

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

**H**

**2**

**HOUSE BILL 2438**  
**Committee Substitute Favorable 7/16/08**

Short Title: 2008 Budget Technical Corrections.

(Public)

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Sponsors:

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Referred to:

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May 26, 2008

A BILL TO BE ENTITLED

1 AN ACT TO MAKE TECHNICAL AND CLARIFYING MODIFICATIONS TO THE  
2 CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS  
3 APPROPRIATIONS ACT OF 2008; TO MAKE CLARIFYING CHANGES TO  
4 THE NORTH CAROLINA HEALTH INSURANCE RISK POOL FUND; TO  
5 AUTHORIZE THE DEPARTMENT OF PUBLIC INSTRUCTION TO FUND  
6 ADDITIONAL PLANNING GRANTS FOR LEARN AND EARN AND EXPEND  
7 FUNDS TO INFORM EIGHTH AND NINTH GRADERS ABOUT  
8 OPPORTUNITIES FOR HIGHER EDUCATION PROGRAMS; TO MAINTAIN  
9 FIVE FLOODPLAIN MAPPING POSITIONS; TO ADJUST THE  
10 COMPENSATION OF THE CHIEF COURT OF APPEALS JUDGE TO CREATE  
11 AN EQUIVALENT PAY DIFFERENTIAL RELATIVE TO THE PAY OF THE  
12 CHIEF JUSTICE OF THE SUPREME COURT; TO AUTHORIZE WESTERN  
13 CAROLINA UNIVERSITY, UNIVERSITY OF NORTH CAROLINA AT  
14 ASHEVILLE, AND MOUNTAIN AREA HEALTH EDUCATION CONSORTIUM  
15 TO EXPEND FUNDS FOR BUILDING THE NORTH CAROLINA CENTER FOR  
16 HEALTH AND AGING; AND TO PROVIDE THAT EAST CAROLINA  
17 UNIVERSITY, EDGECOMBE COMMUNITY COLLEGE, AND NASH  
18 COMMUNITY COLLEGE ADMINISTER JOINTLY THE NURSING AND  
19 ALLIED HEALTH PROGRAM HOUSED AT THE UNC UPPER COASTAL  
20 PLAIN HIGHER EDUCATION AND HEALTH CENTER.

21 The General Assembly of North Carolina enacts:

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24 **PART I. TECHNICAL CHANGES**

25 **SECTION 1.1.** Section 2.1 of House Bill 2436 of the 2007 Regular Session,  
26 if it becomes law, is amended by deleting the phrase "Pending Gang Prevention  
27 Legislation (HB 274)" and substituting the phrase "Pending Gang Prevention  
28 Legislation".

1           **SECTION 1.2.** House Bill 2436 of the 2007 Regular Session, if it becomes  
2 law, is amended by adding a new section to read:

3 **"STUDY OF LAPSED SALARY USE**

4           **SECTION 6.5.** Section 6.18(b) of S.L. 2007-323 reads as rewritten:

5           **'SECTION 6.18.(b)** The Office of State Budget and Management shall report its  
6 ~~findings~~ findings, including an estimate of the total amount of lapsed salaries by each  
7 State agency, to the Joint Legislative Commission on Governmental Operations by  
8 ~~April 30, 2008.~~ February 1, 2009."

9           **SECTION 1.3.(b)** Section 7.14(g) of House Bill 2436 of the 2007 Regular  
10 Session, if it becomes law, is amended by deleting "subsection (b)" and substituting  
11 "subsection (c)".

12           **SECTION 1.3.(c)** Section 7.14(b) of House Bill 2436 of the 2007 Regular  
13 Session, if it becomes law, reads as rewritten:

14           **"SECTION 7.14.(b)** Committee. – The Committee on Dropout Prevention, as  
15 created in Section 7.32 of S.L. 2007-323, is reestablished to determine which local  
16 school administrative units, schools, agencies, and nonprofits shall receive dropout  
17 prevention grants under this section, the amount of each grant, and eligible uses of the  
18 grant funding. When utilizing outside grant reviewers and raters, the Committee is  
19 encouraged to utilize individuals who represent public schools, universities, and  
20 community-based organizations.

