

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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

Short Title: Studies Act of 2004.

(Public)

Sponsors:

Referred to:

May 18, 2004

A BILL TO BE ENTITLED

AN ACT CONCERNING STUDIES.

The General Assembly of North Carolina enacts:

PART I. TITLE

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

PART II. LEGISLATIVE RESEARCH COMMISSION

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

(1) Government Regulatory Issues:

- a. Fire safety in local confinement facilities
- b. Regulating ticket brokers
- c. Light pollution (Queen)
- d. Urban cores (Queen)
- e. Legislative and Executive branch lobbying (Kinnaird)
- f. Alcoholic beverage control
- g. State fire protection (S.B. 1377 – Kinnaird)

(2) Transportation Issues:

- a. Purchasing alternative-fuel or low-emission school buses (S.J.R. 768 – Bingham)

- 1 b. Commercial drivers license requirements and emergency
- 2 situations (Sloan)
- 3 (3) Consumer Issues:
- 4 a. Debt collection practices (Rand)
- 5 (4) Insurance Issues:
- 6 a. Workers' compensation/agricultural employment (S.B. 632 –
- 7 Clodfelter)
- 8 (b) Workers comp./trucking companies (H.B. 1370)
- 9 (5) Criminal Law Issues:
- 10 a. Review of sentencing guidelines
- 11 b. Judicial approval for pleas in certain cases (Clodfelter)
- 12 (6) State Employee Issues:
- 13 a. Pay equity (S.B. 747 – Lucas)
- 14 b. Job sharing
- 15 c. Reemployment of retirees (S.B. 10 – Garwood)
- 16 d. Postretirement Earnings (S.B. 1313 – Dorsett)
- 17 (7) Other:
- 18 a. Guardianship (S.B. 1152 – Swindell, Purcell)
- 19 b. Immigration (S.J.R. 553 – Albertson)
- 20 c. Marine fisheries (S.B. 838 – Albertson)
- 21 d. Casino nights for nonprofit organizations
- 22 e. Soil and water conservation issues
- 23 f. Trafficking of persons (S.B. 1197 – Kinnaird)
- 24 g. Regulation of sellers of timeshares (Rand)
- 25 h. Attorney solicitation regulation (S.B. 1317 – Rand)

26 **SECTION 2.1.(a)** Size/Scope of Boards and Commissions (S.J.R. 924 –

27 Rand) – The Commission may study boards and commissions. If this study is

28 undertaken, the Commission shall establish a schedule for reviewing boards and

29 commissions so that approximately twenty-five percent (25%) of the total number of

30 State boards and commissions are reviewed each year for the next four years. In

31 reviewing boards and commissions, the Commission shall consider the following:

- 32 (1) The consolidation of boards and commissions, where appropriate.
- 33 (2) Reducing the number of members serving on boards and commissions.
- 34 (3) Reducing the number of meetings of boards and commissions.
- 35 (4) The scope and authority of boards and commissions.
- 36 (5) The elimination of boards and commissions, where appropriate.

37 **SECTION 2.1.(b)** Availability of Health Insurance for Small Businesses and

38 Trade Associations (S.B. 758 – Rand, Clodfelter, Soles) – The Commission may study

39 the availability of health insurance for small employers. The Commission shall

40 examine the Small Employer Group Health Insurance Reform Act to determine whether

41 its provisions should be revised to increase the availability of health insurance offered to

42 small employers in North Carolina. The Commission shall also examine whether North

43 Carolina laws conflict with federal law regarding the ability of a trade association to

44 obtain health insurance through a commercial carrier.

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

6 **SECTION 2.1.(d)** Pawnbrokers – The Commission may study the laws
7 regulating pawnbrokers and those nonregulated retail outlets engaging in similar
8 business and acting as pawnbrokers. If undertaken by the Commission, the study shall
9 include an examination of the advisability, viability, and cost of all of the following
10 modifications to existing law with the goal of more efficiently monitoring pawnshop
11 businesses that are engaging in similar business and to more effectively aid in the
12 speedy recovery of stolen property:

- 13 (1) Picture identification of sellers or pledgers.
- 14 (2) Thumbprints on each pawn or sales receipt.
- 15 (3) Machine-printed or otherwise legible pawn and sales receipts.
- 16 (4) Requirements for time and date on pawn or sales receipts.
- 17 (5) Recordation of any visible owner-applied numbers or markings on
18 property.
- 19 (6) Prohibition on receipt and sale of new property.
- 20 (7) Authorization of fees to support local pawnbroker-related law
21 enforcement.
- 22 (8) Computerization of pawnshop records.
- 23 (9) Requirement that pawnbroker records be made available to law
24 enforcement.

25 **SECTION 2.1.(e)** Medicaid Funding – The Commission may study the
26 feasibility of eliminating county financial participation in the Medicaid program. In
27 conducting the study, the Commission may consider alternative funding methods to
28 ensure that the short- and long-term impact on State funds of eliminating county
29 financial participation in Medicaid is revenue neutral when calculated on a statewide
30 basis. The Commission may also consider retaining the county contribution to
31 administrative costs of the Medicaid program. In making its recommendations to the
32 General Assembly, the Commission shall include a fiscal analysis of the impact on State
33 revenue and Medicaid expenses estimated to result from eliminating county
34 participation in the Medicaid program.

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

- 38 (1) Whether the State-developed tests are the appropriate means to
39 measure student mastery of the knowledge and skills taught in
40 vocational education courses, with specific focus on the agriculture
41 curriculum.
- 42 (2) The system for development of appropriate tests and methods of
43 measuring student achievement and program performance in
44 vocational and technical education.

1 (3) The public school system of measuring student performance in the
2 vocational and technical area as compared to the community college
3 system of measuring student performance in the vocational and
4 technical area.

5 (4) Alternatives to the current tests, methods, and techniques provided
6 through VoCATS.

7 **SECTION 2.1.(g)** Availability and Delivery of Government Services to
8 Hispanics (Reeves, Malone) – The Commission may study the current State and local
9 policies regarding the availability and delivery of government services to the State's
10 increasing Hispanic population, the issues confronted by governmental agencies in
11 effectively delivering those services, and the issues confronted by members of the
12 Hispanic community in obtaining those services. If it undertakes this study, the
13 Commission shall focus particularly on services in the areas of education, health, and
14 public safety. As part of its study, the Commission may consider how all of the
15 following complicate the delivery and receipt of government services within the State's
16 Hispanic community:

17 (1) Cultural differences.

18 (2) Language barriers.

19 (3) Difficulties encountered by members of the Hispanic community in
20 obtaining the personal identification documents that are often required
21 to obtain government services.

22 (4) Difficulties encountered by members of the Hispanic community in
23 obtaining drivers licenses, occupational licenses, professional licenses,
24 and other types of licenses required to qualify for governmental
25 services or to do business in the State.

26 (5) Federal immigration laws, the failure to comply with those laws, and
27 how the fear of discovery of noncompliance with federal immigration
28 laws affects the delivery and receipt of services, and in some instance
29 even the willingness to apply for those services.

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

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

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

37 **SECTION 2.1.(h)** Office of State Energy – The Commission may study the
38 functions, duties, and responsibilities of the Office of State Energy and may make a
39 determination of whether those functions, duties, and responsibilities support the
40 legislative purpose for the Office or whether the purpose should be modified.

41 **SECTION 2.1.(i)** Comprehensive Statewide Emergency Communications
42 Planning (Clodfelter) – The Commission may study and recommend legislation,
43 funding needs, interoperability, and policy to:

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

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

7 **SECTION 2.1.(j)** School Calendar/Later First Instructional Day/Workdays –

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

19 (1) The economic impact of setting the first instructional day of the school
20 year later than the current practice.

21 (2) The impact on elementary school students.

22 (3) The impact of the school calendar on the quality of education.

23 (4) The performance of students on block schedules as compared to
24 students on traditional schedules.

