor is guilty of a misdemeanor, and upon conviction is punishable in the discretion of the court.

- 7a. To adopt with the approval of the Governor and to enforce rules and to coordinate State policy regarding (i) the permanent assignment of state-owned passenger motor vehicles and (ii) the use of and reimbursement for those vehicles for ~~commuting~~the limited commuting permitted by this subdivision. For the purpose of this subdivision 7a, 'state-owned passenger motor vehicle' includes any state-owned passenger motor vehicle, whether or not owned, maintained or controlled by the Department of Administration, and regardless of the

1 source of the funds used to purchase it. Notwithstanding
2 the provisions of G.S. 20-190 or any other provisions of
3 law, all state-owned passenger motor vehicles are subject
4 to the provisions of this subdivision 7a; no permanent
5 assignment shall be made and no one shall be exempt
6 from payment of reimbursement for commuting or from
7 the other provisions of this subdivision 7a except as
8 provided by this subdivision 7a. Commuting, as defined
9 and regulated by this subdivision, is limited to those
10 specific cases in which the Secretary has received and
11 accepted written justification, verified by historical data.
12 The Department shall not assign any state-owned motor
13 vehicle that may be used for commuting other than those
14 authorized by the procedure prescribed in this
15 subdivision.

16 A State-owned passenger motor vehicle shall not be
17 permanently assigned to an individual who is likely to
18 drive it on official business at a rate of less than ~~12,600~~
19 ~~miles per year~~ 3,150 miles per quarter unless (i) the
20 individual's duties are routinely related to public safety
21 or (ii) the individual's duties are likely to expose him
22 routinely to life-threatening situations. A State-owned
23 passenger motor vehicle shall also not be permanently
24 assigned to an agency that is likely to drive it on
25 official business at a rate of less than ~~12,600 miles per~~
26 ~~year~~ 3,150 miles per quarter unless the agency can
27 justify to the Division of Motor Fleet Management the
28 need for permanent assignment because of the unique
29 use of the vehicle. The Department of Administration
30 shall verify, on a quarterly basis, that each motor
31 vehicle has been driven at the minimum allowable rate.
32 If it has not and if the department by whom the
33 individual to which the car is assigned is employed or
34 the agency to which the car is assigned cannot justify
35 the lower mileage for the quarter in view of the
36 minimum annual rate, the permanent assignment shall
37 be revoked immediately.

38 Every individual who uses a State-owned passenger motor
39 vehicle, pickup truck, or van to drive between his official
40 work station and his home, shall reimburse the State for
41 these trips at a rate computed by the Department. This
42 rate shall approximate the benefit derived from the use of
43 the vehicle as prescribed by federal law. Reimbursement
44 shall be for 20 days per month regardless of how many

1 days the individual uses the vehicle to commute during
2 the month. Reimbursement shall be made by payroll
3 deduction. Funds derived from reimbursement on
4 vehicles owned by the Motor Fleet Management
5 Division shall be deposited to the credit of the Division;
6 funds derived from reimbursements on vehicles initially
7 purchased with appropriations from the Highway Fund
8 and not owned by the Division shall be deposited in a
9 Special Depository Account in the Department of
10 Transportation, which shall revert to the Highway Fund;
11 funds derived from reimbursement on all other vehicles
12 shall be deposited in a Special Depository Account in the
13 Department of Administration which shall revert to the
14 General Fund. Commuting, for purposes of this
15 paragraph, does not include those individuals whose
16 office is in their home, as determined by the Department
17 of Administration, Division of Motor Fleet Management.
18 Also, this paragraph does not apply to the following
19 vehicles: (i) clearly marked police and fire vehicles, (ii)
20 delivery trucks with seating only for the driver, (iii)
21 flatbed trucks, (iv) cargo carriers with over a 14,000
22 pound capacity, (v) school and passenger buses with
23 over 20 person capacities, (vi) ambulances, (vii) hearses,
24 (viii) bucket trucks, (ix) cranes and derricks, (x) forklifts,
25 (xi) cement mixers, (xii) dump trucks, (xiii) garbage
26 trucks, (xiv) specialized utility repair trucks (except vans
27 and pickup trucks), (xv) tractors, (xvi) unmarked law-
28 enforcement vehicles that are used in undercover work
29 and are operated by full-time, fully sworn law-
30 enforcement officers whose primary duties include
31 carrying a firearm, executing search warrants, and
32 making arrests, and (xvii) any other vehicle exempted
33 under Section 274(d) of the Internal Revenue Code of
34 1954, and Federal Internal Revenue Services regulations
35 based thereon. The Department of Administration,
36 Division of Motor Fleet Management, shall report
37 quarterly to the Joint Legislative Commission on
38 Governmental Operations and to the Fiscal Research
39 Division of the Legislative Services Office on
40 individuals who use State-owned passenger motor
41 vehicles, pickup trucks, or vans between their official
42 work stations and their homes, who are not required to
43 reimburse the State for these trips.

1 The Department of Administration shall revoke the
2 assignment or require the Department owning the vehicle
3 to revoke the assignment of a State-owned passenger
4 motor vehicle, pick-up truck or van to any individual
5 who:

- 6 I. Uses the vehicle for other than official
7 business except in accordance with the
8 commuting rules;
9 II. Fails to supply required reports to the
10 Department of Administration, or supplies
11 incomplete reports, or supplies reports in a form
12 unacceptable to the Department of
13 Administration and does not cure the deficiency
14 within 30 days of receiving a request to do so;
15 III. Knowingly and willfully supplies false
16 information to the Department of Administration
17 on applications for permanent assignments,
18 commuting reimbursement forms, or other
19 required reports or forms;
20 IV. Does not personally sign all reports on forms
21 submitted for vehicles permanently assigned to
22 him and does not cure the deficiency within 30
23 days of receiving a request to do so;
24 V. Abuses the vehicle; or
25 VI. Violates other rules or policy promulgated by the
26 Department of Administration not in conflict with
27 this act.

28 A new requisition shall not be honored until the Secretary of the
29 Department of Administration is assured that the
30 violation for which a vehicle was previously revoked
31 will not recur.

32 The Department of Administration, with the approval of the
33 Governor, may delegate, or conditionally delegate, to the
34 respective heads of agencies which own passenger motor
35 vehicles or to which passenger motor vehicles are
36 permanently assigned by the Department, the duty of
37 enforcing all or part of the rules adopted by the
38 Department of Administration pursuant to this
39 subdivision 7a. The Department of Administration, with
40 the approval of the Governor, may revoke this delegation
41 of authority.

42 Prior to adopting rules under this paragraph, the Secretary of
43 Administration may consult with the Advisory Budget
44 Commission.

- 1 8. To adopt and administer rules for the control of all state-owned
2 passenger motor vehicles and to require State agencies to keep all
3 records and make all reports regarding motor vehicle use as the
4 Secretary deems necessary.
- 5 9. To acquire motor vehicle liability insurance on all State-owned motor
6 vehicles under the control of the Department.
- 7 10. To contract with the appropriate State prison authorities for the
8 furnishing, upon such conditions as may be agreed upon from time to
9 time between such State prison authorities and the Secretary, of prison
10 labor for use in connection with the operation of a central motor pool
11 and related activities.
- 12 11. To report annually to the General Assembly on any rules adopted,
13 amended or repealed under paragraphs 3, 7, or 7a of this subdivision."
14

15 Requested by: Representatives Bowman, N.J. Crawford
16

17 —MOTOR FLEET MANAGEMENT/RETURN OF GENERAL FUND
18 INVESTMENT

19 Sec. 23. On April 1, 1992, the Department of Administration shall credit to
20 the Office of State Treasurer, Nontax Revenues, the sum of \$2,000,000 and on June 15,
21 1992, the sum of \$1,500,000, unless the Department chooses to make a total payment of
22 \$3,500,000 on April 1, 1992. These funds represent a partial return to the General Fund
23 of its investment of \$5,100,000 in capital funds for the upgrading of the State motor
24 fleet appropriated in Section 57 of Chapter 757 of the 1985 Session Laws.
25
26

27 PART IX.—DEPARTMENT OF STATE TREASURER
28

29 Requested by: Representatives Ethridge, H. Hunter
30

31 —LOCAL GOVERNMENTS FUND COST OF LOCAL GOVERNMENT
32 COMMISSION

32 Sec. 24. G.S. 105-213 reads as rewritten:

33 **"§ 105-213. Appropriation to counties and municipalities; use of appropriation.**

34 (a) There is annually appropriated from the General Fund to counties and
35 municipalities the amount of revenue collected under this Article during the preceding
36 fiscal year, plus an amount equal to forty percent (40%) of the tax collected on accounts
37 receivable during the preceding fiscal year and less an amount equal to the costs during
38 the preceding fiscal year of:

- 39 (1) Refunds made during the fiscal year of taxes levied under this Article.
40 (2) The Department of Revenue to collect and administer the taxes levied
41 under this Article.
42 (3) The Department of Revenue in performing the duties imposed by
43 Article 15 of this Chapter.
44 (4) The Property Tax Commission.

1 (5) The Institute of Government in operating a training program in
2 property tax appraisal and assessment.

3 (6) The personnel and operations provided by the Department of State
4 Treasurer for the Local Government Commission.

5 The appropriation shall be distributed by August 30 of each year. The appropriation
6 shall be included in the Current Operations Appropriations Act.

7 To distribute the appropriation, the Secretary of Revenue shall keep a separate
8 record by counties of the taxes collected under this Article and shall certify to the State
9 Controller and to the State Treasurer the amount to be distributed to each county and
10 municipality in the State. The State Controller shall then issue a warrant on the State
11 Treasurer to each county and municipality in the amount certified.

12 The Secretary shall allocate the amount appropriated under this Article to the
13 counties according to the county in which the taxes were collected. The Secretary shall
14 then increase the amount allocable to each county by a sum equal to forty percent (40%)
15 of the amount of tax on accounts receivable allocated to the county on the basis of
16 collections. The amounts so allocated to each county shall in turn be divided between
17 the county and the municipalities in the county in proportion to the total amount of ad
18 valorem taxes levied by each during the fiscal year preceding the distribution. For the
19 purpose of computing the distribution of the intangibles tax to any county and the
20 municipalities located in the county for any year with respect to which the property
21 valuation of a public service company is the subject of an appeal pursuant to the
22 provisions of the Machinery Act, or to applicable provisions of federal law, and the
23 Department of Revenue is restrained by operation of law or by a court of competent
24 jurisdiction from certifying such valuation to the county and municipalities therein, the
25 Department shall use the last property valuation of such public service company which
26 has been so certified in order to determine the ad valorem tax levies applicable to such
27 public service company in the county and the municipalities therein.

28 The chairman of each board of county commissioners and the mayor of each
29 municipality shall report to the Secretary of Revenue information requested by the
30 Secretary to enable the Secretary to distribute the amount appropriated by this section.
31 If a county or municipality fails to make a requested report within the time allowed, the
32 Secretary may disregard the county or municipality in distributing the amount
33 appropriated by this section. The amount distributed to each county and municipality
34 shall be used by the county or municipality in proportion to property tax levies made by
35 it for the various funds and activities of the county or municipality, unless the county or
36 municipality has pledged the amount to be distributed to it under this section in payment
37 of a loan agreement with the North Carolina Solid Waste Management Capital Projects
38 Financing Agency. A county or municipality that has pledged amounts distributed
39 under this section in payment of a loan agreement with the Agency may apply the
40 amount the loan agreement requires.

41 (b) For purposes of this section, the term 'municipality' includes any urban
42 service district defined by the governing board of a consolidated city-county, and the
43 amounts due thereby shall be distributed to the government of the consolidated city-
44 county."

1
2
3 PART X.—DEPARTMENT OF REVENUE
4

5 Requested by: Representatives Bowman, N.J. Crawford
6 —NO GAS TAX ON GAS FOR STATE VEHICLES

7 Sec. 25. (a) Article 36 of Chapter 105 of the General Statutes is amended by
8 adding a new section to read:

9 **"§ 105-449A. Exemption of motor fuel used in State vehicles.**

10 (a) Motor fuel purchased by the State for use in State-owned motor vehicles for
11 State business is exempt from the excise tax levied by this Article if an invoice for the
12 fuel stating the agency to whom the fuel was delivered, the price per gallon of the fuel
13 excluding the tax, and the kind and quantity of fuel sold is furnished to the Secretary of
14 Revenue. A person who holds a State contract for the sale of motor fuel to be used in
15 State-owned motor vehicles for State business shall invoice motor fuel sold to the State
16 for this purpose at the prevailing contract price, excluding the tax, and a person who
17 does not hold a State contract for the sale of motor fuel to be used in State-owned motor
18 vehicles for State business but who sells motor fuel for this purpose in quantities not
19 sufficient to require a State contract shall invoice motor fuel sold to the State at the
20 lowest informal bid price, excluding the tax.

21 (b) A person authorized to sell motor fuel to the State who paid the tax levied by
22 this Article on fuel sold to the State for use in State-owned motor vehicles for State
23 business may obtain a refund of the tax paid on the fuel upon filing an application for
24 refund with the Secretary of Revenue and attaching an invoice, containing the
25 information required in subsection (a) of this section, to the refund application. Upon
26 receipt of a proper application and invoice, the Secretary shall refund the amount of tax
27 paid.

28 (c) A person who makes a false invoice or application for refund under this
29 section shall be guilty of a misdemeanor, punishable by a fine of up to five hundred
30 dollars (\$500.00), imprisonment for up to two years, or both."

31 (b) This section becomes effective July 1, 1991, and applies to sales made on
32 or after that date.
33

34
35 PART XI.—OFFICE OF THE GOVERNOR
36

37 — COMPUTER RESERVE FUND

38 Sec. 26. (a) The funds appropriated in this Title to the Office of State Budget
39 and Management for a Computer Reserve shall be used by the Office of State Budget
40 and Management to address critical computer needs when no alternative source of funds
41 is available. Critical computer needs for which Computer Reserve funds may be used
42 pursuant to this section are defined as those needs that involve one or more of the
43 following factors:

- 1 (1) An explicit provision in federal or State law or rule, or a federal grant-
2 in-aid condition, that can only be satisfied through investment in
3 additional data processing equipment or software;
- 4 (2) A failure or breakdown of existing equipment that substantially
5 degrades current operations, when repair of existing equipment is
6 uneconomical;
- 7 (3) Research or instructional activity of an ongoing nature that serves a
8 vital public interest whose continuation depends upon the acquisition
9 of data processing equipment or software; and
- 10 (4) A direct relationship between the proposed acquisition to ongoing
11 maintenance or continued operation of existing minicomputers,
12 minicomputer networks, mainframes, or mainframe networks, which
13 renders the proposed acquisition essential to the existing system.

14 The Office of State Budget and Management shall designate \$3,200,000 of
15 this reserve for each fiscal year for the critical computer needs of The University of
16 North Carolina and its constituent institutions.

17 The Office of State Budget and Management shall submit a report showing
18 disbursements from or encumbrances upon the Computer Reserve and the reasons for
19 the disbursement or encumbrance to the Joint Legislative Commission on Governmental
20 Operations, the Fiscal Research Division, and the Information Technology Commission
21 at the conclusion of each quarter of each fiscal year of the 1991-93 fiscal biennium.

22 At the end of each fiscal year, unexpended funds in the Computer Reserve
23 shall revert to the General Fund.

24 (b) Notwithstanding the provisions of G.S. 143-16.3, and G.S. 143-23(a1),
25 State departments may use funds from any source available to them and may transfer
26 funds from other line items in their budgets to purchase additional data processing
27 equipment and software.

28
29 Requested by: Representatives Nesbitt, Diamont, McAllister

30 ---IDENTIFICATION OF POSITIONS, PROGRAMS, AND SALARY LINE ITEMS
31 TO BE REDUCED

32 Sec. 27. (a) To effect the reductions in departmental budgets required by this
33 Title for the 1991-93 fiscal biennium, the Office of State Budget and Management shall
34 freeze all new hires for these departments on July 1, 1991, allow the departments 30
35 days to identify the positions, programs, and salary line items affected, and transfer the
36 reductions to those line items from which positions will be eliminated.

37 (b) The positions identified pursuant to subsection (a) of this section shall
38 remain vacant for the 1991-92 fiscal year and shall not be reported in the base budget
39 requested by the departments for the 1992-93 fiscal year, shall remain as permanent
40 cuts, and shall be abolished.

41 (c) The departments shall report, by August 15, 1991, to the appropriate
42 House and Senate Appropriations subcommittees, to the chairmen of the House and
43 Senate Appropriations Committees, and to the Joint Legislative Commission on

1 Governmental Operations the particular line items in their departmental budgets that
2 reflect the reductions required by this section.

3 (d) No positions in the Sickle Cell Activities of the Sickle Cell and Genetic
4 Counseling Program of the Department of Environment, Health, and Natural Resources
5 shall be subject to this section.

6

7 Requested by: Representatives Diamont, Nesbitt

8 ---RESERVE FOR LOCAL TAX REIMBURSEMENTS

9 Sec. 28. (a) There is created in the Office of State Budget and Management a
10 special reserve to be known as the Local Government Tax Reimbursement Reserve.
11 Funds in the reserve shall be distributed to local governments as provided by statute. Of
12 the funds appropriated from the General Fund to the Local Government Tax
13 Reimbursement Reserve the sum of \$237,779,454 for the 1991-92 fiscal year and the
14 sum of \$237,779,454 for the 1992-93 fiscal year shall be used for reimbursements as
15 provided in G.S. 105-164.44C, 105-213, 105-213.1, 105-275.1, 105-277A, and 105-
16 277.1A.

17 (b) There is created in the Office of State Budget and Management a special
18 reserve to be known as the Local Government Tax Sharing Reserve. Funds in the
19 reserve shall be distributed to local governments as provided by statute. Of the funds
20 appropriated from the General Fund to the Local Government Tax Sharing Reserve the
21 sum of \$236,826,720 for the 1991-92 fiscal year and the sum of \$236,826,720 for the
22 1992-93 fiscal year shall be used to be distributed as provided in G.S. 105-113.82, 105-
23 116(d), 105-120(c), and 105-213.

24 (c) G.S. 105-113.82 reads as rewritten:

25 **"§ 105-113.82. Appropriation of amount equal to part of beer and wine taxes.**

26 (a) Amount, Method. – An amount equal to the following percentages of the net
27 amount of excise taxes collected, during the period that ~~begins the preceding October 1~~
28 ~~and ends September 30, began October 1, 1989, and ended September 30, 1990,~~ on the
29 sale of malt beverages and wine, less the amount of the net proceeds credited to the
30 Department of Agriculture under G.S 105-113.81A, is annually appropriated from the
31 General Fund to the counties and cities in which the retail sale of these beverages is
32 authorized:

- 33 (1) Of the tax on malt beverages levied under G.S. 105-113.80(a), twenty-
34 three and three-fourths percent (23 3/4%);
35 (2) Of the tax on unfortified wine levied under G.S. 105-113.80(b), sixty-
36 two percent (62%); and
37 (3) Of the tax on fortified wine levied under G.S. 105-113.80(b), twenty-
38 two percent (22%).

39 If malt beverages, unfortified wine, or fortified wine may be licensed to be sold at
40 retail in both a county and a city located in the county, both the county and city shall
41 receive a portion of the amount appropriated, that portion to be determined on the basis
42 of population. If one of these beverages may be licensed to be sold at retail in a city
43 located in a county in which the sale of the beverage is otherwise prohibited, only the
44 city shall receive a portion of the amount appropriated, that portion to be determined on

1 the basis of population. The amount of the appropriation to be distributed under
2 subdivisions (1), (2), and (3) shall be computed separately.

3 (b) Reduction in Appropriation. – Where the sale of malt beverages, unfortified
4 wine, or fortified wine is prohibited in a defined area of a city or county in which the
5 sale of the beverage is authorized, the amount that would otherwise be appropriated to
6 the city or county on the basis of population under subsection (a) shall be reduced in the
7 same ratio that the area of the defined area bears to the total area of the city or county,
8 unless the defined area is a city. If the defined area in a county is a city, the reduction in
9 the amount that would otherwise be appropriated to the county under subsection (a)
10 shall be based on population instead of area.

11 (c) Exception. – Notwithstanding subsection (a), in a county in which ABC stores
12 have been established by petition, the amount appropriated shall be distributed as
13 though the entire county had approved the retail sale of a beverage whose retail sale is
14 authorized in part of the county.

15 (d) Time. – The appropriation shall be distributed to cities and counties within 60
16 days after September 30 of each year.

17 (e) Population Estimates. – To determine the population of a city or county for
18 purposes of the distribution required by this section, the Secretary shall use the most
19 recent annual estimate of population certified by the State Budget Officer.

20 (f) City Defined. – As used in this section, the term 'city' means a city as defined
21 in G.S. 153A-1(1) or an urban service district defined by the governing body of a
22 consolidated city-county.

23 (g) Use of Funds. – Funds appropriated to a county or city under this section may
24 be used for any public purpose.

25 (h) Act. – The appropriation made by this section shall be included in the Current
26 Operations Appropriations Act."

27 (d) G.S. 105-116(d) reads as rewritten:

28 "(d) Appropriation. There is annually appropriated from the General Fund to each
29 municipality an amount that equals three and nine hundredths percent (3.09%) of the
30 taxable gross receipts derived, from ~~April 1 of the preceding fiscal year to the following~~
31 ~~March 31, April 1, 1990, to March 31, 1991,~~ by an electric power company and a
32 natural gas company from sales within the municipality of the commodities and services
33 described in subsection (a). The Secretary of Revenue shall transfer the amount
34 appropriated to a municipality in quarterly installments on or before September 15,
35 December 15, March 15, and June 15 ~~based on~~ in proportion to the taxable gross
36 receipts derived within the municipality during the preceding calendar quarter. If a
37 company's report does not state the company's taxable gross receipts derived within a
38 municipality, the Secretary of Revenue shall determine a practical method of allocating
39 part of the company's taxable gross receipts to the municipality. Before transferring the
40 amount appropriated by this subsection, the Secretary of Revenue shall certify the
41 amount to be transferred distributed to the State Controller. The appropriation made by
42 this subsection shall be included in the Current Operations Appropriations Act.

43 As used in this subsection, the term 'municipality' includes an urban service district
44 defined by the governing board of a consolidated city-county. The amount due an urban

1 service district shall be distributed to the governing board of the consolidated city-
2 county."

3 (e) G.S. 105-120(c) reads as rewritten:

4 "(c) Appropriation. There is annually appropriated from the General Fund to each
5 municipality an amount that equals three and nine hundredths percent (3.09%) of the
6 taxable gross receipts derived, from ~~April 1 of the preceding fiscal year to the following~~
7 ~~March 31, April 1, 1990, to March 31, 1991,~~ from local telecommunications service
8 provided within the municipality. The Secretary of Revenue shall transfer the amount
9 appropriated to a municipality in quarterly installments on or before September 15,
10 December 15, March 15, and June 15 ~~based on in proportion to~~ the taxable gross
11 receipts derived within the municipality during the preceding calendar quarter. If a
12 company's report does not state the company's taxable gross receipts derived within a
13 municipality, the Secretary of Revenue shall determine a practical method of allocating
14 part of the company's taxable gross receipts to the municipality. Before transferring the
15 amount appropriated by this subsection, the Secretary of Revenue shall certify the
16 amount to be transferred to the State Controller. The appropriation made by this
17 subsection shall be included in the Current Operations Appropriations Act.

18 As used in this subsection, the term 'municipality' includes an urban service district
19 defined by the governing board of a consolidated city-county. The amount due an urban
20 service district shall be distributed to the governing board of the consolidated city-
21 county."

22 (f) G.S. 105-164.44C reads as rewritten:

23 **"§ 105-164.44C. Reimbursement for sales taxes on food stamp foods and**
24 **supplemental foods.**

25 ~~As soon as practicable after July 1 of each year, the Secretary shall determine from~~
26 ~~available information. There is annually appropriated to each county and the cities in the~~
27 ~~county an amount equal to the amount of local sales taxes that would have been~~
28 ~~collected in each the county during the preceding 1989-90 fiscal year on foods~~
29 ~~purchased with food stamp coupons or supplemental food instruments in the county,~~
30 ~~had these foods not been exempt from tax under G.S. 105-164.13(38). The Secretary~~
31 ~~shall then distribute the amounts determined to be due each county between the county~~
32 ~~and the cities located in the county in accordance with the method by which local sales~~
33 ~~and use taxes are distributed in that county. In order to pay for the reimbursement under~~
34 ~~this section and the cost to the Department of Revenue for administering the~~
35 ~~reimbursement, the Secretary of Revenue shall draw from the Local Government Tax~~
36 ~~Reimbursement Reserve an amount equal to the amount of the reimbursement and the~~
37 ~~cost of administration."~~

38 (g) G.S. 105-198 reads as rewritten:

39 **"§ 105-198. Intangible personal property.**

40 The intangible personal properties enumerated and defined in this Article are
41 classified under authority of Section 2(2), Article V of the North Carolina Constitution.
42 The taxes are levied for the purposes stated in this ~~Article. Subchapter.~~"

43 (h) G.S. 105-213 reads as rewritten:

44 **"§ 105-213. Appropriation to counties and municipalities; use of appropriation.**

1 (a) There is annually appropriated from the General Fund to counties and
2 municipalities the net amount of revenue collected under this Article during the
3 ~~preceding 1989-90~~ fiscal year, plus an amount equal to forty percent (40%) of the tax
4 collected on accounts receivable during the ~~preceding 1989-90~~ fiscal year and less an
5 amount equal to the costs during the preceding fiscal year of:

- 6 (1) Refunds made during the fiscal year of taxes levied under this Article.
- 7 (2) The Department of Revenue to collect and administer the taxes levied
8 under this Article.
- 9 (3) The Department of Revenue in performing the duties imposed by
10 Article 15 of this Chapter.
- 11 (4) The Property Tax Commission.
- 12 (5) The Institute of Government in operating a training program in
13 property tax appraisal and assessment.

14 The appropriation shall be distributed by August 30 of each year. The appropriation
15 shall be included in the Current Operations Appropriations Act.

16 The appropriation shall be allocated among the counties in proportion to the amount
17 of taxes collected under this Article in each county during the preceding fiscal year. To
18 ~~distribute the appropriation, the~~ The Secretary of Revenue shall keep a separate record
19 by counties of the taxes collected under this Article and shall certify to the State
20 Controller and to the State Treasurer the amount to be distributed to each county and
21 municipality in the State. The State Controller shall then issue a warrant on the State
22 Treasurer to each county and municipality in the amount certified. Article. The
23 Secretary shall allocate the amount appropriated under this Article section to the
24 counties according to the county in which the taxes were collected. The Secretary shall
25 then increase the amount allocable to each county by a sum equal to forty percent (40%)
26 of the amount of tax on accounts receivable allocated to the county on the basis of
27 collections. The amounts so allocated to each county shall in turn be divided allocated
28 between the county and the municipalities in the county in proportion to the total
29 amount of ad valorem taxes levied by each during the fiscal year preceding the
30 distribution. After making these allocations, the Secretary of Revenue shall certify to
31 the State Controller and to the State Treasurer the amount to be distributed to each
32 county and municipality in the State. The State Controller shall then issue a warrant on
33 the State Treasurer to each county and municipality in the amount certified. The
34 amount based on forty percent (40%) of the tax collected on accounts receivable shall
35 be drawn from the Local Government Tax Reimbursement Reserve and the amount
36 based on the net amount of revenue collected under this Article shall be drawn from the
37 Local Government Tax Sharing Reserve.

38 For the purpose of computing the distribution of the intangibles tax to any county
39 and the municipalities located in the county for any year with respect to which the
40 property valuation of a public service company is the subject of an appeal pursuant to
41 the provisions of the Machinery Act, or to applicable provisions of federal law, and the
42 Department of Revenue is restrained by operation of law or by a court of competent
43 jurisdiction from certifying such valuation to the county and municipalities therein, the
44 Department shall use the last property valuation of such public service company which

1 has been so certified in order to determine the ad valorem tax levies applicable to such
2 public service company in the county and the municipalities therein.

3 The chairman of each board of county commissioners and the mayor of each
4 municipality shall report to the Secretary of Revenue information requested by the
5 Secretary to enable the Secretary to ~~distribute~~-allocate the amount appropriated by this
6 section. If a county or municipality fails to make a requested report within the time
7 allowed, the Secretary may disregard the county or municipality in ~~distributing~~
8 allocating the amount appropriated by this section. The amount distributed to each
9 county and municipality shall be used by the county or municipality in proportion to
10 property tax levies made by it for the various funds and activities of the county or
11 municipality, unless the county or municipality has pledged the amount to be distributed
12 to it under this section in payment of a loan agreement with the North Carolina Solid
13 Waste Management Capital Projects Financing Agency. A county or municipality that
14 has pledged amounts distributed under this section in payment of a loan agreement with
15 the Agency may apply the amount the loan agreement requires.

16 (b) For purposes of this section, the term 'municipality' includes any urban
17 service district defined by the governing board of a consolidated city-county, and the
18 amounts due thereby shall be distributed to the government of the consolidated city-
19 county."

20 (i) G.S. 105-213.1 reads as rewritten:

21 "**§ 105-213.1. Additional appropriation to counties and municipalities.**

22 (a) Appropriation. – As soon as practicable after July 1 of 1986, the Secretary of
23 Revenue shall allocate for distribution to each county and the municipalities located in
24 the county the amount allocated to that county from taxes levied under G.S. 105-199,
25 105-200, and 105-205 for the last taxable year in which these taxes were levied, plus or
26 minus a sum that equals the product of this amount and the percentage by which State
27 disposable personal income has increased or decreased during the most recent 12-month
28 period for which State personal income data has been compiled by the Bureau of
29 Economic Analysis of the United States Department of Commerce.

30 Thereafter, by August 30 of ~~each year, 1987, 1988, 1989, and 1990,~~ the Secretary
31 shall allocate to each county the amount of funds allocated to the county under this
32 section the preceding year, plus or minus a sum that equals the product of this amount
33 and the percentage by which State disposable personal income has increased or
34 decreased during the most recent 12-month period for which State personal income data
35 has been compiled by the Bureau of Economic Analysis of the United States
36 Department of Commerce.

37 Thereafter, by August 30 of each year, the Secretary shall allocate to each county the
38 amount of funds allocated to the county under this section in 1990.

39 Amounts allocated to a county under this section shall in turn be divided and
40 distributed between the county and the municipalities located in the county in
41 accordance with the method of allocating intangible tax revenue between a county and
42 the municipalities located in the county provided in G.S. 105-213.

1 (b) Restrictions on Use. – Amounts distributed to a county or a municipality
2 under this section are subject to the same restrictions as amounts distributed under G.S.
3 105-213.

4 (c) Municipality Defined. – As used in this section, the term 'municipality' has
5 the same meaning as in G.S. 105-213.

6 (d) Source. – Funds distributed under this section shall be drawn from the Local
7 Government Tax Reimbursement Reserve."

8 (j) G.S. 105-277A(b) reads as rewritten:

9 "(b) First Per Capita Distribution. – As soon as practicable after January 1 of
10 1989, the Secretary shall distribute to each taxing unit the unit's per capita share of the
11 sum of fifteen million seven hundred forty-five thousand dollars (\$15,745,000).
12 Thereafter, as soon as practicable after January 1 of ~~each year 1990 and 1991~~, the
13 Secretary shall distribute to each taxing unit the unit's per capita share of an amount
14 equal to the sum distributed to all taxing units the previous year under this subsection
15 plus or minus the product of the sum distributed the previous year and the percentage by
16 which State personal income has increased or decreased during the most recent 12-
17 month period for which State personal income data has been compiled by the Bureau of
18 Economic Analysis of the United States Department of Commerce.

19 Thereafter, as soon as practicable after January 1 of each year the Secretary shall
20 distribute to each taxing unit the unit's per capita share of the sum that this subsection
21 provided was to be distributed to all taxing units in 1991.

22 To make the per capita distributions required by this subsection, the Secretary shall
23 first allocate the sum to be distributed among the counties on a per capita basis. The
24 Secretary shall then compute a per capita distributable amount for each county by
25 dividing the amount allocated to a county by the total population of the county, plus the
26 population of any incorporated towns and cities located in the county. Each taxing unit
27 in a county, including the county itself, shall receive the product of the population of the
28 taxing unit and the per capita distributable amount for that county.

29 A city or county that receives funds under this subsection and that collects taxes for
30 another taxing unit shall distribute part of the taxes received by it to the taxing unit for
31 which it collects tax. The distribution shall be made on the basis of the proportionate
32 amount of ad valorem taxes levied, for the most recent fiscal year beginning July 1, by
33 the city or county and by all the taxing units for which the city or county collects tax.
34 This distribution shall be made as soon as practicable after a city or county receives
35 funds from the State under this section."

36 (k) G.S. 105-277A(f) reads as rewritten:

37 "(f) Source of Funds. —~~The Secretary of Revenue shall~~ To pay for the distribution
38 required by this section and the cost of making the ~~distribution as follows:~~

39 (1) ~~For the distribution made in 1989, the Secretary shall draw an amount~~
40 ~~equal to the amount distributed and the cost of making the distribution~~
41 ~~first from the Inventory Tax Reimbursement Fund created in Section~~
42 ~~15.1 of the School Facilities Finance Act of 1987, until it is exhausted,~~
43 ~~and then the remainder of that amount from collections received by the~~
44 ~~Department under Division I of Article 4 of this Chapter.~~

1 (2) ~~For distributions made in subsequent years,~~
2 distribution, the Secretary shall draw from the Local Government Tax Reimbursement
3 Reserve ~~for the distribution required by this section~~ an amount equal to the amount
4 distributed and the cost of making the distribution."

5 (1) G.S. 105-277.1A reads as rewritten:

6 **"§ 105-277.1A. Property classified for taxation at reduced valuation; duties of tax**
7 **collectors; reimbursement of localities for portion of tax lost.**

8 (a) On September ~~1 of each year,~~ 1, 1990, the tax collector of each county and
9 the tax collector of each city shall furnish to the Secretary of Revenue a list containing
10 the name and address of each person who has qualified in that year for the exemption
11 provided in G.S. 105-277.1. The list shall also contain for each name the total amount
12 of property exempted, the tax rate the property is subject to, and the product obtained by
13 multiplying those two numbers by each other. The lists shall be accompanied by an
14 affidavit attesting to the accuracy of the list, and shall all be on a form prescribed by the
15 Secretary of Revenue.

16 (b) In addition to the list required by subsection (a) of this section, the county or
17 city may provide a supplemental list on December 1.

18 (c) The Secretary of Revenue may, for cause, grant an extension for the
19 submission of the list required by this section.

20 (d) ~~After receiving a certified list under subsections (a) through (c) of this~~
21 ~~section, Before May 31, 1991,~~ the Secretary of Revenue ~~shall, within 60 days, pay shall~~
22 distribute to the county or city fifty percent (50%) of the total for the entire list of the
23 product obtained by multiplying the tax exemption for each taxpayer times the
24 applicable tax rate. Each year thereafter, on or before May 31, the Secretary of Revenue
25 shall pay to each county and city that was entitled to receive a distribution under this
26 section in 1991 the amount it was entitled to receive in 1991.

27 (e) Any funds received by any county or city pursuant to this section because the
28 county or city was collecting taxes for another unit of government or special district
29 shall be credited to the funds of that other unit or district in accordance with regulations
30 issued by the Local Government Commission.

31 (f) In order to pay for the reimbursement under this section and the cost to the
32 Department of Revenue ~~for~~ of administering the reimbursement, the Secretary of
33 Revenue shall draw from the Local Government Tax Reimbursement Reserve an
34 amount equal to the reimbursement and the cost of administration."

35 (m) This section becomes effective July 1, 1991.

36
37
38 PART XII.—OFFICE OF THE STATE CONTROLLER

39
40 Requested by: Representatives Bowman, N.J. Crawford

41 —STATE INFORMATION PROCESSING SYSTEMS' AMENDED RATE
42 SCHEDULE

43 Sec. 29. The Office of the State Controller shall adopt an amended rate
44 schedule that will reduce rates for the 1991-93 fiscal biennium to agencies for data

1 processing and data processing related services by five percent (5%) below what the
2 same agencies were charged for the 1990-91 fiscal year.

3 The rates set by this amended rate schedule shall not be increased during the
4 1991-93 fiscal biennium.

5
6

7 **PART XIII.—GENERAL ASSEMBLY**

8

9 Requested by: Representatives Bowman, N. J. Crawford

10 **—STUDY COMMISSION ON COMPUTER SERVICES**

11 Sec. 30. There is created a Computer Services Study Commission, an
12 independent commission, to study the organization, management, and cost of State
13 computer services. The Commission shall consist of twelve members. The Speaker of
14 the House of Representatives shall appoint six members, four who shall be members of
15 the House of Representatives and two who shall have a background in and familiarity
16 with information systems or data communications. The President Pro Tempore of the
17 Senate shall appoint six members, four who shall be members of the Senate and two
18 who shall have a background in and familiarity with information systems or data
19 communications. Initial appointments shall be made within 30 days following
20 adjournment of the 1991 Session of the General Assembly for a period of more than 10
21 days. Members of the Study Commission shall not be employed by, provide consulting
22 services to, or serve on the board of directors or other governing body of any
23 information systems, computer hardware, or telecommunications enterprise currently
24 doing business with the State of North Carolina. Vacancies shall be filled by the official
25 who made the initial appointment using the same criteria as provided by this subsection.

26 (b) The President Pro Tempore of the Senate and the Speaker of the House of
27 Representatives shall each appoint a cochair of the Commission from their appointees.
28 The cochairs shall call the first meeting and preside at alternate meetings.

29 (c) The Study Commission on Computer Services shall examine the
30 functions, powers, and effectiveness of the Information Technology Commission, the
31 organization and operation of the State Information Processing Service, the processes by
32 which long term plans for computer applications are devised and approved, the policies
33 and practices applied to hardware and software procurement, and such other issues as
34 may, in the judgment of the Commission, relate to the cost of computer usage in State
35 government.

36 (d) Subject to the approval of the Legislative Services Commission, the
37 professional and clerical staff of the Legislative Services Office shall be available to the
38 Study Commission. Upon request of the Study Commission or its staff, all State
39 departments and agencies shall furnish to the Study Commission any information in
40 their possession or available to them. The Study Commission may acquire by contract
41 or purchase such other expertise or information as may be necessary to complete its
42 report.

43 (e) Members of the Study Commission who are also members of the General
44 Assembly shall be paid subsistence and travel expenses at the rate set forth in G.S. 120-

1 3.1. Members of the Study Commission who are officials or employees of the State
2 shall receive travel allowances at the rate set forth in G.S. 138-6. All other members of
3 the Study Commission shall be paid per diem and allowances at the rates set forth in
4 G.S. 138-5.

5 (f) Of the funds appropriated from the General Fund to the General
6 Assembly, the sum of \$10,000 for the 1991-92 fiscal year and the sum of \$20,000 for
7 the 1992-93 fiscal year shall be allocated for this study.

8 (g) The Study Commission on Computer Services shall report its findings and
9 recommendations to the General Assembly upon the convening of the 1993 Session.

10
11
12 PART XIV.—PUBLIC SCHOOLS

13
14 Requested by: Representatives Payne, Fussell

15 —CONSOLIDATE SCHOOL ADMINISTRATOR ALLOTMENTS

16 Sec. 31. The State Board of Education shall consolidate the allotment of
17 assistant and associate superintendents and supervisors and shall convert the allotment
18 from a position allotment to a dollar allotment.

19
20 Requested by: Representatives Payne, Fussell

21 —DRIVER TRAINING PROGRAM

22 Sec. 32. (a) G.S. 20-88.1 reads as rewritten:

23 "**§ 20-88.1. Driver training and safety education.**

24 (a) In accordance with criteria and standards approved by the State Board of
25 Education, the State Superintendent of Public Instruction shall organize and administer
26 a program of driver education to be offered at the public high schools of this State for
27 ~~all persons of provisional license age. This program shall be made available to all~~
28 ~~physically and mentally qualified persons of provisional license age, including public~~
29 ~~school students, nonpublic school students and out-of-school youths under 18 years of~~
30 ~~age who (i) are older than 14 years and six months, (ii) are approved by the principal of~~
31 ~~the school, pursuant to rules adopted by the State Board of Education, (iii) are enrolled~~
32 ~~in a public or private high school within the State, and (iv) have not previously enrolled~~
33 ~~in the program.~~ The State Board of Education shall use for such purpose all funds
34 appropriated to it for said purpose, and may use all other funds that become available
35 for its use for said purpose. The ~~drivers'~~ driver education program established pursuant
36 to this section shall include instructions on the rights and privileges of the handicapped
37 and the signs and symbols used to assist the handicapped relative to motor vehicles,
38 including the 'international symbol of accessibility' and other symbols and devices as
39 provided in Article 2A of this Chapter. In addition, this program shall include at least
40 six hours of instruction on the offense of driving while impaired and related subjects.

41 (b) The State Board of Education shall adopt a salary ~~schedule range~~ for ~~Driver's~~
42 ~~Education Training Instructors.~~ driver education instructors who are public school
43 employees and who do not hold teacher certificates.

1 Driver education instructors who are public school employees and who hold teacher
2 certificates shall be paid on the teacher salary schedule. A day of employment for
3 driver education instructors who hold teacher certificates shall be the same number of
4 hours required of all regular classroom teachers as established by the local board of
5 education. No educational degree requirement may be a criterion used in setting
6 salaries. The State Board of Education shall report the salary schedule and criteria
7 developed for a drivers' education program to the 1983 General Assembly, Second
8 Session 1984.

9 (b1) The State Board of Education shall adopt rules to permit local boards of
10 education to enter contracts with public or private entities to provide a program of driver
11 education at public high schools. All driver education instructors shall meet the
12 requirements established by the State Board of Education; provided, however, driver
13 education instructors shall not be required to hold teacher certificates.

14 (c) All expenses incurred by the State in carrying out the provisions of this
15 section shall be paid out of the ~~Highway Fund~~ General Fund."

16 (b) G.S. 115C-215 reads as rewritten:

17 "**§ 115C-215. Instruction in driver training and safety education.**

18 There shall be organized and administered under the general supervision of the
19 Superintendent of Public Instruction a program of driver training and safety education in
20 the public schools of this State, said courses to be noncredit courses taught by
21 instructors ~~approved by the Department of Public Instruction who meet the~~
22 requirements established by the State Board of Education. Instructors shall not be
23 required to hold teacher certificates."

24 (c) G.S. 115C-216 reads as rewritten:

25 "**§ 115C-216. Boards of education required to provide courses in operation of**
26 **motor vehicles.**

27 (a) Course of Training and Instruction Required in Public High Schools. – The
28 State Board of Education and local boards of education are hereby required to provide
29 as a part of the program of the public high schools in this State a course of training and
30 instruction in the operation of motor vehicles and to make such courses available for all
31 persons of provisional license age, including public school students, nonpublic school
32 students and out-of-school youths under 18 years of age whose physical and mental
33 qualifications meet license requirements, in conformance with course requirements and
34 funds made available under the provisions of G.S. 20-88.1 or as hereinafter provided or
35 both vehicles, in accordance with G.S. 20-88.1.

36 (b) Inclusion of Expense in Budget. – The local boards of education of every
37 local school administrative unit are hereby authorized to include as an item of
38 instructional service and as a part of the current expense fund of the budget of the
39 several high schools under their supervision, the expense necessary to install and
40 maintain such a course of training and instructing eligible persons in such schools in the
41 operation of motor vehicles.

42 (c) Appropriations. – The boards of county commissioners in the several counties
43 of the State and the governing bodies of all municipalities having power to appropriate
44 and raise money by taxation and otherwise are hereby authorized to appropriate funds

1 necessary to pay the expenses necessary to install and maintain in any public high
2 school under their supervision a course of training and instruction for eligible students
3 in such schools in the operation of motor vehicles, whether or not the county board of
4 education or administrative unit shall have included the cost of the same in its budget
5 request when submitted for approval.

6 (d) ~~How Moneys Appropriated May Be Provided.~~—The board of county
7 commissioners and the governing bodies of all municipalities having power to
8 appropriate money and to levy taxes and raise money are hereby authorized to allocate
9 and expend the moneys appropriated pursuant to this section or other acts of the General
10 Assembly and the moneys provided by taxation, by sale or rental of any real or personal
11 property owned by such county or other taxing unit, or by use of any surplus funds on
12 hand or acquired from any source, for the purpose of funding any such course of
13 instruction and training in any public high school. The special approval of the General
14 Assembly is hereby given for the levying of taxes for such purpose and for providing
15 funds for such purpose by the other means herein mentioned.

16 (e) ~~Content of Course; What Persons Eligible.~~—The words "a course of training
17 and instruction for eligible persons in the operation of motor vehicles" as applied to this
18 section means such course of instruction in the operation of motor vehicles prescribed
19 or approved by the Department of Public Instruction, provided that every such course
20 shall include actual operation of motor vehicles by the persons eligible for same, under
21 the supervision of a qualified instructor. Only such persons older than 14 years and six
22 months, who are approved by the principal of the school, shall be eligible for such
23 course of instruction, subject to rules and regulations prescribed by the Department of
24 Public Instruction.

25 (f) ~~Acts Ratified and Confirmed.~~—The acts of all boards of county
26 commissioners and the governing bodies of all municipalities, the acts of all local
27 boards of education, and the acts of the State Board of Education heretofore done in
28 connection with providing courses of training and instruction in the operation of motor
29 vehicles in this State, including the appropriation and expenditure of funds for such
30 purpose, are hereby ratified and confirmed."

31 (d) The State Board of Education shall convert the allotments of funds for
32 months of employment for driver education instructors and for loan car fees to dollar
33 allotments.

34
35 Requested by: Representatives Payne, Fussell

36 —DROPOUT PREVENTION/IN-SCHOOL SUSPENSION

37 Sec. 33. Of the funds appropriated to the Department of Public Education for
38 aid to local school administrative units for the Dropout Prevention/In-School
39 Suspension Program, the sum of \$200,000 for each fiscal year of the 1991-93 fiscal
40 biennium may be used to fund eight pilot public/private educational compacts to bring
41 together on an ongoing basis representatives from public education, community
42 colleges, higher education, and business and industry to determine how to improve
43 attendance, prevent dropping out of school, increase academic performance, and
44 increase participation in higher education and the work force by at-risk students. The

1 funds may also be used to fund eight parental involvement pilot programs, and to
2 provide for operating costs, workshops, and committee meetings for the State
3 Department of Public Instruction's dropout prevention staff.