21           The Committee shall continue to be located administratively in the Department of  
22 Public Instruction but shall exercise its powers and duties independently of the  
23 Department of Public Instruction. The Department of Public Instruction shall provide  
24 for the administrative costs of the Committee. The Department of Public Instruction  
25 shall ~~contract with an independent consultant to serve as staff to the Committee, to~~  
26 ~~provide technical assistance to the grant recipients for the length of the grant, and to~~  
27 ~~assist the Committee in evaluating the impact of the grants awarded grant.~~

28           The members of the Committee shall assure they are in compliance with laws and  
29 rules governing conflicts of interest. The Committee shall meet on the call of the  
30 cochairs provided that the Committee shall meet at least once every three months.

31           In the event of a vacancy on the Committee, the appointing authorities are  
32 encouraged to provide representation on the Committee from each of the eight  
33 educational districts as defined in G.S. 115C-65."

34           **SECTION 1.3.(d)** Subdivision (1) of Section 8.8 of House Bill 2436 of the  
35 2007 Regular Session, if it becomes law, is amended by deleting "; and" and  
36 substituting ".".

37           **SECTION 1.3.(e)** Section 8.9(b) of House Bill 2436 of the 2007 Regular  
38 Session, if it becomes law, is amended by deleting "(Budget Code 16800, Fund 1603)"  
39 and substituting "(Budget Code 26800, Fund 2000)".

40           **SECTION 1.3.(f)** Section 9.7(c) of S.L. 2007-323, as amended by Section  
41 9.2(d) of House Bill 2436 of the 2007 Regular Session, if it becomes law, reads as  
42 rewritten:

1       **"SECTION 9.7.(c)** There is appropriated from the Escheat Fund to the State  
2 Education Assistance Authority the sum of ~~sixty million dollars (\$60,000,000)~~fifty  
3 million dollars (\$50,000,000) for the 2008-2009 fiscal year."

4       **SECTION 1.4.** Section 9.4 of House Bill 2436 of the 2007 Regular Session,  
5 if it becomes law, reads as rewritten:

6       **"SECTION 9.4.(a)** The North Carolina Principal Fellows Commission in  
7 collaboration with the State Education Assistance Authority shall make available an  
8 optional six-month scholarship in the amount of twenty thousand dollars (\$20,000) to  
9 any person who was a recipient of a scholarship loan through the Principal Fellows  
10 Program and who: (i) was in Class 10 of the Principal Fellows Program for the  
11 2003-2004 academic year, (ii) completed the Principal Fellows Program, and (iii) has  
12 either served as a school administrator for four years at a North Carolina public school  
13 or at a school operated by the United States as required by G.S. 116-74.43, or who has  
14 had the loan forgiven by the State Education Assistance Authority pursuant to  
15 G.S. 116-74.43. A person may be eligible for the optional six-month scholarship only  
16 after fulfilling all contractual obligations agreed to by the person upon receipt of the  
17 original scholarship loan awarded to the person under G.S. 116-74.42. Exclusive of any  
18 deferment for extenuating circumstances, a person remains eligible for the optional  
19 six-month scholarship for two years after the six-year period of time allowed the person  
20 to satisfy the original scholarship loan requirements under G.S. 116-74.43. Should a  
21 person present extenuating circumstances, the State Education Assistance Authority  
22 may extend the period of time for which a person remains eligible for the optional  
23 six-month scholarship for a reasonable time period.

24       **"SECTION 9.4.(b)** The Principal Fellows Commission shall develop the criteria for  
25 awarding the scholarship. In developing the criteria, the Commission shall require that  
26 the person agree to work at least another six months as a school administrator in a North  
27 Carolina public school or at a school operated by the United States after satisfying the  
28 four-year work requirement set out in G.S. 116-74.43. The Commission, in  
29 collaboration with the State Education Assistance Authority, shall develop a process for  
30 evaluating a scholarship recipient's work performance and for issuing a final approval  
31 and certification of the work performance. The Commission shall transfer to the State  
32 Education Assistance Authority the name of each recipient that it certifies as  
33 successfully completing the optional scholarship program. The State Education  
34 Assistance Authority shall pay the twenty thousand dollar (\$20,000) ~~stipend-scholarship~~  
35 to the scholarship recipient within a reasonable time of receiving notification from the  
36 Commission that the recipient has successfully completed the optional scholarship  
37 program. The State Education Assistance Authority shall perform all of the  
38 administrative functions necessary to implement this act, including rule making.