25 (5) The performance of students who take examinations before Christmas
26 as compared to those who take exams after Christmas.

27 (6) The impact on the schedule for high school and middle school athletic
28 events.

29 (7) The impact on school personnel, particularly those who must
30 coordinate their schedules with institutions of higher education to
31 maintain their certification.

32 (8) The school calendars of other states.

33 (9) The impact of weather on lost school days.

34 (10) The impact of an early August school start on family economics and
35 culture.

36 (11) The impact on teacher workdays.

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

40 **SECTION 2.1.(k)** Naturopathy (S.B.1268 – Kinnaird) – The Commission
41 may study the practice of naturopathy in North Carolina and make recommendations as
42 to whether it would be in the public interest for practitioners to be licensed or otherwise
43 appropriately regulated.

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

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

38 **SECTION 2.1.(I)** Equity-Building Homes (S.B. 894 – Queen) – The
39 Commission may study methods to substantially increase the number of North
40 Carolinians who own equity-building homes. As part of the study, the Commission
41 may:

- 42 (1) Determine the extent to which the public is knowledgeable about
43 housing products that are likely to build equity over time.

- 1 (2) Identify State, federal, and local barriers to constructing
2 equity-building homes in both high-demand locations and rural areas.
- 3 (3) Investigate the adequacy and funding of programs and counseling
4 services that are available to educate consumers about home financing
5 products, credit remediation, home maintenance, and foreclosure
6 prevention strategies.

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

13 **SECTION 2.1.(m)** Funding/Budgeting of Occupational Licensing Boards
14 (Hagan) – The Commission may study the funding mechanisms of all of the
15 occupational licensing boards and commissions in the State and shall consider options
16 for funding and budgeting those boards and commissions more effectively and
17 efficiently, including funding and budgeting those board and commissions through the
18 General Fund.

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

- 22 (1) Mandates that the State has placed on local governments regarding the
23 provision of services to State residents. This study shall include a
24 review of which mandates are a result of State law, which mandates
25 are a result of federal law, and which mandates are a result of a
26 combination of State and federal law.
- 27 (2) Funding sources for local governments. The study shall include a
28 review of all appropriations made from the State to local governments,
29 all revenues shared between the State and local governments, and all
30 methods of raising revenue allowed by the State to local governments.
- 31 (3) A comparison of the State-local relationship in North Carolina with the
32 state-local relationships in other states. In particular, the study shall
33 compare the percentage of the costs of services borne by the State in
34 comparison to the percentage of similar costborne by other states.
- 35 (4) A comparison of local governments with regard to the burden on local
36 budgets of mandated programs. This study shall look at the property
37 tax rates in different jurisdictions and the percentage of local budgets
38 that support various programs.
- 39 (5) A comparison of the combined State-local tax burden on individuals
40 and businesses in comparison with those in other states.

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

1 **SECTION 2.2.** For each Legislative Research Commission committee
2 created during the 2003-2005 biennium, the cochairs of the Legislative Research
3 Commission shall appoint the committee membership.

4 **SECTION 2.3.** For each of the topics the Legislative Research Commission
5 decides to study under this part or pursuant to G.S. 120-30.17(1), the Commission may
6 report its findings, together with any recommended legislation, to the 2005 General
7 Assembly upon its convening.

8 **SECTION 2.4.** From the funds available to the General Assembly, the
9 Legislative Services Commission may allocate additional monies to fund the work of
10 the Legislative Research Commission.

11
12 **PART III. JOINT LEGISLATIVE GROWTH STRATEGIES OVERSIGHT**
13 **COMMITTEE**

14
15 **SECTION 3.1.** The Joint Legislative Growth Strategies Oversight
16 Committee may study the issues of:

- 17 (1) Delegation of authority to cities and counties (S.B. 160 – Clodfelter).
- 18 (2) Modernizing city and county planning (S.B. 914 – Clodfelter).
- 19 (3) Transferable development rights.

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

21 **"SECTION 3.3.** This Part becomes effective January 15, 2002, and expires January
22 16, ~~2005-2007~~. Prior to its expiration on January 16, ~~2005-2007~~, the Committee shall
23 report to the General Assembly on its activities conducted pursuant to this Part."
24

25 **PART IV. STUDY COMMISSION ON RESIDENTIAL AND URBAN**
26 **DEVELOPMENT ENCROACHMENT ON MILITARY BASES AND TRAINING**
27 **AREAS (Rand)**

28
29 **SECTION 4.1.** There is created the Study Commission on Residential and
30 Urban Development Encroachment on Military Bases and Training Areas. The
31 Commission shall consist of 17 members as follows:

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

- 1 (7) One elected or appointed municipal official appointed by the Speaker
2 of the House of Representatives.

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

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

- 10 (1) Restricting the zoning in the areas around military bases and training
11 areas.
12 (2) How encroachment affects deed registration.
13 (3) Protecting the areas around military bases and training areas by
14 purchasing development rights and buffers using all available State
15 trust funds and other available funding mechanisms.
16 (4) Any other issue the Commission considers relevant.

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

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

29 **SECTION 4.4.** The Commission shall submit a final report of its findings
30 and recommendations, including any legislative recommendations, to the 2005 General
31 Assembly upon its convening. The Commission shall terminate upon the convening of
32 the 2005 General Assembly.

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

36
37 **PART V. LEGISLATIVE STUDY COMMISSION ON STATE PERSONNEL**
38 **STATUTES (S.B. 1378 – Reeves)**
39

40 **SECTION 5.1.** The General Assembly shall study issues related to the State
41 Personnel Act. The Speaker of the House of Representatives and the President Pro
42 Tempore of the Senate shall designate an appropriate committee to conduct the study.
43 The Committee may make an interim report to the 2005 General Assembly and shall
44 make its final report to the 2006 Regular Session of the 2005 General Assembly.

1
2 **PART VI. ELECTRONIC RECORDATION AND REVISION OF NOTARY**
3 **LAWS (S.B. 1094–Berger)**

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

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

21
22 **PART VII. UNIFORM UNINCORPORATED NONPROFIT ASSOCIATION**
23 **ACT**

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

29
30 **PART VIII. INNOVATIVE PEAT-BASED WASTEWATER SYSTEMS STUDY**

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

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

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

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

8 9 **PART IX. JOINT LEGISLATIVE UTILITY REVIEW COMMITTEE**

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

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

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

41 42 **PART X. NORTH CAROLINA BUILDING CODE COUNCIL STUDY (Queen)**

1 **SECTION 10.1.** The General Assembly finds that the affordability of
2 housing is an important issue and that the State should endeavor to ensure that State
3 regulation does not unnecessarily increase the cost of housing. To that end, the North
4 Carolina Building Code Council shall study the Residential Building Code to determine
5 which provisions, if any, are unnecessary, outdated, overly stringent, or otherwise
6 unduly increase the cost of housing.

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

10
11 **PART XI. LOCAL SCHOOL CONSTRUCTION FINANCING STUDY**
12 **COMMISSION (S.B. 1372 – Clodfelter)**

13
14 **SECTION 11.1.** Establishment of the Commission. – The Local School
15 Construction Financing Study Commission is established.

16 **SECTION 11.2.** Membership. – The Commission shall be composed of 18
17 members, as follows:

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

35 Vacancies shall be filled by the appointing authority.

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

1 construction bond pools, and any other financing issues deemed pertinent by the
2 Commission.

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

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

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

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

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

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

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

32 **PART XII. VOTER PAPER TRAIL STUDY (S.B. 1415 – Kinnaird, Lucas)**

33 **SECTION 12.1.** There is established the Electronic Voting Systems Study
34 Commission. That Commission shall consist of nine members to be appointed as
35 follows:
36
37

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

1 (2) Four members shall be appointed by the Speaker of the House of
2 Representatives. One shall be a member of the State Board of
3 Elections. One shall be a county election board member. One shall be
4 a person with expertise in computer security.