4 The State Board of Education may adopt rules governing the use of these
5 funds. These funds are to be part of the continuation budget in the next fiscal biennium.
6

7 Requested by: Representatives Payne, Fussell

8 ---DROPOUT PREVENTION COORDINATORS

9 Sec. 34. Of the funds appropriated to the Department of Public Education for
10 aid to local school administrative units for dropout prevention, the State Board of
11 Education shall allocate to the Department of Public Instruction up to \$225,000 for the
12 1991-92 fiscal year and up to \$225,000 for the 1992-93 fiscal year for the three dropout
13 prevention coordinators. The State Superintendent shall assign the dropout prevention
14 coordinators to designated areas within the State and shall develop job descriptions for
15 them. These funds are to be part of the continuation budget in the next biennium.
16

17 Requested by: Representatives Payne, Fussell

18 ---PROJECT TEACH FUNDS

19 Sec. 35. Of the funds appropriated to the Department of Public Education for
20 the 1991-93 fiscal biennium for aid to local school administrative units, the State Board
21 of Education shall allocate to the Department of Public Instruction \$73,000 for the
22 1991-92 fiscal year and \$73,000 for the 1992-93 fiscal year to be used to:

23 (1) Maintain the Project Teach Initiative in the Robeson, Pitt,
24 Cumberland, Warren, Halifax, Guilford, Vance, Northampton, Anson
25 and Bertie County Schools, and the Durham, High Point, and
26 Greensboro City Schools.

27 (2) Expand the project in at least two school systems to focus on parents
28 of students in the seventh grade so as to involve parents in the
29 coaching and support of promising minority young people.

30 These funds are to be part of the continuation budget in the next fiscal biennium.
31

32 Requested by: Representatives Payne, Fussell

33 ---ADVANCED TRAINING FOR FOREIGN LANGUAGE TEACHERS

34 Sec. 36. Of the funds appropriated to the Department of Public Education for
35 aid to local school administrative units, the State Board of Education may allocate to the
36 Department of Public Instruction \$300,000 each year of the 1991-93 biennium for two
37 positions, support expenses, and workshops to provide intensive advanced training for
38 teachers who teach foreign languages.

39 Requested by: Representatives J.W. Crawford, Hardaway, Hunter

40 ---CONTINUE MODEL TEACHER EDUCATION CONSORTIUM

41 Sec. 36.1. Of the funds appropriated to the Department of Public Education
42 for the 1991-92 fiscal year for aid to local school administrative units, the State Board
43 of Education shall use \$150,000 for the 1991-92 fiscal year for the model teacher

1 education consortium established in Section 72 of Chapter 752 of the 1989 Session
2 Laws. Of these funds, up to \$30,000 may be used for administrative purposes.

3
4 Requested by: Representatives Payne, Fussell

5 —FUNDING FOR CITY SCHOOL SYSTEMS

6 Sec. 37. (a) If two or more local school administrative units are consolidated
7 and merged into one unit, the allotments of the following positions shall not be less than
8 those same allotments to the separate units for the first and second full fiscal years of
9 the consolidation and merger and shall be used for the continuation of the positions and
10 programs, except as specifically authorized by the State Board of Education: (i)
11 superintendents, (ii) associate and assistant superintendents, (iii) supervisors, and (iv)
12 maintenance supervisors.

13 (b) Effective July 1, 1991, Chapter 115C of the General Statutes is amended by
14 adding a new section to read:

15 "**§ 115C-68.1. Merger of units by the board of county commissioners.**

16 (a) The board of county commissioners of a county in which two or more local
17 school administrative units are located, but all are located wholly within the county,
18 may adopt a plan for the consolidation and merger of the units into a single countywide
19 unit.

20 The plan adopted under this subsection shall require that the county adopting the
21 plan provide local funding per average daily membership to the resulting local school
22 administrative unit for subsequent years of at least the highest level of any local school
23 administrative unit in the county for the fiscal year before the merger.

24 (b) The boards of county commissioners of two counties in which one local
25 school administrative unit is located in both counties may jointly adopt plans for each of
26 their counties, including a plan of consolidation and merger for such unit that is located
27 in more than one county. The results of such consolidation and merger shall be that
28 there is only one county-wide local school administrative unit in each county, or that the
29 entirety of the unit located within two counties is merged and consolidated with the
30 county unit of one of the two counties. Such plans shall also merge and consolidate any
31 other city school administrative unit located wholly within one of the two counties.
32 Within the two county area, all the plans shall take effect on the same day.

33 The plans jointly adopted under this subsection shall require that the counties jointly
34 adopting the plans provide local funding per average daily membership to the resulting
35 local school administrative units for subsequent fiscal years of at least the highest level
36 of any local school administrative unit in the counties for the fiscal year before the
37 merger.

38 (c) The plans under this section shall be prepared and approved in accordance
39 with G.S. 115C-67 as provided by general law, or G.S. 115C-68 as provided by general
40 law, as applicable, except that the county and city boards of education shall not
41 participate by preparing, entering into, submitting, or agreeing to a plan, and the plan
42 shall not be contingent upon approval of the voters.

43 (d) For the purpose of this section, local funding per average daily membership
44 means the budgeted local expense per average daily membership. The State Board of

1 Education shall establish guidelines for the computation of this amount and the amount
2 shall be set out in the plan for consolidation and merger.

3 (e) If the State Board of Education fails to approve a plan submitted to it under
4 this section, such failure to approve does not preclude the approval of the plan by the
5 General Assembly by local act."

6 (c) Effective July 1, 1991, Chapter 115C of the General Statutes is amended
7 by adding a new section to read:

8 **"§ 115C-68.2. Merger of units by the local boards of education.**

9 If a city board of education notifies the State Board of Education that it is dissolving
10 itself, the State Board of Education shall adopt a plan of consolidation and merger of
11 that city school administrative unit with the county school administrative unit in the
12 county in which the city unit is located; provided, however, if a city school
13 administrative unit located in more than one county notifies the State Board of
14 Education that it is dissolving itself, the State Board shall adopt a plan that divides the
15 city unit along the county line and consolidates and merges the part of the city unit in
16 each county with the county unit in that county and the plans shall take effect on the
17 same day. The plans shall be prepared and approved in accordance with G.S. 115C-67
18 as provided by general law, and G.S. 115C-68 as provided by general law, as
19 applicable, except that the county and city boards of education and the boards of
20 commissioners shall not participate by preparing, entering into, submitting, or agreeing
21 to a plan, and the plan shall not be contingent upon approval by the voters."

22 (d) No liability for any supplemental school tax levied under local act or G.S.
23 115C-501 to G.S. 115C-511 that attached prior to the date on which a levy is
24 discontinued pursuant to a plan for merger for local school administrative units under
25 G.S. 115C-68.1 or G.S. 115C-68.2 is discharged as a result of the repeal, and no right to
26 a refund of tax that accrued prior to the effective date on which a levy is discontinued
27 may be denied as a result of the repeal.

28 This subsection becomes effective July 1, 1991.

29
30 Requested by: Representatives Payne, Fussell

31 —PUPIL TRANSPORTATION PROGRAM IMPROVEMENTS

32 Sec. 38. The Department of Public Instruction shall implement the Pupil
33 Transportation Program Improvements Implementation Projects authorized by Section
34 55 of Chapter 752 of the 1989 Session Laws. The Department of Public Instruction
35 may use up to \$400,000 of the funds appropriated for the 1991-92 fiscal year for aid to
36 local school administrative units for pupil transportation in order to replace computer
37 equipment located in the 100 county school bus garages and in the Department of Public
38 Instruction, as required by the State Fleet Vehicle Management System, and for other
39 purposes required for the implementation of the projects authorized by the 1989
40 Session.

41 The Department shall report to the Joint Legislative Commission on
42 Governmental Operations in March of 1992 the implementation of the projects specified
43 in this section.

44

1 Requested by: Representatives Diamont, Nesbitt

2 ---APPROPRIATION OF FUNDS FROM STATE LITERARY FUND

3 Sec. 39. There is appropriated from the State Literary Fund to the
4 Department of Public Education the sum of \$2,500,000 for the 1991-92 fiscal year for
5 aid to local school administrative units.

6

7

8 PART XV.—COMMUNITY COLLEGES

9

10 Requested by: Representatives Payne, Fussell

11 ---MAINTENANCE OF PLANT

12 Sec. 40. (a) Notwithstanding any provision of law to the contrary, any
13 community college that has an out-of-county student head count served on the main
14 campus of the college in excess of fifty percent (50%) of the total student head count as
15 defined by the State Board of Community Colleges shall be provided funds for the
16 purpose of "operations of plant". These funds shall not exceed eighty-five percent
17 (85%) of the funds allocated to these colleges during the 1990-91 fiscal year for this
18 purpose.

19 (b) This section becomes effective July 1, 1992.

20

21 Requested by: Representatives Payne, Fussell

22 ---BUDGET FLEXIBILITY

23 Sec. 41. The State Board of Community Colleges shall establish budget
24 guidelines that grant to the individual institutions maximum budget flexibility to
25 accomplish the budget reductions assigned to them by the State Board for the 1991-93
26 fiscal biennium. These guidelines shall allow transfers of all operating funds, except
27 from literacy funds and the Human Resources Development Program, between line
28 items and program areas. These guidelines shall also require that, to the extent possible,
29 reductions shall be taken in administrative costs rather than from instructional costs.

30 The State Board is not required to make budget reduction allocations on a pro
31 rata basis and may specify various programs for reduction.

32 The State Board shall require each college to submit a plan assuring a
33 balanced educational program that meets statewide priorities.

34 The State Board shall report to the Regular 1992 Session of the 1991 General
35 Assembly on these guidelines and on the implementation of these guidelines by each
36 institution.

37

38 Requested by: Representatives Payne, Fussell

39 ---OPERATING APPROPRIATIONS/NOT USED FOR RECREATION
40 EXTENSION

41 Sec. 42. Funds appropriated in the 1991-93 fiscal biennium to the
42 Department of Community Colleges as operating expenses for allocation to the
43 institutions comprising the Community College System shall not be used to support
44 recreation extension courses. The financing of these courses by any institution shall be

1 on a self-supporting basis, and membership hours produced from these activities shall
2 not be counted when computing full-time equivalent students for use in budget-funding
3 formulas at the State level.

4

5 Requested by: Representatives Payne, Fussell

6 ---FULL-TIME EQUIVALENT TEACHING POSITIONS/COMMUNITY
7 COLLEGES

8 Sec. 43. For the purpose of determining the community college system-wide
9 number of full-time equivalent (FTE) teaching positions each year, the total curriculum
10 full-time equivalent student enrollment shall be divided by 21.63 for the 1991-92 fiscal
11 year and by 21.44 for the 1992-93 fiscal year; the occupational extension full-time
12 equivalent student enrollment shall be divided by 23 for the 1991-92 fiscal year and by
13 23 for the 1992-93 fiscal year.

14

15 Requested by: Representatives Payne, Fussell

16 ---TUITION/PUBLIC SCHOOL STUDENTS TAKING COMMUNITY COLLEGE
17 COURSES

18 Sec. 44. G.S. 115D-5(b) reads as rewritten:

19 "(b) In order to make instruction as accessible as possible to all citizens, the
20 teaching of curricular courses and of noncurricular extension courses at convenient
21 locations away from institution campuses as well as on campuses is authorized and shall
22 be encouraged. A pro rata portion of the established regular tuition rate charged a full-
23 time student shall be charged a part-time student taking any curriculum course. In lieu
24 of any tuition charge, the State Board of Community Colleges shall establish a uniform
25 registration fee, or a schedule of uniform registration fees, to be charged students
26 enrolling in extension courses for which instruction is financed primarily from State
27 funds; provided, however, that the State Board of Community Colleges may provide by
28 general and uniform regulations for waiver of tuition and registration fees for persons
29 not enrolled in elementary or secondary schools taking courses leading to a high school
30 diploma or equivalent certificate, for training courses for volunteer firemen, local fire
31 department personnel, volunteer rescue and lifesaving department personnel, local
32 rescue and lifesaving department personnel, Radio Emergency Associated Citizens
33 Team (REACT) members when the REACT team is under contract to a county as an
34 emergency response agency, local law-enforcement officers, patients in State alcoholic
35 rehabilitation centers, all full-time custodial employees of the Department of Correction,
36 employees of the Department of Correction's Division of Adult Probation and Parole
37 and employees of the Division of Youth Services of the Department of Human
38 Resources required to be certified pursuant to Chapter 17C of the General Statutes and
39 the rules of the Criminal Justice and Training Standards Commission, trainees enrolled
40 in courses conducted under the New and Expanding Industry Program, clients of
41 sheltered workshops, clients of adult developmental activity programs, students in
42 Human Resources Development Programs, juveniles of any age committed to the
43 Division of Youth Services of the Department of Human Resources by a court of
44 competent jurisdiction, and prison inmates. Provided further, tuition shall be waived for

1 senior citizens attending institutions operating pursuant to this Chapter as set forth in
2 Chapter 115B of the General Statutes, Tuition Waiver for Senior Citizens. Provided
3 further, tuition shall also be waived for all courses taken by high school students at
4 community colleges in accordance with G.S. 115D-20(4) and this section."
5

6 Requested by: Representatives Payne, Fussell

7 ---BOOKS AND EQUIPMENT APPROPRIATIONS/REVERT AFTER ONE YEAR

8 Sec. 45. Appropriations to the Department of Community Colleges for
9 equipment and library books are made for each year of the fiscal biennium. All
10 unencumbered appropriations shall revert to the General Fund 12 months after the close
11 of each fiscal year for which they were appropriated. Encumbered balances outstanding
12 at the end of each period shall be handled in accordance with existing State Budget
13 policies. The Department shall be able to identify to the Office of State Budget and
14 Management which appropriations will revert at the end of the 12 months after the close
15 of each fiscal year.
16

17 Requested by: Representatives Payne, Fussell

18 ---" TECH PREP" IMPLEMENTATION

19 Sec. 46. Of the funds available to the Department of Public Education for
20 vocational education, \$50,000 for the 1991-92 fiscal year and \$50,000 for the 1992-93
21 fiscal year, shall be allocated to the North Carolina Tech Prep Leadership Development
22 Center at Richmond Community College for assistance to local education agencies and
23 community colleges in planning and implementing "Tech Prep" across the State. The
24 Department of Community Colleges shall allocate \$50,000 each year from funds
25 available to it for the 1991-92 fiscal year and for the 1992-93 fiscal year for the North
26 Carolina "Tech Prep" Leadership Development Center at Richmond Community
27 College.
28

29 Requested by: Representatives Payne, Fussell

30 ---ASSISTANCE TO HOSPITAL NURSING/FUND DISTRIBUTION

31 Sec. 47. Funds appropriated in this Title to the Department of Community
32 Colleges to provide financial assistance to hospital programs of nursing education
33 leading to diplomas in nursing that are fully accredited by the North Carolina Board of
34 Nursing and operated under the authority of a public or nonprofit hospital licensed by
35 the North Carolina Medical Care Commission shall be distributed, upon application for
36 financial assistance, for each full-time student duly enrolled in the program as of
37 December 1 of the preceding year and on condition that accreditation is maintained.
38 The amount per student shall not exceed \$850. The State Board of Community Colleges
39 shall adopt rules to ensure that this financial assistance is used directly for faculty and
40 instructional needs of diploma nursing programs.
41

42 Requested by: Representative Nesbitt

43 ---STATE DEFENSE MILITIA EXEMPT FROM COMMUNITY COLLEGE
44 TUITION AND FEES

1 Sec. 48. G.S. 115D-5(b) reads as rewritten:

2 "(b) In order to make instruction as accessible as possible to all citizens, the
3 teaching of curricular courses and of noncurricular extension courses at convenient
4 locations away from institution campuses as well as on campuses is authorized and shall
5 be encouraged. A pro rata portion of the established regular tuition rate charged a full-
6 time student shall be charged a part-time student taking any curriculum course. In lieu
7 of any tuition charge, the State Board of Community Colleges shall establish a uniform
8 registration fee, or a schedule of uniform registration fees, to be charged students
9 enrolling in extension courses for which instruction is financed primarily from State
10 funds; provided, however, that the State Board of Community Colleges may provide by
11 general and uniform regulations for waiver of tuition and registration fees for persons
12 not enrolled in elementary or secondary schools taking courses leading to a high school
13 diploma or equivalent certificate, for training courses for volunteer firemen, local fire
14 department personnel, volunteer rescue and lifesaving department personnel, local
15 rescue and lifesaving department personnel, Radio Emergency Associated Citizens
16 Team (REACT) members when the REACT team is under contract to a county as an
17 emergency response agency, local law-enforcement officers, patients in State alcoholic
18 rehabilitation centers, all full-time custodial employees of the Department of Correction,
19 employees of the Department's Division of Adult Probation and Parole and employees
20 of the Division of Youth Services of the Department of Human Resources required to be
21 certified pursuant to Chapter 17C of the General Statutes and the rules of the Criminal
22 Justice and Training Standards Commission, trainees enrolled in courses conducted
23 under the New and Expanding Industry Program, clients of sheltered workshops, clients
24 of adult developmental activity programs, students in Human Resources Development
25 Programs, juveniles of any age committed to the Division of Youth Services of the
26 Department of Human Resources by a court of competent jurisdiction, ~~and prison~~
27 ~~inmates.~~ prison inmates, and members of the North Carolina State Defense Militia as
28 defined in G.S. 127A-5 and as administered pursuant to Article 5 of Chapter 127A of
29 the General Statutes. Provided further, tuition shall be waived for senior citizens
30 attending institutions operating pursuant to this Chapter as set forth in Chapter 115B of
31 the General Statutes, Tuition Waiver for Senior Citizens."
32
33

34 PART XVI.—COLLEGES AND UNIVERSITIES

35
36 Requested by: Representatives Payne, Fussell
37 —TEACHING HOSPITAL REIMBURSEMENT

38 Sec. 49. Reimbursement to Pitt County Memorial Hospital for
39 uncompensated care provided to non-Pitt County residents admitted by East Carolina
40 Medical School faculty shall be limited to the unreimbursed portion of actual costs as
41 determined in the Medicare Cost Report.
42

43 Requested by: Representatives Payne, Fussell

1 —AID TO PRIVATE COLLEGES/LEGISLATIVE TUITION GRANT
2 LIMITATIONS

3 Sec. 50. (a) The amount of a tuition grant awarded to a student enrolled in a
4 degree program at a site away from the main campus of the approved private institution,
5 as defined in G.S. 116-22(1), may be no more than the result of the ratio of the cost per
6 credit hour for off-campus instruction at that site to the cost per credit hour for regular,
7 full-time on-campus instruction, multiplied by the maximum grant award, or the
8 maximum grant award allowable under Section 51(b) of this Title, whichever is less.

9 (b) No Legislative Tuition Grant funds may be expended for a program at an off-
10 campus site of a private institution, as defined in G.S. 116-22(1), established after May
11 15, 1987, unless (i) the private institution offering the program has previously notified
12 and secured agreement from other private institutions operating degree programs in the
13 county in which the off-campus program is located or operating in the counties adjacent
14 to that county or (ii) the degree program is neither available nor planned in the county
15 with the off-campus site or in the counties adjacent to that county.

16 An "off-campus program" is any program offered for degree credit away from
17 the institution's main, permanent campus.

18 (c) Any member of the armed services as defined in G.S. 116-143.3(a), abiding
19 in this State incident to active military duty, who does not qualify as a resident for
20 tuition purposes as defined under G.S. 116-143.1, is eligible for a Legislative Tuition
21 Grant pursuant to this section if the member is enrolled as a full-time student. The
22 member's Legislative Tuition Grant may not exceed the cost of tuition less any tuition
23 assistance paid by the member's employer.

24

25 Requested by: Representatives Payne, Fussell

26 —AID TO PRIVATE COLLEGES/PROCEDURE

27 Sec. 51. (a) Funds appropriated in this Title to the Board of Governors of The
28 University of North Carolina for aid to private colleges shall be disbursed in accordance
29 with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up
30 to \$450.00 per full-time equivalent North Carolina undergraduate student enrolled at a
31 private institution as of October 1 each year.

32 These funds shall be placed in a separate, identifiable account in each eligible
33 institution's budget or chart of accounts. All funds in this account shall be provided as
34 scholarship funds for needy North Carolina students during the fiscal year. Each
35 student awarded a scholarship from this account shall be notified of the source of the
36 funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be
37 made available for the tuition grant program as defined in subsection (b) of this section.

38 (b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition
39 to all other financial assistance made available to private educational institutions located
40 within the State, or to students attending these institutions, there is granted to each full-
41 time North Carolina undergraduate student attending an approved institution as defined
42 in G.S. 116-22, a sum, not to exceed \$1,150 per academic year, which shall be
43 distributed to the student as hereinafter provided.

1 The tuition grants provided for in this section shall be administered by the
2 State Education Assistance Authority pursuant to rules adopted by the State Education
3 Assistance Authority not inconsistent with this section. The State Education Assistance
4 Authority may not approve any grant until it receives proper certification from an
5 approved institution that the student applying for the grant is an eligible student. Upon
6 receipt of the certification, the State Education Assistance Authority shall remit at such
7 times as it shall prescribe the grant to the approved institution on behalf, and to the
8 credit, of the student.

9 In the event a student on whose behalf a grant has been paid is not enrolled
10 and carrying a minimum academic load as of October 1 of the first academic term or on
11 the tenth classroom day following the beginning of the second school term for which the
12 grant was paid, the institution shall refund the full amount of the grant to the State
13 Education Assistance Authority. Each approved institution shall be subject to
14 examination by the State Auditor for the purpose of determining whether the institution
15 has properly certified eligibility and enrollment of students and credited grants paid on
16 the behalf of the students.

17 In the event there are not sufficient funds to provide each eligible student
18 with a full grant:

- 19 (1) The Board of Governors of The University of North Carolina, with the
20 approval of the Office of State Budget and Management, may transfer
21 available funds to meet the needs of the programs provided by
22 subsections (a) and (b) of this section; and
- 23 (2) Each eligible student shall receive a pro rata share of funds then
24 available for the remainder of the academic year within the fiscal
25 period covered by the current appropriation.

26 Any remaining funds shall revert to the General Fund.

27 (c) Expenditures made pursuant to this section may be used only for secular
28 educational purposes at nonprofit institutions of higher learning.

29
30 Requested by: Representatives Payne, Fussell

31 ---WAKE FOREST AND DUKE MEDICAL SCHOOL ASSISTANCE/FUNDING
32 FORMULAE

33 Sec. 52. Funds appropriated in this Title to the Board of Governors of The
34 University of North Carolina for continuation of financial assistance to the medical
35 schools of Duke University and Wake Forest University shall be disbursed on
36 certifications of the respective schools of medicine that show the number of North
37 Carolina residents as first-year, second-year, third-year, and fourth-year students in the
38 medical school as of November 1, 1991, and November 1, 1992. Disbursement to
39 Wake Forest University shall be made in the amount of \$8,000 for each medical student
40 who is a North Carolina resident, \$1,000 of which shall be placed by the school in a
41 fund to be used to provide financial aid to needy North Carolina students who are
42 enrolled in the medical school. The maximum aid given to any student from this fund
43 in a given year may not exceed the amount of the difference in tuition and academic

1 fees charged by the school and those charged at the School of Medicine at the
2 University of North Carolina at Chapel Hill.

3 Disbursement to Duke University shall be made in the amount of \$5,000 for
4 each medical student who is a North Carolina resident, \$500.00 of which shall be placed
5 by the school in a fund to be used to provide student financial aid to financially needy
6 North Carolina students who are enrolled in the medical school. No individual student
7 may be awarded assistance from this fund in excess of \$2,000 each year. In addition to
8 this basic disbursement for each year of the biennium, a disbursement of \$1,000 shall be
9 made for each medical student who is a North Carolina resident in the first-year,
10 second-year, third-year, and fourth-year classes to the extent that enrollment of each of
11 those classes exceeds 30 North Carolina students.

12 The Board of Governors shall establish the criteria for determining the
13 eligibility for financial aid of needy North Carolina students who are enrolled in the
14 medical schools and shall review the grants or awards to eligible students. The Board of
15 Governors shall adopt rules for determining which students are residents of North
16 Carolina for the purposes of these programs. The Board of Governors shall also make
17 any regulations as necessary to ensure that these funds are used directly for instruction
18 in the medical programs of the schools and not for religious or other nonpublic
19 purposes. The Board of Governors shall encourage the two schools to orient students
20 towards personal health care in North Carolina giving special emphasis to family and
21 community medicine.

22
23 Requested by: Representatives Payne, Fussell

24 —UNIVERSITY OF NORTH CAROLINA HOSPITALS AT CHAPEL
25 HILL/NURSING

26 Sec. 53. Notwithstanding the provisions of G.S. 126-4(1), G.S. 126-4(2),
27 and Section 9 of Chapter 738 of the 1987 Session Laws, as amended by Section 100(a)
28 of the 1987 Session Laws, and as further amended by Section 54 of Chapter 500 of the
29 1989 Session Laws, the Current Operations Appropriations Act of 1989, the Board of
30 Directors of the University of North Carolina Hospitals at Chapel Hill shall establish
31 policies and rules governing the study and implementation of competitive position
32 classification and compensation plans for registered and licensed practical nurse
33 positions that have been approved by the Board of Directors. These plans shall provide
34 for minimum, maximum, and intermediate rates of pay, and may include provisions for
35 range revisions and shift premium pay and for salary adjustments to address internal
36 inequities, job performance, and market conditions. The Office of State Personnel shall
37 review the classification and compensation plans on an annual basis, and all changes in
38 compensation plans for these registered and licensed practical nursing positions shall be
39 submitted to the Office of State Personnel upon implementation.

40
41 Requested by: Representatives Payne, Fussell

42 —UNC BUDGETARY CHANGES

43 Sec. 54. The Board of Governors of The University of North Carolina shall
44 make the following change in all future budget presentations to the General Assembly

1 and in the 1991-93 budget certification to the constituent institutions of The University
2 of North Carolina:

3 The existing budget purposes or programs of State Administration,
4 State-Subject Matter, State Information, County Supervision, and
5 County Program Operation with the North Carolina Agricultural
6 Extension Service budget code shall be consolidated into the budget
7 purposes or programs entitled State Administration, State Program
8 Operations, and County Program Operations.
9

10 Requested by: Representatives Payne, Fussell

11 —UNC BOARD OF GOVERNORS/STATE BOARD OF COMMUNITY
12 COLLEGES SMALL BUSINESS MEMORANDUM OF AGREEMENT

13 Sec. 55. The Board of Governors of The University of North Carolina and
14 the State Board of Community Colleges shall develop and implement a new
15 Memorandum of Agreement between the Small Business and Technology Development
16 Centers Program (SBTDC) in The University of North Carolina and the Small Business
17 Assistance Centers in the Community Colleges system. This Memorandum of
18 Agreement shall:

- 19 (1) Refine existing agreements to increase coordination of services, to
20 provide for referral and client tracking between the systems, and to
21 define the types of service to be provided by each entity;
- 22 (2) Provide for subcontractors when necessary or reasonable for the
23 provision of services, including the use of federal funds to provide
24 services;
- 25 (3) Require definitive working agreements at the local level in those
26 counties or municipal areas where more than one State-funded entity
27 provides services to small businesses. These defined working
28 agreements shall include:
 - 29 a. Efforts to consolidate office space and support services where
30 feasible;
 - 31 b. Referral and client tracking systems; and
 - 32 c. Coordination of program and service delivery efforts; and
- 33 (4) Provide for joint annual reports on these efforts.

34 The Board of Governors of The University of North Carolina and the State
35 Board of Community Colleges shall approve the Memorandum of Agreement and report
36 the results of their efforts and the impact of the working agreements on operations and
37 cost to the General Assembly by March 31, 1992.
38

39 Requested by: Representatives Payne, Fussell

40 —UNC BOARD OF GOVERNORS PREVENTION OF DUPLICATIVE
41 ECONOMIC DEVELOPMENT EFFORTS

42 Sec. 56. The Board of Governors of The University of North Carolina shall
43 address the issue of duplicative economic development efforts within The University of
44 North Carolina. To achieve this, the Board shall:

1 (1) Reallocate the funds for Northeastern North Carolina Tomorrow
 2 (E.C.S.U.), Western North Carolina Tomorrow (W.C.U.), the Regional
 3 Development Institute (ECU), The Economic Development Office
 4 (PSU), and the Urban Development Institute (UNC-C), pulled out of
 5 the individual campuses and provided to the Board in this act, after the
 6 funding reduction required by this act, to achieve consolidation of
 7 services and after:

- 8 a. Ensuring that the efforts of these offices are consistent with the
 9 Small Business and Technology Development Centers Program
 10 (SBTDC) efforts and may be used to match federal funds,
 11 including additional federal funds that may become available.
 12 The Board shall, when possible, consolidate these offices into
 13 the (SBTDC) network; and
 14 b. Requiring the Small Business and Technology Development
 15 Centers Program (SBTDC) to provide those direct services to
 16 small businesses previously offered by the Department of
 17 Economic and Community Development, including
 18 purchaser/supplier conferences and export assistance.

19 The Board shall report the results of its consolidation and coordination of
 20 economic development activities including the allocation of funds, to the General
 21 Assembly and the House and Senate Appropriations Subcommittees on Education by
 22 March 31, 1992.

23
 24 Requested by: Representative Nesbitt

25 —OBSTETRICAL EDUCATION FUNDS

26 Sec. 57. Funds in the amount of \$480,000 appropriated to the Division of
 27 Maternal and Child Health, Department of Environment, Health, and Natural Resources
 28 in this Title for the Obstetrical Education Program of the Mountain Area Health
 29 Education Center (MAHEC) are hereby transferred to the Area Health Education
 30 Centers budget of the Board of Governors of The University of North Carolina. The
 31 funds transferred by this section shall be used for the MAHEC Obstetrical Education
 32 Program.

33
 34
 35 PART XVII.—DEPARTMENT OF TRANSPORTATION

36
 37 Requested by: Representative Anderson

38 —MOWING ROAD SHOULDERS

39 Sec. 58. The Board of Transportation shall review its policy of requiring
 40 private contractors to mow the State highway system. The Board shall look at the
 41 comparative costs between mowing with State forces versus private contractors. The
 42 Board shall explore the costs of returning mowing work, especially of secondary roads,
 43 to the 14 Highway Divisions. This study shall also consider the savings derived from
 44 reducing the width of the shoulder to be mowed. A report of the Board's findings shall

1 be submitted to the House Appropriations Subcommittee on Transportation, to the
2 Senate Appropriations Committee on Natural and Economic Resources, and to the
3 Fiscal Research Division 30 days prior to the scheduled convening date of the 1992
4 Session of the General Assembly. Until a report is made to the 1992 Session, the Board
5 of Transportation shall award mowing contracts of no more than one year in duration.

6
7 Requested by: Representatives McLaughlin, Holt

8 ---DOT PERSONNEL ACTIONS REPORTED

9 Sec. 59. The Department of Transportation shall submit a list of personnel
10 actions every six months to the Joint Legislative Highway Oversight Committee and to
11 the Fiscal Research Division. This list shall include positions reallocated, reclassified,
12 abolished, and created. The report shall give the status of the Department's salary
13 reserves and how they were used during the reporting period.

14
15 Requested by: Representatives McLaughlin, Holt

16 ---PLAN TO REDUCE LABOR VARIANCE

17 Sec. 60. The Department of Transportation shall submit to the House
18 Appropriations Subcommittee on Transportation and the Senate Appropriations
19 Committee on Natural and Economic Resources during the 1992 Session of the General
20 Assembly, a plan to reduce labor variance in highway planning and design from the
21 current nineteen and two-tenths percent (19.2%) to the pre-Trust Fund 1985 level of ten
22 and six-tenths percent (10.6%). The Plan shall list all activities that are charged to labor
23 variance and the reasons why the work has not been assigned to job orders.

24
25 Requested by: Representatives McLaughlin, Holt

26 ---PERFORMANCE AUDIT COMPARING COST OF ENGINEERING SERVICES
27 BETWEEN DEPARTMENT OF TRANSPORTATION AND PRIVATE
28 ENGINEERING FIRMS

29 Sec. 61. The State Auditor shall conduct a performance audit comparing the
30 cost, quality, and timeliness of engineering services provided by outside consultants
31 versus Department of Transportation personnel. This audit shall include an analysis of
32 overhead costs, labor variance, the impact of newly hired employees or Department of
33 Transportation efficiency and the cost of supervising consultants. The State Auditor
34 shall report his findings, by April 1, 1992, to the Chairmen of the Senate and House
35 Appropriations Committees, the Chairmen of the House Appropriations Subcommittee
36 on Transportation, and the Chairman of the Senate Appropriations Committee on
37 Natural and Economic resources.

38
39 Requested by: Representatives McLaughlin, Holt

40 ---REDUCTION OF HIGHWAY TRUST FUND REVENUE USED FOR
41 ADMINISTRATIVE EXPENSES

42 Sec. 62. G.S. 136-176(b) reads as rewritten:

43 "(b) Funds in the Trust Fund are annually appropriated to the Department of
44 Transportation to be allocated and used as provided in this subsection. A sum, not to

1 exceed ~~five percent (5%)~~ four and one-half percent (4.5%) of the amount of revenue
2 deposited in the Trust Fund under subdivisions (a)(1), (2), and (3) of this section, may
3 be used each fiscal year by the Department for expenses to administer the Trust Fund.
4 The rest of the funds in the Trust Fund shall be allocated and used as follows:

- 5 (1) Sixty-one and ninety-five hundredths percent (61.95%) to plan, design,
6 and construct the projects of the Intrastate System described in G.S.
7 136-179.
- 8 (2) Twenty-five and five hundredths percent (25.05%) to plan, design, and
9 construct the urban loops described in G.S. 136-180.
- 10 (3) Six and one-half percent (6.5%) to supplement the appropriation to
11 cities for city streets under G.S. 136-181.
- 12 (4) Six and one-half percent (6.5%) for secondary road construction as
13 provided in G.S. 136-182."
14

15 Requested by: Representatives McLaughlin, Holt

16 ---BRANCH AGENT TRANSACTION RATE

17 Sec. 63. The Division of Motor Vehicles of the Department of Transportation
18 shall compensate a contractor with whom it has a contract under G.S. 20-63(h) at the
19 rate of ninety-two cents (92¢) for each transaction performed in accordance with the
20 requirements set by the Division. A transaction is any of the following activities:

- 21 (1) Issuance of a registration plate, a registration card, a registration
22 renewal sticker, or a certificate of title.
- 23 (2) Issuance of a handicapped placard or handicapped identification card.
- 24 (3) Acceptance of an application for a personalized registration plate.
- 25 (4) Acceptance of a surrendered registration plate, registration card, or
26 registration renewal sticker, or acceptance of an affidavit stating why a
27 person cannot surrender a registration plate, registration card, or
28 registration renewal sticker.
- 29 (5) Cancellation of a title because the vehicle has been junked.
- 30 (6) Acceptance of an application for, or issuance of, a refund for a fee or a
31 tax, other than the highway use tax.
- 32 (7) Receipt of the civil penalty imposed by G.S. 20-309 for a lapse in
33 financial responsibility or receipt of the restoration fee imposed by that
34 statute.
- 35 (8) Acceptance of a notice of failure to maintain financial responsibility
36 for a motor vehicle.
- 37 (9) Collection of the highway use tax.

38 Performance at the same time of any combination of the items that are listed
39 within each subdivision or are listed within subdivisions (1) through (8) is a single
40 transaction. Performance of the item listed in subdivision (9) in combination with any
41 other items listed in this section is a separate transaction.
42

43 Requested by: Representatives McLaughlin, Holt

44 ---BIDS FOR COMPUTER SERVICES

1 Sec. 64. In requests for bids, requests for quotes, requests for proposals, or
2 other procurement actions issued through the Department of Administration, Division of
3 Purchase and Contract, or through any other State agency, for vendors to develop a
4 strategic plan, conduct a feasibility study, or prepare a needs assessment for a computer
5 system, information system, data communications network, data processing application,
6 or other information technology application, there shall be a provision that reads as
7 follows:" Eligibility for Future Requirements: The successful offeror on this project
8 will not be considered for an award on subsequent hardware, software, software
9 support, and related procurements which are based on specifications or
10 recommendations resulting from this procurement." The Division of Purchase and
11 Contract and the State agency or agencies involved in the procurement may delete this
12 provision in a procurement request by jointly (i) filing a written request with the
13 Director of the Office of State Budget for authorization to delete this provision from the
14 procurement effort, (ii) sending a copy of this written request for authorization to the
15 Director of the Fiscal Research Division at the time it is filed with the Office of State
16 Budget, (iii) receiving written authorization to delete the provision from the Director of
17 the Office of State Budget, and (iv) reporting the authorization, if it is granted, to the
18 Director of the Fiscal Research Division and to the next meeting of the Joint Legislative
19 Commission on Governmental Operations.

20
21 Requested by: Representatives McLaughlin, Holt, Bowie
22 ---NORTH CAROLINA RAILROAD DIVIDENDS APPROPRIATED TO THE
23 HIGHWAY FUND FOR RAILROAD PURPOSES

24 Sec. 65. G.S. 136-16.6 reads as rewritten:

25 **"§ 136-16.6. Continuing rail appropriations.**

26 There is annually ~~appropriated, beginning with the 1987-88 fiscal year, from the~~
27 ~~General Fund to the Department of Transportation for rail purposes the greater of one~~
28 ~~hundred thousand dollars (\$100,000) or appropriated one hundred percent (100%) of the~~
29 ~~annual dividends received in the prior fiscal year (less any amounts that are required by~~
30 ~~Section 13.18 of Chapter 792, Session Laws of 1985 to be paid for the expenses of the~~
31 ~~Railroad Negotiating Commission) by the State from its ownership of stock in the North~~
32 ~~Carolina Railroad Company and the Atlantic and North Carolina Railroad Company.~~
33 Company to the Highway Fund for use by the Department of Transportation for railroad
34 purposes."

35
36 Requested by: Representatives McLaughlin, Holt
37 ---TRANSFER OF FUNDS FROM THE EQUIPMENT FUND

38 Sec. 66. The Department of Transportation's Equipment Fund shall pay to the
39 Highway Fund \$5,000,000 for the 1991-92 fiscal year and \$5,000,000 for the 1992-93
40 fiscal year. These funds shall be used for highway maintenance.

41
42
43 PART XVIII.—DEPARTMENT OF CORRECTION

1 Requested by: Representatives Anderson, Redwine

2 ---PRIVATE CONFINEMENT FACILITIES

3 Sec. 67. No for-profit, privately owned or operated confinement facilities
4 may be added to the State prison system unless approved by the General Assembly.
5 The State may contract with private, nonprofit firms to provide or operate work and
6 study release centers for women and for youth.

7
8 Requested by: Representatives Anderson, Redwine

9 ---NEGOTIATED RATES FOR MEDICAL SERVICES

10 Sec. 68. The Department of Correction shall negotiate for rates as close to
11 Medicaid rates as possible for all medical services rendered to that Department by
12 providers who are not State employees. The Department shall report the results of its
13 negotiations to the Chairmen of the Senate Appropriations Committee and the Senate
14 Base Budget Appropriations Committee, the Chairmen of the House Appropriations
15 Committee, and the Chairmen of the Senate and the House Appropriations Committees
16 on Justice and Public Safety prior to March 15, 1992.

17
18 Requested by: Representatives Anderson, Redwine

19 ---LIMIT USE OF OPERATIONAL FUNDS

20 Sec. 69. Funds appropriated in this Title to the Department of Correction for
21 operational costs for additional facilities shall be used for the personnel and operating
22 expenses set forth in the budget approved by the General Assembly in this act. These
23 funds may not be expended for any other purpose, and may not be expended for
24 additional prison personnel positions until the new facilities are within 90 days of
25 completion, except as authorized for the facilities at Nash, Pender, South Mountain, and
26 Brown Creek.

27
28 Requested by: Representatives Anderson, Redwine

29 ---INMATE REPRESENTATION STUDY

30 Sec. 70. The Joint Legislative Commission on Governmental Operations
31 shall study the issue of providing legal representation to inmates in the custody of the
32 Department of Correction by examining the current means and alternative means of
33 providing such representation and determining which of those means are the most
34 feasible. The Commission shall report its findings and any recommendations to the
35 Chairmen of the Senate and House Appropriations Committees and the Chairmen of the
36 Senate and House Appropriations Committees on Justice and Public Safety by May 1,
37 1992.

38
39
40 PART XIX.—DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY

41
42 Requested by: Representatives Anderson, Redwine

43 ---REPORT ON COMMUNITY SERVICE WORKERS

1 Sec. 71. The Department of Crime Control and Public Safety shall report
2 quarterly in the 1991-92 fiscal year and the 1992-93 fiscal year to the Joint Legislative
3 Commission on Governmental Operations and the Fiscal Research Division on the
4 number of community service workers who were available during each month of the
5 time period preceding that report to perform repairs and maintenance of the parks and
6 when and where they were available.

7
8 Requested by: Representatives Anderson, Redwine

9 ---REPORTS ON THE COMMUNITY PENALTIES PROGRAM AND THE CRIME
10 VICTIMS COMPENSATION FUND

11 Sec. 72. The Department of Crime Control and Public Safety shall report
12 annually to the Senate and House Appropriations Base Budget Committees on Justice
13 and Public Safety and the Fiscal Research Division on the administrative expenditures
14 of the Community Penalties Program and the North Carolina Crime Victims
15 Compensation Fund.

16
17 Requested by: Representatives Anderson, Redwine

18 ---LEGISLATIVE REVIEW OF DRUG LAW ENFORCEMENT AND OTHER
19 GRANTS

20 Sec. 73. (a) Section 1303(4) of the Omnibus Crime Control and Safe Streets
21 Act of 1968 provides that State applications for drug law enforcement grants are subject
22 to review by the State legislature or its designated body.

23 (b) The North Carolina General Assembly hereby provides that State applications
24 for grants under the State and Local Law Enforcement Assistance Act of 1986, Part M
25 of the Omnibus Crime Control and Safe Streets Act of 1968 as enacted by Subtitle K of
26 P.L. 99-570, the Anti-Drug Abuse Act of 1986, are subject to review by the Joint
27 Legislative Commission on Governmental Operations if at the time of review the
28 General Assembly is not in session.

29 (c) Unless a State statute provides a different forum for review where a federal
30 law or regulation provides that a State application for a grant must be reviewed by the
31 State legislature or its designated body and at the time of the review the General
32 Assembly is not in session, that application shall be reviewed by the Joint Legislative
33 Commission on Governmental Operations.

34
35 Requested by: Representatives Anderson, Redwine

36 ---REPORT ON MOTOR VEHICLE REPLACEMENT COST

37 Sec. 74. The Department of Crime Control and Public Safety shall report to
38 the 1991 General Assembly, 1992 Regular Session, regarding the reduction in the
39 number of motor vehicles replaced by the Highway Patrol for the 1991-92 fiscal year
40 and the effect, if any, of that reduction on the Highway Patrol, and shall also review and
41 report on the projected cost of replacing motor vehicles for the 1992-93 fiscal year. The
42 Department of Justice shall report to the 1991 General Assembly, 1992 Regular Session,
43 regarding the reduction in the number of motor vehicles replaced by the State Bureau of
44 Investigation for the 1991-92 fiscal year and the effect, if any, of that reduction on the

1 State Bureau of Investigation, and shall also review and report on the projected cost of
2 replacing motor vehicles for the 1992-93 fiscal year.

3
4 Requested by: Representatives Anderson, Redwine

5 —REPORT ON HIGHWAY PATROL FURNITURE AND EQUIPMENT
6 REPLACEMENT SCHEDULE

7 Sec. 75. The Highway Patrol, Department of Crime Control and Public
8 Safety, shall report to the 1991 General Assembly, 1992 Regular Session, regarding the
9 reductions in the replacement schedule for furniture and equipment for the Highway
10 Patrol for the 1991-92 fiscal year and the effect, if any, of those reductions. The
11 Highway Patrol shall also report on the projected cost of the replacement schedule for
12 equipment and furniture for the 1992-93 fiscal year.

13
14 Requested by: Representatives Anderson, Redwine

15 —CRIME VICTIMS COMPENSATION/SOFTWARE FUNDS

16 Sec. 76. (a) The Office of State Budget and Management shall designate
17 \$10,080 of the Computer Reserve Fund created in the Office of State Budget and
18 Management for the 1991-92 fiscal year for the critical computer needs of the Crime
19 Victims Compensation Program in the Department of Crime Control and Public Safety.

20 (b) The Department of Crime Control and Public Safety shall eliminate one
21 position for a claims examiner and one position for an investigator by July 1, 1992.

22
23
24 PART XX.—JUDICIAL DEPARTMENT

25
26 Requested by: Representatives Anderson, Redwine

27 —COMMISSIONERS ON UNIFORM STATE LAWS

28 Sec. 77. From funds appropriated to the Judicial Department in the certified
29 budget for the 1991-93 biennium, the Administrative Office of the Courts may transfer
30 within its budget up to \$19,000 for the 1991-92 fiscal year and up to \$19,000 for the
31 1992-93 fiscal year to reimburse the expenses of travel of the North Carolina delegation
32 of the National Conference of Commissioners on Uniform State Laws.

33
34 Requested by: Representatives Anderson, Redwine

35 —INDIGENT PERSONS' ATTORNEY FEE FUND

36 Sec. 78. (a) Effective July 1, 1991, the Administrative Office of the Courts
37 shall each year of the biennium place the sum of \$3,249,236 from the Indigent Persons'
38 Attorney Fee Fund in a reserve for capital cases and for transcripts, professional
39 examinations, and expert witness fees. The Administrative Office of the Courts shall
40 allot these funds as needed for these purposes and for unanticipated demands on the
41 fund.