39       **"SECTION 9.4.(c)** Effective June 30, 2008, the sum of one million dollars  
40 (\$1,000,000) shall revert from the Principal Fellows Trust Fund to the General Fund.  
41 The sum of one million seven hundred forty thousand dollars (\$1,740,000) in the  
42 Principal Fellows Trust Fund shall be held in reserve to pay each participant in the  
43 optional scholarship program the ~~stipend-scholarship~~ of twenty thousand dollars  
44 (\$20,000) upon successful completion of the optional scholarship program."

1           **SECTION 1.5.(a)** Section 10.15(x) of House Bill 2436 of the 2007 Regular  
2 Session is amended by inserting between the words "accredited" and "for" the words "or  
3 demonstrate submission of an accepted application" and by adding after "September 30,  
4 2009." the following sentence: "The Department shall provide information and  
5 recommendations to the 2009 General Assembly so that it may consider whether to  
6 authorize the Department to contract with an outside vendor for these functions beyond  
7 September 30, 2009."

8           **SECTION 1.5.(b)** Section 10.17(cc) of House Bill 2436 of the 2007 Regular  
9 Session, if it becomes law, is amended by adding to the list of membership  
10 organizations the following:

11           "(9) Association of Local Health Directors."

12           **SECTION 1.6.(a)** Section 10.10(e) of House Bill 2436 of the 2007 Regular  
13 Session, if it becomes law, is amended by deleting "\$1,500." and substituting  
14 "\$1,500) per month."

15           **SECTION 1.6.(b)** The lead sentence of Section 10.13(k) of House Bill 2436  
16 of the 2007 Regular Session, if it becomes law, is amended by deleting "subsection (g)"  
17 and substituting "subsection (f)".

18           **SECTION 1.6.(c)** Section 10.13(n) of House Bill 2436 of the 2007 Regular  
19 Session, if it becomes law, is amended by deleting "(k) of this section" and substituting  
20 "(j) of this section".

21           **SECTION 1.6.(d)** Section 10.14(c)(1) of House Bill 2436 of the 2007  
22 Regular Session, if it becomes law, reads as rewritten:

23           "(1) The number of children ~~that were~~ enrolled in NC Health Choice ~~in the~~  
24 ~~first week of January 2009, based on the January Pull Night data;~~  
25 ~~and for the month of January 2009, as determined by using December~~  
26 ~~2008 Pull-Night data.~~"

27           **SECTION 1.6.(e)** Section 10.15(b) of House Bill 2436 of the 2007 Regular  
28 Session, if it becomes law, is amended by deleting "2007-2008 and 2008-2009 fiscal  
29 years," and substituting "2008-2009 fiscal year,".

30           **SECTION 1.6.(f)** Section 10.15(n) of House Bill 2436 of the 2007 Regular  
31 Session, if it becomes law, reads as rewritten:

32           "**SECTION 10.15.(n)** Of the funds appropriated in this act to the Department of  
33 Health and Human Services, Division of Mental Health, Developmental Disabilities,  
34 and Substance Abuse Services, the sum of six million one hundred thirteen thousand  
35 nine hundred forty-seven dollars (\$6,113,947) shall be allocated for walk-in crisis and  
36 immediate psychiatric aftercare and shall be distributed to the LMEs according to need  
37 as determined by the Department to support 30 psychiatrists and related support staff.  
38 Of these funds, the sum of one million six hundred fifty thousand dollars (\$1,650,000)  
39 shall be used for telepsychiatry equipment to be owned by the LMEs ~~and shall be~~  
40 ~~distributed across the State according to need as determined by the Department.~~LMEs."

41           **SECTION 1.7.** Notwithstanding any provision in House Bill 2436 of the  
42 2007 Regular Session to the contrary, if it becomes law, the elimination of the budget  
43 for the closed dispute resolution center in the 1st District is a reduction of fifty-one  
44 thousand nine hundred seventy-seven dollars (\$51,977).