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

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

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

21 **SECTION 12.3.** 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 by the Legislative Services Commission, the Legislative Services
25 Officer shall assign professional and clerical staff to assist in the work of the
26 Commission. Clerical staff shall be furnished to the Commission through the offices of
27 the House of Representatives and Senate Supervisor of Clerks. The Commission may
28 meet in the Legislative Building or the Legislative Office Building upon the approval of
29 the 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, 138-5, or
36 138-6, as appropriate. Vacancies shall be filled by the appointing authority.

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

40
41 **PART XIII. JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE**
42 **STUDIES**
43

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

5 **SECTION 13.2.** Teacher assistant salary schedule– The Committee may
6 study establishing a salary schedule for teacher assistants.

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

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

12 **SECTION 13.5.** High school graduation rate incentives (S.B. 949 – Lucas) –
13 The Committee may study whether bonuses should be paid to principals for increased
14 graduation rates.

15 **SECTION 13.6.** At-risk students single funding stream (S.B. 954 – Lucas) –
16 The Committee may study whether a single funding stream should be targeted to at-risk
17 students.

18 **SECTION 13.7.** Close achievement gap (S.B. 599 – Lucas) – The
19 Committee may study the best practices and methodologies for closing the achievement
20 gap among children of various demographic groups who are performing below grade
21 level.

22 **SECTION 13.8.** E-textbooks for students – The Committee may study
23 issues related to the availability and use of electronic copies of textbooks for public
24 school students.

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

31 **SECTION 13.10.** Kindergarten admission requirements – The Committee
32 may study the issue of modifying kindergarten admission requirements as it relates to
33 student readiness to enter kindergarten.

34 **SECTION 13.11.** Update the job description for school counselors – The
35 Committee may study updating and clarifying the job description for public school
36 guidance counselors.

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

- 40 (1) The number of tests currently mandated at the State level and the
41 process and cost of developing, validating, and scoring them.
- 42 (2) Whether the State should consider the use of nationally developed tests
43 as a substitute to State developed tests. In particular, the Committee
44 shall determine whether this use would: affect the ABCs Program;

1 adequately measure student achievement and performance; provide
2 more than minimum levels of achievement; provide a better
3 comparison to student achievement and performance in other states; be
4 practical for high school courses or higher level courses; reduce the
5 need for field testing; and offer any cost savings to the State.

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

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

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

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

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

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

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

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

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

1 **SECTION 13.15.** Computer-based math and literacy programs for children
2 under age 6 – The Committee may study ways to improve math and literacy skills in
3 children age 18 months to six years of age through the use of innovative computer based
4 software.

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

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

1 Department of Juvenile Justice and Delinquency Prevention is
2 responsible for providing the child's education.

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

5
6 **PART XIV. REVENUE LAWS STUDY COMMITTEE**

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

11 **SECTION 14.2.** Valuation of Lots in Subdivisions (S.B. 520 – Dalton) –
12 The Committee may study the valuation of partially improved, undeveloped lots in
13 subdivisions.

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

16 **SECTION 14.4.** Conform Bank Expense Deduction – The Committee may
17 study whether the State income tax on banks should be conformed to the federal income
18 tax.

19 **SECTION 14.5.** Subsidiary Dividend Taxes – The Committee may study
20 whether the expense attribution law as it applies to deductible dividends should be
21 modified.

22 **SECTION 14.6.** Income Tax Derived From Manufacturing – The
23 Committee may study whether income derived from manufacturing should be exempt
24 from income taxation.

25 **SECTION 14.7.** Tax Foreclosures – The Property Tax Subcommittee of the
26 Revenue Laws Study Committee may study the issue of foreclosures on tax liens,
27 including proposals for expediting the foreclosure action.

28 **SECTION 14.8.** Comparative Tax Burden – The Committee may study the
29 comparative tax burden on residents of South Carolina and residents of North Carolina.

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

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

36 **SECTION 14.11.** Tax Preferences – The Committee may study whether tax
37 expenditures should be reviewed at least once every 10 years.

38 **SECTION 14.12.** Reduce Utility Equipment Sales Tax – The Committee
39 may study whether light construction equipment should be given preferential sales and
40 use tax treatment.

41 **SECTION 14.13.** Business Taxation (S.B. 1330 – Clodfelter) – The
42 Committee may study comprehensive reform and simplification of the existing State
43 taxes on business entities, including corporations, limited liability companies,

1 partnerships, business trusts, associations, and other entities engaged in business. The
2 elements of the plan to be studied shall include the following:

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

24 **SECTION 14.14.** Tax Credits for Certain Real Property Donations (S.B.
25 1214 – Clodfelter) – The Committee may study real property donation tax credits,
26 including the credits specified in G.S. 105-130.34 and G.S. 105-151.12. The study may
27 address the following issues:

- 28 (1) The coordination between the Department of Environment and Natural
29 Resources and the Department of Revenue in administering the credits.
- 30 (2) The criteria by which the Department of Environment and Natural
31 Resources determines whether a donation provides public benefits.
- 32 (3) The integrity of appraisals submitted by donors and procedures for
33 preventing abuse of the credits.
- 34 (4) Qualifications and certifications of the government and nonprofit
35 agencies that receive the donations.
- 36 (5) Long-term stewardship of conservation easements.
- 37 (6) Rising land prices and the effect of the credit caps on the amount of
38 credit that can be claimed.
- 39 (7) Options for carryforward, refundability, and transfer of the credits.
- 40 (8) Any other issues the Committee considers relevant to tax incentives
41 for encouraging farmers, landowners, and developers to conserve land.

42 As a part of this study, the Committee shall consult with the Farm Bureau, the
43 Executive Director of the Clean Water Management Trust Fund, the Executive Director
44 of the Wildlife Resources Commission, the Secretary of the Department of Environment

1 and Natural Resources or his designee, the Conservation Fund, and Sustainable North
2 Carolina.

3 **SECTION 14.15.** Travel and Tourism Capital Investment – The
4 Commission shall study the establishment of a Travel and Tourism Capital Investment
5 Program in the Department of Commerce.

6
7 **PART XV. JOINT LEGISLATIVE HEALTH CARE OVERSIGHT**
8 **COMMITTEE**

9
10 **SECTION 15.1.** The Joint Legislative Health Care Oversight Committee
11 may study the topics listed in this part and report its findings, together with any
12 recommended legislation, to the 2005 General Assembly upon its convening.

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

15 **SECTION 15.3.** Consolidation of State Health Care Services (Rand) – The
16 Committee may study whether a State entity should be established to purchase health
17 care services provided with State funds and to administer data consolidation and claims
18 processing systems in order to enhance quality of care, promote cost containment, and
19 achieve administrative efficiency and effectiveness in the system of services provided
20 by the State.

21
22 **PART XVI. STUDY OF VARIOUS WAYS TO PROMOTE GOVERNMENT**
23 **EFFICIENCY AND SAVINGS IN STATE SPENDING (Rand)**

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

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

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

41
42 **PART XVII. JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT**
43 **COMMITTEE STUDIES**
44

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

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

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

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

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

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

41
42 **PART XVIII. STUDY FINANCING OF MENTAL HEALTH,**
43 **DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES**
44

1 **SECTION 18.1.** The Department of Health and Human Services shall study
2 the financing of mental health, developmental disabilities, and substance abuse services.
3 The study shall include the following:

4 (1) An examination of all sources of funds used in the delivery of mental
5 health, developmental disabilities, and substance abuse services
6 throughout the Department.

7 (2) An examination of alternative financing mechanisms for funding
8 mental health, developmental disabilities, and substance abuse
9 services, including Medicaid.

10 (3) Recommendations for feasible alternative financing mechanisms.

11 The Department shall report its findings and recommendations to the Legislative
12 Oversight Committee on Mental Health, Developmental Disabilities, and Substance
13 Abuse Services, the House of Representatives Appropriations Subcommittee on Health
14 and Human Services, the Senate Appropriations Committee on Health and Human
15 Services, and the Fiscal Research Division no later than July 1, 2005.