42 (b) Effective July 1, 1991, the Administrative Office of the Courts shall, for
43 each year of the biennium, allot the sum of \$11,500,000 from the Indigent Persons'
44 Attorney Fee Fund for adult, juvenile, and guardian **ad litem** cases for the 1991-92 and

1 1992-93 fiscal years to each judicial district where the superior and district court
2 districts are coterminous, and otherwise by county, according to the caseload of indigent
3 persons who were not represented by the public defender in the districts or counties
4 during 1990-91 and 1991-92, respectively.

5 The Administrative Office of the Courts shall notify all senior resident
6 superior court judges, all chief district court judges, and the clerk of superior court
7 within the district or county immediately after the allotment is made and shall regularly
8 notify them how much remains for the district or county.

9 The senior resident superior court judge and the chief district court judge of
10 each district or county shall ask all judges holding court within the district or county: (i)
11 to take into consideration the amount of money allotted at the beginning of the fiscal
12 year and the amount of money remaining in the allotment when they award counsel fees
13 to attorneys of indigent persons, and (ii) to make an effort to award fees equally and
14 justly for legal services provided. The clerk of superior court for each county shall
15 assure that all judges holding court within the county receive this request from the
16 senior resident superior court judge and the chief district court judge.

17 (c) If the funds allotted pursuant to subsection (b) of this section are depleted
18 in a district or county prior to the end of the fiscal year, the Administrative Office of the
19 Courts shall allot the remaining funds from the Indigent Persons' Attorney Fee Fund in
20 the same manner as provided in subsection (b) of this section, provided, however, if
21 necessary and appropriate due to unusual and unanticipated circumstances occurring in
22 the current year, the Administrative Office of the Courts may allocate funds to a district
23 or county in a manner calculated to result in the reasonably fair distribution of the
24 remaining funds. Such funds shall be subject to the limitations and directions set out in
25 subsection (b) of this section.

26 (d) If the funds allotted pursuant to subsection (c) of this section are depleted
27 in a district or county prior to the end of the fiscal year, the Administrative Office of the
28 Courts is authorized to resume payments in such districts or counties only if and when it
29 is reasonably determined that the total projected expenditures will be less than the total
30 approved budget for the Indigent Persons' Attorney Fee Fund for the fiscal year.

31
32 Requested by: Representatives Anderson, Redwine

33 —CURRENT OPERATING EXPENSES

34 Sec. 79. From funds appropriated to the Judicial Department in the certified
35 budget for the 1991-92 fiscal year in this Title, the Administrative Office of the Courts
36 may transfer within its budget up to \$2,500,000 to meet additional current operating
37 expenses for supplies and materials, current obligations, fixed charges, other expenses,
38 equipment and books, and indigent persons' attorney fees. The Administrative Office of
39 the Courts shall make quarterly reports on transfers made pursuant to this section to the
40 Joint Legislative Commission on Governmental Operations and the Chairmen of the
41 Senate and the House Appropriations Committees on Justice and Public Safety.

42
43 Requested by: Representatives Anderson, Redwine

44 —RAPE VICTIM WITNESS COUNSELLOR PROGRAM

1 Sec. 80. From funds appropriated to the Judicial Department in the certified
2 budget for the 1991-93 biennium in this Title, the Administrative Office of the Courts
3 may transfer within its budget up to \$25,000 for the 1991-92 fiscal year and up to
4 \$25,000 for the 1992-93 fiscal year to support the existing Rape Victim Witness
5 Counsellor Program.

6
7 Requested by: Representatives Anderson, Redwine

8 ---ASSIGNED COUNSEL/PUBLIC DEFENDER COST COMPARISON REPORTS
9 FOR DISTRICTS 4A, 5, AND 10; INTENT TO ESTABLISH PUBLIC DEFENDER
10 OFFICES WHERE ASSIGNED COUNSEL COSTS EXCESSIVE

11 Sec. 81. (a) Before the 1992 Regular Session of the General Assembly
12 convenes, the Administrative Office of the Courts shall submit to the House and Senate
13 Appropriations Committees on Justice and Public Safety and to the Joint Legislative
14 Commission on Governmental Operations two reports which compare the amount
15 actually spent on private assigned counsel for indigent persons in Superior Court
16 District or Set of Districts 4A (Sampson, Duplin, and Jones Counties), 5 (New Hanover
17 and Pender Counties), and 10 (Wake County), with the estimated amount which would
18 have been incurred had there been a public defender in each of those districts. The first
19 report shall be submitted on or before January 1, 1992, and shall cover the period May
20 1, 1991, through October 31, 1991; the second report shall be submitted on or before
21 May 20, 1992, and shall cover the period May 1, 1991, through April 30, 1992. Each
22 report shall be based on methods and shall be presented in a format substantially similar
23 to those of the "Comparative Cost Estimates for Establishing Additional Public
24 Defender Offices in Certain Judicial Districts" which are prepared annually by the
25 Administrative Office of the Courts.

26 (b) It is the intent of the General Assembly to establish, effective July 1, 1992, a
27 public defender office for a defender district coterminous with any of the three superior
28 court districts or set of districts designated in subsection (a) of this section in which the
29 amount actually spent on private assigned counsel between May 1, 1991, and April 30,
30 1992, exceeds the estimated amount which would have been incurred in the same period
31 had there been a public defender office in that district or set of districts, as shown in the
32 reports submitted pursuant to subsection (a) of this section.

33 (c) By May 20, 1992, the Administrative Office of the Courts shall report to the
34 entities designated to receive the reports in subsection (a) of this section on the cost
35 effectiveness of the existing public defender offices.

36
37 Requested by: Representatives Anderson, Redwine

38 ---APPELLATE DEFENDER – DEATH PENALTY CASES

39 Sec. 82. (a) Report on Appellate Defender's Office. The Judicial Department
40 shall submit reports on March 15 of each year of the 1991-93 biennium to the House
41 and Senate Appropriation Committees on Justice and Public Safety and to the Joint
42 Legislative Commission on Governmental Operations on:

- 43 (1) The purpose and activities of that part of the Appellate Defender's
44 Office devoted to death penalty cases, and

1 (2) An accounting of General Fund expenditures on assistance provided to
2 paid counsel, State-appointed counsel, and **pro bono** attorneys.

3 (b) No Lobbying by Appellate Defender's Office. The Appellate Defender's
4 Office shall not lobby any entity, organization, or legislative body to urge either
5 abolition or retention of the death penalty. If the Appellate Defender's Office or any of
6 its employees fail to comply with this section or any of the duties of the Appellate
7 Defender's Office related to death penalty cases, the Director of the Administrative
8 Office of the Courts may refuse to seek continued State funding for that part of the
9 Appellate Defender's Office devoted to death penalty cases, or take such other actions as
10 the Director considers appropriate.

11 (c) Clarify Responsibilities of Appellate Defender. G.S. 7A-486.3 reads as
12 rewritten:

13 **"§ 7A-486.3. Duties.**

14 The appellate defender shall:

- 15 (1) Represent indigent persons subsequent to conviction in trial courts
16 pursuant to assignment by trial court judges under the general
17 supervision of the Chief Justice of the Supreme Court. The Chief
18 Justice may, following consultation with the appellate defender and
19 consistent with the resources available to the appellate defender to
20 ensure quality criminal defense services by the appellate defender's
21 office, authorize the appellate defender not to accept assignments of
22 certain appeals but instead to cause those appeals to be assigned either
23 to a local public defender's office or to private assigned counsel.
- 24 (2) Maintain a clearinghouse of materials and a repository of briefs
25 prepared by the appellate defender to be made available to private
26 counsel representing indigents in criminal cases.
- 27 (3) Provide continuing legal education training to assistant appellate
28 defenders and to private counsel representing indigents in criminal
29 cases, including capital cases, as resources are available.
- 30 (4) Provide consulting services to attorneys representing defendants in
31 capital cases.
- 32 (5) Recruit qualified members of the private bar who are willing to
33 provide representation in State and federal death penalty
34 postconviction proceedings.
- 35 (6) In his discretion, serve as counsel of record for indigent defendants in
36 capital cases in State court.
- 37 (7) Undertake direct representation and consultation in capital cases
38 pending in federal court only to the extent that such work is fully
39 federally funded."
- 40

41 Requested by: Representatives Anderson, Redwine

42 —JUDICIAL DEPARTMENT AND DEPARTMENT OF CORRECTION
43 PURCHASES OF SUPPLIES, MATERIALS, AND EQUIPMENT

1 Sec. 83. During the 1991-93 biennium, the Administrative Office of the
2 Courts is authorized to make direct purchases of supplies, materials, and equipment for
3 the Judicial Department, and the Department of Correction is authorized to make direct
4 purchases of supplies, materials, and equipment for the Department of Correction,
5 without complying with Article 3 of Chapter 143 of the General Statutes (Purchases and
6 Contracts) provided that (i) all purchases shall be made pursuant to an open competitive
7 bidding process substantially similar to that provided for in that Article, and (ii) no
8 purchases may be made under the authority of this section except at a price which is less
9 than that for the same item or items under any State contract in effect at the time of the
10 purchase.

11 The Administrative Office of the Courts and the Department of Correction
12 shall report to the Joint Legislative Commission on Governmental Operations and the
13 Fiscal Research Division regarding these purchases by December 31, 1991, and by May
14 1, 1992, for the 1991-92 fiscal year and by May 1, 1993, for the 1992-93 fiscal year.

15
16 Requested by: Representatives Anderson, Redwine

17 ---TERMINATION OF AUTOMATIC DISMISSAL PROGRAMS

18 Sec. 84. Effective July 1, 1991, the programs in Prosecutorial Districts 5, 25,
19 26, 27A, and 27B for dismissing all minor traffic citation court cases and forgiving the
20 payment of all court costs upon the completion by the offender of a "defensive driving
21 course" or "traffic safety school" shall be terminated. No such program may be
22 established or operated in any judicial or prosecutorial district except by express
23 enactment of the General Assembly.

24
25
26 PART XXI.—DEPARTMENT OF JUSTICE

27
28 Requested by: Representatives Anderson, Redwine

29 ---USE OF SEIZED AND FORFEITED PROPERTY TRANSFERRED TO STATE
30 LAW ENFORCEMENT AGENCIES BY THE FEDERAL GOVERNMENT

31 Sec. 85. (a) Assets transferred to the Department of Justice during the 1991-93
32 biennium pursuant to 19 U.S.C. § 1616a shall be credited to the budget of that
33 Department and shall result in an increase of law enforcement resources for the
34 Department. Assets transferred to the Department of Crime Control and Public Safety
35 during the 1991-93 biennium pursuant to 19 U.S.C. § 1616a shall be credited to the
36 budget of that Department and shall result in an increase of law enforcement resources
37 for the Department. The departments shall report to the Joint Legislative Commission
38 on Governmental Operations upon the receipt of these assets and before using these
39 assets shall report the intended use of these assets and the departmental priorities on
40 which the assets may be expended.

41 The General Assembly finds that the use of these assets for new projects,
42 the acquisition of real property, repair of buildings where such repair includes structural
43 change, and construction of or additions to buildings may result in additional expenses
44 for the State in future fiscal periods; therefore, the Department of Justice and the

1 Department of Crime Control and Public Safety are prohibited from using these assets
2 for such purposes without the prior approval of the General Assembly.

3 (b) This section does not apply to the extent that it prevents North Carolina law
4 enforcement agencies from receiving funds from the U.S. Department of Justice
5 pursuant to 19 U.S.C. § 1616a.
6

7 Requested by: Representatives Anderson, Redwine

8 ---DEPARTMENT OF JUSTICE STUDY/CHARGES FOR LEGAL SERVICES TO
9 LOCAL GOVERNMENTS AND STATE AGENCIES

10 Sec. 86. (a) The Department of Justice shall study the feasibility of charging
11 local governments for legal services rendered to those governments by the Office of the
12 Attorney General. The Department of Justice shall consider the number of requests for
13 legal assistance received from local governments, the type of legal assistance requested,
14 the time required to respond to the requests, and any other matters related to the issue of
15 charging local governments for legal assistance. The Department of Justice shall also
16 consider what fee, if any, is appropriate to charge local governments for such legal
17 services. The Department of Justice shall report its findings and recommendations to
18 the 1991 General Assembly, 1992 Regular Session.

19 (b) The Department of Justice shall study the feasibility of an increase in the fees
20 currently charged other State departments and agencies for its legal services, such fee
21 increase to be effective for the 1993-94 fiscal year. The Department of Justice shall also
22 study the feasibility of requiring all State departments and agencies that have attorneys
23 assigned to them by the Attorney General to pay the compensation, including salaries
24 and benefits, for those legal positions. The Department of Justice shall report its finding
25 and recommendations to the 1991 General Assembly, 1992 Regular Session.
26

27 Requested by: Representatives Anderson, Redwine

28 ---DEPARTMENT OF TRANSPORTATION TO PAY COMPENSATION OF
29 ATTORNEYS ASSIGNED TO MOTOR VEHICLES DIVISION BY THE
30 ATTORNEY GENERAL

31 Sec. 87. The Department of Transportation shall pay the compensation,
32 including salaries and benefits, of the attorneys assigned to the Division of Motor
33 Vehicles by the Attorney General. The funds to pay the compensation for those legal
34 positions shall be taken from the Highway Fund.
35

36 Requested by: Representatives Anderson, Redwine

37 ---JUSTICE ACADEMY STUDY/STUDENT REGISTRATION FEE

38 Sec. 88. The North Carolina Justice Academy shall study the possibility of
39 requiring a student registration fee. The study shall include consideration of the actual
40 cost for a student to attend the Justice Academy, the merits of charging a registration
41 fee, and the amount, if any, that should be charged as a registration fee. The North
42 Carolina Justice Academy shall report its findings and recommendations to the 1991
43 General Assembly, 1992 Regular Session.
44

1 Requested by: Representatives Anderson, Redwine

2 ---SBI USE OF COURT-ORDERED RESTITUTION FUNDS

3 Sec. 89. The State Bureau of Investigation (SBI) may use funds available
4 from court-ordered restitution in undercover drug operations.

6 Requested by: Representatives Anderson, Redwine

7 ---PRIVATE PROTECTIVE SERVICES AND ALARM SYSTEMS LICENSING
8 BOARDS PAY FOR USE OF STATE FACILITIES AND SERVICES

9 Sec. 90. The Private Protective Services and Alarm Systems Licensing
10 Boards shall pay the appropriate State agency for the use of physical facilities and
11 services provided to those boards by the State.

13 REQUESTED BY: Representatives Anderson, Redwine

14 ---TRANSFER LEGAL AND SUPPORT STAFF POSITIONS FROM VARIOUS
15 DEPARTMENTS TO THE DEPARTMENT OF JUSTICE

16 Sec. 91. (a) The following positions are transferred to the Department of Justice
17 from the Department of Administration:

19 Dept	Position	Position	
20 Agency	Number	Title	Grade

23 ADMINISTRATION

25 Radioactive			
26 Waste	0095	Paralegal II	67

28 (b) The following positions are transferred to the Department of Justice from the
29 Department of Agriculture:

31 Dept	Position	Position	
32 Agency	Number	Title	Grade

35 AGRICULTURE

37 Administration			
38 Legal Staff		Agency Legal	
	0105	Specialist II	75

41 (c) The following positions are transferred to the Department of Justice from the
42 Department of Community Colleges:

44 Dept	Position	Position	
---------	----------	----------	--

1	Dept	Position	Position	
2	Agency	Number	Title	Grade
3				
4				
5	<u>ENVIRONMENT, HEALTH AND NATURAL RESOURCES</u>			
6				
7	Legal Staff			
8	Administration		Agency Legal	
9		1902	Specialist III	77
10				
11			Agency Legal	
12		1903	Specialist III	77
13				
14			Agency Legal	
15		1906	Specialist I	73
16				
17			Agency Legal	
18		1907	Specialist III	77
19				
20			Agency Legal	
21		1909	Specialist III	77
22				
23			Agency Legal	
24		1911	Specialist II	75
25				
26			Agency Legal	
27		1912	Specialist III	77
28				
29			Agency Legal	
30		1915	Specialist III	77
31				
32			Agency Legal	
33		1916	Specialist III	77
34				
35			Agency Legal	
36		1918	Specialist I	73
37				
38	Marine Fisheries	8442	Paralegal II	67
39				
40		8443	Paralegal II	67
41				
42		8444	Paralegal II	67
43				
44	Solid Waste	4523	Attorney II	79

1				
2	Support Staff	1914	Clerk-Steno V	61
3				
4		1917	Clerk-Typist IV	59
5				
6		1908	Clerk-Typist IV	59
7				
8		1905	Clerk-Typist IV	59
9				
10		4035	Secretary III	57

11
 12 (f) The following positions are transferred to the Department of Justice from
 13 the Department of Human Resources:

14				
15	Dept	Position	Position	
16	Agency	Number	Title	Grade
17				
18				
19	<u>HUMAN RESOURCES</u>			
20				
21	Legal Staff			
22				
23	Office of the		Agency Legal	
24	Secretary	0713	Specialist II	75
25				
26				
27	Division of		Agency Legal	
28	Youth Services		Specialist I	
29		0003		73

30
 31 (g) The following positions are transferred to the Department of Justice from
 32 the Department of Insurance:

33				
34	Dept	Position	Position	
35	Agency	Number	Title	Grade
36				
37				
38	<u>INSURANCE</u>			
39				
40	Legal Services			
41	Division	0114	Attorney II	79
42				
43		0117	Attorney II	79

44

1		0120	Attorney II	79
2				
3		0122	Attorney II	79
4				
5		0123	Attorney II	79
6				
7		0124	Attorney II	79
8				
9		0125	Attorney II	75
10				
11			Agency Legal	
12		0126	Specialist III	77
13				
14		0133	Paralegal II	67
15				
16	Field Audit	0420	Attorney II	79
17				
18	Support Staff	0134	Clerk-Typist IV	59
19				
20		0138	Clerk-Typist IV	59
21			Administrative	
22		0139	Secretary V	61
23				
24		0144	Clerk-Typist IV	59
25				

(h) The following positions are transferred to the Department of Justice from the Department of Revenue:

29	Dept	Position	Position	
30	Agency	Number	Title	Grade
31				
32				
33	<u>REVENUE</u>			
34				
35	Legal Staff			
36	Field Operations		Agency Legal	
37		8210	Specialist II	75
38				

(i) The following positions are transferred to the Department of Justice from the Department of the Secretary of State:

42	Dept	Position	Position	
43	Agency	Number	Title	Grade
44				

1
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SECRETARY OF STATE

Legal Staff

Corporations		Attorney-	
Division	0200	Corporations Filing	75
Support Staff	0420	Clerk-Steno III	57

(j) The equipment, supplies, records, and other property to support the positions transferred by this section are also transferred from the appropriate departments to the Department of Justice.

(k) Funds are transferred in this Title to the Department of Justice for the positions, equipment, supplies, and other property transferred to the Department of Justice by this section. Funds for the 1992-93 fiscal year for those positions, equipment, supplies, and other property shall be reduced by fifteen percent (15%). To achieve the fifteen percent (15%) reduction required by this section, the Attorney General shall identify specific reductions relating to equipment, supplies, and other property transferred under this section and shall identify the positions transferred to the Department of Justice by this section to be eliminated. The Attorney General shall report to the Legislative Commission on Governmental Operations and the Fiscal Research Division by March 15, 1992, regarding those reductions and positions to be eliminated. By July 1, 1992, the Attorney General shall permanently make reductions relating to equipment, supplies, and other property transferred by this section and shall eliminate the positions transferred to the Department of Justice by this section to achieve the fifteen percent (15%) reduction.

(l) Any department from which a position is transferred under this section to the Department of Justice shall continue to provide adequate office space for legal and support staff assigned to that department by the Attorney General.

(m) Any disputes arising out of this transfer shall be resolved by the Director of the Budget.

Requested by: Representative Anderson

—DEPARTMENT OF JUSTICE/DRUG INFORMATION SYSTEM

Sec. 92. The North Carolina Drug Information System proposed in the State's 1991 Criminal Justice Improvement and Drug Control Grant application submitted to the United States Department of Justice, Bureau of Justice Assistance, shall be housed in the Department of Justice and shall be under the supervision and control of the Attorney General. The Department of Justice and the Department of Crime Control and Public Safety shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division by March 15, 1992, regarding the progress in implementing the system.

1
2 PART XXII.—DEPARTMENT OF HUMAN RESOURCES3
4 Requested by: Representatives Nye, Easterling
5 —MEDICAID6 Sec. 93. (a) Funds appropriated in this Title for services provided in accordance
7 with Title XIX of the Social Security Act (Medicaid) are for both the categorically
8 needy and the medically needy. Funds appropriated for these services shall be
9 expended in accordance with the following schedule of services and payment bases. All
10 services and payments are subject to the language at the end of this subsection.

11 Services and payment bases:

- 12 (1) Hospital-Inpatient - Payment for hospital inpatient services will be
-
- 13 prescribed in the State Plan as established by the Department of
-
- 14 Human Resources. Administrative days for any period of
-
- 15 hospitalization shall be limited to a maximum of three days.
-
- 16 (2) Hospital-Outpatient - Eighty percent (80%) of allowable costs or a
-
- 17 prospective reimbursement plan as established by the Department of
-
- 18 Human Resources.
-
- 19 (3) Nursing Facilities - As prescribed under the reimbursement plan for
-
- 20 Nursing Facilities. Nursing facilities providing services to Medicaid
-
- 21 recipients who also qualify for Medicare, must be enrolled in the
-
- 22 Medicare program as a condition of participation in the Medicaid
-
- 23 program, subject to phase-in certification for those nursing facilities
-
- 24 not already enrolled in Medicare. State facilities are not subject to the
-
- 25 requirement to enroll in the Medicare Program.
-
- 26 (4) Intermediate Care Facilities for the Mentally Retarded - As prescribed
-
- 27 under the State Plan for reimbursing intermediate care facilities for the
-
- 28 mentally retarded.
-
- 29 (5) Drugs - Drug costs as allowed by federal regulations plus a
-
- 30 professional services fee per month excluding refills for the same drug
-
- 31 or generic equivalent during the same month. Reimbursement shall be
-
- 32 available for up to six prescriptions per recipient, per month, including
-
- 33 refills. Payments for drugs are subject to the provisions of subsection
-
- 34 (h) of this section and to the provisions at the end of subsection (a) of
-
- 35 this section, or in accordance with a plan adopted by the Department of
-
- 36 Human Resources consistent with federal reimbursement regulations.
-
- 37 Payment of the professional services fee shall be made in accordance
-
- 38 with the plan adopted by the Department of Human Resources,
-
- 39 consistent with federal reimbursement regulations. Adjustments to the
-
- 40 professional services fee shall be established by the General Assembly.
-
- 41 (6) Physicians, Chiropractors, Podiatrists, Optometrists, Dentists, Certified
-
- 42 Nurse Midwife Services - Fee schedules as developed by the
-
- 43 Department of Human Resources. Payments for dental services are
-
- 44 subject to the provisions of subsection (g) of this section.

- 1 (7) Community Alternative Program, EPSDT Screens - Payment to be
2 made in accordance with rate schedule developed by the Department
3 of Human Resources.
- 4 (8) Home Health, Private Duty Nursing, Clinic Services, Prepaid Health
5 Plans - Payment to be made according to reimbursement plans
6 developed by the Department of Human Resources.
- 7 (9) Medicare Buy-In - Social Security Administration premium.
- 8 (10) Ambulance Services - Uniform fee schedules as developed by the
9 Department of Human Resources.
- 10 (11) Hearing Aids - Actual cost plus a dispensing fee.
- 11 (12) Rural Health Clinic Services - Provider based - reasonable cost;
12 nonprovider based - single cost reimbursement rate per clinic visit.
- 13 (13) Family Planning - Negotiated rate for local health departments. For
14 other providers - see specific services, for instance, hospitals,
15 physicians.
- 16 (14) Independent Laboratory and X-Ray services - Uniform fee schedules
17 as developed by the Department of Human Resources.
- 18 (15) Optical Supplies - One hundred percent (100%) of reasonable
19 wholesale cost of materials.
- 20 (16) Ambulatory Surgical Centers - Payment as prescribed in the
21 reimbursement plan established by the Department of Human
22 Resources.
- 23 (17) Medicare Crossover Claims - An amount up to the actual coinsurance
24 or deductible or both, in accordance with the plan, as approved by the
25 Department of Human Resources.
- 26 (18) Physical Therapy and Speech Therapy - Services limited to EPSDT
27 eligible children. Payments are to be made only to the Children's
28 Special Health Services program at rates negotiated by the Department
29 of Human Resources.
- 30 (19) Personal Care Services - Payment in accordance with plan approved
31 by the Department of Human Resources.
- 32 (20) Case Management Services - Reimbursement in accordance with the
33 availability of funds to be transferred within the Department of Human
34 Resources.
- 35 (21) Hospice - Services may be provided in accordance with plan
36 developed by the Department of Human Resources.
- 37 (22) Other Mental Health Services - Unless otherwise covered by this
38 section, coverage is limited to agencies meeting the requirements of
39 the rules established by the Commission for Mental Health,
40 Developmental Disabilities, and Substance Abuse Services, and
41 reimbursement is made in accordance with a plan developed by the
42 Department of Human Resources not to exceed the upper limits
43 established in federal regulations.

1 (23) Medically Necessary Prosthetics or Orthotics for EPSDT Eligible
 2 Children - Reimbursement in accordance with plan approved by the
 3 Department of Human Resources.

4 (24) Health Insurance Premiums - Payments to be made in accordance with
 5 the plan adopted by the Department of Human Resources consistent
 6 with federal regulations.

7 Reimbursement is available for up to 24 visits per recipient per year to any
 8 one or combinations of the following: physicians, clinics, hospital outpatients,
 9 optometrists, chiropractors, and podiatrists. Prenatal services, all ESPDT children, and
 10 emergency rooms are exempt from the visit limitations contained in this paragraph.
 11 Exceptions may be authorized by the Department of Human Resources where the life of
 12 the patient would be threatened without such additional care. Any person who is
 13 determined by the Department to be exempt from the 24-visit limitation may also be
 14 exempt from the six-prescription limitation.

15 (b) Allocation of Nonfederal Cost of Medicaid. The State shall pay eight-five
 16 percent (85%); the county shall pay fifteen percent (15%) of the nonfederal costs of all
 17 applicable services listed in this section.

18 (c) Copayment for Medicaid Services. The Department of Human Resources
 19 may establish copayment up to the maximum permitted by federal law and regulation.

20 (d) Medicaid and Aid to Families with Dependent Children Income Eligibility
 21 Standards. Effective January 1, 1990, the maximum net family annual income
 22 eligibility standards for Medicaid and Aid to Families with Dependent Children, and the
 23 Standard of Need for Aid to Families with Dependent Children shall be as follows.

	<u>Categorically Needy</u>		<u>Medically Needy</u>	
	Family	Standard	AFDC Payment	
	<u>Size</u>	<u>Of Need</u>	<u>Level*</u>	<u>AA,AB,AD*</u>
24				
25				
26				
27				
28	1	\$ 4,344	\$ 2,172	\$ 2,900
29	2	5,664	2,832	3,800
30	3	6,528	3,264	4,400
31	4	7,128	3,564	4,800
32	5	7,776	3,888	5,200
33	6	8,376	4,188	5,600
34	7	8,952	4,476	6,000
35	8	9,256	4,680	6,300

36
 37 *Aid to Families with Dependent Children (AFDC); Aid to the Aged (AA); Aid to the
 38 Blind (AB); and Aid to the Disabled (AD).

39 The payment level for Aid to Families with Dependent Children shall be fifty percent
 40 (50%) of the standard of need.

41 These standards may be changed with the approval of the Director of the
 42 Budget with the advice of the Advisory Budget Commission.

43 (e) Spouse Responsibility. The Department of Human Resources, Division
 44 of Medical Assistance, may not consider the income or assets of the spouse of a person

1 who is admitted as a long-term care patient in a certified public or private intermediate
2 care or skilled nursing facility to be available to the institutionalized person. This
3 provision will remain in effect until superseded by federal law under the Medicare
4 Catastrophic Coverage Act of 1988, on September 1, 1989.

5 (f) Dental Coverage Limits. Dental services will be provided on a restricted
6 basis in accordance with regulations developed by the Department. Funds for dental
7 services shall be disbursed only with prior approval by the Department of Human
8 Resources, Division of Medical Assistance, as required by this subsection. No prior
9 approval shall be required for emergency services or routine services. Routine services
10 are defined as examinations, X rays, prophylaxes, nonsurgical tooth extractions,
11 amalgam fillings, and fluoride treatments. Prior approval shall be required for all other
12 services and for routine services performed more than two times during a consecutive
13 12-month period. The Department of Human Resources shall adopt rules, as provided
14 by the Administrative Procedure Act, to implement this subsection.

15 (g) Dispensing of Generic Drugs. Notwithstanding G.S. 90-85.27 through
16 G.S. 90-85.31, under the Medical Assistance Program (Title XIX of the Social Security
17 Act) a prescription order for a drug designated by a trade or brand name shall be
18 considered to be an order for the drug by its established or generic name, except when
19 the prescriber personally indicates, either orally or in his own handwriting on the
20 prescription order, "dispense as written" or words of similar meaning. Generic drugs,
21 when available in the pharmacy, shall be dispensed at a lower cost to the Medical
22 Assistance Program rather than trade or brand name drugs, subject to the prescriber's
23 "dispense as written" order as noted above.

24 As used in this subsection "brand name" means the proprietary name the
25 manufacturer places upon a drug product or on its container, label or wrapping at the
26 time of packaging; and "established name" has the same meaning as in section 502(e)(3)
27 of the Federal Food, Drug and Cosmetic Act as amended, 21 U.S.C. § 352(e)(3).

28 (h) Exceptions to Service Limitations, Eligibility Requirements, and
29 Payments. Service limitations, eligibility requirements, and payments, and payments
30 bases in this section may be waived by the Department of Human Resources, with the
31 approval of the Director of the Budget, to allow the Department to carry out pilot
32 programs for prepaid health plans or community based services programs in accordance
33 with plans approved by the U.S. Department of Health and Human Services, or when
34 the Department determines that such a waiver will result in a reduction in the total
35 Medicaid costs for the recipient.

36 (i) Volume Purchase Plans and Single Source Procurement. The Department
37 of Human Resources, Division of Medical Assistance, may, subject to the approval of a
38 change in the State Medicaid Plan, contract for services, medical equipment, supplies,
39 and appliances by implementation of volume purchase plans, single source procurement
40 or other similar processes in order to improve cost containment.

41 (j) Cost Containment Programs. The Department of Human Resources,
42 Division of Medical Assistance, may undertake cost containment programs including
43 preadmissions to hospitals and prior approval for certain outpatient surgeries before
44 they may be performed in an inpatient setting.

1 (k) For all Medicaid eligibility classifications for which the federal poverty
2 level is used as an income limit for eligibility determination, the income limits will be
3 updated each July 1 immediately following publication of federal poverty guidelines.

4 (l) Effective January 1, 1988, the Department of Human Resources shall
5 provide Medicaid to 19-, 20-, and 21-year-olds in accordance with federal rules and
6 regulations.

7 (m) The Department of Human Resources shall provide coverage to pregnant
8 women and children according to the following schedule:

9 (1) Pregnant women with incomes equal to or less than one hundred
10 eighty-five percent (185%) of the federal poverty guidelines as revised
11 each July shall be covered for Medicaid benefits;

12 (2) Infants under the age of 1 with family incomes equal to or less than
13 one hundred eighty-five percent (185%) of the federal poverty
14 guidelines as revised each July 1, shall be covered for Medicaid
15 benefits;

16 (3) Children aged 1 through 5 with family incomes equal to or less than
17 one hundred thirty-three percent (133%) of the federal poverty
18 guidelines as revised each July 1 shall be covered for Medicaid
19 benefits; and

20 (4) Children aged 6 through 18 who were born after September 30, 1983,
21 with family incomes equal to the federal poverty guidelines as revised
22 each July 1, shall be covered for Medicaid benefits.

23 Services to pregnant women eligible under this section continue throughout the
24 pregnancy but include only those related to pregnancy and to those other conditions
25 determined by the Department as conditions that may complicate pregnancy. In order to
26 reduce county administrative costs and to expedite the provision of medical services to
27 pregnant women, to infants, and to children eligible under this section, no resources test
28 shall be applied.

29 (n) The Department of Human Resources may use Medicaid funds budgeted
30 from program services to support the cost of administrative activities to the extent that
31 these administrative activities produce a net savings in services requirements.
32 Administrative initiatives funded by this section shall be first approved by the Office of
33 State Budget and Management.

34
35 Requested by: Representatives Easterling, Nye

36 ~~---~~REDUCTIONS FROM INFLATIONARY INCREASES

37 Sec. 94. The Department of Human Resources, Division of Medical
38 Assistance, shall effect the reductions of \$10,700,000 for the 1991-92 fiscal year and
39 \$10,700,000 for the 1992-93 fiscal year from inflationary increases in the following
40 categories of services:

- 41 (1) Inpatient Hospital;
- 42 (2) Specialty Hospital Inpatient;
- 43 (3) Mental Hospital Inpatient - Private;
- 44 (4) Skilled Nursing;

- 1 (5) Intermediate Nursing;
- 2 (6) Intermediate Care Facilities for the Mentally Retarded - Private;
- 3 (7) Physician, Dental, Chiropractor, Optometrist, and Podiatrist;
- 4 (8) Drugs - Profession Services Fee;
- 5 (9) Home Health;
- 6 (10) Personal Care Service;
- 7 (11) Community Alternative Program (CAP).

8 The Division of Medical Assistance shall implement these reductions and
9 shall adopt rules necessary to reflect these reductions and accomplish these savings at
10 the earliest appropriate date for each service type.

11
12 Requested by: Representatives Nye, Easterling

13 —GENERAL REDUCTIONS

14 Sec. 95. The Department of Human Resources, Division of Medical
15 Assistance, shall effect the reduction of \$3,200,000 for the 1991-92 fiscal year and of
16 \$3,200,000 for the 1992-93 fiscal year and shall adopt rules necessary to reflect these
17 reductions and accomplish these savings at the earliest appropriate date.

18
19 Requested by: Representatives Easterling, Nye

20 —FAMILY SUPPORT ACT

21 Sec. 96. (a) Section 229 of Chapter 1014 of the 1985 Session Laws is amended
22 by adding a new subsection to read:

23 "(d) If any provision of this section is held invalid by a court of competent
24 jurisdiction, the invalidity shall not affect the remaining provisions of this section that
25 can be given effect."

26 (b) The General Assembly finds that it is in the best interest of the State and of
27 all its citizens to encourage recipients of Aid to Families with Dependent Children to
28 obtain jobs and become self-sufficient. It further finds that, by continuing medical
29 assistance and providing limited wage assistance to those recipients who are working,
30 the State will make it possible to help many recipients to be able to keep their jobs,
31 support their families, and become self-sufficient.

32 (c) The Social Services Commission shall adopt rules to change the way it
33 budgets Aid to Families with Dependent Children payments that will result in more
34 recipients being able to find work and keep working. These rules shall include
35 subtracting countable income from the State standard of need, and paying a percentage
36 of the difference. The percentage that shall be applied to determine the amount of
37 assistance shall be the same percentage set in the Current Operations Appropriations
38 Act that determines the Aid to Families of Dependent Children payment level from the
39 standard of need.

40
41 Requested by: Representatives Nye, Easterling

42 —RETROSPECTIVE ACCOUNTING ADJUSTMENT

43 Sec. 97. The Department of Human Resources shall use funds appropriated
44 to it by this Title to provide a State supplementary payment to Aid to Families of

1 Dependent Children households adversely affected by the retrospective accounting
2 procedure as allowed under section 403(a) of the Social Security Act as amended by
3 section 157(a) of the Tax Equity and Fiscal Responsibility Act of 1982. The amount of
4 the State supplement shall not exceed the maximum payment standard for the Aid to
5 Families with Dependent Children Program.

6
7 Requested by: Representatives Easterling, Nye

8 ---AFDC/WOMEN IN THIRD TRIMESTER OF PREGNANCY ADJUSTMENT

9 Sec. 98. The Division of Social Services, Department of Human Resources,
10 shall provide Aid to Families with Dependent Children to women in their third trimester
11 of pregnancy regardless of whether these women have children, if they otherwise
12 qualify for these payments.

13
14 Requested by: Representatives Nye, Easterling

15 ---ADOPTION SUBSIDY

16 Sec. 99. The adoption subsidy paid monthly by the Division of Social
17 Services, Department of Human Resources, to eligible families who adopt hard-to-place
18 children shall be established at \$150.00 per child per month.

19
20 Requested by: Representatives Easterling, Nye

21 ---FOSTER CARE

22 Sec. 100. Funds appropriated to the Department of Human Resources by this
23 Title for foster care assistance rates shall be used to set the rates at \$265.00 per child per
24 month.

25
26 Requested by: Representatives Nye, Easterling

27 ---EMERGENCY ASSISTANCE

28 Sec. 101. The Division of Social Services, Department of Human Resources,
29 shall not expend more State funds than are appropriated for Emergency Assistance by
30 this Title. Within this limit, Emergency Assistance benefits shall not exceed \$300.00
31 per year per family, payable over a 30-day period. After this 30-day period, Emergency
32 Assistance benefits are not available to that family until 12 months have elapsed from
33 the initial authorization date. The family may have no more than a total of \$300.00 in
34 liquid assets in order to qualify for any Emergency Assistance pursuant to this section.

35 It is the intent of the General Assembly that these Emergency Assistance
36 funds shall only be used to provide assistance to persons to alleviate an emergency. In
37 evaluating whether an emergency exists, the county departments of social services shall
38 apply prudent judgment to evaluate each emergency on its own merits. Prudent
39 judgment will permit departments of social services to consider whether the client
40 created the emergency and whether the assistance will resolve the emergency.

41
42 Requested by: Representatives Easterling, Nye

43 ---FOOD STAMP OUTREACH

1 Sec. 102. The Department of Human Resources shall continue a Food Stamp
2 Outreach Program. Under the Program, the Department shall inform public and private
3 agencies, community groups, potentially eligible persons, and the general public
4 regarding the eligibility requirements of the Food Stamp Program. The Department
5 shall maintain a referral list of public and private agencies, community groups, and
6 interested persons and organizations who serve low-income persons. The Department
7 shall inform these agencies and persons regarding the Food Stamp Program and changes
8 in the law that affect client eligibility or the extent of benefits. The Department shall
9 develop and distribute informational materials, such as public service announcements,
10 brochures, pamphlets, posters, and correspondence.

11
12 Requested by: Representatives Nye, Easterling

13 —CHILD PROTECTIVE SERVICES

14 Sec. 103. (a) Of the funds appropriated to the Department of Human Resources,
15 Division of Social Services for Child Protective Services in this Title, the Division shall
16 use up to \$175,900 in each fiscal year of the 1991-93 biennium to provide consultation
17 and technical assistance to county departments of social services to strengthen and
18 support local child protective services. The remaining funds shall be allocated to the
19 county departments of social services as follows:

- 20 (1) \$10,000 for the 1991-92 fiscal year and \$10,000 for the 1992-93 fiscal
21 year shall be allocated to each of the 15 county departments that did
22 not receive an allocation of the 1985 State appropriation for child
23 protective services;
- 24 (2) In addition, each of the 100 county departments shall receive an
25 allocation of \$10,000 for the 1991-92 fiscal year and \$10,000 for the
26 1992-93 fiscal year;
- 27 (3) The balance of available funds shall be allocated to each county
28 department based upon the percentage that the total number of abuse
29 and neglect reports within that county represents to the statewide total
30 number of abuse and neglect reports. These percentages shall be
31 computed from the reports received by the Central Registry of Abuse
32 and Neglect cases for the next two prior fiscal years.

33 (b) Funds allocated to county departments of social services pursuant to this
34 section shall be used for staff carrying out investigations of reports of child abuse or
35 neglect or providing protective or preventive services in cases in which the department
36 confirms neglect, abuse, or dependency. If a county department demonstrates that it has
37 adequate protective services staff, these funds may be used to purchase or provide
38 treatment and other support services to children and their families in confirmed cases.
39 All expenditures shall be directly in support of the department's program of protective
40 services for children. These funds shall not be used to supplant any Social Services
41 Block Grant funds or county appropriations previously budgeted for protective services
42 for children.

1 (c) The Department of Human Resources, Division of Social Services, shall
2 establish criteria and guidelines to assure that the allocations to county departments of
3 social services are used in accordance with the intent and purposes of this section.

4
5 Requested by: Representatives Easterling, Nye

6 ---CHILD CARING INSTITUTION REIMBURSEMENT

7 Sec. 104. (a) Funds appropriated to the Department of Human Resources,
8 Division of Social Services, in this Title for the 1992-93 fiscal year for the monthly
9 payment of State funds to private residential child care agencies for the provision of
10 foster care shall be disbursed in accordance with rules established by the Social Services
11 Commission pursuant to G.S. 143B-153(2)d., and in accordance with the following
12 requirements:

- 13 (1) Only those child caring agencies that have been receiving funds from
14 the Division of Social Services that have been appropriated as grants-
15 in-aid to non-State agencies shall be included in the disbursement
16 unless additional State or federal funds are made available to permit
17 disbursement to new child caring agencies. A new child caring agency
18 may receive funds pursuant to this section only if the additional State
19 or federal funds made available are sufficient to allow disbursements
20 to the new agency without reducing the disbursement to the agencies
21 already receiving funds;
- 22 (2) The formula for the disbursement of these funds shall be based on the
23 assumption that the State is committed to paying allowable foster care
24 maintenance costs and shall do so, to the extent that State and federal
25 funds are available; and
- 26 (3) In any year that State and federal funds are not sufficient to pay each
27 agency's allowable foster care maintenance costs, each participating
28 agency's rate shall be reduced by the same percentage, so that each
29 agency receives the same percentage of its allowable costs.

30 (b) This section becomes effective July 1, 1992.

31
32 Requested by: Representatives Easterling, Nye

33 ---CHILD-PLACING AGENCIES CHANGE

34 Sec. 105. G.S. 143B-153(2) reads as rewritten:

- 35 "(2) The Social Services Commission shall have the power and duty to
36 establish standards and adopt rules and regulations:
 - 37 a. For the programs of public assistance established by federal
38 legislation and by Article 2 of Chapter 108A of the General
39 Statutes of the State of North Carolina with the exception of the
40 program of medical assistance established by G.S. 108A-25(b);
 - 41 b. To achieve maximum cooperation with other agencies of the
42 State and with agencies of other states and of the federal
43 government in rendering services to strengthen and maintain

1 family life and to help recipients of public assistance obtain
2 self-support and self-care;

3 c. For the placement and supervision of dependent and delinquent
4 children and payment of necessary costs of foster home care for
5 needy and homeless children as provided by G.S. 108A-48; and

6 d. For the payment of ~~grants-in-aid and other~~ State funds to
7 private ~~child-caring institutions.~~ The payment and distribution of
8 grants-in-aid funds to private child-caring institutions shall be
9 regulated by the grant-in-aid (GIA) formula. This formula and
10 any modifications of this formula shall be approved by the
11 Advisory Budget Commission prior to its implementation.
12 child-placing agencies as defined in G.S. 131D-10.2(4) and
13 residential child care facilities as defined in G.S. 131D-10.2(13)
14 for care and services provided to children who are in the
15 custody or placement responsibility of a county department of
16 social services."

17
18 Requested by: Representatives Nye, Easterling

19 ---LIMITATIONS ON STATE ABORTION FUND

20 Sec. 106. Section 93 of Chapter 479 of the 1985 Session Laws, as amended
21 by Section 75 of Chapter 738 of the 1987 Session Laws, as amended by Section 72 of
22 Chapter 500 of the 1989 Session Laws, as amended by Section 79 of Chapter 1066 of
23 the 1989 Session Laws, Regular Session 1990, shall remain in effect on and after July 1,
24 1991, with the following exception:

25 Any reference in Section 93 of Chapter 479 of the 1985 Session Laws, as
26 amended, to the 1985-86 fiscal year or the 1986-87 fiscal year applies to the 1991-92
27 fiscal year and the 1992-93 fiscal year.

28
29 Requested by: Representatives Easterling, Nye

30 ---WILLIE M.

31 Sec. 107. (a) Legislative Findings. The General Assembly finds:

32 (1) That there is a need in North Carolina to provide appropriate treatment
33 and education programs to children under the age of 18 who suffer
34 from emotional, mental, or neurological handicaps accompanied by
35 violent or assaultive behavior;

36 (2) That children meeting these criteria have been identified as a class in
37 the case of Willie M., et al. vs. Martin, et al., formerly Willie M., et al.
38 vs. Hunt, et al.; and

39 (3) That these children have a need for a variety of services, in addition to
40 those normally provided, that may include but are not limited to
41 residential treatment services, educational services, and independent
42 living arrangements.

43 (b) Funds appropriated by the General Assembly to the Department of Human
44 Resources for serving members of the Willie M. Class shall be expended only for

1 programs serving members of the Willie M. Class identified in Willie M., et al. vs.
2 Martin, et al., formerly Willie M., et al. vs. Hunt, et al., including evaluations of
3 potential class members. The Department shall reallocate these funds among services to
4 Willie M. Class members during the year as it deems advisable in order to use the funds
5 efficiently in providing appropriate services to Willie M. Class children.

6 (c) Funds for Department of Public Education. Funds appropriated to the
7 Department of Public Education in this act for members of the Willie M. Class, are to
8 establish a supplemental reserve fund to serve only members of the class identified in
9 Willie M., et al. vs. Martin, et al., formerly Willie M., et al. vs. Hunt, et al. These funds
10 shall be allocated by the State Board of Education to the local education agencies to
11 serve those class members who were not included in the regular average daily
12 membership and the census of children with special needs, and to provide the additional
13 program costs which exceed the per pupil allocation from the State Public School Fund
14 and other State and federal funds for children with special needs.

15 (d) The Department of Human Resources shall continue to implement its
16 prospective unit cost reimbursement system and shall ensure that unit cost rates reflect
17 reasonable costs by conducting cost center service type rate comparisons and cost center
18 line item budget reviews as may be necessary, and based upon these reviews and
19 comparisons, the Department shall reduce and/or cap rates to programs which are
20 significantly higher than those rates paid to other programs for the same service.

