

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

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**SENATE BILL 1035**

Short Title: Living Income Study Commission.

(Public)

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Sponsors: Senator Ballance.

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Referred to: Rules and Operations of the Senate.

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April 5, 2001

A BILL TO BE ENTITLED

AN ACT CREATING THE LIVING INCOME STUDY COMMISSION AND  
APPROPRIATING FUNDS FOR THE WORK OF THE COMMISSION.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** There is created the Living Income Study Commission  
("Commission"). The Commission shall consist of 20 members appointed as follows:

(1) Ten members appointed by the President Pro Tempore of the Senate,  
to include:

- a. Four members of the Senate.
- b. One person who is a working citizen of low to moderate income.
- c. One person who represents an organization whose primary purpose is to represent the interests of Latino and Hispanic citizens.
- d. One person who represents an organization whose primary purpose is to represent the interests of Asian-Americans.
- e. One person who represents an organization whose primary purpose is to represent the interests of women.
- f. One person who is knowledgeable about State and federal income taxes.
- g. One person from a private business or firm employing fewer than 200 employees in this State.

(2) Ten members appointed by the Speaker of the House of Representatives, to include:

- a. Four members of the House of Representatives.
- b. One person who represents an organization whose primary purpose is to represent the interests of workers.

- 1 c. One person who represents an organization whose primary  
2 purpose is to represent the interests of African-American  
3 citizens.  
4 d. One person who represents an organization whose primary  
5 purpose is to represent the interests of the American Indian  
6 community.  
7 e. One person who is knowledgeable about the State's public  
8 education system.  
9 f. One person who is knowledgeable about unemployment  
10 insurance laws and State and federal labor laws.  
11 g. One person from a private business or firm employing 200 or  
12 more employees in this State.

13 **SECTION 1.(b)** The Commission shall do the following:

- 14 (1) Identify a basic needs budget for North Carolina families and  
15 determine the income, hereinafter the "Living Income", and hourly  
16 wage needed to support the basic needs budget.  
17 (2) Determine the extent to which current labor market participation and  
18 wages enable individuals and families to earn a Living Income  
19 necessary to meet their basic needs.  
20 (3) Determine how many North Carolinians work and earn a Living  
21 Income as defined in subdivision (1) of this subsection and how many  
22 work and earn wages below two hundred percent (200%) of the  
23 Federal Poverty Guideline, and study trends in the size, geographic,  
24 and demographic profiles of these groups. To the extent possible, this  
25 should be done at the county level and demographic profiles should  
26 include, but shall not be limited to, gender, race, country of origin,  
27 education level, and age.  
28 (4) Examine job market factors that contribute to any changes in the  
29 composition and numbers of those working but unable to meet their  
30 basic needs including, but not limited to, shifts from manufacturing to  
31 service, from full-time to part-time work, from permanent to  
32 temporary or other contingent employment, and geographic location of  
33 economic development.  
34 (5) Examine cost-of-living factors that contribute to changes in the  
35 number of those working but unable to meet their basic needs  
36 including, but not limited to, child care, housing, health care, and  
37 utility costs.  
38 (6) Examine the efficacy of current and proposed economic development  
39 efforts (especially tax incentives) and other public and private  
40 initiatives that could increase household income to an amount adequate  
41 to support the household.  
42 (7) Evaluate the effectiveness of the unemployment insurance system in  
43 meeting the needs of low-wage workers when they become  
44 unemployed.

- 1 (8) Evaluate the effectiveness of the public school system to educate  
2 students about budgeting and economic literacy skills and about their  
3 role as consumers and workers in contemporary society.
- 4 (9) Examine the efficacy of a State earned income tax credit to enable  
5 working families to meet the requirements of a basic needs budget.
- 6 (10) Examine the wages, benefits, and protections available to part-time  
7 and temporary workers, leased employees, independent contractors,  
8 and other contingent workers as compared to regular full-time  
9 workers.
- 10 (11) Examine the number, household structure, and demographics of  
11 workers earning close to the federal minimum wage, the economic  
12 effects in North Carolina of the past increases in the federal minimum  
13 wage and economic effects in other states that have implemented  
14 minimum wages higher than the federal minimum, including, but not  
15 limited to, the impact on public assistance payments, competitiveness  
16 of employers, and other employee benefits.
- 17 (12) Conduct public hearings around the State to solicit first-hand  
18 testimony of workers who earn below a living wage.
- 19 (13) Consider any other matter that the Commission finds relevant to its  
20 charge.

21 **SECTION 2.(a)** The Speaker of the House of Representatives and the  
22 President Pro Tempore of the Senate shall each appoint a cochair for the Commission.  
23 The Commission may contract for consultant services as provided by G.S. 120-32.02.  
24 Upon approval of the Legislative Services Commission, the Legislative Services Officer  
25 shall assign professional and clerical staff to assist in the work of the Commission.  
26 Clerical staff shall be furnished to the Commission through the offices of the House of  
27 Representatives and Senate Supervisors of Clerks. The Commission may meet in the  
28 Legislative Building or the Legislative Office Building upon the approval of the  
29 Legislative Services Commission. The Commission, while in discharge of official  
30 duties, may exercise all the powers provided under the provisions of G.S. 120-19  
31 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and  
32 departments of the State to provide any information, data, or documents within their  
33 possession, ascertainable from their records, or otherwise available to them, and the  
34 power to subpoena witnesses. Members of the Commission shall receive per diem,  
35 subsistence, and travel allowances at the rate established in G.S. 120-3.1. Vacancies  
36 shall be filled by the appointing authority.

37 **SECTION 2.(b)** The Commission shall submit an interim report to the 2002  
38 Regular Session of the 2001 General Assembly that contains its recommendations,  
39 legislative proposals, and cost analyses. The Commission shall make a final report to  
40 the 2003 General Assembly and shall terminate upon filing its final report.

41 **SECTION 3.** There is appropriated from the General Fund to the General  
42 Assembly the sum of fifty thousand dollars (\$50,000) for the 2001-2002 fiscal year and  
43 the sum of fifty thousand dollars (\$50,000) for the 2002-2003 fiscal year for the costs of  
44 the work of the Living Income Study Commission, created in Section 1 of this act.

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**SECTION 4.** This act becomes effective July 1, 2001.