16 17 **PART XIX. ENVIRONMENTAL REVIEW COMMISSION STUDIES**

18
19 **SECTION 19.1.** The Environmental Review Commission may study the
20 topics listed in this part and report its findings, together with any recommended
21 legislation, to the 2005 General Assembly upon its convening.

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

28 (1) The adequacy of current funding levels, additional funding needs, and
29 funding options, including increasing fees to cover the cost of
30 permitting, inspections, and enforcement.

31 (2) Options to improve efficiency and reduce costs, including the
32 consolidation of permitting, inspection, and enforcement functions.

33 (3) The adequacy of current staffing levels.

34 (4) Options to improve coordination among programs.

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

38 **SECTION 19.3.** Plan to Share Floodplain Mapping Information – The
39 Commission may study whether the information compiled on a regular basis by the
40 Statewide Floodplain Mapping Unit would be useful and relevant to dam operators,
41 local agencies, and State agencies with regard to making decisions about coordinating
42 and controlling water releases from dams, flood control, floodplain management, and
43 emergency evacuation procedures. If it undertakes this study, the Commission may
44 consider the type of information compiled by the Statewide Floodplain Mapping Unit

1 and the value of that information in assisting with decisions regarding flood control
2 techniques, floodplain management, and the time, frequency, and manner of water
3 releases from dams. The Commission may also consider the feasibility of making that
4 information readily available to dam operators, appropriate local agencies, and
5 appropriate State agencies. The Commission may also consider whether it is appropriate
6 to incorporate the information available from the Statewide Floodplain Mapping Unit
7 into local emergency management plans and downstream inundation maps. The
8 Commission may also study any other issues relevant to this topic.

9 **SECTION 19.4.** Water Restriction Guidelines – The Commission may study
10 water restriction guidelines created by the Department of Environment and Natural
11 Resources and implemented by local governments. If it undertakes this study, the
12 Commission shall consider the State's role and authority to regulate water usage during
13 times of drought conditions and shall also consider:

- 14 (1) The economic impact of water conservation measures.
- 15 (2) The balance between protecting water supply and economic impact on
16 local communities.
- 17 (3) Recommendations on establishing consistency across the State with
18 respect to classes of water use, specifically the use of the terms
19 essential and nonessential use.

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

23 **SECTION 19.6.** Clean Air Trust Fund – The Commission may study
24 establishing a Clean Air Trust Fund.

25 **SECTION 19.7.** Fair Bargain Act (S.B. 878 – Horton) – The Commission
26 May study evocation of contracts under certain circumstances.

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

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

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

- 37 (1) Whether the State should modify the current highway use tax so that
38 all or a portion of the highway use tax paid on a private passenger
39 vehicle is based on the fuel efficiency rating of the vehicle.
- 40 (2) Whether the State should modify the current vehicle registration fee so
41 that all or a portion of the annual vehicle registration renewal fee for a
42 passenger vehicle is based on the vehicle miles traveled by the vehicle.

43 In its conduct of these studies, the Commission shall consider whether the
44 modifications studied under subsection (a) of this section should be made on a

1 revenue-neutral basis or should be made so as to generate additional revenue to be used
2 to fund initiatives designed to improve air quality and the efficiency of the
3 transportation system in the State.

4 **SECTION 19.11.** State Parks and Recreations Areas (S.B. 1270 – Kinnaird)
5 The Commission may study the addition of the Lower Haw River State Natural Area to
6 the State Parks system and the establishment of a State Recreation Area at Blewett Falls
7 Lake.

8 **SECTION 19.12.** Stormwater Issues. – The Commission may study various
9 approaches to prevent and reduce stormwater pollution throughout the State, including
10 but not limited to: low impact design as a stormwater management technique; financial
11 and regulatory incentives for the use of innovative stormwater management techniques;
12 technical assistance for local governments in implementing successful stormwater
13 management programs or collaborative regional programs; State and local efforts to
14 reduce sedimentation pollution; potential funding sources for improved stormwater
15 management; and protection of highly sensitive waters such as shellfishing and
16 recreational waters and trout streams.

17 **PART XX. HIGHWAY TRUST FUND STUDY COMMITTEE EXTENDED**

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

19 "SECTION 29.12.(k) Report. – The Study Committee may make interim reports
20 and shall make a final report to the Joint Legislative Transportation Oversight
21 Committee no later than ~~November 1, 2004.~~ January 31, 2005. Regardless of whether it
22 has filed an interim or final report, the Committee shall terminate on ~~November 1,~~
23 ~~2004.~~ January 31, 2005."

24 **PART XXI. DEPARTMENT OF ADMINISTRATION STUDY (Nesbitt)**

25 **SECTION 21.1.** The Department of Administration may study retainage
26 from payment on public construction projects. If it undertakes this study, the
27 Department shall consider the following:

- 28 (1) Retainage by public owners from payment to contractors and retainage
29 by those contractors from payment to subcontractors.
- 30 (2) Retainage from periodic progress payments and final payment,
31 including a maximum allowable amount of retainage.
- 32 (3) A time certain for the owner's release of retainage, based upon the
33 owner's occupancy, substantial completion of the work, or the owner's
34 use of the improvements for the purposes intended.
- 35 (4) A time certain for the contractor's release of retainage to a
36 subcontractor, based upon the contractor's receipt of retainage.
- 37 (5) Conditions permitting withholding of retention beyond the date of
38 release, including those stated in G.S. 143-134.1(d), and limits on the
39 amount of retainage for a condition permitting withholding.
40
41
42
43

1 (6) Interest on wrongfully withheld retainage and conditions for the
2 payment of attorneys' fees for the collection of wrongfully withheld
3 retainage.

4 (7) Line-item release of retainage, based upon a schedule of values, for
5 specific work that has been completed by the contractor and approved
6 by the owner.

7 (8) Any other matters relating to the withholding and release of retainage
8 on public construction projects.

9 **SECTION 21.2.** The Department shall report the results of its study to the
10 2005 General Assembly upon its convening.

11
12 **PART XXII. UNC BOARD OF GOVERNORS STUDY COMMISSION**

13
14 **SECTION 22.1.** There is created the UNC Board of Governors Study
15 Commission. The Commission shall consist of 10 members appointed as follows: five
16 by the President Pro Tempore of the Senate and five by the Speakers of the House of
17 Representatives. The Speakers of the House of Representatives shall appoint a cochair
18 and the President Pro Tempore of the Senate shall appoint a cochair for the
19 Commission. Vacancies on the Commission shall be filled by the appointing authority.
20 The Commission shall meet upon the call of the chairs. A majority of the members of
21 the Commission shall constitute a quorum.

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

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

31 **SECTION 22.4.** Subject to the approval of the Legislative Services
32 Commission, the Commission may meet in the State Legislative Building or the
33 Legislative Office Building. The Legislative Services Commission, through the
34 Legislative Services Officer, shall assign professional staff to assist in the work of the
35 Commission. The House of Representatives' and the Senate's Supervisors of Clerks
36 shall assign clerical staff to the Commission, and the expenses relating to the clerical
37 employees shall be borne by the Commission. All State departments and agencies and
38 local governments and their subdivisions shall furnish the Commission with information
39 in their possession or available to them. Of the funds appropriated to the General
40 Assembly, the Legislative Services Commission shall allocate funds for the expenses of
41 the Commission established by this part.

42 **SECTION 22.5.** The Commission shall terminate upon the filing of its final
43 report.

PART XXIII. NORTH CAROLINA STUDY COMMISSION ON AGING STUDY

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

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

SECTION 23.3. Mentally ill long-term care residents (S.B. 1150 – Swindell) – The Commission may study issues related to mentally ill residents in long-term care facilities.