21 Any exception to this requirement shall be approved by the Director of the
22 Division of Mental Health, Developmental Disabilities, and Substance Abuse Services,
23 and shall be reported in the Department's annual joint report to the Governor and the
24 General Assembly and in any periodic report the Department may make to the Joint
25 Legislative Commission on Governmental Operations.

26 (d1) The Department of Human Resources shall implement a process to
27 review those cases for whom treatment has been recommended whose annual cost is
28 anticipated to be in excess of one hundred fifty percent (150%) of the average annual
29 per client expenditure of the previous fiscal year and shall take actions to reduce these
30 treatment costs where appropriate.

31 (e) Reporting Requirements. The Department of Human Resources and the
32 Department of Public Education shall submit, by May 1 of each fiscal year, a joint
33 report to the Governor and the General Assembly on the progress achieved in serving
34 members of the Willie M. Class. The report shall include the following unduplicated
35 data for each county: (i) the number of children nominated for the Willie M. Class; (ii)
36 the number of children actually identified as members of the Class in each county; (iii)
37 the number of children served as members of the Class in each county; (iv) the number
38 of children who remain unserved or for whom additional services are needed in order to
39 be determined to be appropriately served; (v) the types and locations of treatment and
40 education services provided to Class members; (vi) the cost of services, by type, to
41 members of the Class and the maximum and minimum rates paid to providers for each
42 service; (vii) the number of cases whose treatment costs were in excess of one hundred
43 fifty percent (150%) of the average annual per client expenditure; (viii) information on
44 the impact of treatment and education services on members of the Class; (ix) an

1 explanation of, and justification for, any waiver of departmental rules that affect the
2 Willie M. program; and (x) the total State funds expended, by program, on Willie M.
3 class members, other than those funds specifically appropriated for the Willie M.
4 programs and services.

5 (e1) From existing funds available to it, the Department of Human Resources
6 shall begin a process to document and assess individual class members' progress
7 through the continuum of services. Standardized measures of functioning shall be
8 administered periodically:

9 (1) In the 1991-92 fiscal year, to a representative sample of class
10 members;

11 (2) In the 1992-93 fiscal year and thereafter, to each member of the class,
12 and the information generated from these measures shall be used to
13 assess client progress and program effectiveness,

14 (f) The Departments of Human Resources and Public Education shall
15 provide periodic reports of expenditures and program effectiveness on behalf of the
16 Willie M. Class to the Joint Legislative Commission on Governmental Operations and
17 to the Fiscal Research Division. As part of these reports, the Departments shall explain
18 measures they have taken to control and reduce program expenditures.

19 (g) In fulfilling the responsibilities vested in it by the Constitution of North
20 Carolina, the General Assembly finds:

21 (1) That the General Assembly has evaluated the known needs of the
22 State and has endeavored to satisfy those needs in comparison to their
23 social and economic priorities; and

24 (2) That the funds appropriated will enable the development and
25 implementation of placement and services for the class members in
26 Willie M., et al. vs. Martin, et al., formerly Willie M., et al. vs. Hunt,
27 et al., within a reasonable period of time considered within the context
28 of the needs of the class members, the other needs of the State and the
29 resources available to the State.

30 (h) The General Assembly supports the efforts of the responsible officials
31 and agencies of the State to meet the requirements of the court order in Willie M., et al.
32 vs. Martin, et al., formerly Willie M., et al. vs. Hunt, et al. To ensure that Willie M.
33 class members are appropriately served, no State funds shall be expended on placement
34 and services for Willie M. class members except:

35 (1) Funds specifically appropriated by the General Assembly for the
36 placement and services of Willie M. class members; and

37 (2) Funds for placement and services for which Willie M. class members
38 are otherwise eligible.

39 This limitation shall not preclude the use of unexpended Willie M. funds from prior
40 fiscal years to cover current or future needs of the Willie M. program subject to
41 approval by the Director of the Budget. These Willie M. expenditures shall not be
42 subject to the requirements of G.S. 143-18.

43 (i) Notwithstanding any other provision of law, if the Department of Human
44 Resources determines that a local program is not providing appropriate services to

1 members of the class identified in Willie M., et al. vs. Martin, et al., formerly Willie M.,
2 et al. vs. Hunt, et al., the Department may ensure the provision of these services through
3 contracts with public or private agencies or by direct operation by the Department of
4 such programs.

5 (j) The Department of Human Resources and the Department of Public
6 Instruction shall submit a plan to the General Assembly by April 1, 1992, which
7 outlines specific steps which are to be taken, within a specified time period, and within
8 existing resources, to meet its obligation of providing appropriate services to class
9 members. As part of this plan, the Department shall propose when and how the Willie
10 M. program shall become fully self-regulating and self-monitoring.

11
12 Requested by: Representatives Nye, Easterling

13 —WILLIE M. AUDIT CONTINUED

14 Sec. 108. The Office of State Auditor shall conduct a follow-up study of its
15 1990 performance audit of the Willie M. program to determine, along with other issues
16 the Auditor considers appropriate, the following:

- 17 (1) To what extent the range of reimbursement rates paid to area programs
18 for similar types of services has been reduced;
- 19 (2) To what extent the process implemented by the Department of Human
20 Resources to review high-cost Willie M. clients has been effective in
21 reducing the number of these clients and the costs of providing these
22 clients services; and
- 23 (3) To what extent a client evaluation process has been implemented by
24 the Department of Human Resources and with what results.

25 The Auditor may also conduct an analysis of costs associated with providing services to
26 a sample of clients, including high-cost clients, to determine the justification of the costs
27 incurred. The Auditor shall submit the findings of this follow-up study of the Willie M.
28 program to the General Assembly by February 15, 1993.

29
30 Requested by: Representatives Easterling, Nye

31 —THOMAS S.

32 Sec. 109. (a) Funds appropriated to the Department of Human Resources in this
33 Title for the 1991-92 fiscal year and the 1992-93 fiscal year for members of the Thomas
34 S. Class as identified in Thomas S., et al. vs. Flaherty, shall be placed in a reserve in the
35 Division of Mental Health, Developmental Disabilities, and Substance Abuse Services,
36 and shall be expended only for programs serving Thomas S. Class members or for
37 services for those clients who are likely to become class members. To ensure that
38 Thomas S. Class members are appropriately served, no State funds shall be expended on
39 placement and services for Thomas S. Class members except:

- 40 (1) Funds specifically appropriated by the General Assembly for the
41 placement and services of Thomas S. Class members; and
- 42 (2) Funds for placement and services for which Thomas S. Class members
43 are otherwise eligible.

1 (b) The Department of Human Resources shall provide periodic reports of funds
2 expended and services performed on behalf of members of the Thomas S. Class and on
3 behalf of those clients who are likely to become class members to the Joint Legislative
4 Commission on Governmental Operations and to the Fiscal Research Division of the
5 Legislative Services Office.

6 (c) Notwithstanding any other provision of law, if the Department of Human
7 Resources determines that a local program is not providing minimally adequate services
8 to members of the class identified in Thomas S., et al. vs. Flaherty, the Department may
9 ensure the provision of these services through contracts with public or private agencies
10 or by direct operation by the Department of such programs.

11
12 Requested by: Representatives Nye, Easterling

13 **—TRANSFERS OF CERTAIN FUNDS AUTHORIZED**

14 Sec. 110. In order to assure maximum utilization of funds in county
15 departments of social services, county or district health agencies, and area mental
16 health, mental retardation, and substance abuse authorities, the Director of the Budget is
17 authorized to transfer excess funds appropriated to a specific service or program or
18 fund, whether specified in a block grant plan or General Fund appropriation, into
19 another service or program or fund for local services within the budget of the respective
20 State agency.

21 The Office of State Budget and Management shall report quarterly to the
22 Joint Legislative Commission on Governmental Operations on each transfer authorized
23 by this section.

24
25 Requested by: Representatives Easterling, Nye

26 **—MIXED BEVERAGE TAX FOR AREA MENTAL HEALTH PROGRAMS**

27 Sec. 111. Funds received by the Department of Human Resources for the tax
28 levied on mixed beverages under G.S. 18B-804(b)(8) shall be expended by the
29 Department of Human Resources as prescribed by G.S. 18B-805(h). These funds shall
30 be matched by local funds in accordance with the State/local ratio established by the
31 current area mental health matching formula. These funds shall be allocated to the area
32 mental health programs for substance abuse services on a per capita basis as determined
33 by the Office of State Budget and Management's most recent estimates of county
34 populations.

35
36 Requested by: Representatives Nye, Easterling

37 **—ADAP TRANSPORTATION FUNDS**

38 Sec. 112. (a) Reimbursement of Adult Developmental Activity Programs for
39 transportation of clients shall be based on a cost per client basis. There shall be
40 different levels of reimbursement based on documented cost levels.

41 (b) In reimbursing Adult Developmental Activity Programs, the Department of
42 Human Resources shall base the reimbursement on the distribution by cost range
43 developed by the Division of Mental Health, Developmental Disabilities, and Substance
44 Abuse Services in accordance with its most recently conducted cost study.

1

2 Requested by: Representatives Easterling, Nye

3 —SPECIALIZED RESIDENTIAL CENTERS' BED CONVERSION

4

5 Sec. 113. Funds made available as a result of the conversion of State
6 supported beds in specialized residential centers to ICF/MR beds shall be used to
7 increase the State subsidy provided to centers. Funds made available to centers by this
8 section shall be used, as they become available, to increase the subsidy rate to sixty-five
9 percent (65%) of the statewide average cost of providing this service based on the most

10

11 Funds made available in addition to those needed to increase the subsidy rate
12 may be transferred to the Department of Human Resources, Division of Medical
13 Assistance, as needed to be used as a State match for the converted ICF/MR beds.

13

14 Requested by: Representatives Nye, Easterling

15

15 —LIABILITY INSURANCE

16

16 Sec. 114. The Secretary of the Department of Human Resources, the
17 Secretary of the Department of Environment, Health, and Natural Resources, and the
18 Secretary of the Department of Correction may provide medical liability coverage not to
19 exceed \$1,000,000 on behalf of employees of the Departments licensed to practice
20 medicine or dentistry. This coverage may include commercial insurance or self-
21 insurance and shall cover these employees for their acts or omissions only while they
22 are engaged in providing medical and dental services pursuant to their State
23 employment.

24

24 The coverage provided under this section shall not cover any employee for
25 any act or omission that the employee knows or reasonably should know constitutes a
26 violation of the applicable criminal laws of any state or the United States, or that arises
27 out of any sexual, fraudulent, criminal or malicious act, or out of any act amounting to
28 willful or wanton negligence.

29

29 The coverage provided pursuant to this section shall not require any
30 additional appropriations and shall not apply to any individual providing contractual
31 service to the Department of Human Resources, the Department of Environment,
32 Health, and Natural Resources, or the Department of Correction.

33

34 Requested by: Representatives Easterling, Nye

35

35 —NON-MEDICAID REIMBURSEMENT

36

36 Sec. 115. Providers of medical services under the various State programs,
37 other than Medicaid, offering medical care to citizens of the State shall be reimbursed at
38 rates no more than those under the North Carolina Medical Assistance Program.

39

39 The Department of Human Resources may reimburse hospitals at the full
40 prospective per diem rates without regard to the Medical Assistance Program's annual
41 limits on hospital days. When the Medical Assistance Program's per diem rates for
42 inpatient services and its interim rates for outpatient services are used to reimburse
43 providers in non-Medicaid medical service programs, retroactive adjustments to claims
44 already paid shall not be required.

1 Notwithstanding the provisions of paragraph one of this section, the
 2 Department of Human Resources may negotiate with providers of medical services
 3 under the various Department of Human Resources' programs, other than Medicaid, for
 4 rates as close as possible to Medicaid rates for the following purposes: contracts or
 5 agreements for medical services and purchases of medical equipment and other medical
 6 supplies. These negotiated rates are allowable only to meet the medical needs of its
 7 non-Medicaid eligible patients, residents, and clients who require these services that
 8 cannot be provided when limited to the Medicaid rate.

9 Maximum net family annual income eligibility standards for services in these
 10 programs shall be as follows:

11 Family	Medical Eye	All	
12 <u>Size</u>	<u>Care Adults</u>	<u>Rehabilitation</u>	<u>Other</u>
13 1	\$4,860	\$ 8,364	\$4,200
14 2	5,940	10,944	5,300
15 3	6,204	13,500	6,400
16 4	7,284	16,092	7,500
17 5	7,824	18,648	7,900
18 6	8,220	21,228	8,300
19 7	8,772	21,708	8,800
20 8	9,312	22,220	9,300

21 The eligibility level for children in the Medical Eye Care Program in the
 22 Division of Services for the Blind shall be one hundred percent (100%) of the federal
 23 poverty guidelines, as revised annually by the United States Department of Health and
 24 Human Services and in effect on July 1 of each fiscal year.

25 The Department of Human Resources shall contract at, or as close as possible
 26 to, Medicaid rates for medical services provided to residents of State facilities of the
 27 Department.

28
 29 Requested by: Representatives Nye, Easterling
 30 ---JOHN UMSTEAD HOSPITAL - PLANNING

31 Sec. 116. The Department of Human Resources may use funds that become
 32 available to it through gifts, federal or private grants, receipts from federal programs, or
 33 any other source in the 1991-92 fiscal year, for advance planning through the working
 34 drawings phase for a psychiatric facility at John Umstead Hospital.

35
 36 Requested by: Representatives Easterling, Nye
 37 ---DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND
 38 SUBSTANCE ABUSE SERVICES BUDGET CODE CONSOLIDATION

39 Sec. 117. Subject to the approval of the Office of State Budget and
 40 Management, in order to operate more efficiently, the Department of Human Resources
 41 may consolidate the appropriate budget codes of the Division of Mental Health,
 42 Developmental Disabilities, and Substance Abuse Services and the institutions operated
 43 by the Division. Any consolidation shall ensure that each institution budget is clearly
 44 identifiable as a separate fund within the consolidated budget code or codes. To

1 implement this change, the General Assembly approves current budget code structure of
2 the Division's and institutions' budgets for the 1991-93 fiscal biennium and authorizes
3 the Department to proceed with appropriate consolidation of these budget codes during
4 the 1991-93 fiscal biennium.

5
6 Requested by: Representatives Nye, Easterling

7 —DEVELOPMENTAL DAY CENTERS GRANT-IN-AID

8 Sec. 118. Of the funds appropriated in this Title, to the Department of
9 Human Resources, Division of Mental Health, Developmental Disabilities, and
10 Substance Abuse Services, the sum of \$2,260,470 for the 1991-92 fiscal year is
11 transferred to the Department of Public Instruction for handicapped children aged 3
12 through 4 years who have been identified through Division of Mental Health,
13 Developmental Disabilities, and Substance Abuse Services statewide services and who
14 are served in developmental day centers. These funds shall be used to contract with
15 area mental health, developmental disabilities, and substance abuse authorities or with
16 public or private nonprofit developmental day centers to continue to serve handicapped
17 children aged 3 through 4 years who are identified as needing developmental day
18 services.

19 The Department of Public Instruction shall report to the General Assembly
20 and to the Fiscal Research Division by May 1, 1992, regarding the use of the funds
21 transferred to it by this section.

22
23 Requested by: Representatives Easterling, Nye

24 —CAREGIVER SUPPORT SHARING

25 Sec. 119. (a) Of the funds appropriated to the Division of Aging, Department of
26 Human Resources, by this Title for the 1991-93 fiscal biennium, the sum of \$1,008,000
27 for the 1991-92 fiscal year and the sum of \$1,008,000 for the 1992-93 fiscal year shall
28 be used for services that support family caregivers of elderly persons with functional
29 disabilities, whether physical or mental, who want to stay in their homes rather than be
30 institutionalized but who need assistance with the activities of daily living in order to
31 remain at home. The services that may be purchased from funds received under this
32 section include:

- 33 (1) Respite Care;
- 34 (2) Adult Day Care;
- 35 (3) Stipends and other related costs for senior companions, modeled after
36 the federal Senior Companion Program; and
- 37 (4) Other related services that meet needs not now adequately addressed
38 by the services described in subdivisions (1) through (3) of this
39 subsection.

40 (b) The Division of Aging shall expend funds for these services according to
41 the population of persons 70 years of age or older in each region. The Division of
42 Aging shall use a maximum of ninety-five percent (95%) of the funds it receives under
43 this section for the services described in subdivisions (1) through (4) of subsection (a) of
44 this section and may only use a maximum of five percent (5%) for technical assistance

1 as described in subsection (c) of this section. The Division of Aging shall choose
2 providers in accordance with procedures under the Older Americans Act. Funds
3 allocated by the Division pursuant to this section shall be allocated by October 1 of each
4 fiscal year. Effective July 1, 1992, local matching requirements shall be no less than ten
5 percent (10%). State funding shall not exceed ninety percent (90%) of the reimbursable
6 costs.

7 (c) The Division of Aging may contract for technical assistance. The
8 technical assistance shall include training assistance, coordination of various service
9 delivery and funding sources, and ideas for innovative ways to build a lasting system of
10 services for family caregivers.

11
12 Requested by: Representatives Nye, Easterling

13 ---IN-HOME AGING SERVICES

14 Sec. 120. Of the funds appropriated to the Division of Aging, Department of
15 Human Resources, by this Title for the 1991-93 fiscal biennium, the sum of \$720,000
16 for the 1991-92 fiscal year and the sum of \$720,000 for the 1992-93 fiscal year shall be
17 used to provide funds for additional in-home aide services that enable the frail elderly to
18 remain in their homes and avoid institutionalization.

19 The Division shall administer the in-home aide services and activities funded
20 by this section. The Division of Aging shall choose in-home service providers in
21 accordance with procedures under the Older Americans Act and shall include the
22 following criteria: documented capacity to provide care, adequacy of quality assurance,
23 training, supervision, abuse prevention complaint mechanisms, and costs. All funds
24 allocated by the Division pursuant to this section shall be allocated by October 1 of each
25 fiscal year on the same basis as funding under the Older Americans Act. Effective July
26 1, 1992, local matching requirements shall be no less than ten percent (10%). State
27 funding shall not exceed ninety percent (90%) of the reimbursable costs.

28
29 Requested by: Representatives Easterling, Nye

30 ---SENIOR CENTER OUTREACH

31 Sec. 121. (a) Of the funds appropriated to the Department of Human
32 Resources, Division of Aging, by this Title for the 1991-93 fiscal biennium, \$403,800
33 for the 1991-92 fiscal year and \$403,800 for the 1992-93 fiscal year shall be used by the
34 Division of Aging to enhance senior center programs as follows:

35 (1) To test "satellite" services provided by existing senior centers to
36 unserved or underserved areas; or

37 (2) To provide start-up funds for new senior centers.

38 All of these funds shall be allocated by October 1 of each fiscal year.

39 (b) Prior to funds being allocated pursuant to this section for start-up funds
40 for a new senior center, the county commissioners of the county in which the new center
41 will be located shall:

42 (1) Formally endorse the need for such a center;

43 (2) Formally agree on the sponsoring agency for the center; and

1 (3) Make a formal commitment to use local funds to support the ongoing
2 operation of the center.

3 (c) Effective July 1, 1992, local matching requirements shall be no less than
4 ten percent (10%). State funding shall not exceed ninety percent (90%) of reimbursable
5 costs.

6

7 Requested by: Representatives Nye, Easterling

8 ---FUNDS TO MATCH FEDERAL FUNDS FOR AGING

9 Sec. 122. The Division of Aging, Department of Human Resources, may use
10 funds appropriated in this Title to provide the State matching requirement necessary to
11 draw down federal money available through Title III-D of the Older Americans Act for
12 in-home services for the frail elderly, including those with Alzheimer's Disease.

13

14 Requested by: Representatives Easterling, Nye

15 ---DAY CARE FUNDS MATCHING REQUIREMENT

16 Sec. 123. No local matching funds may be required by the Department of
17 Human Resources as a condition of any locality's receiving any State day care funds
18 appropriated by this act unless federal law requires such a match.

19

20 Requested by: Representatives Nye, Easterling

21 ---DAY CARE

22 Sec. 124. The Department of Human Resources shall distribute the funds
23 appropriated and otherwise available to it for the purchase of slots in day care for minor
24 children of needy families so as to serve the greatest number of children possible.

25

26 Requested by: Representatives Easterling, Nye

27 ---DAY CARE RATES

28 Sec. 125. (a) Rules for the monthly schedule of payments for the purchase of day
29 care services for low-income children shall be established by the Social Services
30 Commission pursuant to G.S. 143B-153(8)a., in accordance with the following
31 requirements:

32

33 (1) For day care facilities, as defined in G.S. 110-86(3), in which fewer
34 than fifty percent (50%) of the enrollees are subsidized by State or
35 federal funds, the State shall continue to pay the same fee paid by
36 private paying parents for a child in the same age group in the same
37 facility.

38

39 (2) Facilities in which fifty percent (50%) or more of the enrollees are
40 subsidized by State or federal funds may choose annually one of the
41 following payment options:

42

43 a. The facility's payment rate for fiscal year 1985-86; or

44

45 b. The market rate, as calculated annually by the Division of
46 Facility Services' Child Day Care Section in the Department of
47 Human Resources.

1 (3) A market rate shall be calculated for each county and for each age
2 group or age category of enrollees and shall be representative of fees
3 charged to unsubsidized private paying parents for each age group of
4 enrollees within the county. The county market rates shall be
5 calculated from facility fee schedules collected by the Child Day Care
6 Section on a routine basis. The Section shall also calculate a statewide
7 market rate for each age category. The Social Services Commission
8 shall adopt rules to establish minimum county rates that use the
9 statewide market rates as a reference point.

10 (4) Child day care homes as defined in G.S. 110-86(4) and individual
11 child care arrangements may be paid the market rate for day care
12 homes which shall be calculated at least biennially by the Child Day
13 Care Section according to the method described in subsection (a)(3) of
14 this section.

15 (b) Facilities licensed pursuant to Article 7 of Chapter 110 of the General
16 Statutes may participate in the program that provides for the purchase of care in day
17 care facilities for minor children of needy families. No separate licensing requirements
18 may be used to select facilities to participate.

19 Day care homes from which the State purchases day care services shall meet
20 the standards established by the Child Day Care Commission pursuant to G.S. 110-101
21 and G.S. 110-105.1. Individual child care arrangements shall meet the requirements
22 established by the Social Services Commission.

23 (c) County departments of social services shall continue to negotiate with day
24 care providers for day care services below those rates prescribed by subsection (a) of
25 this section. County departments are directed to purchase day care services so as to
26 serve the greatest number of children possible with existing resources.

27 (d) To simplify current day care allocation methodology and more equitably
28 distribute State day care funds, the Department of Human Resources shall apply the
29 following allocation formula to all noncategorical federal and State day care funds used
30 to pay the costs of necessary day care for minor children of needy families:

31 (1) One-third of budgeted funds shall be distributed according to the
32 county's population in relation to the total population of the State;

33 (2) One-third of the budgeted funds shall be distributed according to the
34 number of children under 6 years of age in a county who are living in
35 families whose income is below the State poverty level in relation to
36 the total number of children under 6 in the State in families whose
37 income is below the poverty level; and

38 (3) One-third of budgeted funds shall be distributed according to the
39 number of working mothers with children under 6 years of age in a
40 county in relation to the total number of working mothers with
41 children under 6 in the State.

42 (e) Counties whose allocation, if based on previously used formulas, exceeds
43 the allocation produced by the formula prescribed by this section may not have their
44 allocations reduced to the level that results from application of the new formula.

1 Counties whose allocation, if based on previously used formulas, is less than the
2 allocation produced by the formula prescribed by this section shall continue to receive
3 the proportional share of those funds that they received pursuant to appropriations for
4 this purpose by the 1985 General Assembly. The formula prescribed by this section
5 shall not be implemented unless additional State or federal funds are made available.
6 The additional funds must be sufficient to apply the new formula without reducing any
7 county's allocation below the previous year's initial allocation for child day care.

8
9 Requested by: Representatives Nye, Easterling

10 —COMMUNITY ACTION PROGRAM FUNDS

11 Sec. 126. For the 1991-92 fiscal year and the 1992-93 fiscal year, all
12 agencies designated as eligible agencies pursuant to G.S. 108A-24 that receive
13 Community Service Block Grant Funds may use those funds for the administration of
14 agency programs. The amount of those funds used for administration of agency
15 programs shall be limited to ten percent (10%) of the total annual budget of the agency
16 as certified in the prior year's audit of the agency. The Department of Human Resources
17 shall report annually to the Joint Legislative Commission on Governmental Operations
18 and the Appropriations Committee on Human Resources beginning October 1, 1991, on
19 the use of Community Service Block Grant Funds for administration of agency
20 programs. The report shall show:

- 21 (1) The total budget for each community action agency or limited purpose
22 agency by program-funding source;
- 23 (2) The amount of funds for administration provided by each program;
- 24 (3) The criteria for determining the amount of funds used for
25 administrative expenses; and
- 26 (4) The number of persons served by each program.

27
28 Requested by: Representatives Easterling, Nye

29 —DOMICILIARY RATE INCREASE

30 Sec. 127. Effective July 1, 1991, the maximum monthly rate for ambulatory
31 residents in domiciliary care facilities shall be \$766.00 and the maximum monthly rate
32 for semiambulatory residents shall be \$803.00. Effective July 1, 1992, the maximum
33 monthly rates for ambulatory residents shall be increased to \$777.00 and for
34 semiambulatory residents to \$814.00.

35
36 Requested by: Representatives Nye, Easterling

37 —DOMICILIARY STATE/COUNTY SHARE OF COSTS

38 Sec. 128. Article 3 of Chapter 143B of the General Statutes is amended by
39 adding a new section to read:

40 "**§ 143B-139.5. Department of Human Resources; domiciliary State/county share**
41 **of costs.**

42 State funds available to the Department of Human Resources shall pay fifty percent
43 (50%), and the counties shall pay fifty percent (50%) of the authorized rates for

1 domiciliary care in homes for the aged and for family care homes including area mental
2 health agency-operated or contracted-group homes."

3
4 Requested by: Representatives Easterling, Nye

5 ---DHR EMPLOYEES/IN-KIND MATCH

6 Sec. 129. Notwithstanding the limitations of G.S. 143B-139.4, the Secretary
7 of the Department of Human Resources may assign employees of the Office of Rural
8 Health and Resource Development to serve as in-kind match to nonprofit corporations
9 working to establish health care programs that will improve health care access while
10 controlling costs.

11
12 Requested by: Representatives Nye, Easterling

13 ---NO EYE CLINICS IN CERTAIN COUNTIES

14 Sec. 130. No funds may be expended by the Division of Services for the
15 Blind, Department of Human Resources, to hold eye clinics in any county in which an
16 optometrist or ophthalmologist is willing to perform the services that would otherwise
17 be performed by the clinic.

18
19 Requested by: Representatives Easterling, Nye

20 ---COMMUNITY-BASED ALTERNATIVES PARTICIPATION

21 Sec. 131. County governments participating in the Community-Based
22 Alternatives Program shall certify annually to the Division of Youth Services,
23 Department of Human Resources, that Community-Based Alternatives Aid to Counties
24 shall not be used to duplicate or supplant other programs within the county.

25
26 Requested by: Representatives Nye, Easterling

27 ---DEPARTMENT OF HUMAN RESOURCES PROGRAM FUNDS

28 Sec. 132. Notwithstanding the provisions of G.S. 143-23, the Secretary of the
29 Department of Human Resources, with the approval of the Office of State Budget and
30 Management, may use, to the extent possible, any funds appropriated or otherwise
31 available to the Department in the 1991-92 fiscal year for the Mental Health Accounts
32 Receivable/Billing System.

33
34 Requested by: Representatives Easterling, Nye

35 ---SHORT-TERM LOAN FUND FOR INTERMEDIATE CARE
36 FACILITIES/MENTAL RETARDATION FACILITIES

37 Sec. 133. The Department of Human Resources may use funds that become
38 available to it through gifts, federal or private grants, receipts from federal programs, or
39 any other resource to develop a revolving short-term loan fund to assist area mental
40 health, developmental disabilities, and substance abuse programs and their nonprofit
41 contract agencies in establishing community ICF/MR facilities.

42
43 Requested by: Representatives Nye, Easterling

44 ---EXPANSION OF THE TARGET POPULATION FOR TASC SERVICES

1 Sec. 134. Treatment Alternatives to Street Crimes (TASC) services may
2 include mentally ill offenders as well as substance abusing offenders.

3
4 Requested by: Representatives Easterling, Nye

5 —DHR AUTHORIZATION FOR USE OF AVAILABLE FUNDS FOR
6 RECRUITMENT OF HEALTH CARE PROFESSIONALS

7 Sec. 135. G.S. 122C-112(b) reads as rewritten:

8 "(b) The Secretary may:

- 9 (1) Acquire by purchase or otherwise in the name of the Department
10 equipment, supplies, and other personal property necessary to carry out
11 the mental health, developmental disabilities, and substance abuse
12 programs;
- 13 (2) Sponsor training opportunities in the fields of mental health,
14 developmental disabilities, and substance abuse;
- 15 (3) Promote and conduct research in the fields of mental health,
16 developmental disabilities, and substance abuse;
- 17 (4) Provide technical assistance for the development and improvement of
18 prevention services;
- 19 (5) Receive donations of money, securities, equipment, supplies, or any
20 other personal property of any kind or description which shall be used
21 by the Secretary for the purpose of carrying out mental health,
22 developmental disabilities, and substance abuse programs. Any
23 donations shall be reported to the Office of State Budget and
24 Management as determined by that office;
- 25 (6) Accept, allocate, and spend any federal funds for mental health,
26 developmental disabilities, and substance abuse activities that may be
27 made available to the State by the federal government. This Chapter
28 shall be liberally construed in order that the State and its citizens may
29 benefit fully from these funds. Any federal funds received shall be
30 deposited with the State Treasurer and shall be appropriated by the
31 General Assembly for the mental health, developmental disabilities, or
32 substance abuse purposes specified;
- 33 (7) Enter agreements authorized by G.S. 122C-346;
- 34 (8) Accept, allocate, and spend funds from the United States Department
35 of Defense to operate mental health demonstration projects for families
36 of the uniformed services. Demonstration projects shall be operated
37 through an area authority. The operation of these demonstration
38 projects may be accomplished through subcontracts with one or more
39 private sector ~~providers~~ providers; and
- 40 (9) Authorize funds for contracting with a person, firm, or corporation for
41 aid or assistance in locating, recruiting, or arranging employment of
42 health care professionals in any facility listed in G.S. 122C-181,
43 notwithstanding the provisions of G.S. 126-18."

1 Requested by: Representative Nye

2 ---WILLIE M. SECURE TREATMENT FACILITY AUTHORIZATION

3 Sec. 136. G.S. 122C-181(a) reads as rewritten:

4 "(a) Except as provided in subsection (b) of this section, the Secretary shall
5 operate the following facilities:

6 (1) For the mentally ill:

- 7 a. Cherry Hospital;
- 8 b. Dorothea Dix Hospital;
- 9 c. John Umstead Hospital; and
- 10 d. Broughton Hospital; and

11 (2) For the mentally retarded:

- 12 a. Caswell Center;
- 13 b. O'Berry Center;
- 14 c. Murdoch Center;
- 15 d. Western Carolina Center; and
- 16 e. Black Mountain Center; and

17 (3) For substance abusers:

- 18 a. Walter B. Jones Alcohol and Drug Abuse Treatment Center at
19 Greenville;
- 20 b. Alcohol and Drug Abuse Treatment Center at Butner; and
- 21 c. Alcohol and Drug Abuse Treatment Center at Black Mountain;
22 and

23 (4) As special care facilities:

- 24 a. Wilson Special Care Center;
- 25 b. Whitaker School; ~~and~~
- 26 c. ~~Wright School.~~ School; and
- 27 d. Butner Adolescent Treatment Center."

28

29 Requested by: Representatives Nye, Easterling

30 ---EARLY EDUCATION/HANDICAPPED/FUNDS

31 Sec. 137. The Department of Human Resources shall ensure that, by October
32 1, 1991, all types of early intervention services referenced in G.S. 122C-3(13a), and any
33 other such services the Secretary of Human Resources, in cooperation with the other
34 appropriate agencies and upon the advice of the Interagency Coordinating Council for
35 Handicapped Children from Birth to Five Years of Age, considers necessary, shall be
36 available to all eligible infants and toddlers and their families, as defined in G.S. 122C-
37 3(13a).

38

39 Requested by: Representatives Diamont, Easterling, and Nye

40 ---CHILD PROTECTIVE SERVICES NON-SUPPLANT REQUIREMENT

41 Sec. 138. The Department of Human Resources, Division of Social Services
42 shall ensure that local county departments of social services do not reduce federal fund
43 disbursements or county appropriations for child protective services because they have
44 received State appropriations for that purpose. The Department shall monitor local

1 agency compliance with this provision and report its findings to the General Assembly
2 by May 1, 1992.

3
4
5 PART XXIII.—DEPARTMENT OF AGRICULTURE

6
7 Requested by: Representatives Ethridge, H. Hunter
8 —AGRICULTURE TO MARKET FOREST PRODUCTS

9 Sec. 139. The Department of Agriculture shall market forest products
10 through the Department's marketing programs.

11
12
13 PART XXIV.—DEPARTMENT OF ECONOMIC AND COMMUNITY
14 DEVELOPMENT

15
16 Requested by: Representatives Ethridge, H. Hunter
17 —MAIN STREET PROGRAM RESTRICTIONS

18 Sec. 140. (a) G.S. 143B-472.35(e) reads as rewritten:

19 "(e) A Main Street City that is selected may not receive a grant plus any loans
20 pursuant to this act totaling less than ~~one hundred thousand dollars (\$100,000)~~ twenty
21 thousand dollars (\$20,000) or more than three hundred thousand dollars (\$300,000)."

22 (b) Notwithstanding G.S. 143B-472.35(b), the Department of Economic and
23 Community Development may transfer not more than \$40,000 of interest earnings
24 credited to the Main Street Financial Incentive Fund pursuant to G.S. 143B-472.35(a),
25 from the Fund to the North Carolina Main Street Center Program operating budget for
26 fiscal year 1991-92.

27 (c) Notwithstanding G.S. 143B-472.35, the Department of Economic and
28 Community Development shall transfer \$100,000 of interest earnings in the Main Street
29 Financial Incentive Fund from the Fund to the General Fund for fiscal year 1991-92.
30 The Department shall transfer funds pursuant to this subsection on July 1, 1991.

31
32 Requested by: Representatives Ethridge, H. Hunter
33 —WORKER TRAINING TRUST FUND

34 Sec. 141. (a) There is appropriated from the Worker Training Trust Fund to the
35 Employment Security Commission of North Carolina the sum of \$5,459,673 for the
36 1991-92 fiscal year and the sum of \$6,059,673 for the 1992-93 fiscal year for the
37 operation of local offices at the 1986-87 level of service.

38 (b) Notwithstanding G.S. 96-5(c), there is appropriated from the Special
39 Employment Security Administration Fund to the Employment Security Commission of
40 North Carolina, the sum of \$2,000,000 for the 1991-92 fiscal year and the sum of
41 \$2,000,000 for the 1992-93 fiscal year for administration of the Veterans Employment
42 Program, Employment Services Program, and Unemployment Insurance Program.

1 (c) Supplemental federal funds or other additional funds received by the
2 Employment Security Commission for similar purposes shall be expended prior to the
3 expenditure of funds appropriated by this section.

4 (d) Notwithstanding the provisions of G.S. 96-5(f), there is appropriated from the
5 Worker Training Trust Fund to the following agencies the following sums for the 1991-
6 92 and the 1992-93 fiscal years for the following purposes:

7 (1) \$3,000,000 for the 1991-92 fiscal year and \$2,400,000 for the 1992-93
8 fiscal year to the Department of Economic and Community
9 Development, Division of Employment and Training, for the
10 Employment and Training Grant Program.

11 (2) \$500,000 for the 1991-92 fiscal year and \$500,000 for the 1992-93
12 fiscal year to the North Carolina Department of Labor for customized
13 training of the unemployed and the working poor for specific jobs
14 needed by employers through the Department's Pre-Apprenticeship
15 Division.

16 (3) \$2,000,000 for the 1991-92 fiscal year and \$2,000,000 for the 1992-93
17 fiscal year to the North Carolina Department of Human Resources to
18 assist welfare recipients in gaining employment through the federally
19 funded Job Opportunities and Basic Skills Program in such a way as to
20 gain the maximum match of federal funds for the State dollars
21 appropriated.

22 (4) \$1,250,000 for the 1991-92 fiscal year and \$1,250,000 for the 1992-93
23 fiscal year to the North Carolina Department of Community Colleges
24 to continue the Focused Industrial Training Program.
25

26 Requested by: Representatives Ethridge, H. Hunter

27 —WORKER TRAINING TRUST FUND/REVERSION OF FUNDS

28 Sec. 142. G.S. 96-5(f) reads as rewritten:

29 "(f) Employment Security Commission Reserve Fund. – There is created in the
30 State treasury a special trust fund, separate and apart from all other public moneys or
31 funds of this State, to be known as the Employment Security Commission Reserve
32 Fund, hereinafter 'Reserve Fund'. Except as provided herein and in G.S. 96-9(b)(3)j, all
33 proceeds from the tax as defined in G.S. 96-9(b)(3)j and collected pursuant to G.S. 96-
34 10 shall be paid into the Reserve Fund. The moneys in the Reserve Fund may be used
35 by the Commission for loans to the Unemployment Insurance Fund, as security for
36 loans from the federal Unemployment Insurance Trust Fund, and to pay any interest
37 required on advances under Title XII of the Social Security Act as required by G.S. 96-
38 6(f), and shall be continuously available to the Commission for expenditure in
39 accordance with the provisions of this section. The State Treasurer shall be ex officio
40 the treasurer and custodian and shall invest said moneys in accordance with existing law
41 as well as rules and regulations promulgated pursuant thereto. Furthermore, the State
42 Treasurer shall disburse the moneys in accordance with the directions of the
43 Commission and in accordance with such regulations as the Commission may prescribe.

1 Administrative costs for the collection of the tax and interest payable to the Reserve
2 Fund shall be borne by the Special Employment Administration Fund. Refunds of
3 interest and tax allowable under G.S. 96-9(b)(3)j shall be made from the Reserve Fund.
4 No taxes shall be collected or paid into this fund during a calendar year when, as of the
5 computation date (August 1) of the preceding calendar year, the balance of the fund
6 equals to or exceeds one percent (1%) of the taxable wages.

7 The interest earned from investment of the Reserve Fund moneys shall be deposited
8 in a fund hereby established in the State Treasurer's Office, to be known as the 'Worker
9 Training Trust Fund'. These moneys shall be used to:

- 10 (1) Fund programs, specifically for the benefit of unemployed workers or
11 workers who have received notice of long-term layoff or permanent
12 unemployment, which will enhance the employability of workers,
13 including, but not limited to, adult basic education, adult high school
14 or equivalency programs, occupational skills training programs,
15 assessment, job counseling and placement programs;
- 16 (2) Continue operation of local Employment Security Commission offices
17 throughout the State; or
- 18 (3) Provide refunds to employers.

19 The use of funds from the Worker Training Trust Fund, for the purposes set out in
20 the above paragraph, shall be pursuant to appropriations in the Current Operations
21 Appropriations Act. Funds deposited in the Worker Training Trust Fund prior to July 1,
22 1987, shall be used as provided in the Current Operations Appropriations Act for 1987-
23 89. Funds appropriated from the Worker Training Trust Fund that are unexpended and
24 unencumbered at the end of the fiscal year for which they are appropriated shall revert
25 to the State treasury to the credit of the Worker Training Trust Fund in accordance with
26 G.S. 143-18."

27
28 Requested by: Representatives Ethridge, H. Hunter

29 ---UTILITIES REGULATORY FEE

30 Sec. 143. The percentage rate for the Utilities regulatory fee is set at nine
31 hundredths percent (0.09%) effective July 1, 1991.

32
33 Requested by: Representatives Ethridge, H. Hunter

34 ---TOURISM PROMOTION FUNDS

35 Sec. 144. Funds appropriated in this Title to the Department of Economic
36 and Community Development for tourism promotion grants shall be allocated according
37 to per capita income, unemployment, and population growth in an effort to direct funds
38 to counties most in need in terms of lowest per capita income, highest unemployment,
39 and slowest population growth, in the following manner:

- 40 (1) Counties 1 through 20 are each eligible to receive a maximum grant of
41 \$7,500 for each fiscal year, provided these funds are matched on the
42 basis of one non-State dollar for every four State dollars.
- 43 (2) Counties 21 through 50 are each eligible to receive a maximum grant
44 of \$3,500 for two of the next three fiscal years, provided these funds

1 are matched on the basis of one non-State dollar for every three State
2 dollars.

3 (3) Counties 51 through 100 are each eligible to receive a maximum grant
4 of \$3,500 for alternating fiscal years, beginning with the 1991-92
5 fiscal year, provided these funds are matched on the basis of four non-
6 State dollars for every State dollar.

7
8 Requested by: Representatives Ethridge, H. Hunter

9 —PETROLEUM OVERCHARGE ATTORNEY FEES

10 Sec. 145. (a) Unless prohibited by federal law, rule, or regulation or
11 preexisting settlement agreement, no later than October 1, 1989, the North Carolina
12 Attorney General shall direct the withdrawal of all funds received in the cases of United
13 States v. Exxon and Stripper Well that are held in accounts or reserves located out-of-
14 State for payment of attorney fees and reasonable expenses incurred in connection with
15 oil overcharge litigation authorized by the Attorney General. The Attorney General
16 shall deposit these funds, and all funds to be received from petroleum overcharge funds
17 in the future for attorney fees and reasonable expenses, into the Special Reserve for Oil
18 Overcharge Funds.

19 (b) All attorney fees and reasonable expenses incurred in connection with oil
20 overcharge litigation shall be paid by the State Treasurer from petroleum overcharge
21 funds that have been received by this State and deposited into the Special Reserve for
22 Oil Overcharge Funds.

23 (c) Notwithstanding any other provision of law, the Attorney General may
24 authorize the payment of attorney fees and reasonable expenses from the Special
25 Reserve for Oil Overcharge Funds without further action of the General Assembly and
26 funds are hereby appropriated from the Special Reserve for Oil Overcharge Funds for
27 the 1991-92 fiscal year and for the 1992-93 fiscal year for that purpose.

28

29 Requested by: Representatives Ethridge, H. Hunter

30 —NORTH CAROLINA MANUFACTURING DIRECTORY PROCEEDS

31 Sec. 146. (a) The Department of Economic and Community Development
32 may expend for industrial promotional advertising any amount collected from the sales
33 of the North Carolina Manufacturing Directory above the sum of \$155,000 already
34 budgeted for the 1991-92 and 1992-93 fiscal years.

35 (b) Beginning October 1, 1991, the Department shall submit quarterly reports to
36 the Joint Legislative Commission on Governmental Operations and the Fiscal Research
37 Division. These reports shall include the amount of proceeds collected from the sales of
38 the Directory and the amount spent on advertising pursuant to the provisions of this
39 section.

40

41 Requested by: Representatives Ethridge, H. Hunter

42 —INDUSTRIAL DEVELOPMENT FUND/LOCAL MATCH

43 Sec. 147. Local governments requesting financial assistance from the
44 Industrial Development Fund shall demonstrate to the satisfaction of the Department of

1 Economic and Community Development that it would be an economic hardship for the
2 local government to match State assistance from the Fund with local funds. The
3 Department shall develop guidelines for determining hardship.

4
5 Requested by: Representatives Ethridge, H. Hunter

6 —BIOTECHNOLOGY CENTER

7 Sec. 148. (a) The North Carolina Biotechnology Center may recapture funds
8 spent in support of successful research efforts in the nonacademic private sector.

9 (b) The North Carolina Biotechnology Center shall provide funding for
10 biotechnology and related bioscience applications under its Economic and Corporate
11 Development Program.

12 (c) Beginning October 1, 1991, the North Carolina Biotechnology Center shall
13 provide quarterly reports on all of the Center's programs to the Joint Legislative
14 Commission on Governmental Operations. The initial report shall include information
15 on the activities and accomplishments during the past fiscal year, itemized expenditures
16 during the past fiscal year with sources of funding, planned activities and
17 accomplishments for at least the next 12 months, and itemized anticipated expenditures
18 with sources of funding for the next 12 months. Subsequent reports shall include
19 quarterly updates of the initial report.

20 (d) The North Carolina Biotechnology Center shall provide a report containing
21 detailed budget, personnel, and salary information to the Office of State Budget and
22 Management and to the Fiscal Research Division in the same manner as State
23 Departments and agencies in preparation for biennium budget requests.

24
25 Requested by: Representatives Ethridge, H. Hunter

26 —MCNC

27 Sec. 149. (a) MCNC shall present a written report on the progress of the
28 supercomputer program on a quarterly basis to the Joint Legislative Commission on
29 Governmental Operations through fiscal years 1991-92 and 1992-93. The written
30 reports shall contain at least the following information: the major accomplishments
31 since the last report; the major activities expected for the project for the next 12 months
32 after the date of the report; the major applications and uses on the supercomputer in the
33 time since the last report; and, the major projected applications and uses on the
34 supercomputer in the next six months after the date of the report. The report shall
35 constitute a full management and status report on the supercomputer project.

36 (b) The Board of Directors of MCNC shall be the governing body for the
37 supercomputer program.

38 (c) If MCNC specifies a Technical Advisory Council to provide to the
39 supercomputer project, among other things:

40 (1) Technical policy and operating procedure advice,

41 (2) Advice concerning use of the supercomputing facilities by educational
42 institutions and other groups and individuals,

1 (3) Advice and policy suggestions concerning the structures and
 2 operations of the supercomputing center and any adjunct institutes,
 3 conferences, or consultative committees, and

4 (4) Advice and counsel to MCNC or anyone it employs or enters into
 5 contract with related to the operation of the supercomputer project,
 6 that Technical Advisory Council shall have an equal number of members appointed
 7 from (i) public sector, academic, not-for-profit organizations and (ii) for-profit, private
 8 companies by July 31, 1991. The intent of the General Assembly is for one-half of the
 9 members of this Technical Advisory Council, or any group directly affiliated with the
 10 supercomputer project management group that performs the functions of the technical
 11 advisory council as listed in this section, to be current employees of private sector, for-
 12 profit corporations by July 31, 1991.