1  
2 **PART II. CLARIFYING CHANGES**

3 **SECTION 2.1.(a)** Section 5.2(a1) of House Bill 2436 of the 2007 Regular  
4 Session, if it becomes law, reads as rewritten:

5 "**SECTION 5.2.(a1)** Notwithstanding G.S. 18C-164(f), if (i) the actual net lottery  
6 revenues for the 2007-2008 fiscal year exceed the amounts appropriated in the  
7 2007-2008 fiscal year, (ii) the actual net lottery revenues for the 2008-2009 fiscal year  
8 exceed the amounts appropriated in the 2008-2009 fiscal year, or (iii) both, the excess  
9 net revenue is also transferred from the State Lottery Fund to support appropriations  
10 made in this act for the 2008-2009 fiscal year."

11 **SECTION 2.1.(b)** Section 5.2(d) of House Bill 2436 of the 2007 Regular  
12 Session, if it becomes law, reads as rewritten:

13 "**SECTION 5.2.(d)** The excess lottery revenues for the 2007-2008 fiscal year ~~year,~~  
14 the 2008-2009 fiscal year, or both, that are transferred from the State Lottery Fund  
15 pursuant to subsection (a1) of this section are appropriated from the Education Lottery  
16 Fund for the 2008-2009 fiscal year for the Public School Building Capital Fund."

17 **SECTION 2.1.(c)** Section 7.11 of House Bill 2436 of the 2007 Regular  
18 Session, if it becomes law, reads as rewritten:

19 "**SECTION 7.11.(a)** ~~Monies allocated~~ If monies appropriated to the Public School  
20 Building Capital Fund pursuant to ~~Section 5.2(b)~~ Section 5.2 of this act total one  
21 hundred fifty-four million two hundred thousand dollars (\$154,200,000) or more, the  
22 monies shall be allocated as follows:

- 23 (1) The sum of one hundred forty million dollars (\$140,000,000) shall be  
24 allocated pursuant to G.S. 115C-546.2(d);
- 25 (2) The remainder shall be allocated on the basis of average daily  
26 membership to local school administrative units that did not qualify for  
27 funding for the 2008-2009 fiscal year pursuant to  
28 G.S. 115C-546.2(d)(2). The maximum allocation shall be the amount  
29 received by other units pursuant to G.S. 115C-546.2(d)(2) on the basis  
30 of per average daily membership.

31 "**SECTION 7.11.(b)** If monies appropriated to the Public School Building Capital  
32 Fund pursuant to Section 5.2 of this act total less than one hundred fifty-four million  
33 two hundred thousand dollars (\$154,200,000), the monies shall be allocated as follows:

- 34 (1) The sum of two million five hundred thousand dollars (\$2,500,000)  
35 shall be allocated each quarter for the first and second quarters on the  
36 basis of average daily membership to local school administrative units  
37 that did not qualify for funding for the 2008-2009 fiscal year pursuant  
38 to G.S. 115C-546.2(d)(2). The remainder shall be allocated each  
39 quarter pursuant to G.S. 115C-546.2(d).
- 40 (2) The sum of four million six hundred thousand dollars (\$4,600,000)  
41 shall be allocated each quarter for the third and fourth quarters on the  
42 basis of average daily membership to local school administrative units  
43 that did not qualify for funding for the 2008-2009 fiscal year pursuant

1 to G.S. 115C-546.2(d)(2). The remainder shall be allocated each  
2 quarter pursuant to G.S. 115C-546.2(d)."

3 **SECTION 2.2.** Section 6.12(a) of House Bill 2436 of the 2007 Regular  
4 Session, if it becomes law, reads as rewritten:

5 "**SECTION 6.12.(a)** Funds. – Of the funds appropriated to the Office of  
6 Information Technology Services (ITS) for the 2008-2009 fiscal year, in consultation  
7 with the Department of Cultural Resources and the Secretary of State, the sum of two  
8 hundred thousand dollars (\$200,000) shall be used to pilot a statewide electronic  
9 document management system that will include a digital signature capability. ITS shall  
10 identify a State agency for the pilot, which shall develop the following program  
11 requirements:

- 12 (1) Creation of a uniform and consistent set of policies and procedures for  
13 managing and preserving electronic records through their life cycle in  
14 an efficient, effective, and economical manner.
- 15 (2) Development, establishment, and promotion of statewide electronic  
16 records management training and certification programs.
- 17 (3) Promotion of the use of public records in digital format.
- 18 (4) Development of statewide procurement standards for the electronic  
19 records infrastructure.
- 20 (5) Provision of guidance and assistance to all customers on issues relating  
21 to public records in digital formats including, but not limited to,  
22 e-mail, e-commerce, electronic signature encryption, filings, public  
23 Web pages, metadata, and system documentation."