PART XXIV. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES STUDIES

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

SECTION 24.2. Integration of care for children with multiple system service needs (S.B. 262 – Foxx, Allran, Dannelly, Lucas, Purcell) – The Committee shall conduct a comprehensive review of the State's system of care for children with multiple system service needs. The purpose of the comprehensive review is to determine the extent to which children who need services from multiple State and local agencies in this system are or are not receiving those services in a timely manner, the effectiveness of the services provided, the potential long-term impact on the children, their families, and State and local resources of not providing all services in a timely and cost-effective manner, and to make detailed recommendations on the system changes necessary to address the problems identified as quickly as possible. Recommendations on system changes shall include programmatic and funding changes, and an analysis and estimate of implementation costs and projected cost-savings to the State in future years. In order to ensure a dedicated focus and appropriate expertise for the comprehensive review, the Committee shall convene a task force to conduct the review. The task force shall be comprised of the cochairs of the Oversight Committee, the Joint Legislative Education Oversight Committee, the Joint Legislative Corrections, Crime Control, and Juvenile Justice Oversight Committee, the Joint Legislative Health Care Oversight Committee, and other individuals appointed by the cochairs of the Oversight Committee upon recommendation of the other members of the task force.

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

- (1) State-of-the-art approaches to services to children with multiple system service needs as the basis of reform in North Carolina.

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

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

36 **SECTION 24.3.** Mental health in prisons – The Committee may study the
37 incidence of mental illness and substance abuse problems among inmates in the North
38 Carolina prison and juvenile justice systems.

39
40 **PART XXV. JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND**
41 **AQUACULTURE STUDY**

42
43 **SECTION 25.1.** The Joint Legislative Commission on Seafood and
44 Aquaculture may study whether it should be unlawful to take shrimp with trawl nets in

1 certain inland waters. The Commission may report the results of its findings, together
2 with any recommended legislation, to the 2005 General Assembly upon its convening.

3
4 **PART XXVI. ADMINISTRATIVE OFFICE OF THE COURTS/DEPARTMENT**
5 **OF CORRECTION STUDY**

6
7 **SECTION 26.1.** The Administrative Office of the Courts and the
8 Department of Correction shall jointly study the processes for the collection and
9 payment of restitution in this State, and shall determine methods for reducing the
10 number of restitution payments that go unclaimed. The Administrative Office of the
11 Courts and the Department of Correction shall report their findings and
12 recommendations to the 2005 General Assembly upon its convening.

13
14 **PART XXVII. MARINE FISHERIES COMMISSION STUDY OF SHELLFISH**
15 **CULTIVATION LEASES (S.B. 1071 – Albertson)**

16
17 **SECTION 27.1.** The Marine Fisheries Commission may study whether and
18 how to establish a process by which shellfish cultivation leases that are terminated
19 pursuant to G.S. 113-202(1) may be leased to an applicant for a shellfish cultivation
20 lease without the leasehold reverting to public bottom. If the Commission conducts a
21 study pursuant to this section, it shall report its findings, recommendations, and
22 legislative proposals, if any, to the Joint Legislative Commission on Seafood and
23 Aquaculture no later than December 1, 2004.

24 **SECTION 27.2.** The Marine Fisheries Commission may study issues related
25 to the corporate ownership of shellfish cultivation leases. If the Commission conducts a
26 study pursuant to this section, it shall report its findings, recommendations, and
27 legislative proposals, if any, to the Joint Legislative Commission on Seafood and
28 Aquaculture no later than December 1, 2004.

29
30 **PART XXVIII. OFFICE OF STATE BUDGET AND MANAGEMENT STUDY**

31
32 **SECTION 28.1.** The Office of State Budget and Management shall conduct
33 an analysis of the structure and operation of the Department of Public Instruction. The
34 analysis shall identify potential efficiencies and savings in the operation of the
35 Department. The analysis may consider consolidation of functions with other agencies
36 and automation of functions.

37 **SECTION 28.2.** The Office of State Budget and Management shall report its
38 findings to the State Board of Education. The Office of State Budget and Management
39 and the State Board of Education shall jointly report to the Joint Legislative Education
40 Oversight Committee by January 15, 2005, on the results of the analysis.

41
42 **PART XXIX. UNC BOARD OF GOVERNORS STUDY FEASIBILITY OF**
43 **FORGIVENESS OF STUDENT DEBT PROGRAM**

1 **SECTION 29.1.** The Board of Governors of The University of North
2 Carolina, in conjunction with the North Carolina State Education Assistance Authority,
3 may study the feasibility of a program that would forgive student indebtedness for
4 teachers who have continuing certification in and are teaching in the disciplines of
5 mathematics, science, or special education. The Board shall report the results of its
6 study to the Joint Legislative Education Oversight Committee by January 15, 2005.

7
8 **PART XXX. STATE BOARD TEACHER RETENTION TASK FORCE**

9
10 **SECTION 30.1.** The State Board of Education shall form a Task Force
11 cochaired by the State Board of Education Chairman or designee and the Lt. Governor
12 or designee to study issues related to effective recruitment and retention of teachers for
13 the North Carolina public schools. The Task Force shall include practicing public
14 school teachers, principals, superintendents, local boards of education, and
15 representatives from the University System, the Community College System, and others
16 as deemed appropriate by the cochairs. In the course of this study, the State Board of
17 Education shall consider:

- 18 (1) Impediments to effective teacher recruitment and retention;
19 (2) Strategies for increasing the effectiveness or recruitment and retention
20 efforts;
- 21 a. Modifications to teacher salaries and benefits that will ensure
22 that teacher compensation in North Carolina remains at or
23 above the national average, thereby better enabling the public
24 schools to recruit and retain highly qualified teachers. The State
25 Board may consider:
- 26 1. Increased salaries for beginning teachers to make the
27 profession more attractive at the entry level;
28 2. Increased salaries for teachers at those points at which
29 higher numbers of teachers leave the teaching
30 profession;
31 3. Retirement options for teachers with 30 years of
32 experience that will provide opportunities for those
33 highly skilled and experienced teachers to continue in
34 service;
35 4. Differentiated salary opportunities for teachers who
36 demonstrate exemplary teaching skills, work in certain
37 areas of certification, work in hard-to-staff schools, or
38 serve as mentors, school improvement team leaders, or
39 serve as leaders in a Quality Teacher as Leader Program;
40 5. Other modifications to teacher salaries and benefits
41 necessary to recruit and retain highly qualified teachers
42 in the public schools.
- 43 b. Tax incentives to encourage experienced teachers to remain in
44 the teaching profession;

- 1 c. Locally designed initiatives to facilitate teacher recruitment and
2 retention;
- 3 d. Strategies for increasing the number of highly qualified
4 beginning teachers such as:
- 5 1. Expanding teacher preparation programs;
- 6 2. Expanding scholarship loan programs for prospective
7 teachers to recruit the most qualified high school
8 students to the teaching profession; and
- 9 3. Ensuring that graduates of teacher preparation programs
10 are well prepared to meet teacher-certification
11 requirements.
- 12 e. Strategies for giving beginning teachers the opportunity to
13 develop into skilled professionals such as assigning them to
14 teach only in their area of certification and minimizing their
15 noninstructional duties;
- 16 f. Strategies for ensuring that school-based administrators are
17 adequately trained to provide support for both experienced and
18 inexperienced teachers and that they provide that support;
- 19 g. Strategies for ensuring that teachers are treated respectfully by
20 students, such as a Teachers' Bill of Rights;
- 21 h. Increased expectations regarding parental involvement in and
22 support of their children's education;
- 23 i. The availability of communications devices in the classroom;
- 24 j. Strategies for a Quality Teacher as Leader Program as a career
25 option that compensates teachers for accomplished teaching and
26 values teachers as leaders; and
- 27 k. Strategies for ensuring that schools are staffed appropriately
28 and teachers have the time necessary to meet the State, federal
29 and local demands for quality teaching and learning
30 environments.

31 **SECTION 30.2.** The State Board of Education shall report its findings and
32 recommendations to the Joint Legislative Education Oversight Committee prior to
33 February 15, 2005. These recommendations may include changes to laws and policies.