13 (d) It is the intent of the General Assembly that all appropriations to MCNC
 14 for all years after the 1990-91 fiscal year for the MCNC basic research program contain
 15 the proviso that the appropriated funds are matched on the basis of two non-State dollars
 16 (\$2.00) for every three State dollars (\$3.00).

17 (e) Beginning October 1, 1991, MCNC shall provide quarterly reports on all
 18 of its programs to the the Joint Legislative Commission on Governmental Operations,
 19 and the Fiscal Research Division. These reports shall include information on the
 20 activities and accomplishments during the past fiscal year, itemized expenditures during
 21 the past fiscal year with sources of funding, planned activities and accomplishments for
 22 at least the next 12 months, and itemized anticipated expenditures with sources of
 23 funding for the next 12 months.

24 (f) MCNC shall provide a report containing detailed budget information to
 25 the Office of State Budget and Management in the same manner as State departments
 26 and agencies in preparation for biennium budget requests. Specific salary information
 27 will be provided upon written request by the Chairmen of the Joint Legislative
 28 Commission on Governmental Operations or the Chairmen of the House Appropriations
 29 Committee on Environment, Health, and Natural Resources and the Chairman of the
 30 Senate Appropriations Committee on Natural and Economic Resources.

31
 32 Requested by: Representatives Ethridge, H. Hunter

33 —MCNC BUDGET LIMITS

34 Sec. 150. (a) The funds appropriated in this Title to MCNC shall be used as
 35 follows:

	<u>FY 1991-92</u>	<u>FY 1992-93</u>
36 Microelectronics Program	\$ 6,194,302	\$ 6,000,000
37 Grants Program	-0-	-0-
38 Administration & Support	2,204,804	2,000,000
39 Supercomputer	5,298,063	5,224,705
40 Telecommunications	2,827,971	2,775,295

41
 42 In addition, the above amounts shall be further reduced by \$850,000 in each fiscal year
 43 of the biennium. The allocation of such reductions may be determined by MCNC.

1 (b) Of the funds appropriated to MCNC for the Microelectronics Program,
2 \$2,000,000 of the total appropriation in each fiscal year is contingent upon a dollar-for-
3 dollar match in non-State funds.

4 (c) If MCNC finds it necessary to make changes in the program allocations
5 specified in subsection (a) of this Section, MCNC shall report such changes to the Joint
6 Legislative Commission on Governmental Operations within 30 days of the
7 reallocation.

8

9 Requested by: Representatives Ethridge, H. Hunter

10 ---RURAL ECONOMIC DEVELOPMENT CENTER

11 Sec. 151. (a) Of the funds appropriated in this Title to the Department of
12 Economic and Community Development, \$1,630,627 for fiscal year 1991-92 and
13 \$1,614,766 for fiscal year 1992-93 shall be used for a grant-in-aid to the Rural
14 Economic Development Center, Inc., for the administrative costs of the Center and for
15 its pilot projects and research. No more than \$300,000 of the funds appropriated for
16 each fiscal year may be used for the administrative costs of the Rural Economic
17 Development Center, Inc.

18 (b) Beginning October 1, 1991, the Rural Economic Development Center, Inc.,
19 shall provide quarterly reports on the Center's programs to the Joint Legislative
20 Commission on Governmental Operations. The initial report shall include information
21 on the activities and accomplishments during the past fiscal year, itemized expenditures
22 during the past fiscal year with sources of funding, planned activities and
23 accomplishments for at least the next 12 months, and itemized anticipated expenditures
24 with sources of funding for the next 12 months. Subsequent reports shall include
25 quarterly updates of the information in the initial report.

26 (c) The Rural Economic Development Center, Inc., shall provide a report
27 containing detailed budget, personnel, and salary information to the Office of State
28 Budget and Management in the same manner as State departments and agencies in
29 preparation for biennium budget requests.

30

31 Requested by: Representatives Ethridge, H. Hunter

32 ---RURAL ECONOMIC DEVELOPMENT CENTER FUND LIMITATIONS

33 Sec. 152. Not more than fifty percent (50%) of the interest earned on State
34 funds appropriated to the Rural Economic Development Center, Inc., may be used by
35 the Rural Economic Development Center, Inc., for administrative purposes, including
36 salaries and fringe benefits.

37

38 Requested by: Representatives Ethridge, H. Hunter

39 ---FEDERAL FUNDS ADMINISTRATION

40 Sec. 153. G.S. 143B-431 is amended by adding the following new subsection
41 to read:

42 "(d) The Department of Economic and Community Development, with the
43 approval of the Governor, may apply for and accept grants from the federal government
44 and its agencies and from any foundation, corporation, association, or individual and

1 may comply with the terms, conditions, and limitations of such grants in order to
2 accomplish the Department's purposes. Grant funds shall be expended pursuant to the
3 Executive Budget Act. In addition, the Department shall have the following powers and
4 duties with respect to its duties in administering federal programs:

5 (1) To negotiate, collect, and pay reasonable fees and charges regarding
6 the making or servicing of grants, loans, or other evidences of
7 indebtedness.

8 (2) To establish and revise by regulation, in accordance with Chapter
9 150B of the General Statutes, schedules of reasonable rates, fees, or
10 charges for services rendered, including but not limited to, reasonable
11 fees or charges for servicing applications. Schedules of rates, fees, or
12 charges may vary according to classes of service, and different
13 schedules may be adopted for public entities, nonprofit entities, private
14 for-profit entities, and individuals."

15
16 Requested by: Representatives Ethridge, H. Hunter

17 —EMPLOYMENT AND TRAINING PROGRAM

18 Sec. 154. Chapter 143B is amended by adding the following new section to
19 read:

20 **"§ 143B-438.6. Employment and Training Grant Program.**

21 (a) There is established in the Department of Economic and Community
22 Development, Division of Employment and Training, an Employment and Training
23 Grant Program. The purpose of the program is to make grants available to local
24 agencies operating on behalf of the Private Industry Council serving Job Training
25 Partnership Act service delivery areas. Grant funds shall be allocated for the purpose of
26 enabling recipient agencies to implement local employment and training programs in
27 accordance with existing resources, local needs, local goals, and selected training
28 occupations. The Department shall adopt rules in accordance with Chapter 150B of the
29 General Statutes for administering the Employment and Training Grant Program, which
30 rules shall include procedures for review and approval of grant applications by local
31 agencies and for monitoring use of grant funds by recipient agencies. A State-
32 administered program of performance standards shall be used to measure grant program
33 outcomes.

34 (b) Use of grant funds: Local agencies may use funds received under this section
35 only for the purpose of upgrading the foundation of basic skills of the adult population
36 and the existing work force in North Carolina. Services that may be provided include
37 participant programs currently available under the federal Job Training Partnership Act
38 that are appropriate for adults; on-the-job training; work experience; adult basic
39 education; skills training, upgrading, and retraining; counseling and screening for job
40 placement; service corps; and related support services. Local agencies may use grant
41 funds to provide services only to individuals who are 18 years of age or older and who
42 either (i) meet the current Federal Job Training Partnership Act definition of
43 'economically disadvantaged', or (ii) meet the current definition for eligibility under
44 Title III of the Federal Job Training Partnership Act.

1 (c) Allocation of grants: The Department may reserve and allocate up to five
2 percent (5%) of funds available to the Employment and Training Grant Program for
3 State and local administrative costs to implement the program. The Division of
4 Employment and Training shall allocate employment and training grants to local
5 agencies operating on behalf of the Private Industry Council serving Job Training
6 Partnership Act service delivery areas based on the following formula:

7 (1) One half of the funds shall be allocated on the basis of the relative
8 excess number of unemployed individuals residing in each county as
9 compared to the total excess number of unemployed individuals in all
10 counties in the State.

11 'Excess number of unemployed' is defined as the number of
12 unemployed individuals in excess of four and one-half percent (4.5%)
13 of the civilian labor force in each county or the number of unemployed
14 individuals in excess of four and one-half percent (4.5%) of the
15 civilian labor force in each census tract within the county. The
16 following methodology is used to determine the excess number of
17 unemployed:

18 a. For counties classified as having excess unemployment, the
19 excess number of unemployed is determined by subtracting four
20 and one-half percent (4.5%) of the civilian labor force from the
21 number of unemployed individuals within the county. The
22 difference equals the number of excess unemployed.

23 b. In situations where the entire county is not classified as having
24 excess unemployment, the excess number of unemployed is
25 determined by census tract unemployment within the county.
26 Census tract data is used to determine which subcounty areas
27 qualify as areas of excess unemployment. In those subcounty
28 areas classified as having excess unemployment (census tracts
29 with four and one-half percent (4.5%) or higher unemployment
30 rates), four and one-half percent (4.5%) of the census tract labor
31 force is subtracted from the number of unemployed individuals
32 within the area of excess unemployment. The subcounty
33 figures of excess number of unemployed within the county are
34 then added together to determine the total excess number of
35 unemployed within the county.

36 (2) One half of the funds shall be allocated on the basis of the relative
37 number of economically disadvantaged individuals within each county
38 compared to the total number of economically disadvantaged
39 individuals in the State. To determine the number of economically
40 disadvantaged individuals within each county, data from the State Data
41 Center in the Office of State Budget and Management, or from the
42 federal decennial census, whichever is most recent, shall be used.

43 (d) Reports, Coordination: The Department of Economic and Community
44 Development shall report quarterly to the Governor and to the Speaker of the House of

1 Representatives and the President Pro Tempore of the Senate on the North Carolina
2 Employment and Training Grant Program. The Department shall also provide a copy of
3 these quarterly reports to the State Job Training Coordinating Council. The Council
4 shall advise the Department on the merger of the funds provided to implement this
5 section with other employment and training funds to develop comprehensive work-force
6 preparedness initiatives for the State.

7 (e) Funds appropriated to the Department of Economic and Community
8 Development for the Employment and Training Grant Program that are not expended at
9 the end of the fiscal year shall not revert but shall remain available to the Department
10 for the purposes established in this section."

11
12
13 PART XXV.—DEPARTMENT OF LABOR

14
15 Requested by: Representatives Ethridge, H. Hunter

16 —FUNDING FOR OSHA ENFORCEMENT POSITIONS

17 Sec. 155. The Department of Labor may use funds appropriated to the
18 Department of Labor for the Occupational Safety and Health Act of North Carolina
19 (OSHANC) program to fully fund enforcement personnel in the Compliance Bureau of
20 the OSHANC program, provided the Department of Labor certifies to the Office of
21 State Budget and Management that no federal match is available for the 1991-92 fiscal
22 year and for the 1992-93 fiscal year.

23
24
25 PART XXVI.—DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL
26 RESOURCES

27
28 Requested by: Representatives Ethridge, H. Hunter

29 —REDUCTION IN ADMINISTRATIVE SERVICES

30 Sec. 156. The Department of Environment, Health, and Natural Resources
31 shall consider abolishing positions in each of the following administrative services
32 areas:

- 33 (1) Computer Systems,
- 34 (2) Fiscal Management,
- 35 (3) Office of the General Counsel,
- 36 (4) General Services,
- 37 (5) Personnel, and
- 38 (6) Planning & Assessment

39 in order to reduce the budget of administrative services by the sum of \$200,000 for the
40 1991-92 fiscal year and by the sum of \$400,000 for the 1992-93 fiscal year.

41
42 Requested by: Representatives Ethridge, H. Hunter

43 —SEPTAGE MANAGEMENT FEES

1 Sec. 157. Receipts collected by the Department of Environment, Health, and
2 Natural Resources pursuant to G.S. 130A-291.1 are appropriated to the Department to
3 establish and operate the North Carolina Septage Management Program.

4
5 Requested by: Representatives Ethridge, H. Hunter
6 ---AUTHORIZE USE OF WATER QUALITY FEES

7 Sec. 158. There is appropriated from the nonreverting account established in
8 G.S. 143-215.3A to the Department of Environment, Health, and Natural Resources a
9 sum not to exceed \$2,124,142 for the 1991-92 fiscal year and a sum not to exceed
10 \$2,148,017 for the 1992-93 fiscal year for the salaries and the necessary support for up
11 to 49 positions for the 1991-92 fiscal year and the 1992-93 fiscal year in the water
12 quality program. Water quality fees shall be the only source of funds for these positions
13 and all necessary support. These positions shall be used to reduce the backlog of permit
14 applications and to improve the rate of compliance of facilities with environmental
15 standards for toxic substances.

16
17 Requested by: Representatives Ethridge, H. Hunter
18 ---AUTHORIZE USE OF AIR QUALITY FEES

19 Sec. 159. There is appropriated from the nonreverting account established in
20 G.S. 143-215.3A to the Department of Environment, Health, and Natural Resources a
21 sum not to exceed \$1,193,340 for the 1991-92 fiscal year and a sum not to exceed
22 \$1,487,506 for the 1992-93 fiscal year for the salaries and the necessary support:

23 (1) For up to 24 positions for the 1991-92 fiscal year; and

24 (2) For up to 29 positions for the 1992-93 fiscal year

25 in the air quality program. Air quality fees shall be the only source of funds for these
26 positions and all necessary support. These positions shall be used to conduct air quality
27 permitting, compliance, and monitoring activities.

28
29 Requested by: Representatives Ethridge, H. Hunter
30 ---SUPERFUND PROGRAM

31 Sec. 160. (a) The Department of Environment, Health, and Natural Resources
32 may use available funds, with the approval of the Office of State Budget and
33 Management, in order to provide the ten percent (10%) cost share required for
34 Superfund cleanups on National Priority List sites. These funds may be in addition to
35 those appropriated for this purpose.

36 (b) The Department of Environment, Health, and Natural Resources and the
37 Office of State Budget and Management shall report to the Joint Legislative
38 Commission on Governmental Operations the amount and the source of the funds used
39 pursuant to subsection (a) of this section within 30 days of the expenditure of these
40 funds.

41
42 Requested by: Representatives Ethridge, H. Hunter
43 ---FOREST DEVELOPMENT ACT FUNDS

1 Sec. 161. Notwithstanding the provisions of G.S. 113A-192, the assessment
2 from the primary forest product processors shall be collected for the 1991-92 fiscal year
3 and the 1992-93 fiscal year. Notwithstanding the provisions of G.S. 113A-180 and G.S.
4 113A-183(c), all funds accrued to the Forest Development Fund, from whatever source,
5 may be expended pursuant to the provisions of G.S. 113A-193(c) and Article 11 of
6 Chapter 113A of the General Statutes for the 1991-92 fiscal year and the 1992-93 fiscal
7 year.

8
9 Requested by: Representatives Ethridge, H. Hunter

10 ---STUDY TERMINATING LEASE WITH FEDERAL GOVERNMENT

11 Sec. 162. The Parks and Recreation Division, Department of Environment,
12 Health, and Natural Resources, shall study the desirability and the feasibility of
13 terminating any long-term lease that the State entered into, whereby the State leases
14 federal reservoirs. The Department shall report its findings and recommendations to the
15 1991 General Assembly (1992 Regular Session) no later than April 1, 1992.

16
17 Requested by: Representatives Ethridge, H. Hunter

18 ---REVISION OF PARKS FEE SCHEDULE

19 Sec. 163. (a) The Parks and Recreation Division, Department of Environment,
20 Health, and Natural Resources may amend its fee schedule such that an additional sum
21 of \$392,300 is raised by such fees.

22 (b) Notwithstanding the provisions of G.S. 150B-13, the Department may adopt
23 temporary rules to implement subsection (a) of this section.

24 (c) If the Division amends its fee schedule under subsection (a) of this section,
25 the amended fee schedule becomes effective July 1, 1991.

26
27 Requested by: Representatives Ethridge, H. Hunter

28 ---TECHNICAL REVIEW COMMITTEE APPOINTMENTS

29 Sec. 164. The Soil and Water Conservation Commission shall include the
30 Executive Director of the Wildlife Resources Commission, or his designee, and the
31 Director of the Marine Fisheries Division of the Department of Environment, Health,
32 and Natural Resources, or his designee, among its appointments to the Technical
33 Review Committee, which reviews the technical specifications for the best management
34 practices specified for the Agricultural Cost Share Program for Nonpoint Source
35 Pollution Control.

36
37 Requested by: Representatives Ethridge, H. Hunter

38 ---AGRICULTURE COST SHARE PROGRAM

39 Sec. 165. Of the funds appropriated in this Title to the Department of
40 Environment, Health, and Natural Resources for the Agriculture Cost Share Program for
41 Nonpoint Source Pollution Control, a sum not to exceed \$40,000 for the 1991-92 fiscal
42 year and a sum not to exceed \$40,000 for the 1992-93 fiscal year shall be used to fund
43 tide gates in Hyde County in accordance with the match requirements specified in G.S.
44 143-215.74(b)(6).

1

2 Requested by: Representatives Ethridge, H. Hunter

3 —AUDITS OF SOIL AND WATER DISTRICT BOARDS

4 Sec. 166. G.S. 139-7 reads as rewritten:

5 **"§ 139-7. District board of supervisors – appointive members; organization of**
6 **board; certain powers and duties.**

7 The governing body of a soil and water conservation district shall consist of the
8 three elective supervisors from the county or counties in the district, together with the
9 appointive members appointed by the Soil and Water Conservation Commission
10 pursuant to this section, and shall be known as the district board of supervisors. When a
11 district is composed of less than four counties, the board of supervisors of each county
12 shall on or before October 31, 1978, and on or before October 31 as the terms of the
13 appointive supervisors expire, recommend in writing two persons from the district to the
14 Commission to be appointed to serve with the elective supervisors. If the names are not
15 submitted to the Commission as required, the office shall be deemed vacant on the date
16 the term is set to expire and the Commission shall appoint two persons of the district to
17 the district board of supervisors to serve with the elected supervisors. The Commission
18 shall make its appointments prior to or at the November meeting of the Commission.
19 Appointive supervisors shall take office on the first Monday in December following
20 their appointment. Such appointive supervisors shall serve for a term of four years, and
21 thereafter, as their terms expire, their successors shall serve for a term of four years. The
22 terms of office of all appointive supervisors who have heretofore been lawfully
23 appointed for terms the final year of which presently extends beyond the first Monday
24 in December are hereby terminated on the first Monday in December of the final year of
25 appointment. Vacancies for any reason in the appointive supervisors shall be filled for
26 the unexpired term by the appointment of a person by the Commission from the district
27 in which the vacancy occurs. Vacancies for any reason in the elected supervisors shall
28 be filled for the unexpired term by appointment by the Commission of a person from the
29 county in the district in which the vacancy occurs.

30 In those districts composed of four or more counties, the Commission may, but is
31 not ~~required, to~~ required to, appoint two persons from the district without
32 recommendation from the board of supervisors, to serve as district supervisors along
33 with the elected members of the board of supervisors. Such appointments shall be made
34 at the same time other appointments are made under this section, and the persons
35 appointed shall serve for a term of four years.

36 The supervisors shall designate a chairman and may, from time to time, change such
37 designation. A simple majority of the board shall constitute a quorum for the purpose of
38 transacting the business of the board, and approval by a majority of those present shall
39 be adequate for a determination of any matter before the board, provided at least a
40 quorum is present. Supervisors of soil and water conservation districts shall be
41 compensated for their services at the per diem rate and allowed travel, subsistence and
42 other expenses, as provided for State boards, commissions and committees generally,
43 under the provisions of G.S. 138-5; provided, that when per diem compensation and
44 travel, subsistence, or other expense is claimed by any supervisor for services performed

1 outside the district for which such supervisor ordinarily may be appointed or elected to
2 serve, the same may not be paid unless prior written approval is obtained from the
3 Department of Environment, Health, and Natural Resources.

4 The supervisors may employ a secretary, technical experts, whose qualifications
5 shall be approved by the Department, and such other employees as they may require,
6 and shall determine their qualifications, duties and compensation. The supervisors may
7 call upon the Attorney General of the State for such legal services as they may require.
8 The supervisors may delegate to their chairman, to one or more supervisors, or to one or
9 more agents, or employees such powers and duties as they may deem proper. The
10 supervisors shall furnish to the Soil and Water Conservation Commission, upon request,
11 copies of such ordinances, rules, regulations, orders, contracts, forms, and other
12 documents as they shall adopt or employ, and such other information concerning their
13 activities as it may require in the performance of its duties under this Chapter.

14 The supervisors shall provide for the execution of surety bonds for all employees
15 and officers who shall be entrusted with funds or property; shall provide for the keeping
16 of a full and accurate record of all proceedings and of all resolutions, regulations, and
17 orders issued or adopted; and shall provide for an annual audit of the accounts of
18 receipts and disbursements. In any given year, if the supervisors provide for an internal
19 audit, the supervisor serving as chairman shall certify, under oath, that this internal audit
20 is a true and accurate reflection of the accounts of receipts and disbursements, then the
21 supervisors shall not be required, notwithstanding the provisions of G.S. 159-34, to
22 provide for an audit of the accounts of receipts and disbursements by a certified public
23 accountant or by an accountant certified by the Local Government Commission. Any
24 supervisor may be removed by the Soil and Water Conservation Commission upon
25 notice and hearing, for neglect of duty, incompetence or malfeasance in office, but for
26 no other reason.

27 The supervisors may invite the legislative body of any municipality or county
28 located near the territory comprised within the district to designate a representative to
29 advise and consult with the supervisors of the district on all questions of program and
30 policy which may affect the property, water supply, or other interests of such
31 municipality or county.

32 All district supervisors whose terms of office expire prior to the first Monday in
33 January, 1948, shall hold over and remain in office until supervisors are elected or
34 appointed and qualify as provided in this Chapter, as amended. The terms of office of
35 all district supervisors, who have heretofore been elected or appointed for terms
36 extending beyond the first Monday in January, 1948, are hereby terminated on the first
37 Monday in January, 1948."

38
39 Requested by: Representatives Ethridge, H. Hunter

40 ---INTEREST ON WILDLIFE RESOURCES FUND/PRESERVE FEDERAL
41 FUNDING

42 Sec. 167. (a) G.S. 143-250 reads as rewritten:

43 "**§ 143-250. Wildlife Resources Fund.**

1 All moneys in the game and fish fund or any similar State fund when this Article
2 becomes effective shall be credited forthwith to a special fund in the office of the State
3 Treasurer, and the State Treasurer shall deposit all such moneys in said special fund,
4 which shall be known as the Wildlife Resources Fund.

5 All unexpended appropriations made to the Department of Conservation and
6 Development, the Board of Conservation and Development, the Division of Game and
7 Inland Fisheries or to any other State agency for any purpose pertaining to wildlife and
8 wildlife resources shall also be transferred to the Wildlife Resources Fund.

9 Except as otherwise specifically provided by law, all moneys derived from hunting,
10 fishing, trapping, and related license fees, exclusive of commercial fishing license fees,
11 including the income received and accruing from the investment of license revenues,
12 and all funds thereafter received from whatever sources shall be deposited to the credit
13 of the Wildlife Resources Fund and made available to the Commission until expended
14 subject to the provisions of this Article. License revenues include the proceeds from the
15 sale of hunting, fishing, trapping, and related licenses, from the sale, lease, rental, or
16 other granting of rights to real or personal property acquired or produced with license
17 revenues, and from federal aid project reimbursements to the extent that license
18 revenues originally funded the project for which the reimbursement is being made. For
19 purposes of this section, real property includes lands, buildings, minerals, energy
20 resources, timber, grazing, and animal products. Personal property includes equipment,
21 vehicles, machines, tools, and annual crops. The Wildlife Resources Fund herein
22 created shall be subject to the provisions of the Executive Budget Act, Chapter 143,
23 Article 1 of the General Statutes of North Carolina as amended, and the provisions of
24 the General Statutes of North Carolina as amended, and the provisions of the Personnel
25 Act, Chapter 143, Article 2 of the General Statutes of North Carolina as amended.

26 All moneys credited to the Wildlife Resources Fund shall be made available to carry
27 out the intent and purposes of this Article in accordance with plans approved by the
28 North Carolina Wildlife Resources Commission, and all such funds are hereby
29 appropriated, reserved, set aside and made available until expended, for the enforcement
30 and administration of this Article, Chapter 75A, Article 1, and Chapter 113, Subchapter
31 IV of the General Statutes of North Carolina. The Wildlife Resources Commission
32 shall report to the Joint Legislative Commission on Governmental Operations before
33 expending from the Wildlife Resources Fund more than the amount authorized in the
34 budget enacted by the General Assembly for the fiscal period.

35 In the event any uncertainty should arise as to the funds to be turned over to the
36 North Carolina Wildlife Resources Commission the Governor shall have full power and
37 authority to determine the matter and his recommendation shall be final and binding to
38 all parties concerned."

39 (b) This section becomes effective January 1, 1992.

40
41 Requested by: Representatives Ethridge, H. Hunter

42 —ABOLISH PERINATAL COUNCIL

43 Sec. 168. G.S. 130A-128 is repealed.

44

1 Requested by: Representative Michaux

2 ---CONTINUE PUBLIC DENTAL HEALTH PROGRAM EMPHASIS

3 Sec. 169. (a) The reduction of \$204,000 for each fiscal year of the biennium
4 in the budget for the Department of Environment, Health, and Natural Resources for
5 Dental Health Services shall be taken only in vacant positions. When eliminating
6 vacant positions and reducing the funding for these positions, the Department shall
7 eliminate vacant Dentist and Dental Hygienist positions only after eliminating other
8 vacancies.

9 (b) From the funds appropriated to the Department of Environment, Health,
10 and Natural Resources in this act for Dental Health Services, the Department shall
11 administer the public dental health program the primary emphasis of which shall
12 continue to be the delivery of preventive, educational, and dental care services to
13 preschool children and school-age children.

14

15 Requested by: Representative Diamont

16 ---MATERNAL AND CHILD HEALTH CARE NON-SUPPLANTING
17 REQUIREMENT

18 Sec. 170. Chapter 130A of the General Statutes is amended by adding a new
19 section to read:

20 "**§ 130A-4.1. State Funds for Maternal and Child Health Care/non-supplanting.**

21 (a) The Department of Environment, Health, and Natural Resources shall ensure
22 that local health departments do not reduce county appropriations for maternal and child
23 health services provided by the local health departments because they have received
24 State appropriations for this purpose.

25 (b) All income earned by local health departments for maternal and child health
26 programs supported in whole or in part from State or federal funds, received from the
27 Department of Environment, Health, and Natural Resources, shall be budgeted and
28 expended by local health departments to further the objectives of the program that
29 generated the income."

30

31 Requested by: Representative Diamont

32 ---HEALTH PROMOTION NON-SUPPLANTING REQUIREMENT

33 Sec. 171. Chapter 130A of the General Statutes is amended by adding a new
34 section to read:

35 "**§ 130A-4.2. State Funds for Health Promotion/non-supplanting.**

36 The Department of Environment, Health, and Natural Resources shall ensure that
37 local health departments do not reduce county appropriations for health promotion
38 services provided by the local health departments because they have received State
39 appropriations for this purpose."

40

41 Requested by: Representatives Ethridge, H. Hunter

42 ---NON-MEDICAID REIMBURSEMENT

1 Sec. 172. Providers of medical services under the various State programs
2 other than Medicaid offering medical care to citizens of the State shall be reimbursed at
3 rates no more than those under the North Carolina Medical Assistance Program.

4 The Department of Environment, Health, and Natural Resources may
5 reimburse hospitals at the full prospective per diem rates without regard to the Medical
6 Assistance Program's annual limits on hospital days. When the Medical Assistance
7 Program's per diem rates for inpatient services and its interim rates for outpatient
8 services are used to reimburse providers in non-Medicaid medical service programs,
9 retroactive adjustments to claims already paid shall not be required.

10 Notwithstanding the provisions of paragraph one of this section, the
11 Department of Environment, Health, and Natural Resources may negotiate with
12 providers of medical services under the various Environment, Health, and Natural
13 Resources programs, other than Medicaid, for rates as close as possible to Medicaid
14 rates for the following purposes: contracts or agreements for medical services and
15 purchases of medical equipment and other medical supplies. These negotiated rates are
16 allowable only to meet the medical needs of its non-Medicaid eligible patients, residents
17 and clients who require such services which cannot be provided when limited to the
18 Medicaid rate.

19 Maximum net family annual income eligibility standards for services in these
20 programs with the exception of Migrant Health, School Health, AIDS Drug
21 Reimbursement Program, diagnostic assessment for infants with sickle cell syndrome,
22 and Home Health shall be as follows:

Family		All
<u>Size</u>	<u>Kidney</u>	<u>Other</u>
1	\$ 6,400	\$ 4,200
2	8,000	5,300
3	9,600	6,400
4	11,000	7,500
5	12,000	7,900
6	12,800	8,300
7	13,600	8,800
8	14,400	9,300

33 The eligibility level each fiscal year for outpatient services for all clients and
34 for inpatient services for children under the age of 5, in the Children's Special Health
35 Services Program shall be one hundred percent (100%) of the federal poverty guidelines
36 as revised annually by the United States Department of Health and Human Services, in
37 effect on July 1 of each fiscal year.

38
39 Requested by: Representatives Ethridge, H. Hunter
40 ---ASBESTOS HAZARD MANAGEMENT FUNDS

41 Sec. 173. The fees established and collected pursuant to Article 19 of
42 Chapter 130A of the General Statutes are appropriated to the Department of
43 Environment, Health, and Natural Resources to support the Asbestos Hazard
44 Management Program.

1

2 Requested by: Representatives Ethridge, H. Hunter

3 —ADOLESCENT PREGNANCY PREVENTION PROJECTS

4

5 Sec. 174. (a) Of the funds appropriated in Section 3 of this act to the Division
6 of Maternal and Child Health, Department of Environment, Health, and Natural
7 Resources, \$982,768 for the 1991-92 fiscal year and \$982,768 for the 1992-93 fiscal
8 year shall be used to fund adolescent pregnancy prevention projects.

8

9 (b) Beginning in fiscal year 1991-92, the Division shall evaluate all of the
10 adolescent pregnancy projects funded as a result of this program at least yearly and shall
11 report its findings to the Commission for Health Services, the Joint Legislative
12 Commission on Governmental Operations, and the Chairmen of the House
13 Appropriations Committee on Environment, Health, and Natural Resources, and the
14 Senate Appropriations Committee on Natural and Economic Resources by April 1 of
15 each year. The evaluation shall be conducted by a firm or individual external to the
16 Department. Funds appropriated to the Department in Section 3 of this act for
17 employing a Public Health Program Consultant in the Division of Maternal and Child
18 Health shall be used by the Department to retain the services of the evaluator required
19 by this subsection. Any evaluation of these projects shall include a study of the
20 effectiveness of the project in reducing the pregnancy rate within the target population.

20

21 (c) The Commission for Health Services shall be responsible for monitoring the
22 Division's administration of the Adolescent Pregnancy Prevention Program. The
23 Division shall implement the following changes in the management and funding of the
24 Adolescent Pregnancy Prevention Program for projects funded from General Fund
25 appropriations and federal block grants:

25

26 (1) Applications. Any local agency or organization or combination of
27 agencies and organizations may apply to the Division of Maternal and
28 Child Health for an allocation of money to operate a project aimed at
29 preventing adolescent pregnancy. The application shall contain an
30 analysis of the adolescent pregnancy and related problems in the
31 locality the project would serve, and a description of how the project
32 would attempt, over a period of at least five years, to prevent the
33 problems. The application shall state how much money is needed to
34 operate the project and how the money shall be spent. The Division
35 shall conduct annually a proposal-writing session that shall be attended
36 by a representative of any project that wishes to apply for funding; that
37 session shall define the criteria for accountability and evaluation that
38 the Division requires of projects. That session shall also provide
39 information about additional funding sources to which projects might
40 turn to satisfy the matching requirements of subdivision (5) of this
41 subsection.

41

42 (2) Proposal Requirements. The Division shall apply the following
43 minimum standards to projects applying for first-year funding:

43

44 a. Each project shall have a plan of action that extends for at least
5 five years for prevention of adolescent pregnancy.

- 1 b. Each project shall have realistic, specific, and measurable goals
2 and objectives for the prevention of adolescent pregnancy.
- 3 c. Each project, before submitting its proposal, shall send a
4 representative to the proposal-writing session held by the
5 Division.
- 6 (3) Operating standards. The Division shall apply the following minimum
7 operating standards:
- 8 a. Each project shall have a Board of Advisors composed of
9 members from outside the sponsoring agency of the project.
10 The Board of Advisors shall include representatives from at
11 least four of the following: media, government, charitable
12 organizations, private business, medical institutions. The
13 Boards of Advisors shall meet at least quarterly and advise
14 project staff on project policies and operations.
- 15 b. Each project shall comply with reporting, contracting, and
16 evaluation requirements of the Division.
- 17 c. Each project shall define and maintain cooperative ties with
18 other community institutions.
- 19 d. Each project shall demonstrate its ability to attract financial
20 support from sources other than the State, including sources in
21 the local community.
- 22 (4) Criteria for Selection. For first-year funding, the Division shall choose
23 from among the applicants that meet the minimum standards in
24 subdivision (2) of this subsection the best selection of projects
25 according to the following criteria:
- 26 a. Adequacy of proposed staff to meet project objectives;
- 27 b. Appropriateness of project strategies to reduce adolescent
28 pregnancy;
- 29 c. Level of community support, including documentation from the
30 appropriate local government entity or from community
31 organizations that opportunity has been given for citizen input
32 into the proposed program, and that there is community support
33 for the proposal. Documentation may include letters or
34 statements of support from citizens or community
35 organizations, or statements that community support was
36 expressed at public hearings;
- 37 d. Degree of need of the locality, including that the county has a
38 significant adolescent pregnancy problem as evidenced by its
39 attributable risk score developed by the Division of Statistics
40 and Information Services; and
- 41 e. Other appropriate criteria.
- 42 The Division shall make its recommendations for funding to the
43 Commission for Health Services. The Commission shall make the
44 final determination of which projects are to be funded. The

1 Commission shall consider the recommendations of the Division but
2 shall not be bound by them. The Commission shall notify the projects
3 that are to be funded by June 1 of each year.

4 (5) Schedule of Funding. If the Commission, upon consultation with the
5 Division, finds that a project it has chosen for first-year funding
6 continues to meet the operating standards of subdivisions (2) and (3) of
7 this subsection, funding for that project shall continue, to the extent of
8 available money, for an additional four years. The level of funding
9 provided by the Division to approved projects shall be set according to
10 the following schedule:

- 11 a. First year, eighty percent (80%) of the project's annual budget
12 not to exceed the maximum award established by the
13 Commission for Health Services,
- 14 b. Second year, ninety percent (90%) of the State appropriations
15 or federal block grant funds awarded in the first year,
- 16 c. Third year, seventy-five percent (75%) of the State
17 appropriations or federal block grant funds awarded in the first
18 year,
- 19 d. Fourth year, sixty-five percent (65%) of the State appropriations
20 or federal block grant funds awarded in the first year, and
- 21 e. Fifth year, fifty percent (50%) of the State appropriations or
22 federal block grant funds awarded in the first year.

23 The portion of a project's budget that must come from sources other
24 than State or federal block grant funds may be provided as in-kind
25 contributions as well as cash.

26 (6) Five-Year Limit on Funding. No project shall receive State funding if
27 it has previously received State funding for five full years. Any
28 project that has received State funding before July 1, 1990 will be
29 eligible for consideration for an additional five years' State support,
30 according to the schedule. The Commission may fund any such
31 project that meets the minimum standards if it determines, after
32 considering the experience and impact of the project and measuring its
33 application against those of other applicants, that it should be funded.

34 (7) Maximum Level of Funding. The Commission for Health Services
35 shall by rule determine the maximum annual amount that may be made
36 to any one project.

37 (8) As adolescent pregnancy prevention project grant funds decrease, a
38 project shall maintain its original budget level, less the amount
39 expended for start-up costs. The Department shall develop guidelines
40 for determining start-up costs, which guidelines shall be uniform for
41 all projects. Local match percentage may come from any in-kind
42 source or newly generated funds, public or private, available to the
43 project.
44

1 Requested by: Representatives Ethridge, H. Hunter

2 ---INFECTION CONTROL PROGRAM/FUNDS TRANSFER

3 Sec. 175. Of the funds appropriated to the Department of Environment,
4 Health, and Natural Resources, Division of Epidemiology, for the 1991-93 biennium,
5 \$85,274 shall be transferred in each fiscal year to the University of North Carolina at
6 Chapel Hill for the School of Medicine of the University of North Carolina at Chapel
7 Hill. Funds transferred pursuant to this section shall be used to support the Health Care
8 Facilities Infection Control Program in investigating and controlling nosocomial
9 infections in hospitals, long-term care facilities, and other medical facilities in
10 cooperation with the Division of Epidemiology. Funds transferred shall also be used to
11 provide training and consultation to hospitals, long-term care facilities, and other
12 medical facilities to prevent and control nosocomial infections.

13

14 Requested by: Representative James

15 ---SOIL AND WATER CONSERVATION DISTRICT SUPERVISORS' EXPENSES

16 Sec. 176. Of the funds appropriated in this Title to the Division of Soil and
17 Water Conservation, Department of Environment, Health, and Natural Resources,
18 \$214,594 for the 1991-92 fiscal year and \$214,594 for the 1992-93 fiscal year shall be
19 used for the per diem and travel expenses of the Soil and Water Conservation District
20 Supervisors.

21

22 Requested by: Representative Ethridge

23 ---NO CAP ON USE OF PERMIT FEES

24 Sec. 177. G.S. 143-215.3A reads as rewritten:

25 **"§ 143-215.3A. Use of application and permit fees.**

26 There is established a separate nonreverting account within the Department of
27 Environment, Health, and Natural Resources. The account may be used, to the extent
28 appropriated by the General Assembly, to (a) defray the expenses of any project or
29 program supporting the permitting and compliance activities needed to protect the
30 State's surface water, groundwater, and air quality, and (b) establish additional
31 permanent positions, under the Personnel Act, for water, groundwater, and air quality
32 permitting and compliance activities. All application fees and permit administration
33 fees collected by the State for permits issued under Articles 21, 21A, 21B, and 38,
34 except those collected under Part 2 of Article 21A and deposited in the Oil or Other
35 Hazardous Substances Pollution Protection Fund, and except as provided in G.S. 143-
36 215.28A and G.S. 143-215.3B shall be credited to the account. ~~The total monies~~
37 ~~collected per year from fees for permits under G.S. 143-215.3(a)(1a) shall not exceed~~
38 ~~thirty percent (30%) of the total budgets from all sources of environmental permitting~~
39 ~~and compliance programs within the Department of Environment, Health, and Natural~~
40 ~~Resources.~~—The Department shall make an annual report to the General Assembly and
41 its Fiscal Research Division on the cost of the State's environmental permitting
42 programs contained within such Department. The report shall include, but is not limited
43 to, fees set and established under this Article, fees collected under this Article, revenues
44 received from other sources for environmental permitting and compliance programs,

1 changes made in the fee schedule since the last report, anticipated revenues from all
2 other sources, interest earned and any other information requested by the General
3 Assembly."

4
5 Requested by: Representative Gottovi

6 ---CHILDREN'S SPECIAL HEALTH SERVICES/REFUNDS

7 Sec. 178. (a) The Office of State Budget and Management shall carry
8 forward all funds allotted in the 1990-91 fiscal year for the Children's Special Health
9 Services Program to the 1991-92 fiscal year in the Division of Maternal and Child
10 Health, Department of Environment, Health, and Natural Resources.

11 (b) The Office of State Budget and Management shall allow the Department
12 of Environment, Health, and Natural Resources to budget and expend refunds of the
13 prior year's expenditures for the purchase of care by the Children's Special Health
14 Services Program for the same purpose in the fiscal year in which the refund is received.

15
16 Requested by: Representatives Ethridge, H. Hunter

17 ---PUBLIC HEALTH PROGRAM FEES/EXEMPTION FOR ELDERLY

18 Sec. 179. G.S. 130A-248(d) reads as rewritten:

19 "(d) (Expires June 30, 1992) The Department shall charge each facility subject to
20 this section, except nutrition programs for the elderly administered by the Division of
21 Aging of the Department of Human Resources and public school cafeterias, an annual
22 fee of twenty-five dollars (\$25.00). The Department shall charge an additional twenty-
23 five dollar (\$25.00) late payment fee to any facility that fails to pay the required fee
24 within 45 days after billing by the Department. The Department may, in accordance
25 with G.S. 130A-23, suspend or revoke the permit of a facility that fails to pay the
26 required fee within 60 days after billing by the Department. The Commission shall
27 adopt rules to implement this subsection. Fees collected under this subsection shall be
28 credited to the General Fund and may be used to support State and local public health
29 programs and activities. The Department shall make an annual report to the Joint
30 Legislative Commission on Governmental Operations and the Director of the Fiscal
31 Research Division that shall include the fees collected and disbursed under this
32 subsection and any other information requested by the General Assembly or the
33 Commission."

34
35 Requested by: Representative James

36 ---EHNH REDUCTIONS/HOLD COUNTIES HARMLESS

37 Sec. 180. The Department of Environment, Health, and Natural Resources
38 shall not reduce current operations disbursements to local governments for the 1991-92
39 fiscal year and the 1992-93 fiscal year solely for the purpose of effectuating budget
40 reductions required by this act.

41
42 Requested by: Representative Redwine

43 ---TRANSFER LAND RECORDS MANAGEMENT

1 Sec. 181. (a) The statutory authority, powers, duties, and functions, records,
2 personnel, property, unexpended balances of appropriations, allocations or other funds,
3 including the functions of budgeting and purchasing, of the Department of
4 Environment, Health, and Natural Resources to conduct the land records management
5 program, as provided by G.S. 143-345.6, is transferred to the Department of the
6 Secretary of State.

7 (b) G.S. 143-345.6 is recodified as G.S. 147-54.3.

8 (c) G.S. 143-345.6, as recodified as G.S. 147-54.3 by subsection (b) of this
9 section, reads as rewritten:

10 **"§ 147-54.3. Land records management program.**

11 (a) ~~The Department of Environment, Health, and Natural Resources~~ Secretary of
12 State shall administer a land records management program for the purposes (i) of
13 advising registers of deeds, local tax officials, and local planning officials about sound
14 management practices, and (ii) of establishing greater uniformity in local land records
15 systems. The management program shall consist of the activities provided for in
16 subsections (b) through (e) of this section, and other related activities essential to the
17 effective conduct of the management program.

18 (b) ~~The Department of Environment, Health, and Natural Resources~~ Secretary of
19 State, in cooperation with the Secretary of Cultural Resources and in accordance with
20 G.S. 121-5(c) and G.S. 132-8.1, shall establish minimum standards and provide advice
21 and technical assistance to local governments in implementing and maintaining
22 minimum standards with regard to the following aspects of land records management:

23 (1) Uniform indexing of land records;

24 (2) Uniform recording and indexing procedures for maps, plats and
25 condominiums; and

26 (3) Security and reproduction of land records.

27 (c) ~~The Department of Environment, Health, and Natural Resources~~ Secretary of
28 State shall conduct a program for the preparation of county base maps pursuant to
29 standards prepared by ~~that Department~~ the Secretary.

30 (c1) ~~The Department of Environment, Health, and Natural Resources~~ Secretary of
31 State, shall, in cooperation with the Secretary of Revenue, conduct a program for the
32 preparation of county cadastral maps pursuant to standards prepared by the ~~Department~~
33 ~~of Environment, Health, and Natural Resources~~ Secretary of State.

34 (d) Upon the joint request of any board of county commissioners and the register
35 of deeds and subject to available resources of personnel and funds, the Secretary shall
36 make a management study of the office of register of deeds, using assistance from the
37 Office of State Personnel. At the conclusion of the study, the Secretary shall make
38 nonbinding recommendations to the board, the register of deeds, and to the General
39 Assembly.

40 (d1) ~~The Department of Environment, Health, and Natural Resources~~ Secretary of
41 State shall make comparative salary studies periodically of all registers of deeds offices
42 and at the conclusion of each study the Secretary of ~~Environment, Health, and Natural~~
43 ~~Resources~~ State shall present his written findings and shall make recommendations to
44 the board of county commissioners and register of deeds of each county.

1 (e) ~~The Department of Environment, Health, and Natural Resources, Secretary of~~
2 ~~State,~~ in cooperation with the Secretary of Cultural Resources and in accordance with
3 G.S. 121-5(c) and G.S. 132-8.1, shall undertake research and provide advice and
4 technical assistance to local governments on the following aspects of land records
5 management:

- 6 (1) Centralized recording systems;
- 7 (2) Filming, filing, and recording techniques and equipment;
- 8 (3) Computerized land records systems; and
- 9 (4) Storage and retrieval of land records.

10 (f) An advisory committee on land records is created to assist the Secretary in
11 administering the land records management program. The Governor shall appoint 12
12 members to the committee; one member shall be appointed from each of the
13 organizations listed below from persons nominated by the organization:

- 14 (1) The North Carolina Association of Assessing Officers;
- 15 (2) The North Carolina Section of the American Society of
16 Photogrammetry;
- 17 (3) The North Carolina Chapter of the American Institute of Planners;
- 18 (4) The North Carolina Section of the American Society of Civil
19 Engineers;
- 20 (5) The North Carolina Tax Collectors' Association;
- 21 (6) The North Carolina Association of Registers of Deeds;
- 22 (7) The North Carolina Bar Association;
- 23 (8) The North Carolina Society of Land Surveyors; and
- 24 (9) The North Carolina Association of County Commissioners.