24 **SECTION 2.3.** Section 6.16(b) of House Bill 2436 of the 2007 Regular  
25 Session, if it becomes law, reads as rewritten:

26 "**SECTION 6.16.(b)** The State Controller shall serve as the Chairman of the  
27 BEACON Project Steering Committee. The other members of the committee shall be  
28 the State Chief Information Officer, the State Treasurer, the Attorney General, the  
29 Secretary of Correction, the Administrative Officer of the Courts, the State Budget  
30 Officer, the Secretary of Administration, and the Chief Financial Officer of the  
31 Department of Transportation."

32 **SECTION 2.4.** Notwithstanding any provision in House Bill 2436 of the  
33 2007 Regular Session to the contrary, if it becomes law, funds appropriated in that act  
34 for the Medicaid appeals process shall be used to implement a new appeals process  
35 when Medicaid-funded services are terminated, reduced, or denied.

36 **SECTION 2.5.** G.S. 143B-480.2, as amended by Section 18.2(a) of House  
37 Bill 2436 of the 2007 Regular Session, if it becomes law, reads as rewritten:

38 "**§ 143B-480.2. Victim assistance.**

39 (a) Eligibility for Assistance. – Sexual assault victims or victims of attempted  
40 sexual assault are eligible for assistance under this Program if the sexual assault or the  
41 attempted sexual assault is reported to a law enforcement officer within 72 hours of the  
42 occurrence of the assault or the attempted sexual assault and if a forensic medical  
43 examination is performed within 72 hours of the sexual assault or the attempted sexual  
44 assault. The Secretary may waive either 72-hour requirement for good cause. The term

1 "sexual assault" as used in this section refers to the following crimes: first-degree rape  
 2 as defined in G.S. 14-27.2, second-degree rape as defined in G.S. 14-27.3, first-degree  
 3 sexual offense as defined in G.S. 14-27.4, second-degree sexual offense as defined in  
 4 G.S. 14-27.5, or statutory rape as defined in G.S. 14-27.7A.

5 (b) Eligible Expenses. – Assistance is limited to the following expenses incurred  
 6 by the victim:

- 7 (1) Immediate and short-term medical expenses.
- 8 (2) Ambulance services from the place of the attack to a place where  
 9 medical treatment is provided.
- 10 (3) Mental health services provided by a professional licensed or certified  
 11 by the State to provide such services.
- 12 (4) A forensic medical examination. As used in this section, the term  
 13 "forensic medical examination" means an examination provided to a  
 14 sexual assault victim eligible for assistance under subsection (a) of this  
 15 section by medical personnel who gather evidence of a sexual assault  
 16 in a manner suitable for use in a court of law. The examination should  
 17 include an examination of physical trauma, a patient interview, and a  
 18 collection and evaluation of evidence.
- 19 (5) Counseling treatment following the attack.

20 (c) Amount of Assistance. – The Program shall pay for the full out-of-pocket  
 21 cost of the victim's forensic medical examination up to eight hundred dollars (\$800.00).  
 22 Specifically, the Program shall pay amounts for services in accordance with the  
 23 following schedule:

<b>Service:</b>	<b>Maximum Amount Paid by Program:</b>
26 Physician or SANE Nurse	\$350.00
27 Hospital/Facility Fee	\$250.00
28 Ambulance Fee	\$200.00
30 <b>Total:</b>	<b>\$800.00</b>

32 As used in this subsection, the term 'SANE Nurse' means a licensed registered nurse  
 33 trained under G.S. 90-171.38(b) who obtains preliminary histories, conducts in-depth  
 34 interviews, and conducts medical examinations of rape victims or victims of related  
 35 sexual offenses. The Program shall pay for all other eligible expenses set out in  
 36 subsection (b) of this section in an amount not to exceed the difference between the full  
 37 out-of-pocket cost of the forensic medical examination and one thousand dollars  
 38 (\$1,000). Assistance not to exceed fifty dollars (\$50.00) shall be provided to victims to  
 39 replace clothing that was held for evidence tests.