34 **SECTION 30.3.** The Department of Public Instruction shall provide staff to
35 support the work of the Task Force upon the request of the cochairs or staff and
36 consultants may be hired from funds designated to support the work of the Task Force.

37 **SECTION 30.4.** The State Board of Education shall use federal funds to
38 support the work of the Task Force.

39
40 **PART XXXI. JOINT LEGISLATIVE CORRECTIONS, CRIME CONTROL,
41 AND JUVENILE JUSTICE OVERSIGHT COMMITTEE (S.B. 1014 – Berger)**

42
43 **SECTION 31.1.** The Joint Legislative Corrections, Crime Control, and
44 Juvenile Justice Oversight Committee may study the confinement of inmates who are

1 irreversibly, physically incapacitated due to chronic illness or disability. The
2 Committee's study may include, but is not limited to, a review of current policies, a
3 calculation of potential population figures and medical care costs, a determination of
4 possible alternatives to incarceration and accompanying costs, and a consideration of
5 procedures for termination or commutation of sentences.

6 **SECTION 31.2.** The Committee shall report its findings and
7 recommendations, including any proposed legislation, no later than the convening of the
8 2005 General Assembly.

9
10 **PART XXXII. AGRICULTURE AND FORESTRY AWARENESS STUDY**
11 **COMMISSION STUDIES**

12
13 **SECTION 32.1.** The Agriculture and Forestry Awareness Study
14 Commission may study the topics listed in this part and report its findings, together with
15 any recommended legislation, to the 2005 General Assembly upon its convening.

16 **SECTION 32.2.** Agriculture Commodity Incentives (Albertson) – The
17 Commission may study the possibility of establishing incentive programs to benefit
18 firms purchasing additional large quantities of North Carolina farm commodity products
19 when an overabundance of a specific commodity is designated by the State Department
20 of Agriculture and Consumer Services to be available for sale.

21 **SECTION 32.3.** Food Safety and Security (S.B. 834 – Albertson) – The
22 Commission may study ways to protect the State's food supply system and the
23 agricultural industry base.

24 **SECTION 32.4.** Dairy Industry (Albertson; Rand) – The Commission shall
25 study the condition of the dairy industry in the State. As a part of its study, the
26 Commission shall examine:

- 27 (1) The short-term and long-term problems associated with maintaining a
28 viable dairy industry and supplying the needed quantity of milk in the
29 State.
 - 30 (2) Ways to sustain the existing dairy industry in the State.
 - 31 (3) Opportunities for expanding the dairy industry, including attracting
32 both new dairy producers and new processors into the State.
 - 33 (4) The contribution of dairy farmers to the maintenance of prime
34 agricultural lands, and working lands, and the quality of life in the
35 State.
 - 36 (5) The need for programs that stabilize the pricing of milk at the farm
37 level, such as counter-cyclical or safety net type programs in the Farm
38 Security and Rural Investment Act of 2002, or a milk transportation
39 grant program to maintain a local supply of fresh milk for processing
40 and consumption, programs that facilitate the entry of young farmers
41 into the dairy industry, and programs that preserve dairy green space
42 along the urban fringe.
 - 43 (6) Other factors impacting the dairy industry in North Carolina.
- 44

1 **PART XXXIII. COMMITTEE ON EMPLOYEE HOSPITAL AND MEDICAL**
2 **BENEFITS STUDY NEWBORN COVERAGE (S.B. 1421 – Kinnaird)**

3
4 **SECTION 33.1.** The Committee on Employee Hospital and Medical
5 Benefits may study the following issues pertaining to benefits under the Teachers' and
6 State Employees' Comprehensive Major Medical Plan ("Plan"):

- 7 (1) Whether to repeal or otherwise modify G.S. 135-40.6(7) that limits
8 coverage for examination and supervision of a normal newborn infant
9 to only when the mother of the infant is receiving maternity benefits
10 under the Plan.
11 (2) Whether to adopt a federally qualified health reimbursement
12 arrangement as an additional component of the Plan.
13 (3) Whether deductibles and co-payment amounts applicable under the
14 Plan should be based on income of the Plan member, with
15 lower-income Plan members paying less than higher-income Plan
16 members.

17
18 **PART XXXIV. HURRICANE EVACUATION STANDARDS STUDY**
19 **COMMISSION**

20
21 **SECTION 34.1.** The Hurricane Evacuation Standards Study Commission is
22 established. The Commission shall consist of six members to be appointed as follows:

- 23 (1) Three members of the House of Representatives to be appointed by the
24 Speaker of the House of Representatives; and
25 (2) Three members of the Senate to be appointed by the President Pro
26 Tempore of the Senate.

27 **SECTION 34.2.** The Commission shall study the development and
28 establishment of hurricane evacuation standards for the State. The Commission shall
29 consider and recommend to the General Assembly those legislative actions necessary to
30 implement its recommendations.

31 **SECTION 34.3.** The following State employees shall attend each meeting of
32 the Commission and shall provide technical support and expertise to the Commission to
33 develop appropriate State hurricane evacuation standards:

- 34 (1) Director, Division of Emergency Management, Department of Crime
35 Control and Public Safety.
36 (2) Chief of Logistics, Division of Emergency Management, Department
37 of Crime Control and Public Safety.
38 (3) State Roadway Design Engineer, Department of Transportation.
39 (4) Assistant State Roadway Design Engineer, Department of
40 Transportation.
41 (5) Division Engineer, Division 1, Department of Transportation.
42 (6) Division Engineer, Division 2, Department of Transportation.
43 (7) Division Engineer, Division 3, Department of Transportation.
44 (8) Division Traffic Engineer, Division 1, Department of Transportation.

1 (9) Division Traffic Engineer, Division 2, Department of Transportation.

2 (10) Division Traffic Engineer, Division 3, Department of Transportation.

3 **SECTION 34.4.** Upon approval of the Legislative Services Commission, the
4 Legislative Services Officer shall assign professional and clerical staff to assist in the
5 work of the Commission. Clerical staff shall be furnished to the Commission through
6 the offices of the House of Representatives and Senate Supervisors of Clerks. The
7 Commission may meet in the Legislative Building or the Legislative Office Building
8 upon the approval of the Legislative Services Commission. The members of the
9 Commission, while in the discharge of official duties, may exercise all the powers
10 provided under the provisions of G.S. 120-19 through G.S. 120-19.4, including the
11 power to request all officers, agents, agencies, and departments of the State to provide
12 any information, data, or documents within their possession, ascertainable from their
13 records, or otherwise available to them, and the power to subpoena witnesses. Members
14 of the Commission shall receive per diem, subsistence, and travel allowances at the rate
15 established in G.S. 120-3.1.

16 **SECTION 34.5.** The Commission shall report its findings and any
17 recommendations to the Governor and the Joint Legislative Transportation Oversight
18 Committee of the General Assembly by January 15, 2005. Upon the earlier of the filing
19 of its final report or the convening of the 2005 General Assembly, the Commission shall
20 terminate.

21 **SECTION 34.6.** From funds appropriated to the General Assembly, the
22 Legislative Services Commission shall allocate funds for the expenses of the Hurricane
23 Evacuation Standards Commission.

24
25 **PART XXXV. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON**
26 **INFORMATION TECHNOLOGY**

27
28 **SECTION 35.1.** Chapter 120 of the General Statutes is amended by creating
29 a new Article to read:

30 "Article 30.

31 "Joint Legislative Oversight Committee on Information Technology.

32 "**§ 120-261. Committee established; purpose; organization.**

33 (a) Establishment. – There is established the Joint Legislative Oversight
34 Committee on Information Technology (Committee).

35 (b) Purpose. – The Committee shall examine, on a continuing basis, systemwide
36 issues affecting State government information technology, including, but not limited to,
37 State information technology operations, infrastructure, development, financing,
38 administration, and service delivery. The Committee may examine State agency or
39 enterprise-specific information technology issues. The Committee shall make ongoing
40 recommendations to the General Assembly on ways to improve the effectiveness,
41 efficiency, and quality of State government information technology.