25 In addition, three members from the public at large shall be appointed. The members of
26 the committee shall be appointed for four-year terms, except that the initial terms for
27 members listed in positions (1) through (4) above and for two of the members-at-large
28 shall be two years; thereafter all appointments shall be for four years. The Governor
29 shall appoint the chairman, and the committee shall meet at the call of the chairman.
30 The Governor in making the appointments shall try to achieve geographical and
31 population balance on the advisory committee; one third of the appointments shall be
32 persons from the most populous counties in the State containing approximately one
33 third of the State's population, one third from the least populous counties containing
34 approximately one third of the State's population, and one third shall be from the
35 remaining moderately populous counties containing approximately one third of the
36 State's population. Each organization shall nominate one nominee each from the more
37 populous, moderately populous, and less populous counties of the State. The members
38 of the committee shall receive per diem and subsistence and travel allowances as
39 provided in G.S. 138-5."

40 (d) This section is effective upon ratification.

43 TITLE II. - EXPANSION

1 PART XXVII.—CURRENT OPERATIONS/GENERAL FUND

2

3 Sec. 182. Appropriations from the General Fund of the State for the
 4 maintenance of the State departments, institutions, and agencies, and for other purposes
 5 as enumerated, are made for the biennium ending June 30, 1993, according to the
 6 following schedule:

7

8	<u>Current Operations-General Fund</u>	<u>1991-92</u>	<u>1992-93</u>
9			
10	Judicial Department	\$ 1,000,000	\$ 1,000,000
11			
12	Department of Public Education	54,253,414	72,774,393
13			
14	Department of Justice	229,627	229,627
15			
16	Department of Administration		
17	01. Administration	569,395	606,507
18	02. State Controller	1,037,280	1,037,280
19			
20	Department of Agriculture	205,000	205,000
21			
22	Department of Insurance	964,893	925,349
23			
24	Department of Environment, Health, and		
25	Natural Resources	5,459,644	9,529,095
26			
27	Office of Administrative Hearings	619,776	1,916,466
28			
29	Department of Human Resources		
30	01. DHR - Secretary	43,892	43,892
31	02. Social Services	17,178,708	19,723,832
32	03. Medical Assistance	58,750,817	67,938,215
33	04. School for the Deaf and		
34	Hard of Hearing	496,955	577,151
35	05. Division of Services for the		
36	Blind	944,910	1,639,890
37	06. Division of Mental Health,		
38	Developmental Disabilities, and		
39	Substance Abuse Services	15,368,898	22,196,460
40	07. Division of Youth Services	900,000	960,000
41	Total Department of		
42	Human Resources	93,684,180	113,079,440
43			
44	Department of Correction		- 6,902,493

1			
2	Department of Economic and Community		
3	Development	150,461	393,989
4			
5	Rural Economic Development Center	4,500,000	4,500,000
6			
7	Department of Cultural Resources	70,145	70,145
8			
9	Department of Crime Control		
10	and Public Safety	197,262	197,262
11			
12	University of North Carolina - Board		
13	of Governors		
14	01. University Institutional		
15	Program	8,564,400	9,664,400
16			
17	State Board of Elections		8,200 -
18			
19	Department of Community		
20	Colleges	14,507,173	14,507,173
21			
22	Debt Service	3,210,800	14,610,800
23			
24	Salary Increase Reserve (For all		
25	employees except teachers on		
26	Salary Schedule)		<u>- 16,900,000</u>
27			
28	GRAND TOTAL CURRENT OPERATIONS –		
29	GENERAL FUND	\$189,231,650	\$268,049,419
30			

PART XXVIII.—CURRENT OPERATIONS/HIGHWAY FUND

Sec. 183. Appropriations from the Highway Fund of the State for the maintenance and operation of the Department of Transportation, and for other purposes as enumerated, are made for the biennium ending June 30, 1993, according to the following schedule:

38			
39			
40	<u>Current Operations-Highway Fund</u>	<u>1991-92</u>	<u>1992-93</u>
41			
42	Department of Transportation		
43	01. Administration	\$ 552,800	\$ 555,440
44	02. Division of Highways		

1	a.	Administration and		
2		Operations	236,824	221,474
3	b.	State Maintenance		
4	(01)	Primary	8,191,105	5,993,348
5	(02)	Secondary	14,396,487	10,533,764
6	(03)	Urban	2,233,938	1,634,550
7	03.	Division of Motor Vehicles	822,436	1,184,729
8	04.	Reserve for Asphalt Cleanup	1,000,000	2,000,000
9	05.	Reserve for Pay Increase		<u>1,700,000</u>
10				
11		GRAND TOTAL CURRENT OPERATIONS—		
12		HIGHWAY FUND		\$ 27,433,590 \$ 23,823,305

13
14
15 PART XXIX.—GENERAL PROVISIONS

16
17 Requested by: Representative Gardner

18 —STATE AGENCY MAILING LISTS PURGED

19 Sec. 184. (a) Each State agency, commission, institution, and university that
20 maintains a mailing list comprising more than 200 addressees to whom free printed
21 material is distributed through the postal service shall, no later than January 1, 1992,
22 query each addressee to determine whether that addressee desires to remain on the
23 mailing list. The agency, commission, institution, or university shall within one month
24 thereafter purge the mailing list of each nonresponding addressee and each addressee
25 who indicates a desire that the addressee's name be removed. Each State agency,
26 commission, institution, and university shall report to the Joint Legislative Commission
27 on Governmental Operations and the Fiscal Research Division by March 1, 1992,
28 regarding its cost savings.

29 (b) Mailing lists that are required by law are exempt from this section.
30

31
32 PART XXX.—SALARIES AND BENEFITS

33
34 Requested by: Representatives Nesbitt, Diamont

35 —SALARIES/GOVERNMENT EMPLOYEES

36 Sec. 185. The salaries of those individuals whose annual salaries for the
37 1989-90 and 1990-91 fiscal years were set in Sections 23, 24, 25, 26, 27, 28, 30, 31, 32,
38 33, and 39 of Chapter 752 of the 1989 Session Laws, are set for the 1991-92 and 1992-
39 93 fiscal years at the level set in those sections for the 1990-91 fiscal year.
40

41 Requested by: Representative Nesbitt

42 —RESERVE FOR STATE EMPLOYEES' SALARY INCREASES

1 Sec. 186. (a) Effective July 1, 1992, there is established in the Office of State
2 Budget and Management a Reserve for State Employee Salary Increases, to be
3 administered pursuant to subsection (b) of this section.

4 (b) The funds in the Reserve for State Employee Salary Increases, established
5 by subsection (a) of this section, shall be used in accordance with Section 187 of this act
6 for State employee Cost of Living general pay increases and/or performance pay only
7 for those State employees not covered under the Teacher Salary Schedule Plan provided
8 by law.

9
10 Requested by: Representative Nesbitt

11 —STATE EMPLOYEE COST OF LIVING PRIORITY

12 Sec. 187. (a) It is the intent of the General Assembly that Cost of Living
13 general pay increases be given priority over performance pay as the Governor and the
14 General Assembly determine the appropriate allocation of State employee salary
15 increases relating to Cost of Living general pay adjustments and performance pay. To
16 effect this intent, no performance pay shall be granted except in accordance with
17 subsections (b), (c), (d), and (e) of this section, which ensure that Cost of Living general
18 pay increases of at least two percent (2%) are allocated before any performance pay is
19 allocated. It is also the intent of the General Assembly to acknowledge the need to
20 adjust the determination of Cost of Living general pay increases so that all State
21 employees, regardless of salary, are treated equitably. To effect that intent, the General
22 Assembly may make any adjustment to the Cost of Living general salary increases
23 allocated to State employees that it considers necessary to render the allocations truly
24 equitable for all employees.

25 Nothing in this section affects the right of the General Assembly to allocate
26 flat percentage Cost of Living general pay increases.

27 (b) G.S. 126-7(a) reads as rewritten:

28 "(a) It is the policy of the State to compensate its employees at a level sufficient to
29 encourage excellence of performance and to maintain the labor market competitiveness
30 necessary to recruit and retain a competent work force. To this end, salary increases to
31 State employees ~~shall~~may be based, in part, on each individual employee's job
32 performance and, in part, on general increases given to all State employees."

33 (c) G.S. 126-7(a1) is amended by adding a new subsection to read:

34 "(a1) General salary increases for State employees shall precede any consideration
35 of a performance pay allocation. Performance pay shall be allocated only when the total
36 allocation for increases equals or exceeds two percent (2%).

37 (d) G.S. 126-7(b) reads as rewritten:

38 "(b) To guide the Governor and the General Assembly in making appropriations
39 to further the compensation policy of the State, the State Personnel Commission shall
40 conduct annual compensation surveys. ~~The Commission shall determine the percent of~~
41 ~~funds appropriated for salary increases to be reserved for a general increase for all State~~
42 ~~employees and the percent to be reserved for performance based increases for eligible~~
43 ~~employees.—The Commission shall present its recommendation on the percentages and~~
44 the results of the compensation survey to the Appropriations Committees of the House

1 and Senate no later than two weeks after the convening of the legislature in odd years
2 and May 1st of even years. ~~The amount reserved for performance increases shall not be~~
3 ~~less than twenty five percent (25%) nor more than seventy five percent (75%) of the~~
4 ~~total allocation."~~

5 (e) G.S. 126-7(c), until the first subdivision, reads as rewritten:

6 "(c) Performance ~~increases~~ increases, if awarded, shall be based on performance
7 appraisals of all employees conducted by each department, agency, and institution. The
8 State Personnel Commission, under the authority of G.S.126-4(8), shall adopt policy
9 and regulations for performance appraisal. The policy and regulations shall include the
10 following:"

11
12 Requested by: Representatives Diamont, Nesbitt

13 ~~—SALARY RELATED CONTRIBUTIONS/EMPLOYERS~~

14 Sec. 188. (a) Required employer salary-related contributions for employees
15 whose salaries are paid from department, office, institution, or agency receipts shall be
16 paid from the same source as the source of the employees' salary. If an employee's
17 salary is paid in part from the General Fund or Highway Fund and in part from
18 department, office, institution, or agency receipts, required employer salary-related
19 contributions may be paid from the General Fund or Highway Fund only to the extent of
20 the proportionate part paid from the General Fund or Highway Fund in support of the
21 salary of the employee, and the remainder of the employer's requirements shall be paid
22 from the source that supplies the remainder of the employee's salary. The requirements
23 of this section as to source of payment are also applicable to payments on behalf of the
24 employee for hospital-medical benefits, longevity pay, unemployment compensation,
25 accumulated leave, workers' compensation, severance pay, separation allowances, and
26 applicable disability income and disability salary continuation benefits.

27 (b) Effective July 1, 1991, the State's employer contribution rates budgeted
28 for retirement and related benefits as a percentage of covered salaries for the 1991-92
29 fiscal year and the 1992-93 fiscal year are (i) ten and ninety-three hundredths percent
30 (10.93%) - Teachers and State Employees; (ii) fifteen and ninety-three hundredths
31 percent (15.93%) - State Law Enforcement Officers; (iii) eight and sixty-six hundredths
32 percent (8.66%) - University Employees' Optional Retirement Program; (iv) twenty-
33 nine and forty-six hundredths percent (29.46%) - Consolidated Judicial Retirement
34 System; and (v) thirty-two and thirty hundredths percent (32.30%) - Legislative
35 Retirement System. Each of the foregoing contribution rates includes two percent (2%)
36 for hospital and medical benefits. The rate for State Law Enforcement Officers includes
37 five percent (5%) for the Supplemental Retirement Income Plan. The rates for Teachers
38 and State Employees, State Law Enforcement Officers, and for the University
39 Employees' Optional Retirement Program includes forty-two hundredths percent
40 (0.42%) for the Disability Income Plan.

41 (c) The maximum annual employer contributions, payable monthly, by the
42 State for each covered employee or retiree for the 1991-92 fiscal year to the Teachers'
43 and State Employees' Comprehensive Major Medical Plan are: (i) Medicare eligible

1 employees and retirees - \$1,260; and (ii) Non-Medicare eligible employees and retirees
2 - \$1,655.

3 (d) The maximum annual employer contributions, payable monthly, by the
4 State for each covered employee or retiree for the 1992-93 fiscal year to the Teachers'
5 and State Employees' Comprehensive Major Medical Plan are: (i) Medicare eligible
6 employees and retirees - \$1,351; and (ii) Non-Medicare eligible employees and retirees
7 - \$1,774.

8

9

10 PART XXXI.—DEPARTMENT OF INSURANCE

11

12 Requested by: Representative Diamont

13 —INSURANCE STUDY OF HEALTH INSURANCE COVERAGE OF WOMEN
14 NEEDING PRENATAL AND DELIVERY HEALTH SERVICES

15 Sec. 189. (a) The Department of Insurance, in conjunction with the Department
16 of Environment, Health, and Natural Resources, Division of Maternal and Child Health,
17 and the Department of Human Resources, Division of Medical Assistance, shall conduct
18 a study to determine the extent to which there are women who lack health insurance
19 covering prenatal and delivery services; and to determine the gaps in private and self-
20 funded health insurance coverage. Not later than March 1, 1992, the Department of
21 Insurance shall report to the Joint Legislative Commission on Governmental Operations
22 and to the Fiscal Research Division on the progress of this study.

23 (b) Of the funds appropriated to the Department of Insurance in this act,
24 \$40,000 is allocated for the study required by this act. The Department may contract for
25 clerical or professional staff or any other services it requires in the course of this study.

26

27

28 PART XXXII.—OFFICE OF STATE AUDITOR

29

30 Requested by: Representatives Bowman, N. J. Crawford

31 —INFORMATION FROM PRIVATE ORGANIZATIONS RECEIVING STATE
32 FUNDS AND FROM STATE AGENCIES PROVIDING THESE
33 FUNDS/INFORMATION FROM STATE AGENCIES JUSTIFYING
34 APPROPRIATIONS REQUESTS

35 Sec. 190. (a) G.S. 143-6.1 reads as rewritten:

36 "**§ 143-6.1. Information from private organizations receiving State ~~funds.~~ funds;**
37 **information from State departments and agencies providing State funds.**

38 Every ~~private person,~~ corporation, organization, and institution which receives, uses
39 or expends any State funds shall use or expend such funds only for the purposes for
40 which such State funds were appropriated by the General Assembly or collected by the
41 State.

42 Each ~~private person,~~ corporation, organization, and institution which receives, uses
43 or expends State funds in the amount of twenty-five thousand dollars (\$25,000) or more
44 annually, except when the funds are ~~compensation for~~ the purchase of goods or services,

1 shall file annually with the State Auditor and with the Joint Legislative Commission on
2 Governmental Operations ~~a financial statement~~ statements in such form and on such
3 schedule as shall be prescribed by the State Auditor, and shall furnish to the State
4 Auditor for audit all books, records and other information as shall be necessary for the
5 State Auditor to account fully for the receipt, use and expenditure of State funds. Each
6 such ~~private person, corporation, organization, and institution~~ shall furnish such
7 additional financial or budgetary information as shall be requested by the State Auditor
8 or by the Joint Committee on Governmental Operations. All financial statements
9 furnished to the State Auditor or to the Joint Legislative Commission on Governmental
10 Operations pursuant to this section, and any audits or other reports prepared by the State
11 Auditor, shall be public records.

12 Each State department and agency shall identify to the State Auditor each
13 corporation, organization, and institution to which State funds received by the
14 department or agency have been provided, except for the purchase of goods and
15 services, and submit documents to the State Auditor for approval in a prescribed format
16 describing standards of compliance and suggested audit procedures sufficient to give
17 adequate direction to independent auditors performing audits.

18 The receipt, use or expenditure of State funds by a ~~private person, corporation,~~
19 organization, and institution shall not, in and of itself, make or constitute such ~~person,~~
20 corporation, organization, or institution a State agency."

21 (b) G.S. 143-6 reads as rewritten:

22 **"§ 143-6. Information from departments and agencies asking State aid.**

23 (a) On or before the first day of September ~~biennially,~~ in the even-numbered
24 years, each of the departments, bureaus, divisions, officers, boards, commissions,
25 institutions, and other State agencies and undertakings receiving or asking financial aid
26 from the State, or receiving or collecting funds under the authority of any general law of
27 the State, shall furnish the Director all the information, data and estimates which he may
28 request with reference to past, present and future appropriations and expenditures,
29 receipts, revenue, and income.

30 (b) Any department, bureau, division, officer, board, commission, institution, or
31 other State agency or undertaking desiring to request financial aid from the State for the
32 purpose of constructing or renovating any State building, utility, or other property
33 development (except a railroad, highway, or bridge structure) shall, before making any
34 such request for State financial aid, submit to the Department of Administration a
35 statement of its needs in terms of space and other physical requirements, and shall
36 furnish the Department with such additional information as it may request. The
37 Department of Administration shall then prepare preliminary studies and cost estimates
38 for the use of the requesting department, bureau, division, officer, board, commission,
39 institution, or other State agency or undertaking in presenting its request to the Director
40 of the Budget.

41 (c) On or before the first day of September in the even-numbered years, each of
42 the departments, bureaus, divisions, officers, boards, commissions, institutions, and
43 other State agencies receiving or asking financial aid or support from the State, any part
44 or all of which is being requested for disbursement to non-State entities under the

1 authority of any general law of the State, shall furnish the Director with the following
2 information:

- 3 (1) The amount of State funds disbursed to the entity in the immediately
4 preceding two fiscal years and the purpose for which the funds were
5 disbursed and used, the amount being requested as continuation funds
6 for the upcoming fiscal year for the non-State entity, and the
7 justification for continued State support for the non-State entity; and
8 (2) Justification for continued State support for each non-State entity shall
9 include information on the extent of the public benefit being derived
10 from State support of the non-State entity.

11 (d) The Office of State Budget and Management and the Director of the Budget
12 shall provide to the General Assembly, on or before January 15 of each odd-numbered
13 year, a report that adequately and fairly presents the information required in this
14 section."

15 (c) This section does not apply to the General Assembly or its membership.

16
17
18 PART XXXIII.—DEPARTMENT OF CULTURAL RESOURCES

19
20 Requested by: Representative Colton

21 —MUSEUM OF HISTORY/MODIFY DUTIES

22 Sec. 191. (a) G.S. 121-7(b) reads as rewritten:

23 "(b) Insofar as practicable, the North Carolina Museum of History shall accession
24 and maintain records showing provenance, value, location, and other pertinent
25 information on such furniture, furnishings, decorative items, and other objects as have
26 historical or cultural importance and which are owned by or to be acquired by the State
27 for use in the State ~~Capitol, Capitol and the Executive Mansion, and, upon request of the~~
28 ~~Department of Administration, any other state-owned building.~~—When any such item or
29 object has been entered in the accession records of the Museum of History, the
30 custodian of such item or object shall, upon its removal from the premises upon which it
31 was located or when it is otherwise disposed of, submit to the Museum of History
32 sufficient details concerning its removal or disposition to permit an adequate entry in
33 the accession records to the end that its location or disposition, and authority for such
34 change, shall be showed therein."

35 (b) This section is effective upon ratification.

36
37 Requested by: Representative Colton

38 —MUSEUM OF HISTORY CONTRACTS

39 Sec. 192. (a) G.S. 121-4 is amended by adding a new subdivision to read:

40 "(16) To enter into an agreement with a private nonprofit corporation for the
41 management of facilities to provide food and beverages at the North
42 Carolina Museum of History. Any net proceeds received by the private
43 nonprofit corporation shall be devoted to the work of the Department.
44 Any private nonprofit corporation entering into an agreement with the

1 Department with regard to the management of the facilities may enter
 2 into further agreements with private persons or corporations
 3 concerning the operation of the facilities. The Department may enter
 4 into an agreement in regard to obtaining or installing equipment,
 5 furniture, and furnishings for such facilities."

6 (b) This section is effective upon ratification.

7
8
9 PART XXXIV.—PUBLIC SCHOOLS

10
11 Requested by: Representatives Barnes, Payne, Fussell

12 —TEACHER SALARY SCHEDULE

13 Sec. 193. (a) The Director of the Budget may transfer from the Reserve for
 14 Teachers Salary Increases for the 1991-92 fiscal year funds necessary to implement the
 15 teacher salary schedule set out in subsection (b) of this section, including funds for the
 16 employer's retirement and Social Security contributions and funds for annual longevity
 17 payments at two and one-half percent (2.5%) of base salary only upon the completion of
 18 25 years of State service, commencing with the sixth teacher pay period in the 1991-92
 19 fiscal year for all teachers whose salaries are supported from the State's General Fund.
 20 These funds shall be allocated to individuals according to rules adopted by the State
 21 Board of Education and the Superintendent of Public Instruction.

22 (b)(1) Beginning with the sixth teacher pay period in the 1991-92 fiscal year
 23 the following monthly salary schedule shall apply to certified
 24 personnel of the public schools who are classified as "A"teachers. The
 25 schedule contains 30 steps with each step corresponding to one year of
 26 teaching experience.

27	Years of	1991-92
28	<u>Experience</u>	<u>Salary</u>
29		
30	00	\$1,981
31	01	2,021
32	02	2,061
33	03	2,164
34	04	2,207
35	05	2,251
36	06	2,296
37	07	2,342
38	08	2,389
39	09	2,437
40	10	2,486
41	11	2,536
42	12	2,587
43	13	2,639
44	14	2,692

1	15	2,746
2	16	2,801
3	17	2,857
4	18	2,914
5	19	2,972
6	20	3,031
7	21	3,092
8	22	3,154
9	23	3,217
10	24	3,281
11	25	3,347
12	26	3,414
13	27	3,482
14	28	3,552
15	29+	3,623

(2) Beginning with the sixth teacher pay period in the 1991-92 fiscal year the following monthly salary schedule shall apply to certified personnel of the public schools who are classified as "G"teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

	<u>Years of Experience</u>	<u>1991-92 Salary</u>
21		
22		
23		
24	00	\$2,105
25	01	2,147
26	02	2,190
27	03	2,300
28	04	2,346
29	05	2,393
30	06	2,441
31	07	2,490
32	08	2,540
33	09	2,591
34	10	2,643
35	11	2,696
36	12	2,750
37	13	2,805
38	14	2,861
39	15	2,918
40	16	2,976
41	17	3,036
42	18	3,097
43	19	3,159
44	20	3,222

1	21	3,286
2	22	3,352
3	23	3,419
4	24	3,487
5	25	3,557
6	26	3,628
7	27	3,701
8	28	3,775
9	29+	3,851

10 (3) The rules adopted by the State Board for allocating funds to
 11 individuals shall provide for (i) a seven and one-half percent (7.5%)
 12 salary increase for teachers with certification based on academic
 13 preparation at the six-year degree level, (ii) a ten percent (10%) salary
 14 increase for teachers with certification based on academic preparation
 15 at the doctoral degree level, and (iii) annual longevity pay at two and
 16 one-half percent (2.5%) of base salary only upon the completion of 25
 17 years of State service.
 18

19 Requested by: Representatives Payne, Fussell

20 ---DIFFERENTIATED PAY FUNDS

21 Sec. 194. Notwithstanding the provisions of Part 4 of Article 16 of Chapter
 22 115C of the General Statutes or any other provision of law, no State funds shall be spent
 23 for differentiated pay for public school employees for the 1991-93 fiscal biennium,
 24 except for funds for employees in career development pilot projects. State funds for
 25 differentiated pay plans in career development pilot units shall be phased down for the
 26 1991-93 fiscal biennium as provided in Section 7 of Chapter 778 of the 1989 Session
 27 Laws, as amended by Section 97 of Chapter 1066 of the 1989 Session Laws.
 28

29 Requested by: Representative Diamont

30 ---SALARY SCHEDULE FOR ADMINISTRATORS

31 Sec. 195. Prior to February 1, 1992, the State Board of Education shall
 32 develop a reasonable salary schedule for superintendents, assistant superintendents,
 33 associate superintendents, supervisors, directors, coordinators, evaluators, program
 34 administrators, principals, and assistant principals whose salaries are supported from the
 35 State's General Fund.

36 The State Board of Education shall also develop a reasonable schedule for
 37 implementing this salary schedule.

38 The State Board of Education shall report to the Joint Legislative
 39 Commission on Governmental Operations prior to February 1, 1992, on the salary
 40 schedule developed pursuant to this section and the proposed implementation schedule
 41 for this salary schedule.
 42

43 Requested by: Representatives Barnes, Fussell, Payne, Rogers, Diamont, Nesbitt

44 ---BASIC EDUCATION PROGRAM

1 Sec. 196. (a) G.S. 115C-81(a) reads as rewritten:

2 "(a) The State Board of Education shall adopt a Basic Education Program for the
3 public schools of the State. Before it adopts or revises the Basic Education Program, the
4 State Board shall consult with an Advisory Committee, including at least eight members
5 of local boards of education, that the State Board appoints from a list of nominees
6 submitted by the North Carolina School Boards Association. The State Board shall
7 report annually to the General Assembly on any changes it has made in the program in
8 the preceding 12 months and any changes it is considering for the next 12 months.

9 The State Board of Education shall review the Basic Education Program in an effort
10 to (i) simplify the Basic Education Program, especially the standard course of study
11 and the core curriculum for all students, and (ii) assure that the Program adopted by the
12 State Board and implemented by the local boards of education carries out the intent of
13 the General Assembly to provide every student in the State equal access to a Basic
14 Education Program. The State Board shall report the results of its review to the Joint
15 Legislative Education Oversight Committee and to the General Assembly prior to
16 March 15, 1992.

17 The State Board shall implement the Basic Education Program within funds
18 appropriated for that purpose by the General Assembly and by units of local
19 government. It is the intent of the General Assembly that until the Basic Education
20 Program is fully funded, the implementation of the Basic Education Program shall be
21 the focus of State educational funding. It is the goal of the General Assembly that the
22 Basic Education Program be fully funded and completely operational in each local
23 school administrative unit by July 1, 1995.

24 It is further a goal of the General Assembly to provide supplemental funds to low-
25 wealth counties to allow those counties to enhance the instructional program and student
26 achievement."

27 (b) G.S. 115C-12(9) reads as rewritten:

28 "(9) Miscellaneous Powers and Duties. – All the powers and duties
29 exercised by the State Board of Education shall be in conformity with
30 the Constitution and subject to such laws as may be enacted from time
31 to time by the General Assembly. Among such duties are:

- 32 a. To certify and regulate the grade and salary of teachers and
33 other school employees.
- 34 b. To adopt and supply textbooks.
- 35 c. To adopt rules requiring all local boards of education to
36 implement the Basic Education Program on an incremental
37 basis within funds appropriated for that purpose by the General
38 Assembly and by units of local government. Beginning with
39 the 1991-92 school year, the rules shall require each local
40 school administrative unit to implement fully the standard
41 course of study in every school in the State in accordance with
42 the Basic Education Program so that every student in the State
43 shall have equal access to the curriculum as provided in the
44 Basic Education Program and the standard course of study.

1 The Board shall establish benchmarks by which to measure
2 the progress that each local board of education has made in
3 implementing the Basic Education Program. The Board shall
4 report to the Joint Legislative Education Oversight Committee
5 and to the General Assembly by December 31, 1991, and by
6 February 1 of each subsequent year on each local board's
7 progress in implementing the Basic Education Program,
8 including the use of State and local funds for the Basic
9 Education Program.

10 The Board shall develop a State accreditation program that
11 meets or exceeds the standards and requirements of the Basic
12 Education Program. The Board shall require each local school
13 administrative unit to comply with the State accreditation
14 program to the extent that funds have been made available to
15 the local school administrative unit for implementation of the
16 Basic Education Program.

17 The Board shall use the State accreditation program to
18 monitor the implementation of the Basic Education Program.

19 c1. To issue an annual 'report card' for the State and for each local
20 school administrative unit, assessing each unit's efforts to
21 improve student performance and taking into account progress
22 over the previous years' level of performance and the State's
23 performance in comparison with other states. This assessment
24 shall take into account demographic, economic, and other
25 factors that have been shown to affect student performance.

26 c2. To develop management accountability indicators to measure
27 the efficiency and appropriate use of staff in each school and at
28 the administrative office. Staff development for school
29 administrators shall be a high priority of the Department of
30 Public Instruction.

31 d. To formulate rules and regulations for the enforcement of the
32 compulsory attendance law.

33 e. To manage and operate a system of insurance for public school
34 property, as provided in Article 38 of this Chapter.

35 In making substantial policy changes in administration, curriculum,
36 or programs the Board should conduct hearings throughout the regions
37 of the State, whenever feasible, in order that the public may be heard
38 regarding these matters."

39 (c) G.S. 115C-238.6(a) reads as rewritten:

40 "(a) Prior to June 30 each year, the State Superintendent shall review local school
41 improvement plans submitted by the local school administrative units in accordance
42 with policies and performance indicators adopted by the State Board of Education. If
43 the State Superintendent approves the plan for a local school administrative unit, that
44 unit shall participate in the Program for the next fiscal year.

1 If a local plan contains a request for a waiver of State laws, regulations, or policies,
2 in accordance with G.S. 115C-238.3(e), the State Superintendent shall determine
3 whether and to what extent the identified laws, regulations, or policies should be
4 waived. The State Superintendent shall present that plan and his determination to the
5 State Board of Education. If the State Board of Education deems it necessary to do so
6 to enable a local unit to reach its local accountability goals, the State Board, only upon
7 the recommendation of the State Superintendent, may grant waivers of:

8 (1) State laws pertaining to class size, teacher certification, assignment of
9 teacher assistants, the use of State-adopted textbooks, and the purposes
10 for which State funds for the public schools may be used, ~~and used~~:
11 Provided, however, the State Board of Education shall not permit the
12 use of funds for teachers for expanded programs under the Basic
13 Education Program for any other purpose;

14 (2) All State regulations and policies, except those pertaining to State
15 salary schedules and employee benefits for school employees, the
16 instructional program that must be offered under the Basic Education
17 Program, the system of employment for public school teachers and
18 administrators set out in G.S. 115C-325, health and safety codes,
19 compulsory school attendance, the minimum lengths of the school day
20 and year, and the Uniform Education Reporting System."

21 (d) The Department of Public Instruction shall report to the Joint Legislative
22 Education Oversight Committee and to the General Assembly before May 1, 1992, on
23 the methods used to measure student achievement.

24 (e) Of the funds appropriated to the Department of Public Education for the
25 1991-93 fiscal biennium, the sum of \$28,907,374 for the 1991-92 fiscal year and the
26 sum of \$28,907,374 for the 1992-93 fiscal year shall be used to complete the funding of
27 teachers for expanded programs under the Basic Education Program. These funds shall
28 be used by local school administrative units to implement fully the standard course of
29 study in every school in the State in accordance with the Basic Education Program so
30 that every student in the State shall have equal access to the curriculum provided for
31 therein.

32 The State Board of Education shall not waive, in accordance with G.S. 115C-
33 238.6(a), the requirement that all local schools use these funds for teachers for expanded
34 programs to implement fully the standard course of study in every school in the State.
35

36 Requested by: Representatives Barnes, Diamont, Nesbitt
37 —EXTENDED SCHOOL DAY

38 Sec. 197. G.S. 115C-84(a) reads as rewritten:

39 "(a) School Day. – The length of the school day shall be determined by the several
40 local boards of education for all public schools in their respective local school
41 administrative units, and the minimum time for which teachers shall be employed in the
42 schoolroom or on the grounds supervising the activities of children shall not be less than
43 six hours: Provided, the several local boards of education may adopt rules and
44 regulations allowing handicapped pupils, kindergarten pupils, and pupils attending the

1 first, second, and third grades to attend school for a period less than six hours. The
2 superintendent of the several local boards of education, in the event of an emergency,
3 act of God, or any other conditions requiring the termination of classes before six hours
4 have elapsed, may suspend the operation of any school for that particular day without
5 loss of credit to the pupil or loss of pay to the teacher.

6 The General Assembly urges the local boards of education to expand the length of
7 the school day so that it includes at least six hours of instructional time."

8
9 Requested by: Representatives Barnes, Fussell, Payne, Diamont, Nesbitt

10 —SCHOOL-TO-WORK TRANSITION

11 Sec. 198. G.S. 115C-81(a1) reads as rewritten:

12 "(a1) The Basic Education Program shall describe the education program to be
13 offered to every child in the public schools. It shall provide every student in the State
14 equal access to a Basic Education Program. Instruction shall be offered in the areas of
15 arts, communication skills, physical education and personal health and safety,
16 mathematics, media and computer skills, science, second languages, social studies, and
17 vocational education.

18 Instruction in vocational education under the Basic Education Program shall be
19 based on factors including:

20 (1) The integration of academic and vocational education;

21 (2) A sequential course of study leading to both academic and
22 occupational competencies;

23 (3) Increased student work skill attainment and job placement;

24 (4) Increased linkages, where geographically feasible, between public
25 schools and community colleges, so the public schools can emphasize
26 academic preparation and the community colleges can emphasize
27 specific job training; and

28 (5) Instruction and experience, to the extent practicable, in all aspects of
29 the industry the students are prepared to enter."

30
31 Requested by: Representatives Nesbitt, Diamont, Barnes

32 —OUTCOME-BASED EDUCATION

33 Sec. 199. (a) Article 16 of Chapter 115C of the General Statutes is amended by
34 adding a new Part to read:

35 **"PART 5. OUTCOME-BASED EDUCATION PROGRAM.**

36 **"§ 115C-238.12. Purpose of program.**

37 An outcome-based education program is a program in which expectations for
38 student achievement are clearly stated in terms of knowledge, skills, and attitudes.
39 Students develop skills and attitudes to maximize the acquisition of knowledge. The
40 program recognizes that achievement occurs as a result of individual and developmental
41 progress towards goals, and reflects that students learn at different rates using varying
42 learning styles. Outcome-based education measures achievement periodically
43 throughout the learning process and is the criteria for high school graduation.
44 Measurement of student achievement is implemented by teachers to complement varied

1 learning growth and styles. The results of those measurements are used to determine
2 when a student understands and has mastered the material and is ready to move forward
3 in the learning process.

4 **"§ 115C-238.13. Implementation of the project by the State Board of Education.**

5 (a) The State Board of Education shall develop and implement an outcome-based
6 education program. The State Board of Education shall select four sites to participate in
7 the program for five fiscal years beginning with the 1992-93 fiscal year. The first year
8 of the project shall be a year for the sites to plan their projects. The remaining four
9 years shall be to implement the projects and to demonstrate their effectiveness.

10 (b) The State Board of Education shall adopt expectations for student
11 achievement, necessary for students to function successfully in the next century. These
12 expectations shall be consistent with national education goals recommended by the
13 National Governors' Association in 1990. The State Board of Education, after
14 consultation with the Board of Governors of The University of North Carolina, the State
15 Board of Community Colleges, representatives of independent colleges, representatives
16 of the business community, representatives of the Department of Public Instruction,
17 representatives of local school administrative units, principals, teachers, and parents,
18 shall adopt proficiencies that are required for graduation from high school. These
19 expectations and proficiencies shall be adopted no later than June 15, 1992, and shall be
20 used by the sites to develop their local outcome-based education projects.

21 The proficiencies that are required for graduation from high school may include:

- 22 (1) Writing – High school graduates will be able to organize complex,
23 demanding, and extended subject matter clearly and effectively. They
24 will produce structured writings in which relationships between
25 successive paragraphs are signaled by connective words and phrases.
26 They will punctuate their writing so that meaning and structure are
27 clear.
- 28 (2) Reading – High school graduates will be able to make independent and
29 discriminating selections from a range of reference materials; retrieve
30 information from those materials using techniques such as skimming;
31 and evaluate and synthesize information from different parts of a text
32 or different texts.
- 33 (3) Mathematics – High school graduates will be able to present a set of
34 complex data in a simplified form using a variety of diagrams and
35 graphs.

36 (c) The State Board of Education, the Board of Governors of The University of
37 North Carolina, and the State Board of Community Colleges shall work jointly to
38 develop a mechanism by which the institutions of higher education accept certification
39 of proficiencies on high school transcripts in lieu of Carnegie units.

40 **"§ 115C-238.14. Selection of sites.**

41 (a) No later than October 10, 1991, the State Board of Education shall develop a
42 competitive process for the selection of project sites.

43 (b) No later than November 30, 1991, the Department of Public Instruction shall
44 initiate the competitive process for the selection of project sites and shall conduct

1 regional briefings for local school administrative units interested in submitting
2 proposals. The regional briefings shall provide detailed information about outcome-
3 based education models so local school administrative units can decide whether to
4 compete for selection as a project site.

5 (c) No later than February 29, 1992, local school administrative units shall
6 submit their proposals to the Department of Public Instruction. The proposal may cover
7 all or part of the schools in a local school administrative unit.

8 The proposal shall include information regarding the local school administrative
9 unit's plan for, ability to, and commitment to complying with the following
10 requirements for local programs:

- 11 (1) The program shall ensure that all students have access to a common
12 core of knowledge and that all students are treated equitably.
- 13 (2) Student advancement shall be based on the mastery of the
14 proficiencies adopted by the State Board of Education pursuant to G.S.
15 115C-238.13(b).
- 16 (3) Students shall be allowed to progress at different rates; however,
17 expectations for progress shall be based on the goal that all students
18 master the proficiencies required for high school graduation. Computer
19 assisted, personal education plans shall be available for every student.
- 20 (4) Parents and guardians shall be involved in a student's selection of high
21 school completion options.
- 22 (5) Teachers and principals shall have a major role in development of
23 local projects.
- 24 (6) A majority of the teachers and principals who will participate in the
25 pilot project shall approve the proposal for selection as a pilot site and
26 the plans for the local program before they are submitted to the
27 Department of Public Instruction.
- 28 (7) Programs shall provide each student a school-based adult advocate to
29 foster self-esteem, protect learning options, ensure that student needs
30 are being met, and ensure that students are being treated equitably.
- 31 (8) Projects shall be shared with the public. Annual reports describing
32 program goals, activities, and accomplishments shall be made
33 available to the public. The reports shall contain specific information
34 regarding the contributions of teachers, administrators, and the local
35 board of education to the program, and to student progress under the
36 program.

37 (d) The Department of Public Instruction shall review the proposals and shall
38 transmit its recommendations regarding the sites to the State Board of Education no
39 later than April 30, 1992. The Department of Public Instruction shall involve an
40 advisory committee comprised of business leaders, legislators, school board members,
41 public school administrators, and other educators in the review process.

42 (e) The State Board of Education shall select the project sites no later than June
43 15, 1992. The State Board shall base its decision on the local school administrative

1 units' plans for, ability to, and commitment to complying with the requirements for local
2 programs set out in subsection (c) of this section.

3 **"§ 115C-238.15. Development of local programs by the project sites.**

4 (a) From June 15, 1992, through March 15, 1993, the project sites shall develop
5 their local programs. No later than March 15, 1993, the sites shall submit their plans to
6 the Department of Public Instruction for review. No later than May 30, 1993, the
7 Department shall review the plans and work with the sites to assure that the plans carry
8 out the provisions of this Part.

9 (b) The Department of Public Instruction shall provide technical assistance to the
10 sites in developing their local programs.

11 (c) In developing its local plan, each local school administrative unit shall select
12 the outcome-based education model to be followed. Each local school administrative
13 unit shall determine the instructional programs and strategies used to develop student
14 proficiencies at its site. Under the plan, teachers shall determine when the proficiencies
15 of a group of students are assessed; provided, however, State-administered tests shall be
16 used to test proficiencies at a site no more than four times a year. Student advancement
17 shall be determined by school-based personnel assigned to oversee the instructional
18 program of a group of students.

19 (d) In developing and administering local projects, local boards of education
20 need broad decision-making authority so that teachers and administrators at the sites can
21 experiment with the instructional activities that meet the instructional needs in that
22 particular setting. Each local school administrative unit shall set forth in its plan, with
23 specificity, those aspects of the plan that would be enhanced by flexibility with regard
24 to statutes and regulations. The State Board of Education may grant each local school
25 administrative unit such flexibility with regard to statutes and regulations as it finds
26 necessary and appropriate to implement a local program (i) so long as the projects and
27 activities are carried out within total funds available for that purpose, and (ii) so long as
28 the State Board of Education does not find as a fact that the flexibility is being abused.

29 The State Board of Education shall report such flexibility with regard to statutes and
30 regulations contained in any projects or proposed changes to projects to the Joint
31 Legislative Commission on Governmental Operations.

32 (e) Local projects may include model accountability programs that meet the
33 needs of the project sites. To the extent that the State Board of Education finds that
34 these accountability programs provide sufficient data for oversight, they may be used
35 instead of other State-mandated programs.

36 (f) Local projects shall include plans to train and retrain teachers, administrators,
37 and school board members to implement the projects.

38 **"§ 115C-238.16. Approval and implementation of plans.**

39 (a) Between March 15, 1993, and June 1, 1993, the State Board of Education
40 shall receive plans for projects from the project sites and the comments of the
41 Department of Public Instruction regarding the projects.

42 (b) No later than June 15, 1993, the State Board of Education shall approve the
43 plans for the projects, approve the plans with modifications, or reject the plans.

1 (c) The project sites shall begin implementation immediately of projects
2 approved, or approved with modifications, by the State Board.

3 **"§ 115C-238.17. Annual assessment and reapproval of plans.**

4 (a) Between March 15 and May 15 of each subsequent year of the project, the
5 projects shall submit to the Department of Public Instruction any data requested by the
6 Department of Public Instruction or the State Board of Education and any proposed
7 changes in the projects. No later than May 30 each year, the Department shall review
8 the data and the proposed changes in the plans for the projects and shall work with the
9 project sites to assure that the plans carry out the provisions of this Part.

10 (b) Between March 15 and June 1 of each subsequent year, the State Board of
11 Education shall receive the data requested and the proposed changes in plans for
12 projects from the project sites and shall receive the comments of the Department of
13 Public Instruction regarding the data and the proposed changes in the projects. The
14 State Board shall also consider the results of audits and evaluations performed pursuant
15 to G.S. 115C-238.18.

16 (c) No later than June 15 of each subsequent year, the State Board of Education
17 shall reapprove the plans and any changes for the projects, reapprove the plans and any
18 changes with modifications, or reject the plans.

19 (d) The project sites shall begin implementation immediately of projects
20 reapproved, or reapproved with modifications, by the State Board.

21 **"§ 115C-238.18. Evaluation of program.**

22 (a) State-Level Program Evaluation Procedures. – A program audit shall be
23 conducted by the Office of the State Auditor following the first and second years of the
24 program. The audit shall certify that the State Board of Education and State Department
25 of Public Instruction have implemented procedures as specified by the General
26 Assembly. The audit shall focus on the autonomy and flexibility given to local school
27 administrative units in the development of outcome-based education models and plans
28 so as to determine if the appropriate amount of autonomy and flexibility was sought and
29 granted and if the autonomy and flexibility were used properly.

30 (b) Local-Level Program Evaluation Procedures. –

31 (1) The program audit conducted by the Office of the State Auditor
32 following the second year of the program shall include a local-level
33 procedures component. The audit shall certify that local plans contain
34 elements as specified by the General Assembly. The audit shall also
35 certify that teachers and building level administrators were involved in
36 the development of plans.

37 (2) The Department of Public Instruction shall conduct a process
38 evaluation of each pilot site following the second through sixth years
39 of the program. The evaluation shall determine how well plans have
40 been implemented. The evaluation shall focus on staff development,
41 organizational and instructional activities, and the involvement and
42 acceptance of the project by all concerned groups including the board
43 of education, administrators, teachers, parents, students, and the
44 business community.

1 (c) Student-Level Outcomes Evaluation. –

2 (1) Local pilot sites shall develop and implement accountability models
3 designed to measure student outcomes. The plans shall include the use
4 of tests available through the State's testing program. Accountability
5 models shall be part of the site plans submitted to the State Board for
6 approval.

7 (2) The State Department of Public Instruction shall audit the
8 implementation of accountability models. Audits shall be conducted
9 following the third, fourth, fifth, and sixth years of the program.

10 (3) The State Department of Public Instruction shall conduct a summative
11 evaluation following the sixth year of the program. Student outcomes
12 shall be the focus of the summative evaluation.

13 (d) Reports to the General Assembly. – The State Board of Education shall
14 submit a summative evaluation report on the projects to the General Assembly no later
15 than March 15, 1998.

16 **"§ 115C-238.19. Solicitation of private funds for additional sites.**

17 The State Board of Education shall design and implement a program for soliciting
18 private funds to support the outcome-based education pilot sites. As funds become
19 available, the State Board may request that the General Assembly authorize additional
20 sites to participate in the program."

21 (b) Of the funds appropriated to the Department of Public Education, the sum of
22 \$100,000 for the 1991-92 fiscal year shall be used for advance planning for the
23 outcome-based education program at four sites pursuant to subsection (a) of this section
24 and the sum of \$4,000,000 for the 1992-93 fiscal year shall be used to implement the
25 program at the four pilot sites. These funds shall be allocated on the basis of \$500.00
26 for each State-funded certificated employee participating in the program. These funds
27 shall be used (i) for staff development activities, including planning activities, for
28 teachers, administrators, and school board members, (ii) to pay substitute teachers while
29 teachers are engaged in staff development activities, and (iii) to pay 10-month
30 employees for participating in staff development activities, including planning activities
31 during the summer.

32 It is the intent of the General Assembly to appropriate an additional
33 \$4,000,000 each year for the 1993-94 through 1996-97 fiscal years to complete the
34 implementation of the outcome-based education program at the four sites.

35
36 Requested by: Representatives Diamont, Nesbitt

37 —SCHOOL ADMINISTRATOR TRAINING AND CERTIFICATION

38 Sec. 200. (a) G.S. 115C-284 reads as rewritten:

39 **"§ 115C-284. Method of selection and requirements.**

40 (a) Principals and supervisors shall be elected by the local boards of education
41 upon the recommendation of the superintendent, in accordance with the provisions of
42 G.S. 115C-276(j).

1 (b) In the city administrative units, principals shall be elected by the board of
2 education of such administrative unit upon the recommendation of the superintendent of
3 city schools.

4 (c) The State Board of Education shall have entire control of certifying all
5 applicants for supervisory and professional positions in all public elementary and high
6 schools of North Carolina; and it shall prescribe the rules and regulations for the
7 renewal and extension of all certificates, and shall determine and fix the salary for each
8 grade and type of certificate which it authorizes. Provided, that the State Board of
9 Education shall require each applicant for an initial certificate or graduate certificate to
10 demonstrate his academic and professional preparation by achieving a prescribed
11 minimum score at least equivalent to that required by the Board on November 30, 1972,
12 on a standard examination appropriate and adequate for that purpose: Provided, further,
13 that in the event the Board shall specify the National Teachers Examination for this
14 purpose, the required minimum score shall not be lower than that which the Board
15 required on November 30, ~~1972~~-1972: Provided, further, that the Board shall not issue
16 provisional certificates for principals and assistant principals.