40 (d) Payment Directly to Provider. – If the entity seeking payment for expenses  
 41 authorized under this section is a hospital, ambulance service, or mental health  
 42 professional providing counseling, the Program shall make payment directly to that  
 43 entity upon the filing of proper forms. If the entity seeking payment for expenses  
 44 authorized under this section is an attending physician or licensed registered nurse, the

1 Program shall make payment to a hospital, which shall then pay the entity seeking  
2 payment. Attending physicians and licensed registered nurses shall not bill or otherwise  
3 seek payment directly from the Program, but shall instead seek payment from the  
4 hospital that accepted payment on the entity's behalf. No payment for the cost of the  
5 forensic medical examination shall be made under this subsection unless the recipient  
6 agrees in writing that receipt of that payment shall constitute payment in full for the  
7 amount owed for the cost of the examination and expenses related to the examination.

8 (e) Judicial Review. – Upon an adverse determination by the Secretary on a  
9 claim for ~~medical expenses~~ assistance under this Part, a victim is entitled to judicial  
10 review of that decision. The person seeking review shall file a petition in the Superior  
11 Court of Wake County.

12 (f) The Secretary shall adopt rules to encourage, whenever practical, the use of  
13 licensed registered nurses trained under G.S. 90-171.38(b) to conduct medical  
14 examinations and procedures."

15 **SECTION 2.6.** Section 19A.3(b) of House Bill 2436 of the 2007 Regular  
16 Session, if it becomes law, reads as rewritten:

17 "**SECTION 19A.3.(b)** The Department of Cultural Resources shall report on the  
18 cARTwheels Program to the Joint Legislative Commission on Governmental  
19 Operations by ~~September 1, 2008~~ December 1, 2008. The report shall include the  
20 following:

- 21 (1) A detailed summary of the competitive application process used to  
22 select the professional performing arts groups for the 2008-2009 fiscal  
23 year.
- 24 (2) A list of professional performing arts groups that submitted  
25 applications for the 2008-2009 fiscal year.
- 26 (3) The allocation of the funding appropriated in the 2008-2009 fiscal year  
27 to the professional performing arts groups selected.
- 28 (4) The schedule of performances for the 2008-2009 fiscal year."

29 **SECTION 2.7.(a)** Notwithstanding any provision of House Bill 2436 of the  
30 2007 Regular Session to the contrary, the constitutional authority to issue general  
31 obligation bonds to complete construction of the Green Square Project is Article V,  
32 Section 3(1) of the North Carolina Constitution.

33 **SECTION 2.7.(b)** Section 27.3(e) of House Bill 2436 of the 2007 Regular  
34 Session, if it becomes law, is amended by deleting the phrase "to the Energy Efficiency  
35 Reserve created in subsection (c) of this section." and substituting the phrase "for  
36 energy efficiency projects consistent with subsection (c) of this section."

37 **SECTION 2.7.(c)** Section 27.9(d) of House Bill 2436 of the 2007 Regular  
38 Session, if it becomes law, is amended by inserting between the words "time" and  
39 "general" the phrase "in the fiscal year ending June 30, 2009".

40 **SECTION 2.7.(d)** Section 27.9(f) of House Bill 2436 of the 2007 Regular  
41 Session, if it becomes law, is amended by deleting the phrase "any changes in projects"  
42 and substituting the phrase "the status of the project".

43 **SECTION 2.8.** If House Bill 2436 of the 2007 Regular Session becomes law  
44 and notwithstanding any of its provisions to the contrary, funds appropriated in that act



1 to the Department of Commerce for the North Carolina Minority Support Center, Inc.,  
2 (Center) for the 2008-2009 fiscal year shall be used by the Center to expand economic  
3 development lending and financial literacy.