42 (c) Membership. – The Committee shall consist of 16 members as follows:

1 (1) Eight members of the Senate appointed by the President Pro Tempore
2 of the Senate. At least two appointees shall be members of the Senate
3 Appropriations Committee.

4 (2) Eight members of the House of Representatives appointed by the
5 Speaker of the House of Representatives. At least two appointees shall
6 be members of the House of Representatives Appropriations
7 Committee.

8 The President Pro Tempore of the Senate and the Speaker of the House of
9 Representatives shall each select a member from their appointees to serve as cochair of
10 the Committee.

11 (d) Terms. – Members of the Committee shall serve two-year terms beginning at
12 the convening of the General Assembly in each odd-numbered year, with no prohibition
13 against being reappointed, except for the terms of the initial members which shall begin
14 on appointment and end on the day of convening of the 2005 General Assembly. A
15 member continues to serve until the member's successor is appointed. Members may
16 complete a term of service on the Committee even if they do not seek reelection or are
17 not reelected to the General Assembly, but resignation or removal from service in the
18 General Assembly constitutes resignation or removal from service on the Committee.
19 The officer who made the original appointment shall fill any vacancy within 30 days.

20 (e) Quorum. – A majority of the members of the Committee shall constitute a
21 quorum for the transaction of business. The affirmative vote of a majority of the
22 members present at meetings of the Committee shall be necessary for action to be taken
23 by the Committee.

24 (f) Subcommittees. – The Committee cochairs may establish subcommittees for
25 the purpose of making special studies pursuant to its duties, and may appoint
26 non-Committee members to serve on each subcommittee as resource persons. Resource
27 persons shall be voting members of the subcommittee and shall receive subsistence and
28 travel expenses in accordance with G.S. 138-5 and G.S. 138-6.

29 **"§ 120-262. Assistance; per diem; subsistence; and travel allowances.**

30 (a) The Committee may contract for consulting services as provided by
31 G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative
32 Services Officer shall assign professional and clerical staff to assist in the work of the
33 Committee. The professional staff shall include the appropriate staff from the Fiscal
34 Research, Research, Legislative Drafting, and Information Systems Divisions of the
35 Legislative Services Office of the General Assembly. Clerical staff shall be furnished to
36 the Committee through the offices of the Senate and the House of Representatives
37 Supervisors of Clerks. The expenses of employment of the clerical staff shall be borne
38 by the Committee. The Committee may meet in the Legislative Building or the
39 Legislative Office Building upon the approval of the Legislative Services Commission.

40 (b) Members of the Committee shall receive per diem, subsistence, and travel
41 allowances as follows:

42 (1) Committee members who are members of the General Assembly, at
43 the rate established in G.S. 120-3.1.

1 (2) Committee members and resource persons who are officials or
2 employees of the State or of local government agencies, at the rate
3 established in G.S. 138-6.

4 (3) All other Committee members and resource persons, at the rate
5 established in G.S. 138-5.

6 **"§ 120-263. Reports.**

7 The Committee shall submit annual reports to the General Assembly on or before
8 the convening of the regular session of the General Assembly each year. The Committee
9 may submit interim reports at any time it deems appropriate.

10 **"§ 120-264. Authority.**

11 The Committee has the authority to obtain information and data from all State
12 officers, agents, agencies, and departments, while in discharge of its duties, pursuant to
13 G.S. 120-19, as if it were a committee of the General Assembly."

14 **SECTION 35.2.** Article 26 of Chapter 120 of the General Statutes is
15 repealed.

16
17 **PART XXXVI. STREAM MAPPING**

18
19 **SECTION 36.1.** The Geographic Information Coordinating Council and the
20 Department of Environment and Natural Resources shall develop and recommend a
21 plan to improve the mapping and digital representation of surface waters in North
22 Carolina, including intermittent and perennial streams, lakes, and ponds, to the General
23 Assembly and the Environmental Review Commission on January 15, 2005.

24 **SECTION 36.2.** The plan shall include at a minimum: mapping
25 specifications and standards; estimated budget and schedule for statewide
26 implementation; and entry of the data into NC OneMap.

27 **SECTION 36.3.** The Geographic Information Coordinating Council and the
28 Department shall include at a minimum the Division of Emergency Management in the
29 Department of Crime Control and Public Safety, the Department of Commerce, the
30 Department of Transportation, and the US Geological Survey in the development of the
31 plan.

32 **SECTION 36.4.** The General Assembly encourages municipalities and
33 counties to share the mapping and digital representation of surface waters that they have
34 developed with the Geographic Information Coordinating Council, NC OneMap, and
35 the public.

36
37 **PART XXXVII. STUDY COMMISSION ON HEALTH CARE WORKFORCE**
38 **DEVELOPMENT**

39
40 **SECTION 37.1.** There is created the Health Care Workforce Study
41 Commission ("Commission"). The Commission shall consist of 19 members appointed
42 as follows:

43 (1) Five members appointed by the Governor, to include:

- 1 a. One person who is a health care provider or a pharmacist in a
- 2 rural community.
- 3 b. One person who is a hospital administrator from
- 4 recommendations provided by the North Carolina Hospital
- 5 Association.
- 6 c. One person who is a dental care provider.
- 7 d. One person from the Office of Research, Demonstrations, and
- 8 Rural Health Development of the Department of Health and
- 9 Human Services.
- 10 e. The Program Director of the North Carolina AHEC Program.
- 11 (2) Seven members appointed by the Speakers of the House of
- 12 Representatives, to include:
- 13 a. Four members of the House of Representatives.
- 14 b. One person who is a nursing home administrator from
- 15 recommendations provided by the NC Health Care Facilities
- 16 Association.
- 17 c. One person who is a community college president from
- 18 recommendations provided by the President of the North
- 19 Carolina Community College System.
- 20 d. One person who is a medical provider.
- 21 (3) Seven members appointed by the President Pro Tempore of the Senate,
- 22 to include:
- 23 a. Four members of the Senate.
- 24 b. One person who operates an adult care home from
- 25 recommendations provided by the NC Association of Long
- 26 Term Care Facilities.
- 27 c. One person who is a university president from
- 28 recommendations provided by the President of The University
- 29 of North Carolina System.
- 30 d. One person who is a medical provider.

31 **SECTION 37.2.** The purpose of the Commission is to determine methods to
32 increase the number of people providing health and dental care in this State and to
33 overcome existing barriers contributing to the health care providers shortages. In
34 undertaking this study, the Commission shall consider the following:

- 35 (1) How to cultivate an interest in health occupations programs at the
- 36 secondary school level.
- 37 (2) How to address the shortage of adequately prepared health care
- 38 occupations faculty at community colleges, including designating
- 39 health care occupation degrees as "high cost" programs and paying
- 40 health care occupation faculty at a higher rate, designating a salary
- 41 differential for faculty members who provide clinical or classroom
- 42 training during evening, night, and weekend shifts, and offering other
- 43 incentives to encourage masters trained professionals to teach at
- 44 community colleges.

- 1 (3) How to address the attrition rates for students in health care occupation
- 2 curriculums in community colleges.
- 3 (4) Resources available to assist community colleges with the purchase of
- 4 equipment necessary to train students for health care occupations.
- 5 (5) Shortages of faculty at the university level.
- 6 (6) Restoring funding for university level Fast Track programs.
- 7 (7) Whether a curriculum program that offers a baccalaureate degree in
- 8 respiratory therapy should be established in The University of North
- 9 Carolina System.
- 10 (8) How to improve current programs responsible for addressing dentist
- 11 and physician shortages, particularly in the rural parts of the State.
- 12 (9) How to address nursing shortages, taking into consideration the
- 13 Institute of Medicine's Nursing Task Force recommendations.
- 14 (10) How to address shortages of pharmacists.
- 15 (11) Completion of the articulation plan between NCCCS and the
- 16 University of North Carolina system's health care training programs,
- 17 with a set deadline for implementation.