17 (c1) It is the policy of the State of North Carolina to maintain the highest quality
18 principal and assistant principal education programs in order to enhance the competence
19 of professional personnel certified in North Carolina. To ensure that principal and
20 assistant principal preparation programs are upgraded to reflect a more rigorous course
21 of study, the State Board of Education shall submit to the General Assembly not later
22 than March 1, 1992, a plan to promote this policy. In developing this plan, the State
23 Board shall consider (i) requiring these programs to include additional preparation for
24 site-based decision making and for the additional autonomy being granted to local
25 schools units, (ii) enhancing program entrance requirements to include assessment of an
26 applicant's ability to complete the program and to perform as a principal, and (iii)
27 enhancing the overall content of the programs.

28 The State Board of Education, as lead agency in coordination and cooperation with
29 the University Board of Governors and such other public and private agencies as are
30 necessary, shall refine the several certification requirements, standards for approval of
31 institutions of principal and assistant principal education, standards for institution-based
32 innovative and experimental programs, and standards for improved efficiencies in the
33 administration of the approved programs.

34 (d) Repealed by Session Laws 1989, c. 385, s. 1.

35 (d1) It is the policy of the State of North Carolina that, subsequent to the adoption
36 of a system of classroom teacher differentiation and prerequisites to candidacy for
37 principal, a classroom teacher must have attained at least the second level of
38 differentiation, have at least four years of classroom teaching experience, and possess,
39 at least, a Masters Degree in Education Administration. This subsection shall not apply
40 to educational personnel certified as of July 1, 1984.

41 (e) It shall be unlawful for any board of education to employ or keep in service
42 any principal or supervisor who neither holds nor is qualified to hold a certificate in
43 compliance with the provision of the law or in accordance with the regulations of the
44 State Board of Education.

1 (f) The allotment of classified principals shall be one principal for each duly
2 constituted school with seven or more state-allotted teachers and shall be included in the
3 calculation of the allotment of general teachers set out in G.S. 115C-301(b)(i).

4 (g) Local boards of education shall have authority to employ supervisors in
5 addition to those that may be furnished by the State when, in the discretion of the board
6 of education, the schools of the local school administrative unit can thereby be more
7 efficiently and more economically operated and when funds for the same are provided
8 in the current expense fund budget. The duties of such supervisors shall be assigned by
9 the superintendent with the approval of the board of education.

10 (h) All principals and supervisors employed in the public schools of the State or
11 in schools receiving public funds, shall be required either to hold or be qualified to hold
12 a certificate in compliance with the provision of the law or in accordance with the
13 regulations of the State Board of Education: ~~Provided, that nothing herein shall prevent~~
14 ~~the employment of temporary personnel under such rules as the State Board of~~
15 ~~Education may prescribe. Education."~~

16 (b) G.S. 115C-289 reads as rewritten:

17 "**§ 115C-289. Assignment of principal's duties to assistant or acting principal;**
18 **duties of State-funded assistant principals.**

19 (a) Any duty or responsibility assigned to a principal by statute, State Board of
20 Education regulation, or by the superintendent may, with the approval of the local board
21 of education, be assigned by the principal to an assistant principal designated by the
22 local board of education or to an acting principal designated by a principal.

23 (b) ~~Except as provided in subsection (e), all~~ All persons employed as assistant
24 principals in State-allotted positions, or as assistant principals in full-time positions
25 regardless of funding source, in the public schools of the State or in schools receiving
26 public funds, shall, in addition to other applicable requirements, be required either to
27 hold or be qualified to hold a principal's certificate in compliance with applicable law
28 and in accordance with the regulations of the State Board of Education. ~~Except as~~
29 ~~provided in subsection (e), it~~ It shall be unlawful for any board of education to employ
30 or keep in service any assistant principal who neither holds nor is qualified to hold a
31 principal's certificate in compliance with applicable law and in accordance with the
32 regulations of the State Board of Education. ~~Nothing herein shall prevent the~~
33 ~~employment of temporary personnel under such rules as the State Board of Education~~
34 ~~may prescribe.~~

35 (c) ~~Subsection (b) shall not apply to any person who was employed as an~~
36 ~~assistant principal in either a full- or part time position during the 1986-87 school term~~
37 ~~until the first day of the 1990-91 school term. Such persons shall meet all other~~
38 ~~requirements which are applicable to teachers generally. In addition, the local board of~~
39 ~~education may in its discretion require that any person employed as an assistant~~
40 ~~principal make satisfactory progress, as determined by the local board, toward meeting~~
41 ~~the requirements for certification as a principal.~~

42 (d) Assistant principals paid from State funds shall not have regularly assigned
43 teaching duties."

1 (c) Chapter 115C of the General Statutes is amended by adding a new section to
2 read:

3 **"§ 115C-12.1. Training of State Board members.**

4 The State Board of Education shall establish minimum training requirements for
5 members of the State Board of Education. All Board members shall participate in
6 training programs, as required by the State Board."

7 (d) Chapter 115C of the General Statutes is amended by adding a new section to
8 read:

9 **"§ 115C-50. Training of board members.**

10 All members of local boards of education shall receive a minimum of 12 clock hours
11 of training annually. The training shall include but not be limited to public school law,
12 public school finance, and duties and responsibilities of local boards of education. The
13 training may be provided by the North Carolina School Boards Association, the Institute
14 of Government, or other qualified sources at the choice of the local board of education."

15 (e) Chapter 116 of the General Statutes is amended by adding a new section
16 to read:

17 **"§ 116-11.2. Duties regarding programs in education administration.**

18 The Board of Governors shall direct the constituent institutions with programs in
19 education administration to revise the programs to reflect any increased standards
20 required for programs approved by the State Board of Education, including new
21 requirements for school-based leadership in the public schools. The Board of
22 Governors shall monitor the programs and devise an assessment plan for all programs
23 leading to certification in education administration."

24 (f) Of the funds appropriated to the Board of Governors of The University of
25 North Carolina for the 1991-93 fiscal biennium, the sum of \$150,000 for the 1991-92
26 fiscal year and the sum of \$570,000 for the 1992-93 fiscal year shall be used to expand
27 the Principals Executive Program operated by the Institute of Government. Of these
28 funds, the sum of \$150,000 for the 1991-92 fiscal year and the sum of \$150,000 for the
29 1992-93 fiscal year shall be used to expand the program at the Chapel Hill site; the sum
30 of \$420,000 for the 1992-93 fiscal year shall be used to provide the program at
31 additional sites throughout the State and to offer the program to assistant principals.

32
33 Requested by: Representative Holt

34 ---NO WAIVERS OF FUNDS FOR SCHOOL HEALTH COORDINATORS

35 Sec. 201. G.S. 115C-238.6(a) reads as rewritten:

36 "(a) Prior to June 30 each year, the State Superintendent shall review local school
37 improvement plans submitted by the local school administrative units in accordance
38 with policies and performance indicators adopted by the State Board of Education. If
39 the State Superintendent approves the plan for a local school administrative unit, that
40 unit shall participate in the Program for the next fiscal year.

41 If a local plan contains a request for a waiver of State laws, regulations, or policies,
42 in accordance with G.S. 115C-238.3(e), the State Superintendent shall determine
43 whether and to what extent the identified laws, regulations, or policies should be
44 waived. The State Superintendent shall present that plan and his determination to the

1 State Board of Education. If the State Board of Education deems it necessary to do so
2 to enable a local unit to reach its local accountability goals, the State Board, only upon
3 the recommendation of the State Superintendent, may grant waivers of:

- 4 (1) State laws pertaining to class size, teacher certification, assignment of
5 teacher assistants, the use of State-adopted textbooks, and the purposes
6 for which State funds for the public ~~schools~~-schools, except for funds
7 for school health coordinators, may be used, and
8 (2) All State regulations and policies, except those pertaining to State
9 salary schedules and employee benefits for school employees, the
10 instructional program that must be offered under the Basic Education
11 Program, the system of employment for public school teachers and
12 administrators set out in G.S. 115C-325, health and safety codes,
13 compulsory school attendance, the minimum lengths of the school day
14 and year, and the Uniform Education Reporting System."

15
16
17 PART XXXV.—DEPARTMENT OF COMMUNITY COLLEGES

18
19 Requested by: Representatives Fussell, Payne

20 —HOLD HARMLESS/COMMUNITY COLLEGES SERVING MILITARY BASES

21 Sec. 202. The State Board of Community Colleges may use funds available
22 to it for the 1991-92 fiscal year to allot funds at the 1990-91 budget level to institutions
23 whose enrollments were adversely affected by Operation Desert Storm so that those
24 institutions can serve the returning troops. If the institutions do not need these
25 additional funds to serve returning troops, the additional funds allotted pursuant to this
26 section shall revert at the end of the 1991-92 fiscal year.

27
28 Requested by: Representatives Fussell, Payne

29 —COMMUNITY COLLEGE TUITION INCREASE

30 Sec. 203. (a) The State Board of Community Colleges shall adopt tuition
31 rates beginning in the fall quarter of 1991 in the amount of eleven dollars (\$11.00) per
32 credit hour up to a cap of 14 credit hours for in-State students.

33 The State Board of Community Colleges shall adopt tuition rates beginning in
34 the fall quarter of 1991 in the amount of thirty dollars (\$30.00) a course for occupational
35 extension courses.

36 (b) The State Board of Community Colleges shall adopt tuition rates
37 beginning in the fall quarter of 1991 for out-of-State students that require the student to
38 pay the full cost to the State on a per FTE basis.

39
40
41 PART XXXVI.—COLLEGES AND UNIVERSITIES

42
43 Requested by: Representatives Payne, Fussell

44 —CLINICAL FACULTY/NURSE MIDWIFERY EDUCATION PROGRAM

1 Sec. 204. Of the funds appropriated to the Board of Governors of The
2 University of North Carolina, the sum of \$95,000 for the 1991-92 fiscal year and the
3 sum of \$95,000 for the 1992-93 fiscal year shall be used to hire additional clinical
4 faculty to establish a nurse midwifery education program. The program shall offer
5 multiple track options for participating nurses; the multiple tracks shall take into
6 consideration the varying degrees of preparation, and the only professional prerequisite
7 shall be that applicants be licensed as registered nurses in the State of North Carolina,
8 regardless of their education preparation. The program shall prepare participants for
9 certification as nurse midwives; participants shall not be required to complete a
10 baccalaureate degree or masters degree, although this option may be offered to
11 interested participants. In order to maximize the impact of the training program on
12 service provision in medically underserved areas, a committee composed of a nurse
13 midwife and a physician providing obstetrical services to a medically underserved
14 population, two members of the Division of Maternal and Child Health and two
15 members of the Office of Rural Health and Resource Development shall be established.
16 This committee shall review all applicants to identify priority candidates who will meet
17 the needs of the State's underserved population. The applications of these priority
18 candidates shall then be forwarded to the admissions committee of the nurse midwifery
19 education program for consideration.

20
21 Requested by: Representatives Payne, Fussell

22 —" OTHER" CATEGORY OF HEALTH AFFAIRS STUDENTS FUNDING LIMITS

23 Sec. 205. The Board of Governors of The University of North Carolina shall
24 not provide any additional enrollment increase funds for growth in the "Other" category
25 for continuing education in the Health Affairs budget code at the University of North
26 Carolina at Chapel Hill until the fees budgeted for this category are increased to cover a
27 greater proportion of the costs per contact hour.

28
29 Requested by: Representatives Nesbitt, Diamont

30 —UNC ENROLLMENT/FACULTY

31 Sec. 206. In its allocation of the funds provided to the Board of Governors of
32 The University of North Carolina for enrollment increases, the Board shall consider the
33 impact of the changes in the student faculty ratio on each campus and shall use
34 sufficient resources to insure that no campus has to reduce the number of budgeted
35 teaching positions below the number budgeted for the 1990-91 academic year.

36
37
38 PART XXXVII.—DEPARTMENT OF TRANSPORTATION

39
40 Requested by: Representative Nesbitt

41 —LEGISLATIVE SERVICES COMMISSION TO PAY FOR CHAIRMEN OF
42 TRANSPORTATION SUBCOMMITTEE OF THE HOUSE APPROPRIATIONS
43 COMMITTEE TO ATTEND HIGHWAY OVERSIGHT COMMITTEE MEETINGS

1 Sec. 207. The Legislative Services Commission shall pay the costs of the
2 attendance of the Chairmen of the Transportation Subcommittee of the House
3 Appropriations Committee at all meetings of the Joint Legislative Highway Oversight
4 Committee. These subsistence and travel expenses shall be as provided in G.S. 120-3.1.

5
6 Requested by: Representative Holt

7 ~~—BIENNIAL BILLBOARD REPORT BY DEPARTMENT OF TRANSPORTATION~~

8 Sec. 208. The Department of Transportation shall make a biennial report to
9 the General Assembly beginning on January 1, 1993, on its Off-Premise Sign
10 Regulatory Program.

11 The report shall include:

- 12 (1) The number of off-premise signs (billboards) that conform with State
13 and local regulations and the number of off-premise signs that do not
14 conform with State and local regulations in each county along federal-
15 aid primary highways.
- 16 (2) The number of conforming and nonconforming off-premise signs on
17 State-owned railroad right-of-way.
- 18 (3) The number of nonconforming off-premise signs removed during the
19 fiscal year.
- 20 (4) The number of permitted tree cuttings and the number of illegal tree
21 cuttings in front of off-premise signs.
- 22 (5) Expenses incurred in regulating off-premise signs and receipts from
23 application and renewal permit fees.

24
25 Requested by: Representative McLaughlin

26 ~~—MAINTENANCE OF STATE HIGHWAY BRIDGES~~

27 Sec. 209. G.S. 136-97(b) reads as rewritten:

28 "(b) The Department of Transportation, as part of maintaining the highways,
29 bridges, and watercourses of this State, ~~shall~~ may haul all debris removed from on,
30 under, or around a bridge to an appropriate disposal site for solid waste, where the
31 debris shall be disposed of in accordance with law. ~~This requirement may be waived~~
32 ~~when bridge closure has an adverse impact on public safety or creates a significant~~
33 ~~hardship to the traveling public by restricting all access or necessitating a significant~~
34 ~~detour. In these instances, the minimum amount of debris which must be removed to~~
35 ~~restore service may be passed downstream."~~

36
37 Requested by: Representative McLaughlin

38 ~~—DEPARTMENT OF TRANSPORTATION FINANCIAL AND OPERATIONAL~~
39 ~~AUDIT~~

40 Sec. 210. (a) The State Auditor shall conduct a financial and operational audit of
41 two Highway Divisions. The audit shall:

- 42 (1) List the functions performed by the Division offices. Calculate the
43 percentage of time spent on each major category of maintenance and
44 construction work;

- 1 (2) Analyze the equipment used in the Highway Divisions, with an
2 emphasis on the amount of rental equipment utilized;
- 3 (3) Study the staffing levels for construction and maintenance operations.
4 Report on the ratio of workers to supervisors. Review Department of
5 Transportation procedures and criteria for establishing the size of
6 maintenance crews;
- 7 (4) Study whether construction and maintenance activities are being
8 properly charged to appropriate accounts; and
- 9 (5) Determine how maintenance workers are used during cold weather
10 months and periods of inclement weather.
- 11 (b) The Fiscal Research Division shall cooperate with and assist the State
12 Auditor in accomplishing this audit.
- 13 (c) The audit shall be completed by May 1, 1992.
- 14
15

16 PART XXXVIII.—DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY

17

18 Requested by: Representatives Redwine, Anderson

19 Sec. 211. Notwithstanding G.S. 20-187.83, the salary increase provided by
20 G.S. 20-187.23 is suspended for the 1991-92 fiscal year.

21
22

23 PART XXXIX.—JUDICIAL DEPARTMENT

24

25 Requested by: Representatives Redwine, Anderson

26 —SALARIES/ASSISTANT AND DEPUTY CLERKS OF SUPERIOR COURT

27 Sec. 212. Notwithstanding the provisions of G.S.7A-102(c), assistant clerks
28 and deputy clerks of superior court shall not receive any automatic increment during the
29 1991-92 fiscal year.

30
31

32 PART XL.—DEPARTMENT OF HUMAN RESOURCES

33

34 Requested by: Representatives Nye, Easterling

35 —MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE
36 ABUSE SERVICES FUNDS

37 Sec. 213. (a) Of the funds appropriated in this Title to the Department of Human
38 Resources, Division of Mental Health, Developmental Disabilities, and Substance
39 Abuse Services, \$6,000,000 for the 1991-92 fiscal year and \$6,000,000 for the 1992-93
40 fiscal year shall be expended in accordance with the Mental Health Study Commission
41 Plans adopted by the General Assembly, in the following amounts:

- 42 (1) Services for the mentally ill; \$1,730,000
43 (2) Services for the developmentally
44 disabled; \$1,960,000

1 (3) Services for substance abusers.\$2,310,000.

2 (b) Of the funds allocated in subsection (a) of this section for Services for the
3 developmentally disabled, \$230,000 shall be transferred in the 1991-92 fiscal year and
4 \$230,000 in the 1992-93 fiscal year to the Department of Environment, Health, and
5 Natural Resources, Division of Maternal and Child Health, for the United Cerebral
6 Palsy therapeutic preschools.

7
8 Requested by: Representatives Nye, Easterling

9 —MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE
10 ABUSE SERVICES FUNDS/SUBSTANCE ABUSE TREATMENT PROGRAMS
11 FOR PREGNANT WOMEN

12 Sec. 214. (a) Effective January 1, 1992, of the funds appropriated in this Title
13 to the Department of Human Resources, Division of Mental Health, Developmental
14 Disabilities, and Substance Abuse Services, \$400,000 for the 1991-92 fiscal year and
15 \$800,000 for the 1992-93 fiscal year shall be used to set up two regional residential and
16 outpatient treatment programs for pregnant women who abuse drugs or alcohol. These
17 programs shall be operated by public or private nonprofit agencies and shall include
18 case management services, transportation, day care, prevention, residential placement,
19 outpatient services, and money for household start-up costs. Outpatient services shall
20 be located in a public health department, community, migrant or rural health center,
21 hospital, or other agency that provides prenatal care.

22 (b) Effective July 1, 1991, of the funds appropriated in this Title to the
23 Department of Human Resources, Division of Mental Health, Mental Retardation, and
24 Substance Abuse Services, \$220,000 for the 1991-92 fiscal year and \$220,000 for the
25 1992-93 fiscal year shall be used to continue support for the residential and outpatient
26 treatment center located in Robeson County.

27
28 Requested by: Representative McLaughlin

29 —STATE SUBSIDY/COUNTY DETENTION HOME

30 Sec. 215. (a) G.S. 134A-38 reads as rewritten:

31 "**§ 134A-38. State subsidy to county detention homes.**

32 The Department shall develop a State subsidy program to pay a county detention
33 home which provides ~~regional~~ juvenile detention services and meets State standards a
34 certain ~~portion of its operating cost and its per capita daily cost per diem per child for~~
35 any child cared for ~~from another county~~ as recommended in said report. In general, this
36 ~~subsidy per diem~~ should be fifty percent (50%) of the ~~operating costs of a county~~
37 ~~detention home and one hundred percent (100%) of the per capita daily cost total cost of~~
38 caring for a child ~~from another county; any county placing a child in the county~~
39 ~~detention home of another county providing regional juvenile detention services or a~~
40 ~~regional detention home should pay fifty percent (50%) of the per capita daily cost of~~
41 ~~earing for the child to the Department. from within the county and 100 percent (100%)~~
42 of the total cost of caring for a child from another county. Any county placing a child in
43 a detention home in another county shall pay fifty percent (50%) of the total cost of
44 caring for the child to the Department. The exact funding formulas may be varied by

1 the Department to operate within existing State appropriations or other funds that may
2 be available to pay for juvenile detention care."

3 (b) Of the funds appropriated to the Department of Human Resources, Division
4 of Youth Services in this Title, \$500,000 for the 1991-92 fiscal year and \$500,000 for
5 the 1992-93 fiscal year shall be used to implement this section.

6
7 Requested by: Representatives Easterling, Nye

8 —COUNTY PROTECTIVE SERVICES ALLOCATION

9 Sec. 216. Of the funds appropriated to the Department of Human Resources,
10 Division of Social Services, in this Title, \$3,250,000 for the 1991-92 fiscal year and
11 \$7,000,000 for the 1992-93 fiscal year shall be allocated to county departments of social
12 services beginning January 1, 1992, according to the following formula:

13 (1) All county departments shall receive a base allocation of \$10,000 for
14 the 1991-92 fiscal year and \$10,000 for the 1992-93 fiscal year.

15 (2) The balance of the funds each year of the fiscal biennium shall be
16 allocated to each county department based upon the percentage of the
17 number of child abuse and neglect reports in that county compared to
18 the total number of reports of child abuse and neglect statewide. These
19 percentages shall be computed from the reports received by the
20 Division of Social Services' Central Registry of Abuse and Neglect for
21 the last two fiscal years.

22 Funds allocated to county departments of social services pursuant to this
23 subsection shall be used to provide additional staff to carry out investigations of reports
24 of child abuse or neglect or to provide protective or preventive services in cases in
25 which the department confirms neglect, abuse, or dependency. However, if a county
26 demonstrates to the Division of Social Services that it has adequate protective services
27 staff, that county department may use these allocated funds to purchase or provide
28 treatment or other support services to children and their families in confirmed cases of
29 child abuse, neglect, or dependency. All expenditures made by any county department
30 of social services from funds allocated pursuant to this subsection shall be in direct
31 support of the department's program of protective services for children. These funds
32 shall not be used to supplant any Social Services Block Grant funds or county
33 appropriations budgeted for protective services for children.

34 The Department of Human Resources, Division of Social Services, shall
35 establish guidelines and criteria to assure that the allocations to county departments of
36 social services pursuant to this subsection are used in accordance with the intent and
37 purpose of this subsection.

38 (f) The Division of Social Services shall prepare a report on the progress
39 achieved in improving child protective services throughout the State. The report shall
40 include an analysis of county staffing patterns, future county staffing and funding
41 requirements needed to meet the Division's recommended guidelines, and analysis of
42 the barriers to recruitment and retention of county child protective services staff, and a
43 summary of the Division's progress in implementing improvements to the State's
44 training and oversight responsibilities. The Division shall present this report to the 1991

1 General Assembly, to the Fiscal Research Division, and to the North Carolina Child
2 Fatality Task Force established pursuant to Article 62 of Chapter 143 of the General
3 Statutes by March 15, 1992.

4

5 Requested by: Representatives Nye, Easterling

6 —MEDICAID ELIGIBLE PREGNANT WOMEN'S SERVICES

7 Sec. 217. (a) Effective October 1, 1991, the Department of Human Resources,
8 Division of Medical Assistance, shall provide medical coverage for nutritional
9 counseling, psychosocial counseling, and predelivery and postpartum home visits by
10 maternity care coordinators and public health nurses, for Medicaid eligible pregnant
11 women.

12 (b) Of the funds appropriated to the Department of Human Resources,
13 Division of Medical Assistance, in this Title, \$564,400 for the 1991-92 fiscal year and
14 \$664,520 for the 1992-93 fiscal year shall be used to provide the State share of the
15 increased coverage for the services mandated by subsection (a) of this section.

16

17 Requested by: Representative Nye

18 —DEPARTMENT OF HUMAN RESOURCES PHARMACY STUDY

19 Sec. 218. The Department of Human Resources shall contract for a survey
20 study to determine the cost of filling a prescription in North Carolina. The Department
21 shall consider the impact of refills on the dispensing fee and any other issues it
22 considers necessary and shall implement appropriate adjustments to the pharmacy
23 dispensing fee in the State Medicaid Plan based on the outcome of the study if the
24 Department identifies funds available to it sufficient for the implementation. The
25 Department shall include in its adjustments the adjustment of the fee annually to reflect
26 appropriate inflationary increases as established in nationally recognized pricing
27 indexes.

28

29 Requested by: Representative Nye

30 —PHARMACY DISPENSING FEE INCREASE

31 Sec. 219. Effective January 1, 1992, the professional limits fee for dispensing
32 drugs shall be \$5.60 per prescription, adjusted in accordance with subdivision (5) of
33 Section 93, Title 1, of this act.

34

35 Requested by: Representatives Diamont, Nye, Easterling

36 —PURCHASE TRANSPORTATION SERVICES FOR PREGNANT WOMEN AND
37 CHILDREN ON MEDICAID

38 Sec. 220. (a) Of the funds appropriated from the General Fund to the
39 Department of Human Resources, in this Title, \$300,000 for the 1991-92 fiscal year and
40 \$300,000 for the 1992-93 fiscal year shall be transferred to the Department of
41 Transportation, Public Transportation Division, to purchase transportation services for
42 pregnant women and children on Medicaid. All funds distributed by the Department,
43 under this section, to counties are intended to purchase additional transportation services
44 and not to supplant funds now being used by local governments for that purpose. These

1 funds are not to be used towards the purchase of transportation vehicles or equipment,
2 and may not be used to cover State administrative costs. Only those counties
3 maintaining Medicaid transportation services to pregnant women and children at a level
4 that is not reduced from the level of services in place during the 1989-90 fiscal year
5 shall be eligible for additional transportation assistance funds.

6 (b) The Public Transportation Division of the Department of Transportation shall
7 distribute these funds to the counties according to the following formula:

8 (1) Fifty percent (50%) divided equally among all eligible counties;

9 (2) Forty-five percent (45%) on the basis of the number of pregnant
10 women and children receiving Medicaid in the county as a percentage
11 of the total number of pregnant women and children receiving
12 Medicaid statewide; and

13 (3) Five percent (5%) based upon a population density factor that
14 recognizes the higher transportation costs in sparsely populated
15 counties.

16 The Department of Transportation shall develop appropriate procedures for the
17 distribution and use of these funds and shall adopt rules to implement these procedures.

18 (c) Funds distributed by the Department of Transportation under this section
19 shall be used by counties in a manner consistent with implemented transportation
20 development plans which have been approved by the Department of Transportation and
21 the board of county commissioners. To receive funds apportioned for a given fiscal
22 year, a county shall have an approved transportation plan. Funds that are not obligated
23 in a given fiscal year due to the lack of an approved transportation plan shall be
24 distributed to the eligible counties based on the distribution formula in subsection (b) of
25 this section.

26 (d) The Department of Transportation shall report to the Joint Legislative
27 Commission on Governmental Operations by March 15, 1992, on the amount of money
28 that has been received and spent by each county pursuant to this section and the new
29 transportation services provided in each county to pregnant women and children
30 receiving Medicaid pursuant to this section.

31 Requested by: Representative Nye

32 —DOMICILIARY RATE INCREASE

33 Sec. 221. (a) Effective July 1, 1991, the maximum monthly rate for
34 ambulatory residents in domiciliary care facilities shall be \$766.00 and the maximum
35 monthly rate for semiambulatory residents shall be \$803.00. Effective July 1, 1992, the
36 maximum monthly rates for ambulatory residents shall be increased to \$777.00 and for
37 semiambulatory residents to \$814.00.

38 (b) Effective only if there are funds appropriated in this act to fund the
39 increase authorized by this subsection, subsection (a) of this section reads as rewritten:

40 "(a) Effective July 1, 1991, the maximum monthly rate for ambulatory residents in
41 domiciliary care facilities shall be ~~\$766.00~~ \$832.00 and the maximum monthly rate for
42 semiambulatory residents shall be ~~\$803.00~~ \$871.00. Effective July 1, 1992, the
43

1 maximum monthly rates for ambulatory residents shall be increased to ~~\$777.00~~ \$843.00
2 and for semiambulatory residents to ~~\$814.00~~ \$882.00."

3
4 Requested by: Representatives Nesbitt, Diamont, Nye

5 ---WAKE COUNTY DETENTION FACILITY ALLOCATION

6 Sec. 221.1. Of the funds appropriated from the General Fund to the
7 Department of Human Resources, Division of Youth Services, the sum of \$400,000 for
8 the 1991-92 fiscal year and the sum of \$400,000 for the 1992-93 fiscal year shall be
9 used for the operation of the Wake County Detention facility as a regional detention
10 facility.

11
12 PART XLI.—DEPARTMENT OF ECONOMIC AND COMMUNITY
13 DEVELOPMENT

14
15 Requested by: Representatives James, Redwine, Ethridge, Kimsey

16 ---VISITOR AND WELCOME CENTER FUNDS

17 Sec. 222. (a) Before any other transfers are made pursuant to G.S. 20-81.3(c)
18 or 20-81.3(g), the Secretary of Transportation shall allocate from the "Personalized
19 Registration Plate Fund" \$150,000 for the 1991-92 fiscal year and \$150,000 for the
20 1992-93 fiscal year for personnel to staff Visitor and Welcome Centers as follows:

- 21 (1) \$50,000 for the 1991-92 fiscal year and \$50,000 for the 1992-93 fiscal
22 year to the Albemarle Regional Planning and Development Office in
23 the Town of Hertford for the Visitor and Welcome Center on U.S.
24 Highway 17 in Camden County;
- 25 (2) \$50,000 for the 1991-92 fiscal year and \$50,000 for the 1992-93 fiscal
26 year to the Southeastern Welcome Center, Inc., for the Visitor and
27 Welcome Center on U.S. Highway 17 South in Brunswick County;
28 and
- 29 (3) \$50,000 for the 1991-92 fiscal year and \$50,000 for the 1992-93 fiscal
30 year to Smoky Mountain Hosts of North Carolina, Inc., for the Visitor
31 and Welcome Center on U.S. Highway 441 in Macon County.

32 (b) This section expires June 30, 1993.

33
34 Requested by: Representatives Ethridge, H. Hunter

35 ---PETROLEUM OVERCHARGE FUNDS ALLOCATION

36 Sec. 223. (a) The funds and interest thereon received from the case of United
37 States v. Exxon are deposited in the Special Reserve for Oil Overcharge Funds. There
38 is appropriated from the Special Reserve to the Department of Economic and
39 Community Development the sum of \$10,900,000 for the 1991-92 fiscal year and the
40 sum of \$6,001,511 for the 1992-93 fiscal year to be allocated as follows:

- 41 (1) The sum of \$2,200,000 for the 1991-92 fiscal year and the sum of
42 \$1,200,302 for the 1992-93 fiscal year shall be used for projects under
43 the State Energy Conservation Plan and Energy Extension Service
44 Program:

1 (2) The sum of \$2,500,000 for the 1991-92 fiscal year and the sum of
2 \$1,380,348 for the 1992-93 fiscal year shall be used for energy
3 conservation programs for hospitals and schools:

4 (3) The sum of \$3,200,000 for the 1991-92 fiscal year and the sum of
5 \$1,740,438 for the 1992-93 fiscal year shall be used for the Low
6 Income Weatherization Program:

7 (4) The sum of \$3,000,000 for the 1991-92 fiscal year and the sum of
8 \$1,680,423 for the 1992-93 fiscal year shall be used for the Low
9 Income Home Energy Assistance Program (LIHEAP).

10 (b) There is appropriated from the funds and interest thereon received from the
11 United States Department of Energy's Stripper Well Litigation (MDL378) which remain
12 in the Special Reserve for Oil Overcharge Funds to the Department of Economic and
13 Community Development the sum of \$4,898,489 for the 1992-93 fiscal year to be
14 allocated as follows:

15 (1) The sum of \$999,698 shall be used for projects under the State Energy
16 Conservation Plan and Energy Extension Service Program;

17 (2) The sum of \$1,119,652 shall be used for energy conservation programs
18 for hospitals and schools;

19 (3) The sum of \$1,459,562 shall be used for the Low Income
20 Weatherization Program; and

21 (4) The sum of \$1,319,577 shall be used for the Low Income Home
22 Energy Assistance Program (LIHEAP).

23 (c) Any funds remaining in the Special Reserve for Oil Overcharge Funds after
24 the allocations made pursuant to subsections (a) and (b) of this section may be expended
25 only as authorized by the General Assembly. All interest or income accruing from all
26 deposits or investments of cash balances shall be credited to the Special Reserve for Oil
27 Overcharge Funds.

28 (d) The funds and interest thereon received from the Diamond Shamrock
29 Settlement which remain in a reserve in the Office of State Budget and Management for
30 the Division of Energy to administer the petroleum overcharge funds pursuant to
31 Section 112 of Chapter 830 of the 1987 Session Laws shall continue to be available to
32 the Division of Energy in the Department of Economic and Community Development
33 on an as-needed basis.

34 (e) The Department of Economic and Community Development shall submit
35 comprehensive annual reports to the General Assembly by May 15, 1992, and January
36 31, 1993, which detail the use of all petroleum overcharge funds. Any State department
37 or agency that has received petroleum overcharge funds shall provide all information
38 requested by the Department of Economic and Community Development for the
39 purpose of preparing these reports.

40

41 Requested by: Representatives Ethridge, H. Hunter, Michaux

42 —ECONOMIC DEVELOPMENT FUNDS

43 Sec. 224. (a) Of the funds appropriated in this Title to the North Carolina
44 Rural Economic Development Center, Inc., \$1,500,000 for the 1991-92 fiscal year and

1 \$1,500,000 for the 1992-93 fiscal year, shall be allocated to local community
2 development corporations. These funds shall be used to support community economic
3 development projects and activities within the State's minority community.

4 Of these funds, \$750,000 for each fiscal year shall be used for direct grants
5 to local community development corporations to support operations and project
6 activities, \$500,000 for each fiscal year shall be used for direct grants to community
7 development corporations classified as being in the emerging or sustaining phase, and
8 \$250,000 for each fiscal year shall be used for matching funds for the North Carolina
9 Association of Community Development Corporations. If these matching funds are not
10 matched before the end of the 1991-92 fiscal year, they shall be used during the 1992-93
11 fiscal year for direct grants to local community development corporations classified as
12 being in the emerging or sustaining phase.

13 The North Carolina Rural Economic Development Center, Inc., shall report
14 quarterly to the Joint Legislative Commission on Governmental Operations on the use
15 of the funds allocated in this subsection.

16 For purposes of this subsection, the term "community development
17 corporation" means a nonprofit corporation, chartered pursuant to Chapter 55A of the
18 General Statutes and tax-exempt pursuant to section 501(c)(3) of the Internal Revenue
19 Code, whose primary mission is to develop and improve low-income communities and
20 neighborhoods through economic and related development, whose activities and
21 decisions are initiated, managed, and controlled by their constituencies, and whose
22 primary function is to act as deal maker and packager of projects and activities that will
23 increase their constituencies' opportunities to become owners, managers, and producers.

24 (b) Of the funds appropriated in this Title to the North Carolina Rural
25 Economic Development Center, Inc., \$500,000 for the 1991-92 fiscal year and \$500,000
26 for the 1992-93 fiscal year shall be used for Land Loss Prevention Project, Inc., to
27 provide free legal representation to low-income financially distressed small farmers.
28 The Land Loss Prevention Project, Inc., shall not use these funds to represent farmers
29 who have income and assets that would make them financially ineligible for legal
30 services pursuant to Title 45, Part 1611 of the Code of Federal Regulations. The North
31 Carolina Rural Economic Development Center, Inc., with the Land Loss Prevention
32 Project, Inc., shall report quarterly to the Joint Legislative Commission on
33 Governmental Operations on the use of these funds.

34 (c) Of the funds appropriated in this Title to the North Carolina Rural
35 Economic Development Center, Inc., \$500,000 for the 1991-92 fiscal year and \$500,000
36 for the 1992-93 fiscal year shall be used for the North Carolina Coalition of Farm and
37 Rural Families, Inc., for its Small Farm Economic Development Project. These funds
38 shall be used to foster economic development within the State's rural farm communities
39 by offering financial, marketing, and technical assistance to small and limited resource
40 farmers. Seventy-five percent (75%) of these funds shall be used for a revolving loan
41 fund, fifteen percent (15%) of these funds shall be used to establish an agricultural
42 market promotion matching fund program, and ten percent (10%) of these funds shall be
43 used for operational and administrative support. The North Carolina Rural Economic
44 Development Center, Inc., with the North Carolina Coalition of Farm and Rural

1 Families, Inc., shall report quarterly to the Joint Legislative Commission on
2 Governmental Operations on the use of these funds.

3 (d) Of the funds appropriated in this Title to the North Carolina Rural
4 Economic Development, Inc., \$300,000 for the 1991-92 fiscal year and \$300,000 for the
5 1992-93 fiscal year for the North Carolina Minority Economic Development, Inc., shall
6 be used to foster minority economic development within the State through policy
7 analysis, information and technical assistance, and resource expansion. The North
8 Carolina Rural Economic Development Center, Inc., and the North Carolina Institute for
9 Minority Economic Development, Inc., shall research and identify key issues affecting
10 the economic well-being of the State's ethnic minority community and issue annual
11 reports with appropriate recommendations; provide information and technical assistance
12 to organizations with minority economic development-based projects in common areas
13 of need and interests; develop a resource bank of data and information to strengthen
14 minority economic development initiatives; and facilitate training in appropriate areas
15 of need. The North Carolina Rural Economic Development Center, Inc., with the North
16 Carolina Institute for Minority Economic Development, Inc., shall report quarterly to
17 the Joint Legislative Commission on Governmental Operations on the use of these
18 funds.

19 (e) Of the funds appropriated in this Title to the North Carolina Rural
20 Economic Development Center, Inc., \$1,000,000 for the 1991-92 fiscal year and
21 \$1,000,000 for the 1992-93 fiscal year shall be allocated to local minority-owned and
22 operated credit unions and to the North Carolina Minority Credit Union Support Center,
23 Inc. These funds shall be used to foster minority economic development within the
24 State by increasing the lending capacity of minority-owned and operated credit unions.
25 Ninety percent (90%) of these funds shall be allocated to local minority-owned and
26 operated credit unions for capitalization of economic development and housing loans,
27 and ten percent (10%) of these funds shall be allocated to the North Carolina Minority
28 Credit Union Support Center, Inc., for operational and administrative support. The
29 North Carolina Rural Economic Development Center, Inc., shall report quarterly to the
30 Joint Legislative Commission on Governmental Operations on the use of these funds.

31 (f) Of the funds appropriated in this Title to the North Carolina Rural
32 Economic Development Center, Inc., \$650,000 for the 1991-92 fiscal year and \$650,000
33 for the 1992-93 fiscal year shall be used to expand the Microenterprise Loan Program.
34 Of these funds \$325,000 for each fiscal year shall be used as loan loss reserves and
35 \$325,000 for each fiscal year shall be used to cover operational costs. These funds are
36 to be matched on the basis of two dollars of non-State funds for every one dollar of
37 State funds. The North Carolina Rural Economic Development Center, Inc., shall report
38 quarterly to the Joint Legislative Commission on Governmental Operations on the use
39 of these funds.

40 (g) Of the funds appropriated in this Title to the North Carolina Rural
41 Economic Development Center, Inc., \$50,000 for the 1991-92 fiscal year and \$50,000
42 for the 1992-93 fiscal year shall be used for its expenses in administrating this section.

43
44 Requested by: Representatives Ethridge, H. Hunter

1 —HOME PROGRAM FUNDING LIMIT

2 Sec. 225. The Department of Economic and Community Development shall
3 not spend any funds appropriated in this Title for the State administration of the federal
4 HOME Program until Congress appropriates federal funds for the Program.

5

6

7 PART XLII.—DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL
8 RESOURCES

9

10 Requested by: Representatives Ethridge, H. Hunter

11 —EHNHR USE OF FEES

12 Sec. 226. (a) If the revenues received pursuant to G.S. 113A-119.1 exceed the
13 amount in anticipated revenues from this source for the 1991-92 fiscal year or for the
14 1992-93 fiscal year, then the Department of Environment, Health, and Natural
15 Resources may use up to \$30,000 of this revenue for the 1991-92 fiscal year and up to
16 \$50,000 of this revenue for the 1992-93 fiscal year for permitting, education, and
17 compliance activities, including salaries and necessary support, in the Division of
18 Coastal Management. These funds are in addition to any other funds appropriated for
19 this purpose.

20 (b) If the revenues received pursuant to G.S. 113A-54.2 exceed the amount in
21 anticipated revenues from this source for the 1991-92 fiscal year or the 1992-93 fiscal
22 year, then the Department of Environment, Health, and Natural Resources may use up
23 to \$140,000 of this revenue for the 1991-92 fiscal year and up to \$160,000 of this
24 revenue for the 1992-93 fiscal year for education, erosion control plan approval, and
25 compliance activities in the Sedimentation Control Program, including salaries and
26 necessary support, in the Division of Land Resources. These funds are in addition to
27 any other funds appropriated for this purpose.

28 (c) If the revenues received pursuant to G.S. 143-215.28A exceed the amount in
29 anticipated revenues from this source for the 1991-92 fiscal year or the 1992-93 fiscal
30 year, then the Department of Environment, Health, and Natural Resources may use up
31 to \$20,000 of this revenue for the 1991-92 fiscal year and up to \$20,000 of this revenue
32 for the 1992-93 fiscal year for permitting, education, and compliance activities in the
33 Dam Safety Program, including salaries and necessary support, in the Division of Land
34 Resources. These funds are in addition to any other funds appropriated for this purpose.

35 (d) If the revenues received pursuant to G.S. 143B-290 exceed the amount in
36 anticipated revenues from this source for the 1991-92 fiscal year or for the 1992-93
37 fiscal year, then the Department of Environment, Health, and Natural Resources may
38 use up to \$40,000 of this revenue for the 1991-92 fiscal year and up to \$70,000 of this
39 revenue for the 1992-93 fiscal year for permitting, education, and compliance activities
40 in the Mining Program, including salaries and necessary support, in the Division of
41 Land Resources. These funds are in addition to any other funds appropriated for this
42 purpose.

43

44 Requested by: Representatives Ethridge, H. Hunter

1 —COMMUNITY WATER SYSTEMS PERMITS FEES

2 Sec. 227. If Senate Bill 449, 1991 Session, is ratified, then there is
3 appropriated from the General Fund to the Department of Environment, Health, and
4 Natural Resources the sum of \$258,938 for the 1991-92 fiscal year and the sum of
5 \$621,450 for the 1992-93 fiscal year to support the public water systems program;
6 provided, however, if the revenues raised from Senate Bill 449, 1991 Session, as
7 ratified, are less than \$258,938 for the 1991-92 fiscal year or are less than \$621,450 for
8 the 1992-93 fiscal year, then the appropriation is reduced accordingly.

9

10 Requested by: Representatives Ethridge, H. Hunter

11 —CLEAN AIR ACT PERMIT FEES

12 Sec. 228. If House Bill 551, 1991 Session, is ratified, then there is
13 appropriated from the Title IV nonreverting account established in G.S. 143-215.3A, as
14 written by House Bill 551, 1991 Session, to the Department of Environment, Health,
15 and Natural Resources the sum of \$999,855 for the 1991-92 fiscal year and the sum of
16 \$3,992,390 for the 1992-93 fiscal year to be used for the development and
17 implementation of the Title V program in accordance with G.S. 143-215.3A, as enacted
18 by House Bill 551, 1991 Session; provided, however, if the revenues raised from House
19 Bill 551, 1991 Session, as ratified, are less than \$999,855 for the 1991-92 fiscal year or
20 are less than \$3,992,390 for the 1992-93 fiscal year, then the appropriation is reduced
21 accordingly.

22

23 Requested by: Representatives Ethridge, H. Hunter

24 —HAZARDOUS WASTE INSPECTORS

25 Sec. 229. As industry is permitted that is subject to G.S. 130A-295.02
26 requiring the establishment of resident inspectors, the Department of Environment,
27 Health, and Natural Resources may request through the Office of State Budget and
28 Management the authorization to establish new positions and support costs necessary to
29 comply with G.S. 130A-295.02. The Department shall report these positions as a
30 continuation item in its next biennial budget request.

31

32 Requested by: Representatives Ethridge, H. Hunter

33 —VITAL RECORDS FEES

34 Sec. 230. If Senate Bill 341, 1991 Session, is ratified, then there is
35 appropriated from the Vital Records Automation Fund established under G.S. 130A-
36 93.1 as written in Senate Bill 341, to the Department of Environment, Health, and
37 Natural Resources the sum of \$800,000 for the 1991-92 fiscal year and the sum of
38 \$800,000 for the 1992-93 fiscal year, for defraying the cost of automating the vital
39 records system; provided, however, if the revenues raised from Senate Bill 341, 1991
40 Session, as ratified, are less than \$800,000 for the 1991-92 fiscal year or are less than
41 \$800,000 for the 1992-93 fiscal year, then the appropriation is reduced accordingly.

42

43 Requested by: Representatives Ethridge, H. Hunter

44 —ASBESTOSIS/SILICOSIS EXAMS FEES

1 task force to study the incidence and causes of child deaths and to develop a mechanism
2 for multidisciplinary child death reviews. It is further the intent of the General
3 Assembly that the task force, based upon its study and its expertise, make
4 recommendations to the General Assembly and the Governor for changes to law, rule,
5 and policy that will support the safe and healthy development of our children. It is also
6 the intent of the General Assembly to establish a State Child Fatality Review Team to
7 review certain child deaths.

8 **"§ 143-572. Definitions.**

9 The following definitions apply in this Article:

- 10 (1) Local team. A local multidisciplinary child abuse and neglect review
11 team established for a county.
12 (2) State Team. The North Carolina Child Fatality Review Team.
13 (3) Task Force. The North Carolina Child Fatality Task Force.

14 **"§ 143-573. Task Force - creation; membership; vacancies.**

15 (a) There is created the North Carolina Child Fatality Task Force within the
16 Department of Environment, Health, and Natural Resources for budgetary purposes
17 only.