4 **SECTION 2.9.(a)** Section 29.8(g) of House Bill 2436 of the 2007 Regular  
5 Session, if it becomes law, reads as rewritten:

6 "**SECTION 29.8.(g)** Subsections—(a)—(b) through (e) of this section become  
7 effective July 20, 2008, and apply to all costs assessed and collected on or after that  
8 date. Subsection (a) of this section becomes effective July 20, 2008, and applies to all  
9 costs assessed and collected on or after that date, except that in misdemeanor or  
10 infraction cases disposed of on or after that date by written appearance, waiver of trial  
11 or hearing, and plea of guilt or admission of responsibility pursuant to G.S. 7A-180(4)  
12 or G.S. 7A-273(2), in which the citation or other criminal process was issued before that  
13 date, the cost shall be the lesser of those specified in G.S. 7A-304(a), as amended by  
14 subsection (a) of this section, or those specified in the notice portion of the defendant's  
15 or respondent's copy of the citation or other criminal process, if any costs are specified  
16 in that notice. The remainder of this section becomes effective July 1, 2008."

17 **SECTION 2.9.(b)** G.S. 20-20.1(d) reads as rewritten:

18 "(d) Petition. – A person may apply for a limited driving privilege under this  
19 section by filing a petition. A petition filed under this section is separate from the action  
20 that resulted in the initial revocation and is a civil action. A petition must be filed in  
21 district court in the county of the person's residence as reflected by the Division's  
22 records or, if the Division's records are inaccurate, in the county of the person's actual  
23 residence. A person must attach to a petition a copy of the person's motor vehicle  
24 record. A petition must include a sworn statement that the person filing the petition is  
25 eligible for a limited driving privilege under this section.

26 A court, for good cause shown, may issue a limited driving privilege to an eligible  
27 person in accordance with this section. The costs required under G.S. 7A-305(a) ~~and~~  
28 ~~(a3)~~ and G.S. 20-20.2 apply to a petition filed under this section. The clerk of court for  
29 the court that issues a limited driving privilege under this section must send a copy of  
30 the limited driving privilege to the Division."

31 **SECTION 2.9.(c)** G.S. 7A-305(a3) and (a4) are repealed.

### 32 33 **PART III. OTHER MODIFICATIONS**

34 **SECTION 3.1.** Notwithstanding any provision in House Bill 2436 of the  
35 2007 Regular Session to the contrary, if it becomes law, the nursing and allied health  
36 program that will be housed at the UNC Upper Coastal Plain Higher Education and  
37 Health Center for which planning funds are provided in House Bill 2436 of the 2007  
38 Regular Session shall be run by East Carolina University, Edgecombe Community  
39 College, and Nash Community College.

40 **SECTION 3.2.(a)** G.S. 58-50-175(19) reads as rewritten:

41 "§ 58-50-175. **Definitions.**

42 The following definitions apply to this Part:

43 ...

1 (19) '~~Special Fund.~~' – The North Carolina Health Insurance Risk Pool  
2 ~~Special fund.~~ Fund.

3 ...."

4 **SECTION 3.2.(b)** G.S. 58-50-225 reads as rewritten:

5 **"§ 58-50-225. North Carolina Health Insurance Risk Pool ~~Special~~ Fund.**

6 (a) The North Carolina Health Insurance Risk Pool ~~Special~~ Fund is established as  
7 ~~an interest-bearing, non-reverting account in the General Fund. The Special Fund and~~  
8 consists of the following revenue:

9 (1) Premiums, fees, charges, rebates, refunds, and any other receipts  
10 occurring or arising in connection with the Pool.

11 (2) The revenue transferred to the Fund under G.S. 105-228.5B.

12 (3) Gifts, grants, and other appropriations.

13 (4) Any interest earned by the Fund.

14 (b) Disbursements from the ~~Special~~ Fund shall include the amounts required to  
15 pay the claims, benefits, and administrative costs as may be determined by the  
16 Executive Director and the Board. ~~Disbursement from the Special Fund may be made~~  
17 ~~by warrant drawn on the State Treasurer by the Executive Director, or the Executive~~  
18 ~~Director and the Board may by contract authorize the Administrator to draw the~~  
19 ~~warrant."~~

20 **SECTION 3.2.(c)** G.S. 58-50-235 reads as rewritten:

21 **"§ 58-50-235. Audit.**

22 An audit of the Pool shall be conducted annually under the oversight of the State  
23 Auditor. The cost of the audit shall be reimbursed to the State Auditor from the ~~Special~~  
24 ~~Fund."~~