18 **SECTION 37.3.** The Speakers of the House of Representatives shall appoint
19 a cochair, and the President Pro Tempore of the Senate shall appoint a cochair for the
20 Commission. The Commission may contract for consultant services as provided by
21 G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative
22 Services Officer shall assign professional and clerical staff to assist in the work of the
23 Commission. Clerical staff shall be furnished to the Commission through the offices of
24 the House of Representatives and Senate Supervisors of Clerks. The Commission may
25 meet in the Legislative Building or the Legislative Office Building upon the approval of
26 the Legislative Services Commission. The Commission, while in discharge of official
27 duties, may exercise all the powers provided under the provisions of G.S. 120-19
28 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and
29 departments of the State to provide any information, data, or documents within their
30 possession, ascertainable from their records, or otherwise available to them, and the
31 power to subpoena witnesses. Members of the Commission shall receive per diem,
32 subsistence, and travel allowances at the rate established in G.S. 120-3.1, 138-5, or
33 138-6, as appropriate. Vacancies shall be filled by the appointing authority.

34 **SECTION 37.4.** The Commission shall submit an interim report to the 2005
35 Regular Session of the 2005 General Assembly that contains its recommendations,
36 legislative proposals, and cost analyses. The Commission shall make a final report to
37 the 2006 Regular Session of the 2005 General Assembly and shall terminate upon the
38 earlier of the filing of its final report or April 30, 2006.

39 **SECTION 37.5.** From the funds appropriated to the General Assembly, the
40 Legislative Services Commission shall allocate funds for the expenses of the
41 Commission established in this act.

42 **PART XXXVIII. SMART START FUNDING STUDY (Hagan)**

1 **SECTION 38.1.** Commission Established. – There is established a Smart
2 Start Funding Study Commission.

3 **SECTION 38.2.** Membership. – The Commission shall be composed of 21
4 members as follows:

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

32 **SECTION 38.3.** Secretary of Health and Human Services. – The
33 Commission shall invite the Secretary of Health and Human Services to attend each
34 meeting of the Commission and encourage the Secretary's participation in the
35 Commission's deliberations.

36 **SECTION 38.4.** Duties of Commission. – The Commission shall study the
37 funding of the North Carolina Partnership for Children, Inc. In conducting the study,
38 the Commission shall consider the following:

- 39 (1) The current funding system of the North Carolina Partnership for
40 Children, Inc.
- 41 (2) Any strategies for achieving full funding and full service for North
42 Carolina's young children and families.
- 43 (3) Funding equity among all counties and local partnerships.
- 44 (4) Any other information the Commission deems relevant.

1 **SECTION 38.5.** Vacancies. – Any vacancy on the Commission shall be
2 filled by the appointing authority.

3 **SECTION 38.6.** Cochairs. – Cochairs of the Commission shall be
4 designated by the President Pro Tempore of the Senate and the Speaker of the House of
5 Representatives from among their respective appointees. The Commission shall meet
6 upon the call of the chairs.

7 **SECTION 38.7.** Expenses of Members. – Members of the Commission shall
8 receive per diem, subsistence, and travel allowances in accordance with G.S.120-3.1,
9 138-5, or 138-6, as appropriate.

10 **SECTION 38.8.** Staff. – Upon the prior approval of the Legislative Services
11 Commission, the Legislative Services Officer shall assign professional staff to the
12 Commission to aid its work.

13 **SECTION 38.9.** Consultants. – The Commission may hire consultants to
14 assist with the study. Before expending any funds for a consultant, the Commission
15 shall report to the Joint Legislative Commission on Governmental Operations on the
16 consultant selected, the work products to be provided by the consultant, and the cost of
17 the contract, including an itemization of the cost components.

18 **SECTION 38.10.** Meetings During Legislative Session. – The Commission
19 may meet during a regular or extra session of the General Assembly, subject to approval
20 of the President Pro Tempore of the Senate and the Speaker of the House of
21 Representatives.

22 **SECTION 38.11.** Meeting Location. – The Commission shall meet at
23 various locations around the State in order to promote greater public participation in its
24 deliberations. Subject to the approval of the Legislative Services Commission, the
25 Commission may meet in the State Legislative Building or the Legislative Office
26 Building.

27 **SECTION 38.12.** Report. – The Commission shall make its findings and
28 recommendations in a final report to the 2005 General Assembly. Upon the earlier of
29 the filing of its final report or the convening of the 2005 General Assembly, the
30 Commission shall terminate.

31 **SECTION 38.13.** Funding. – From funds appropriated to the General
32 Assembly, the Legislative Services Commission shall allocate funds for the purpose of
33 conducting the study provided for in this section.

34
35 **PART XXXIX. JOINT LEGISLATIVE HEALTHCARE OVERSIGHT**
36 **COMMITTEE HEALTHCARE**

37
38 **SECTION 39.1.** The Joint Legislative Health Care Oversight Committee
39 may study the following:

- 40 (1) Nursing shortage (S.J.R. 142 – Forrester, Purcell)
- 41 (2) Medical errors (S.J.R. 634 – Forrester)
- 42 (3) Environmental causes of cancer (S.J.R. 143 – Forrester, Purcell)
- 43 (4) Educating the public on ovarian cancer risks and prevention (S.J.R.
44 636 – Forrester)

- 1 (5) Reducing prescription drug costs
2 (6) Bulk purchasing of pharmaceutical drugs (S.J.R. 968 – Kinnaird)
3 (7) Internet sale of prescription drugs (Rand)
4 (8) Pain management and palliative care
5 (9) Care of the mentally ill in long-term care facilities (S.B. 1148 –
6 Swindell)

7
8 **PART XL. CHILD WELFARE SYSTEM REFORM**

9
10 **SECTION 40.1.** The Department of Health and Human Services shall
11 transfer funds to the General Assembly to hire an independent consultant to evaluate
12 North Carolina's Child Welfare System at the State and local levels and provide
13 recommendations to reform that system.

14 **SECTION 40.2.** The Fiscal Research Division, through the Legislative
15 Services Office, in consultation with the Department of Health and Human Services,
16 shall issue a Request for Proposal (RFP) for an independent consultant with extensive
17 experience in child welfare systems to develop recommendations for reforming the
18 State's existing system. The contractor shall evaluate the overall administration and
19 oversight of the existing system and make specific recommendations to strengthen the
20 system. The contractor shall review North Carolina's historical performance in meeting
21 national performance outcome measurements and note any progress in taking corrective
22 action to address the areas identified as weaknesses in the existing system. The
23 contractor shall evaluate variances in resources, including staffing levels, at the local
24 level as well as the administrative structure at the State level. The contractor shall
25 review statewide abuse and neglect data to determine if the data is accurate and useful
26 and make recommendations for improving the data collection system. The contractor's
27 final report shall include recommendations to ensure accountability and consistency at
28 both the State and local levels.

29 **SECTION 40.3.** The final report from the consultant shall be presented to
30 the House of Representatives Appropriations Subcommittee on Health and Human
31 Services, the Senate Appropriations Committee on Health and Human Services, and the
32 Fiscal Research Division no later than October 1, 2005.

33
34 **PART XLI. BILL AND RESOLUTION REFERENCES**

35
36 **SECTION 41.1.** The listing of the original bill or resolution in this act is for
37 reference purposes only and shall not be deemed to have incorporated by reference any
38 of the substantive provisions contained in the original bill or resolution.

39
40 **PART XLII. EFFECTIVE DATE AND APPLICABILITY**

41
42 **SECTION 42.1.** Except as otherwise specifically provided, this act is
43 effective when it becomes law. If a study is authorized both in this act and in the
44 Current Operations and Capital Improvements Appropriations Act of 2004, the study

- 1 shall be implemented in accordance with the Current Operations and Capital
- 2 Improvements Appropriations Act of 2004 as ratified.