18 (b) The Task Force shall be composed of 24 members, 11 of whom shall be ex
19 officio members, three of whom shall be appointed by the Governor, and eight of whom
20 shall be appointed by the General Assembly, four upon recommendation of the Speaker
21 of the House of Representatives and four upon recommendation of the President Pro
22 Tempore of the Senate. The ex officio members other than the Chief Medical Examiner
23 may designate representatives from their particular departments, divisions, or offices to
24 represent them on the Task Force. The members shall be as follows:

- 25 (1) The Chief Medical Examiner;
26 (2) The Attorney General;
27 (3) The Director of the Division of Social Services;
28 (4) The Director of the State Bureau of Investigation;
29 (5) The Director of the Division of Maternal and Child Health of the
30 Department of Environment, Health, and Natural Resources;
31 (6) The Director of the Governor's Youth Advocacy and Involvement
32 Office;
33 (7) The Superintendent of Public Instruction;
34 (8) The President of the State Board of Education;
35 (9) The Director of the Division of Mental Health, Developmental
36 Disabilities, and Substance Abuse Services;
37 (10) The Secretary of the Department of Human Resources;
38 (11) The Secretary of the Department of Environment, Health, and Natural
39 Resources;
40 (12) A director of a county department of social services appointed by the
41 Governor upon recommendation of the President of the North Carolina
42 Association of County Directors of Social Services;
43 (13) A representative from a Sudden Infant Death Syndrome counseling
44 and education program appointed by the Governor upon

1 recommendation of the Director of the Division of Maternal and Child
2 Health of the Department of Environment, Health, and Natural
3 Resources;

4 (14) A representative from the North Carolina Child Advocacy Institute
5 appointed by the Governor upon recommendation of the President of
6 the Institute;

7 (15) A representative from a private group, other than the North Carolina
8 Child Advocacy Institute, that advocates for children, appointed by the
9 General Assembly upon recommendation of the Speaker of the House
10 of Representatives upon recommendation of private child advocacy
11 organizations;

12 (16) A pediatrician, licensed to practice medicine in North Carolina,
13 appointed by the General Assembly upon recommendation of the
14 Speaker of the House of Representatives upon recommendation of the
15 North Carolina Pediatric Society;

16 (17) A representative from the North Carolina League of Municipalities
17 appointed by the General Assembly upon recommendation of the
18 Speaker of the House of Representatives upon recommendation of the
19 League;

20 (18) Two public members appointed by the General Assembly upon
21 recommendation of the Speaker of the House of Representatives;

22 (19) A county or municipal law enforcement officer appointed by the
23 General Assembly upon recommendation of the President Pro
24 Tempore of the Senate upon recommendation of organizations that
25 represent local law enforcement officers;

26 (20) A district attorney appointed by the General Assembly upon the
27 recommendation of the President Pro Tempore of the Senate upon
28 recommendation of the President of the North Carolina Conference of
29 District Attorneys;

30 (21) A representative from the North Carolina Association of County
31 Commissioners appointed by the General Assembly upon
32 recommendation of the President Pro Tempore of the Senate upon
33 recommendation of the Association; and

34 (22) Two public members appointed by the General Assembly upon
35 recommendation of the President Pro Tempore of the Senate;

36 (c) All members of the Task Force are voting members. Vacancies in the
37 appointed membership shall be filled by the appointing officer who made the initial
38 appointment. The Speaker of the House of Representatives shall call the first meeting
39 no later than October 1, 1991. At the first meeting the members shall elect a chair who
40 shall preside for the duration of the Task Force.

41 **"§ 143-574. Task Force - duties.**

42 The Task Force shall:

43 (1) Undertake a statistical study of the incidence and causes of child
44 deaths in this State during 1988 and 1989, and establish a profile of

1 child deaths. The study shall include (i) an analysis of all community
2 and private and public agency involvement with the decedents and
3 their families prior to death, and (ii) an analysis of child deaths by age,
4 cause, and geographic distribution;

5 (2) Develop a system for multidisciplinary review of child deaths. In
6 developing such a system, the Task Force shall study the operation of
7 existing local teams. The Task Force shall also consider the feasibility
8 and desirability of local or regional review teams and, should it
9 determine such teams to be feasible and desirable, develop guidelines
10 for the operation of the teams. The Task Force shall also examine the
11 laws, rules, and policies relating to confidentiality of and access to
12 information that affect those agencies with responsibilities for
13 children, including State and local health, mental health, social
14 services, education, and law enforcement agencies, to determine
15 whether those laws, rules, and policies inappropriately impede the
16 exchange of information necessary to protect children from
17 preventable deaths, and, if so, recommend changes to them;

18 (3) Receive and consider reports from the State Team; and

19 (4) Perform any other studies, evaluations, or determinations the Task
20 Force considers necessary to carry out its mandate.

21 **"§ 143-575. State Team - creation; membership; vacancies.**

22 (a) There is created the North Carolina Child Fatality Review Team within the
23 Department of Environment, Health, and Natural Resources for budgetary purposes
24 only.

25 (b) The State Team shall be composed of eight members of whom seven
26 members are ex officio and one is appointed. The ex officio members other than the
27 Chief Medical Examiner may designate a representative from their departments,
28 divisions, or offices to represent them on the State Team.

29 (1) The Chief Medical Examiner, who shall chair the State Team;

30 (2) The Attorney General;

31 (3) The Director of the Division of Social Services;

32 (4) The Director of the State Bureau of Investigation;

33 (5) The Director of the Maternal and Child Health Division of the
34 Department of Environment, Health, and Natural Resources;

35 (6) The Superintendent of Public Instruction;

36 (7) The Director of the Division of Mental Health, Developmental
37 Disabilities, and Substance Abuse Services; and

38 (8) The pediatrician appointed pursuant to G.S. 143-573(b)(16) to the
39 Task Force.

40 (c) All members of the State Team are voting members. Vacancies in the
41 appointed membership shall be filled by the appointing officer who made the initial
42 appointment.

43 **"§ 143-576. State Team - duties.**

44 The State Team shall:

- 1 (1) Review current deaths of children when those deaths are attributed to
2 child abuse or neglect or when the decedent was reported as an abused
3 or neglected juvenile pursuant to G.S. 7A-543 at any time before
4 death; and
- 5 (2) Report to the Task Force during the existence of the Task Force, in the
6 format and at the time required by the Task Force, on the State Team's
7 activities and its recommendations for changes to any law, rule, and
8 policy that would promote the safety and well-being of children; and
- 9 (3) Upon request of a local team, provide technical assistance to the team.

10 **"§ 143-577. Task Force - reports.**

11 (a) The Task Force shall provide a preliminary report to the Governor and
12 General Assembly, within the first week of the convening of the 1992 Session of the
13 1991 General Assembly. This preliminary report shall contain at least a summary of
14 preliminary conclusions and recommendations for each of the Task Force's duties, as
15 well as any other recommendations for changes to any law, rule, and policy that it has
16 determined will promote the safety and well-being of children. Any recommendations
17 of changes to law, rule, or policy shall be accompanied by specific legislative or policy
18 proposals and detailed fiscal notes setting forth the costs to the State.

19 (b) The Task Force shall provide a final report to the Governor and General
20 Assembly within the first week of the convening of the 1993 General Assembly. The
21 final report shall include final conclusions and recommendations for each of the Task
22 Force's duties, as well as any other recommendations for changes to any law, rule, and
23 policy that it has determined will promote the safety and well-being of children. Any
24 recommendations of changes to law, rule, or policy shall be accompanied by specific
25 legislative or policy proposals and detailed fiscal notes setting forth the costs to the
26 State.

27 (c) After the Task Force provides its final report to the Governor and General
28 Assembly, the Task Force shall cease to be in existence.

29 **"§ 143-578. Access to records.**

30 The Task Force and State Team shall have access to all medical records, hospital
31 records, and records maintained by this State, any county, or any local agency as
32 necessary to carry out the purposes of this Article, including police investigations data,
33 medical examiner investigative data, health records, mental health records, and social
34 services records. Task Force and State Team meetings are not subject to the provisions
35 of Article 33C of Chapter 143 of the General Statutes. All otherwise confidential
36 information and records acquired by the Task Force or State Team in the exercise of
37 their duties are confidential; are not subject to discovery or introduction into evidence in
38 any proceedings; and may only be disclosed as necessary to carry out the purposes of
39 the Task Force. No member of the Task Force, State Team, or person who attends such
40 a meeting may testify in any proceeding about what transpired at the meeting, about
41 information presented at the meeting, or about opinions formed by the person as a result
42 of the meetings. This section does not, however, prohibit a person from testifying in a
43 civil or criminal action about matters within that person's independent knowledge.

44 **"§ 143-579. Administration; funding.**

1 (a) To the extent of funds available, the Chairs of the Task Force and State Team
2 may hire staff or consultants to assist the Task Force and the State Team in completing
3 their duties.

4 (b) Members, staff, and consultants of the Task Force or State Team shall receive
5 travel and subsistence expenses in accordance with the provisions of G.S. 138-5 or G.S.
6 138-6, as the case may be, paid from funds appropriated to implement this Article and
7 within the limits of those funds.

8 (c) With the approval of the Legislative Services Commission, legislative staff
9 and space in the Legislative Building and the Legislative Office Building may be made
10 available to the Task Force."

11 (b) The Department of Environment, Health, and Natural Resources, the
12 Department of Human Resources, the Department of Justice, and the State Board of
13 Education shall adopt joint rules to ensure full cooperation of these departments and
14 related local agencies with the work of the North Carolina Child Fatality Task Force and
15 the North Carolina Child Fatality Review Team.

16 (c) Of the funds appropriated in this Title to the Department of Environment,
17 Health, and Natural Resources, \$158,000 for the 1991-92 fiscal year and \$165,000 for
18 the 1992-93 fiscal year shall be used to implement this section. Of these funds, \$83,200
19 for the 1991-92 fiscal year and \$75,000 for the 1992-93 fiscal year shall be allocated to
20 the North Carolina Child Fatality Task Force and \$74,800 for the 1991-92 fiscal year
21 and \$90,000 for the 1992-93 fiscal year shall be allocated to the North Carolina Child
22 Fatality Review Team.

23
24 Requested by: Representative Redwine

25 —DWI TEST CHANGES

26 Sec. 233.1. (a) G.S. 20-16.5(j) reads as rewritten:

27 "(j) Costs. – Unless the magistrate or judge orders the revocation rescinded, a
28 person whose license is revoked under this section must pay a fee of ~~twenty five dollars~~
29 ~~(\$25.00)~~ fifty dollars (\$50.00) as costs for the action before ~~his~~ the person's license may
30 be returned under subsection (h). The costs collected under this section ~~go to the State.~~
31 shall be credited to the General Fund. Fifty percent (50%) of the costs collected shall be
32 used to fund a statewide chemical alcohol testing program administered by the Injury
33 Control Section of the Department of Environment, Health, and Natural Resources."

34 (b) G.S. 20-139.1(b1) reads as rewritten:

35 "(b1) ~~When Arresting or Charging Officer May Not Perform Chemical Analysis. –~~
36 ~~A-Except as provided in this subsection, a chemical analysis is not valid in any case in~~
37 ~~which it is performed by an arresting officer or by a charging officer under the terms of~~
38 ~~G.S. 20-16.2. A chemical analysis of the breath may be performed by an arresting~~
39 ~~officer or by a charging officer when both of the following apply:~~

40 (1) The officer possesses a current permit issued by the Department of
41 Environment, Health, and Natural Resources for the type of chemical
42 analysis.

43 (2) The officer performs the chemical analysis by using an automated
44 instrument that prints the results of the analysis."

1 (c) G.S. 20-16.2(a) reads as rewritten:

2 "(a) Basis for Charging Officer to Require Chemical Analysis; Notification of
3 Rights. – Any person who drives a vehicle on a highway or public vehicular area
4 thereby gives consent to a chemical analysis if ~~he is~~ charged with an implied-consent
5 offense. The charging officer must designate the type of chemical analysis to be
6 administered, and it may be administered when ~~he~~ the officer has reasonable grounds to
7 believe that the person charged has committed the implied-consent offense.

8 Except as provided in this subsection or subsection (b), before any type of chemical
9 analysis is administered the person charged must be taken before a chemical analyst
10 authorized to administer a test of a person's breath, who must inform the person orally
11 and also give ~~him~~ the person a notice in writing that:

- 12 (1) He has a right to refuse to be tested.
- 13 (2) Refusal to take any required test or tests will result in an immediate
14 revocation of his driving privilege for at least 10 days and an
15 additional 12-month revocation by the Division of Motor Vehicles.
- 16 (3) The test results, or the fact of his refusal, will be admissible in
17 evidence at trial on the offense charged.
- 18 (4) His driving privilege will be revoked immediately for at least 10 days
19 if:
 - 20 a. The test reveals an alcohol concentration of 0.10 or more; or
 - 21 b. He was driving a commercial motor vehicle and the test reveals
22 an alcohol concentration of 0.04 or more.
- 23 (5) He may have a qualified person of his own choosing administer a
24 chemical test or tests in addition to any test administered at the
25 direction of the charging officer.
- 26 (6) He has the right to call an attorney and select a witness to view for him
27 the testing procedures, but the testing may not be delayed for these
28 purposes longer than 30 minutes from the time he is notified of his
29 rights.

30 If the charging officer or an arresting officer is authorized to administer a chemical
31 analysis of a person's breath and the charging officer designates a chemical analysis of
32 the blood of the person charged, the charging officer or the arresting officer may give
33 the person charged the oral and written notice of rights required by this subsection."

34 (d) Amounts collected under G.S. 20-16.5(j) for fiscal years 1991-92 and 1992-
35 93 and designated for the alcohol testing program of the Injury Control Section of the
36 Department of Environment, Health, and Natural Resources shall not revert to the
37 General Fund. The amount of funds collected under G.S. 20-16.5(j) that are designated
38 for this alcohol testing program and have not been spent or obligated as of June 30,
39 1994, shall revert to the Highway Fund.

40 Beginning with the 1994-95 fiscal year, any funds collected under G.S. 20-
41 16.5(j) that are designated for the alcohol testing program of the Injury Control Section
42 of the Department of Environment, Health, and Natural Resources and are not needed
43 for that program shall be transferred quarterly to the Governor's Highway Safety
44 Program for grants to local law enforcement agencies for training concerning

1 enforcement of the laws on driving while impaired. Except for amounts transferred
2 during the fourth quarter of a fiscal year, the Governor's Highway Safety Program shall
3 expend funds transferred to it under this section in the fiscal year in which they are
4 received. Amounts received by the Governor's Highway Safety Program during the
5 fourth quarter of a fiscal year shall not revert and shall be expended by the following
6 September 30.

7 (e) There is appropriated from the General Fund to the Department of
8 Environment, Health, and Natural Resources the sum of \$1,433,822 for the 1991-92
9 fiscal year and the sum of \$1,433,264 for the 1992-93 fiscal year to fund the statewide
10 chemical alcohol testing program administered by the Injury Control Section of the
11 Department; provided, however, if the revenues raised under this section are less than
12 \$1,433,822 for the 1991-92 fiscal year and \$1,433,264 for the 1992-93 fiscal year, the
13 appropriation is reduced accordingly.

14 (f) Subsection (a) of this section becomes effective July 1, 1991, and applies
15 to revocation orders issued under G.S. 20-16.5 on or after that date. Subsection (b) of
16 this section becomes effective January 1, 1993, and applies to chemical analyses
17 performed on or after that date.

18 19 TITLE III. - CAPITAL IMPROVEMENTS 20 21

22 Sec. 234. The appropriations made by the 1991 General Assembly for capital
23 improvements are for constructing, repairing, or renovating State buildings, utilities, and
24 other capital facilities, for acquiring sites for them where necessary, and for acquiring
25 buildings and land for State government purposes.

26 27 28 PART XLIII.—PROCEDURES FOR DISBURSEMENTS 29

30 Sec. 235. The appropriations made by the 1991 General Assembly for capital
31 improvements shall be disbursed for the purposes provided by this act. Expenditure of
32 funds shall not be made by any State department, institution, or agency, until an
33 allotment has been approved by the Governor as Director of the Budget. The allotment
34 shall be approved only after full compliance with the Executive Budget Act, Article 1 of
35 Chapter 143 of the General Statutes. Prior to the award of construction contracts for
36 projects to be financed in whole or in part with self-liquidating appropriations, the
37 Director of the Budget shall approve the elements of the method of financing of those
38 projects including the source of funds, interest rate, and liquidation period. Provided,
39 however, that if the Director of the Budget approves the method of financing a project,
40 he shall report that action to the Joint Legislative Commission on Governmental
41 Operations at its next meeting.

42 Where direct capital improvement appropriations include the purpose of
43 furnishing fixed and movable equipment for any project, those funds for equipment
44 shall not be subject to transfer into construction accounts except as authorized by the

1 Director of the Budget. The expenditure of funds for fixed and movable equipment and
 2 furnishings shall be reviewed and approved by the Director of the Budget prior to
 3 commitment of funds.

4 Capital improvement projects authorized by the 1989 General Assembly shall
 5 be completed, including fixed and movable equipment and furnishings, within the limits
 6 of the amounts of the direct or self-liquidating appropriations provided, except as
 7 otherwise provided in this act.

8

9

10 PART XLIV.—CAPITAL IMPROVEMENTS/GENERAL FUND

11 Sec. 236. Allocations are made from The State Capital Facilities Legislative
 12 Bond Fund of 1991 for the 1991-92 fiscal year to provide for capital improvement
 13 projects according to the following schedule:

14

15 State Capital Facilities Legislative

16

Bond Fund of 1991

1991-92

17

Department of Human Resources:

18

01. John Umstead Hospital:

19

Alum Sludge Treatment Facility \$1,100,000

20

02. Murdoch Center

21

Renovations of Parkview Cottage

22

(restores 1990-91 funds) 1,400,000

23

03. Black Mountain Center

24

Renovations 1,300,000

25

04. Head Start Program-Grant equivalent to

26

one modular classroom for unit 1,600,000

27

28 Department of Environment, Health, and

29

Natural Resources

30

01. Park Improvement Plan

31

Initial Phase 2,000,000

32

02. Water Resources Development Projects 2,055,000

33

34 Department of Cultural Resources

35

01. Fort Fisher/Highway 421 Erosion Control

36

Matching Funds 250,000

37

38 Department of Administration

39

01. New Central Steam Plant

40

(restores 1990-91 funds) 6,594,500

41

02. Mall Improvements 675,000

42

43 General Assembly

44

01. Buildings/Offices Repairs and

1 Renovations 4,600,000

2

3 Department of Crime Control

4 and Public Safety

5 01. National Guard-Replace underground storage
6 tanks to comply with EPA requirements 92,000

7

8 Office of State Budget and Management

9 01. Reserve for Repairs/Renovations 4,033,500

10

11 University of North Carolina

12 01. Reserve for Repairs/Renovations 14,300,000

13

14 GRAND TOTAL/GENERAL FUND \$40,000,000

15 Appropriations made by this section are contingent upon the enactment of the
16 "State Capital Facilities Legislative Bond Act."

17

18 PART XLIV(A).—CAPITAL IMPROVEMENTS/HIGHWAY FUND

19

20 Sec. 236.1. Appropriations are made from the Highway Fund for the 1991-92
21 fiscal year and the 1992-93 fiscal year for use of the Department of Transportation to
22 provide for capital improvement projects according to the following schedule:

23

24

DIVISION OF HIGHWAYS

25

26

1991-92 1992-93

27

28

01. Bridge Maintenance Office Complex
29 Supplemental - Brunswick County \$ 224,000 \$ -

30

31

02. Equipment Shop - Carthage - 2,247,000

32

33

03. Bridge Maintenance Complex -
34 Wadesboro 26,000 439,000

35

36

04. Gas Pump Canopies - Statewide 398,000 311,000

37

38

05. Fencing - Statewide 171,000 -

39

40

06. Land Acquisition - Siler City 54,000 -

41

42

07. Land Acquisition/Maintenance

43

Yard - Halifax 13,000 -

44

- 1 08. Land Acquisition/Maintenance
2 Yard - Trenton 27,000 -
3
- 4 09. Water and Sewer Connections
5 - Statewide 308,000 -
6
- 7 10. Division Office Complex Phase
8 II - Fayetteville - 1,688,000
9
- 10 11. Division Office Addition
11 - Greensboro
12 Requirements 589,000
13 Less Receipts (Sale of Land) -589,000
14 Appropriation - -
15
- 16 12. Landscape Office, Warehouse
17 and Truck Shed - Asheville
18 Requirements 472,000
19 Less Receipts (Sale of Land) -472,000
20 Appropriation - -
21
- 22 13. Salt Storage Buildings
23 - Statewide 405,000 67,000
24
- 25 14. Equipment Shop - Mocksville 511,000 -
26
- 27 15. District Office Building
28 - Albemarle 49,000 247,000
29
- 30 16. Division of Highways/Division
31 of Motor Vehicles Office
32 Complex - Graham 67,000 -
33
- 34 17. Sign Shop - Union County - 725,000
35
- 36 18. Design Equipment Shop - Meadows - 41,000
37
- 38 19. Design Equipment Shop - Spindale - 24,000
39
- 40 20. Design Equipment Shop - Washington - 40,000
41
- 42 21. Design Equipment Shop - Wentworth - 44,000
43
- 44 22. Bridge Maintenance Warehouse/Shed

1	- Union County - 81,000		
2			
3	23. Design Sign Shop - Carthage - 33,000		
4			
5	24. Design Resident Engineer Office		
6	- Marion - 18,000		
7			
8	25. Design Equipment Shop - Kinston - 43,000		
9			
10	TOTAL DIVISION OF HIGHWAYS		\$2,253,000 \$6,048,000

DIVISION OF MOTOR VEHICLES

1991-92 1992-93

17	01. Upgrade Electrical Power,		
18	Communication and Computer		
19	Circuits - Raleigh Division		
20	of Motor Vehicles Building	\$ 216,200	\$ -
21			
22	02. Building Addition - Wilmington	221,900	-
23			
24	03. Building Addition - Statesville	170,075	-
25			
26	04. New Office Building - Asheville	635,100	-
27			
28	05. Roof Replacement (7 Locations)	100,500	-
29			
30	06. Resurface Parking Lots		
31	(6 Locations)	107,500	-
32			
33	07. Roof Replacement (7 Locations)	- 103,100	
34			
35	08. Resurface Parking Lots (6 Locations)	- 111,900	
36			
37	09. Building Addition - Goldsboro	- 167,630	
38			
39	10. Building Addition - Whiteville	- 164,770	
40			
41	11. Building Addition - Hillsborough	- 179,200	
42			
43	12. Building Addition - Kinston	- 179,200	
44			

1	13.	Building Addition - Jacksonville	- 174,800	
2				
3	14.	Reserve to Make Restrooms		
4		Handicapped Accessible in DMV		
5		Facilities 50,000 50,000		
6				
7				
8		TOTAL DIVISION OF MOTOR VEHICLES		\$1,501,275 \$1,130,600
9				
10		CRIME CONTROL AND PUBLIC SAFETY		
11				
12	01.	State Highway Patrol - Troop H		
13		Headquarters - New Building	<u> </u> - \$190,000	
14				
15		TOTAL CRIME CONTROL AND		
16		PUBLIC SAFETY		- \$190,000
17				
18		GRAND TOTAL HIGHWAY FUND		\$3,754,275 \$7,368,600

19
20 PART XLV.—SPECIAL PROVISIONS

21
22
23 Requested by: Representative Diamont
24 —UNC CAPITAL PROJECTS/FEES

25 Sec. 237. (a) All capital improvement projects proposed by the Board of
26 Governors of The University of North Carolina as self-liquidating projects shall include
27 plans for financing the projects, including estimates of the impact on student fees and
28 other charges.

29 (b) The Board of Governors of The University of North Carolina shall adopt
30 rules which limit the amount of student fees which may be charged to retire debt at each
31 campus. These limitations may be phased in to accommodate these campuses whose
32 fees already exceed the proposed limits.

33 (c) The Board of Governors of The University of North Carolina shall review
34 annually the amounts and purposes for all student fees charged by each campus, in an
35 effort to keep these nonacademic fees as low as possible.

36
37 Requested by: Representative Holt
38 —REALLOCATE DMV FUNDS-ASHEVILLE

39 Sec. 238. Funds remaining from the appropriation to the Department of
40 Transportation, Division of Motor Vehicles, in Section 8 of Chapter 1074 of the 1989
41 Session Laws, Regular Session 1990, for land purchase and building design-Asheville,
42 are reallocated to the Division for land and building purchase-Asheville, including
43 appraisal and other costs incidental to such purchase.

44

1 Requested by: Representatives N.J. Crawford, Ethridge, Foster, DeVane, J.W.
2 Crawford, H. Hunter

3 —PARK IMPROVEMENT PLAN/CAPITAL IMPROVEMENT PROJECTS AT
4 STATE PARKS/INITIAL PHASE

5 Sec. 238.1. (a) The General Assembly finds that the creation of a "Park
6 Improvement Plan" to provide for capital improvement projects at State Parks and
7 Recreation Areas is in keeping with the highest purposes of public policy and in concert
8 with Constitutional provisions and State law.

9 (b) The funds appropriated to the Department of Environment, Health, and
10 Natural Resources, Division of Parks and Recreation, for the 1991-92 fiscal year in this
11 Title, shall be used to begin the initial phase of capital projects under the Park
12 Improvement Plan. The initial phase of the capital projects shall be based on a
13 compiled list as compiled by the Division of Parks and Recreation.

14

15 Requested by: Representative Payne

16 —WATER RESOURCES DEVELOPMENT PROJECTS

17 Sec. 238.2. (a) Of the funds appropriated to the Department of Environment,
18 Health, and Natural Resources for the 1991-92 fiscal year, the sum of \$1,405,000 shall
19 be used for water resources development projects. The Department shall fund the
20 following projects, whose estimated costs are as indicated:

- | | | | |
|----|-----|--------------------------|------------|
| 21 | (1) | Wilmington Harbor | |
| 22 | | Maintenance and Dredging | \$ 475,000 |
| 23 | (2) | Morehead City Harbor | 50,000 |
| 24 | (3) | Northeast Cape Fear | |
| 25 | | River Navigation | 280,000 |
| 26 | (4) | Stumpy Point Bay | |
| 27 | | Maintenance Dredging | 220,000 |
| 28 | (5) | Great Coharie Creek | |
| 29 | | Clearing & Snagging | |
| 30 | | (Sampson County) | 26,000 |
| 31 | (6) | Wilmington Harbor | |
| 32 | | Comprehensive Study | 270,000 |
| 33 | (7) | Corps of Engineers | |
| 34 | | Feasibility Studies | 75,000 |
| 35 | (8) | Planning Assistance to | |
| 36 | | State Corps of Engineers | 9,000 |
| 37 | (9) | Town Fork Flood | |
| 38 | | Coastal and Water Supply | |
| 39 | | (Stokes County) | 650,000 |

40 (b) Where the actual costs are different from the estimated costs under subsection
41 (a) of this section, the Department may adjust the allocations among projects as needed.
42 If any projects listed in subsection (a) of this section are delayed and the budgeted State
43 funds cannot be used during the 1991-92 fiscal year, or if the projects listed in

1 subsection (a) are accomplished at a lower cost, the Department may use the resulting
2 fund availability to fund:

- 3 (1) Corps of Engineers project feasibility studies, or
- 4 (2) Corps of Engineers projects whose schedules have advanced and
5 require State matching funds in fiscal year 1991-92.

6 Funds not expended or encumbered for these purposes shall revert to the General Fund
7 at the end of the 1992-93 fiscal year.

8 (c) Beginning October 1, 1991, the Department shall make quarterly reports on
9 the use of these funds to the Joint Legislative Commission on Governmental
10 Operations, the Director of the Fiscal Research Division, and the Office of State Budget
11 and Management. Each report shall include:

- 12 (1) All projects listed in subsection (a) of this section;
- 13 (2) The estimated cost of each project;
- 14 (3) The date work on each project began or is expected to begin;
- 15 (4) The date work on each project was completed or is expected to be
16 completed; and
- 17 (5) The actual cost of each project.

18 The quarterly reports shall also show those projects advanced in schedule, those projects
19 delayed in schedule, and an estimate of the amount of funds expected to revert to the
20 General Fund."

21

22 Requested by: Representatives Barnes, Anderson, Redwine

23 —PRISON BOND APPROPRIATIONS

24 Sec. 239. (a) **General Purposes.** The appropriations made by the 1991 General
25 Assembly for capital improvements from the proceeds of the \$200,000,000 State of
26 North Carolina Prison and Youth Services Facilities Bonds authorized by Chapter 935
27 of the 1989 Session Laws (the "bond act") and approved by the qualified voters of the
28 State who voted thereon on November 6, 1990, as said bonds may be issued from time
29 to time (the "bonds"), are for the purposes of financing the cost of \$105,000,000 of
30 State prison facilities and youth services facilities, including, without limitation, the cost
31 of constructing capital facilities, renovating or reconstructing existing facilities,
32 acquiring equipment related thereto, purchasing land, paying costs of issuance of bonds
33 and notes and paying contractual services necessary for the partial implementation of
34 the purposes of the bond act, all as defined in and authorized by the bond act and as
35 more particularly described in this section.

36 The particular projects within the purposes under the bond act to be financed
37 by the \$95,000,000 balance of the \$200,000,000 bond authorization may, as authorized
38 by the bond act, be determined by legislative action of the General Assembly during the
39 1991 Session or any subsequent session.

40 (b) **Appropriation Procedures.** The appropriations hereby made by the 1991
41 General Assembly for the purposes under the bond act shall be disbursed for the
42 particular projects authorized by this section. Expenditure of funds shall not be made
43 by any State department, institution or agency, until an allotment has been approved by
44 the Governor as Director of the Budget. The allotment shall be approved only after full

1 compliance with the Executive Budget Act, Article 1 of Chapter 143 of the General
2 Statutes.

3 Where direct capital improvement appropriations include furnishing fixed and
4 movable equipment for any project, funds for equipment shall not be subject to transfer
5 into construction accounts except as authorized by the Director of the Budget. The
6 expenditure of funds for fixed and movable equipment and furnishings shall be
7 reviewed and approved by the Director of the Budget prior to commitment of funds.

8 Capital improvement projects authorized by this section shall be completed,
9 including fixed and movable equipment and furnishings, within the limits of the
10 amounts of the appropriations provided, except as otherwise provided in this section.

11 **(c) Descriptions, Custodial Levels, Beds, Projected Allocations.**
12 Appropriations are made from bond proceeds for use by the Departments of Correction
13 and Human Resources to provide for capital improvement projects as herein provided.

14 The proceeds of bonds and notes shall be expended for paying the cost, as
15 defined in the bond act, of prison and youth services facilities, to the extent and as
16 provided in this section and subject to change as herein provided, for the following
17 projects:

18

19 DEPARTMENT OF CORRECTION

20

21 <u>Project Description</u>	<u>Custodial</u>	<u>Beds</u>
22 <u>Level</u>		
23 Nash Correctional Institution	Med	128
24 Marion Correctional Center	Med	906
25 Cherry Correctional Center	Min	500
26 Central Prison	Close	144
27 Pasquotank Youth Institution	Med	440
28 Robeson Correctional Center	Min	100
29 NCCIW	Close/Med	256
30 Lumberton Correctional Center	Med	312
31 Eastern Youth Center	Min	300
32 Fountain Correctional Center	Min	100
33 Brown Creek Sewing Plant		
34 Pender Furniture Refurbishing		
35 Facility		
36 Columbus Sewing Facility		
37 Caswell Sewing and Tailoring		
38 Equipment		
39 Harnett Dining Hall		
40 Subtotal 3,186	\$91,413,514	
41		
42 Contingencies		<u>\$4,466,796</u>
43 Total \$95,880,310		
44		

1 The Eastern Youth Center shall be located in Craven County, provided the county
2 provides a suitable site.

3
4 DEPARTMENT OF HUMAN RESOURCES-DIVISION OF YOUTH SERVICES

5
6 7 Secure/nonsecure group homes
7 9 beds added to Pitt Detention Ctr.
8 Renovate unused dorms & upgrade
9 to meet American Correctional
10 Association Standards
11 Dillon secure unit, counseling
12 space, & fencing at 5 facilities
13 Conversion of dorms to individual
14 rooms
15 Increase number of transition
16 beds - step down & independent
17 living for Training Schools

18 \$9,119,690

19
20 (d) **Increases in Projected Allocations.** Projected allocations set forth above
21 may be increased to reflect the availability of other funds, including, without limitation,
22 contingency funds, income earned on the investment of bond and note proceeds, funds
23 provided by the issuance of bonds under the remaining \$95,000,000 authorization, and
24 the proceeds of any grants.

25 (e) **Contingency Funds.** The amount allocated for contingencies set forth
26 above shall be placed by the State Treasurer in a special account in the State Prison and
27 Youth Services Facilities Bond Fund to be designated the "State Prison and Youth
28 Services Facilities Contingency Account." The funds in the State Prison and Youth
29 Services Facilities Contingency Account shall be disbursed in accordance with the
30 procedures herein established for disbursements from the State Prison and Youth
31 Services Facilities Bond Fund. The funds in the State Prison and Youth Services
32 Facilities Contingency Account shall be expended for paying the cost of projects,
33 including, without limitation, the costs of issuance of bonds and notes, increased project
34 costs resulting from construction costs exceeding projected costs, inflationary factors
35 and changes in projects and allocations. Any balance in the State Prison and Youth
36 Services Facilities Contingency Account may be used for the particular projects to be
37 financed by the issuance of bonds under the remaining \$95,000,000 authorization.

38 (f) **Administration.** With respect to facilities authorized for the Department
39 of Correction, the Office of State Budget and Management may contract for and
40 supervise all aspects of administration, technical assistance, design, construction or
41 demolition of prison facilities in order to implement the providing of prison facilities
42 under the provisions of this act without being subject to the requirements of the
43 following statutes and rules implementing those statutes: G.S. 143-135.26(1), 143-128,
44 143-129, 143-131, 143-132, 143-134, 143-135.26, 143-64.10 through 143-64.13, 113A-

1 1 through 113A-10, 113A-50 through 113-66, 133-1.1(b), 133-1.1(g), and 143-408.1;
2 provided, however, of the funds allocated under the provisions of this act for the
3 construction of prison facilities, the Office of State Budget and Management shall have
4 a verifiable ten percent (10%) goal for participation by minority and women-owned
5 businesses. All contracts for the design, construction, or demolition of prison facilities
6 shall include a penalty for failure to complete the work by a specified date.

7 The proposals for prison facilities authorized in this section shall be invited by
8 advertisement in newspapers having general circulation in the State. The form of
9 advertisement shall be prepared in the form of Section 301 of the State Construction
10 Manual of the Department of Administration, and shall be published in one issue of the
11 newspaper. A minimum of at least seven full days shall lapse between the date of
12 publication and the date of the opening of bids. Initiation of the advertisement shall be
13 by the Office of State Budget and Management.

14 (g) **Changes.** To the extent that funds are not required to be expended for
15 the specific projects described in this section, appropriations authorized herein may be
16 used to construct, reconstruct or renovate prison industrial and forestry enterprises
17 facilities, as mentioned in G.S. 148-2, at prison facilities statewide, as replacement
18 projects, but no such funds may be used for operating expenditures. Prior to taking any
19 action under subsection (g), the Governor may consult with the Advisory Budget
20 Commission. In considering taking any action under subsection (g) in respect to funds
21 not required to be expended for specific projects described in this act, the Governor may
22 consider the particular projects to be financed by the issuance of bonds under the
23 remaining \$95,000,000 bond authorization and may use any such funds for the cost of
24 any such particular projects to be financed.

25 (h) **Quarterly Reports.** The Office of State Budget and Management in
26 respect to prison facilities and the Department of Human Resources in respect to youth
27 services facilities shall provide quarterly reports to the Chairman of the Appropriations
28 Committee and the Base Budget Committee in the Senate, the Chairman of the
29 Appropriations Committee in the House, the Joint Legislative Commission on
30 Governmental Operations, and the Fiscal Research Division as to any changes in
31 projects and allocations made under this section.

32
33 Requested by: Representatives Barnes, Anderson, Redwine

34 —RESERVE FOR ADMINISTRATION AND OPERATION OF NEW UNITS

35 Sec. 240. Of the funds appropriated to the Department of Correction for the
36 1992-93 fiscal year in Title 2 of this act, a reserve of \$6,902,493 shall be used to
37 administer and operate the new prison units being constructed with the bond proceeds
38 appropriated in this Title. The positions shall not become effective more than 90 days
39 prior to the completion date of the facilities with the exception of Department of
40 Correction administrative staff, Division of Prisons administrative staff,
41 superintendents, assistant superintendents, administrative services managers, plant
42 maintenance supervisors, and secretaries at the Marion Correctional Institution, Cherry
43 Correctional Center, Pasquotank Youth Institution, Lumberton Correctional Center, and
44 Eastern Youth Center.

1

2 Requested by: Representatives Barnes, Anderson, Redwine

3 —PITT COUNTY DETENTION CENTER ADDITION/RESERVE FUND

4

5 Sec. 241. Of the funds appropriated to the Department of Human Resources
6 for the 1992-93 fiscal year in Title 2 of this act, a reserve of \$60,000 shall be used to
7 administer and operate the addition to the Pitt County Detention Center being
8 constructed with the bond proceeds appropriated in this Title.

8

9 Requested by: Representative Barnes

10 —UNC REMOVAL OF HANDICAPPED BARRIERS

11 Sec. 242. (a) Of the funds appropriated in this Title to the Board of Governors of
12 The University of North Carolina, \$2,000,000 shall be used for the elimination of man-
13 made barriers that make the programs or activities of the constituent institutions of the
14 University inaccessible to or unusable by handicapped persons.

15 (b) Prior to allocating funds for barrier removal, the Board of Governors shall
16 adopt a comprehensive plan, to be completed by no later than January 1, 1992, which
17 shall include:

18

(1) A survey of facilities at each constituent institution, to determine
19 which facilities must be modified to insure that institutional programs
20 or activities, when viewed in their entirety, are readily accessible to
21 handicapped persons. The institutional surveys shall be conducted in
22 accordance with definitions and standards adopted by the U.S.
23 Department of Education, under the requirements of section 504 of the
24 Rehabilitation Act of 1973, 29 U.S.C. § 794, and shall incorporate any
25 findings made by the Office for Civil Rights of the U.S. Department of
26 Education pursuant to either complaint investigations or technical
27 assistance surveys conducted at constituent institutions of the
28 University. In conducting the survey, each institution shall establish
29 and enlist the assistance of an advisory committee, which shall include
30 handicapped members of the institutional community or their
31 representatives.

32

(2) A description of the nature and estimated cost of each facility
33 modification identified in the institutional surveys.

34

(3) A schedule for addressing adjustments and modifications designed to
35 insure accessibility, based on the following priorities:

36

a. Nonstructural adjustments. If a program or activity of a
37 constituent institution can be made readily accessible to
38 handicapped persons without structural adjustments, as through
39 reassignment of classes or other services to accessible facilities
40 or making aides available to handicapped persons, such
41 modifications shall be made within 60 days of the date of their
42 identification by the institutional surveys, without regard to the
43 schedule for facility modifications.

- 1 b. Facility modifications which can be accomplished within one
2 year after their starting date.
- 3 c. Facility modifications which cannot be accomplished within
4 one year but can be accomplished within three years after their
5 starting date.
- 6 d. Other facility modifications.
- 7 (4) A system for insuring that future facilities are accessible.
- 8 (c) The Board of Governors may allocate up to \$200,000 of the bond proceeds to
9 conduct the surveys and complete the plan required by this section.

10

11 Requested by: Representatives Nesbitt, Diamont

12 ---RESERVE FOR ADVANCE PLANNING

13 Sec. 243. The Office of State Budget and Management shall report to the
14 Joint Legislative Commission on Governmental Operations and to the Fiscal Research
15 Division on how it intends to spend funds from the Reserve for Advance Planning at
16 least 45 days before it spends the funds.

17 The Office of State Budget and Management shall also report the results of
18 any project on which it uses funds from the Reserve for Advance Planning to the Joint
19 Legislative Commission on Governmental Operations and to the Fiscal Research
20 Division.

21

22 Requested by: Representatives Nesbitt, Diamont

23 ---ENCUMBERED APPROPRIATIONS AND PROJECT RESERVE FUND

24 Sec. 244. When each capital improvement project appropriated by the 1991
25 General Assembly, other than those projects under the Board of Governors of The
26 University of North Carolina, is placed under construction contract, direct
27 appropriations shall be encumbered to include all costs for construction, design,
28 investigation, administration, movable equipment, and a reasonable contingency.
29 Unencumbered direct appropriations remaining in the project budget shall be placed in a
30 project reserve fund credited to the Office of State Budget and Management. Funds in
31 the project reserve may be used for emergency repair and renovation projects at State
32 facilities with the approval of the Director of the Budget. The project reserve fund may
33 be used, at the discretion of the Director of the Budget, to allow for award of contracts
34 where bids exceed appropriated funds, if those projects supplemented were designed
35 within the scope intended by the applicable appropriation or any authorized change in it,
36 and if, in the opinion of the Director of the Budget, all means to award contracts within
37 the appropriation were reasonably attempted. At the discretion of the Director of the
38 Budget, any balances in the project reserve fund shall revert to the original source.

39

40 Requested by: Representatives Nesbitt, Diamont

41 ---PROJECT COST INCREASE

42 Sec. 245. Upon the request of the administration of a State department or
43 institution, the Director of the Budget may, when in his opinion it is in the best interest
44 of the State to do so, increase the cost of a capital improvement project. Provided,

1 however, that if the Director of the Budget increases the cost of a project, he shall report
2 that action to the Joint Legislative Commission on Governmental Operations at its next
3 meeting. The increase may be funded from gifts, federal or private grants, special fund
4 receipts, excess patient receipts above those budgeted at University of North Carolina
5 Hospitals at Chapel Hill, or direct capital improvement appropriations to that
6 department or institution.

7
8 Requested by: Representatives Nesbitt, Diamont

9 —NEW PROJECT AUTHORIZATION

10 Sec. 246. Upon the request of the administration of any State department or
11 institution, the Governor may authorize the construction of a capital improvement
12 project not specifically authorized by the General Assembly if such project is to be
13 funded by gifts, federal or private grants, special fund receipts, excess patient receipts
14 above those budgeted at University of North Carolina Hospitals at Chapel Hill, or self-
15 liquidating indebtedness. Provided, however, that if the Director of the Budget
16 authorizes the construction of such a capital improvement project, he shall report that
17 action to the Joint Legislative Commission on Governmental Operations at its next
18 meeting.

19
20 Requested by: Representatives Nesbitt, Diamont

21 —ADVANCE PLANNING OF CAPITAL IMPROVEMENT PROJECTS

22 Sec. 247. Funds which become available by gifts, excess patient receipts
23 above those budgeted at University of North Carolina Hospitals at Chapel Hill, federal
24 or private grants, receipts becoming a part of special funds by act of the General
25 Assembly or any other funds available to a State department or institution may be
26 utilized for advance planning through the working drawing phase of capital
27 improvement projects, upon approval of the Director of the Budget. The Director of the
28 Budget may make allocations from the Advance Planning Fund for advance planning
29 through the working drawing phase of capital improvement projects, except that this
30 revolving fund may not be utilized by the Board of Governors of The University of
31 North Carolina or the State Board of Community Colleges.

32
33 Requested by: Representatives Nesbitt, Diamont

34 —APPROPRIATIONS LIMITS/REVERSION OR LAPSE

35 Sec. 248. Except as permitted in previous sections of this act, the
36 appropriations for capital improvements made by the 1991 General Assembly may be
37 expended only for specific projects set out by the 1991 General Assembly and for no
38 other purpose. Construction of all capital improvement projects enumerated by the
39 1991 General Assembly shall be commenced, or self-liquidating indebtedness with
40 respect to them shall be incurred, within 12 months following the first day of the fiscal
41 year in which the funds are available. If construction contracts on those projects have
42 not been awarded or self-liquidating indebtedness has not been incurred within that
43 period, the direct appropriation for those projects shall revert to the original source, and
44 the self-liquidating appropriation shall lapse; except that direct appropriations may be

1 placed in a reserve fund as authorized in this act. This deadline with respect to both
2 direct and self-liquidating appropriations may be extended up to an additional 12
3 months if circumstances and conditions warrant such extension.

6 TITLE IV. - OTHER

9 PART XLVI.—MISCELLANEOUS PROVISIONS

11 Requested by: Representatives Nesbitt, Diamont

12 —EFFECT OF HEADINGS

13 Sec. 249. The headings to the Parts and sections of this act are a convenience
14 to the reader and are for reference only. The headings do not expand, limit, or define
15 the text of this act.

17 Requested by: Representatives Nesbitt, Diamont

18 —EXECUTIVE BUDGET ACT REFERENCE

19 Sec. 250. The provisions of the Executive Budget Act, Chapter 143, Article 1
20 of the General Statutes, are reenacted and shall remain in full force and effect and are
21 incorporated in this act by reference.

23 Requested by: Representatives Nesbitt, Diamont

24 —COMMITTEE REPORT

25 Sec. 251. The House Appropriations Committee Report on Base Budget
26 Reductions and Expansion Budget dated June 3, 1991, which was distributed in the
27 House and used to explain this act, shall indicate action by the General Assembly on
28 this act and shall therefore be used to construe this act, as provided in G.S. 143-15 of the
29 Executive Budget Act, and for these purposes shall be considered a part of this act.

31 Requested by: Representatives Nesbitt, Diamont

32 —MOST TEXT APPLIES ONLY TO 1991-93

33 Sec. 252. Except for statutory changes or other provisions that clearly
34 indicate an intention to have effects beyond the 1991-93 biennium, the textual
35 provisions of this act shall apply only to funds appropriated for and activities occurring
36 during the 1991-93 biennium.

38 Requested by: Representatives Nesbitt, Diamont

39 —SEVERABILITY CLAUSE

40 Sec. 253. If any section or provision of this act is declared unconstitutional or
41 invalid by the courts, it does not affect the validity of the act as a whole or any part
42 other than the part so declared to be unconstitutional or invalid.

44 Requested by: Representatives Nesbitt, Diamont

1 —EFFECTIVE DATE

2 Sec. 254. Except as otherwise provided, this act becomes effective July 1,
3 1991. This act becomes effective if and only if a subsequent act or acts become effective
4 that raise sufficient revenue to balance the base budget enacted in this act.