25 **SECTION 3.2.(d)** Effective until June 30, 2010, G.S. 105-228.5B reads as  
26 rewritten:

27 **"§ 105-228.5B. Proceeds credited to High Risk Pool.**

28 Within 75 days after the end of each fiscal year, the State Treasurer must transfer  
29 from the General Fund to the North Carolina Health Insurance Risk Pool ~~Special~~ Fund  
30 established in G.S. 58-50-225 an amount equal to the growth in net revenue from the tax  
31 applied to gross premiums under G.S. 105-228.5(d)(2). The growth in revenue from this  
32 tax is the difference between the amount of revenue collected during the preceding  
33 fiscal year on premiums taxed under that subdivision less \$475,545,413, which is the  
34 amount of revenue collected during fiscal year 2006-2007 on premiums taxed under that  
35 subdivision. The Treasurer must draw the amount required under this section from  
36 revenue collected on premiums taxed under that subdivision."

37 **SECTION 3.2.(e)** Effective June 30, 2010, G.S. 105-228.5B reads as  
38 rewritten:

39 **"§ 105-228.5B. ~~Proceeds credited to High Risk Pool.~~ Distribution of part of tax**  
40 **proceeds to High Risk Pool.**

41 Within 75 days after the end of each fiscal year, the State Treasurer must transfer  
42 from the General Fund to the North Carolina Health Insurance Risk Pool Fund  
43 established in G.S. 58-50-225 an amount equal to thirty percent (30%) of the growth in  
44 revenue from the tax applied to gross premiums under G.S. 105-228.5(d)(2). The

1 growth in revenue from this tax is the difference between the amount of revenue  
2 collected during the preceding fiscal year on premiums taxed under that subdivision less  
3 \$475,545,413, which is the amount of revenue collected during fiscal year 2006-2007  
4 on premiums taxed under that subdivision. The Treasurer must draw the amount  
5 required under this section from revenue collected on premiums taxed under that  
6 subdivision."

7 **SECTION 3.2.(f)** Section 2.1 of S.L. 2007-532 reads as rewritten:

8 "**SECTION 2.1.** In addition to the North Carolina Health Insurance Risk Pool  
9 ~~Special~~ Fund established under G.S. 58-50-225, as enacted in this act, there is  
10 established in the Department of Insurance two separate funds, as follows:

11 (1) The Start-Up Reserve – State Funds. State funds appropriated to this  
12 Fund shall be used to support reasonable expenses for personnel to  
13 carry out the Board's responsibilities under the Pool, including  
14 contracting a third-party administrator. Funds shall be allocated by the  
15 Commissioner of Insurance for the reasonable expenses of the Board  
16 in conducting its duties under this Article that are incurred on or before  
17 July 1, 2009. At the end of the fiscal year, any unspent and  
18 unencumbered State funds and any interest or investment income  
19 earned on these funds shall not revert to the General Fund but shall be  
20 transferred to the North Carolina Health Insurance Risk Pool ~~Special~~  
21 Fund.

22 (2) The Start-Up Reserve – Federal Funds. Federal funds received in lump  
23 sum or as a draw-down grant for the purposes of this Article shall be  
24 deposited to this Reserve and shall be expended and accounted for in  
25 accordance with requirements of the federal grant."

26 **SECTION 3.2.(g)** Section 6 of S.L. 2007-532 reads as rewritten:

27 "**SECTION 6.** For the purposes of providing the funds necessary to carry out the  
28 powers and duties of the Pool, effective July 1, 2008, the Teachers' and State  
29 Employees' Comprehensive Major Medical Plan and any successor Plan shall pay an  
30 annual surcharge to the North Carolina Health Insurance Risk Pool ~~Special~~ Fund in the  
31 amount of one dollar and fifty cents (\$1.50) per member per year based on enrollment  
32 of active employee Plan members and their dependents covered under the Plan."

33 **SECTION 3.2.(h)** Subsection (e) of this section becomes effective June 30,  
34 2010, and applies to the transfer at the end of fiscal year 2009-2010. The remainder of  
35 this section is effective when it becomes law.

36 **SECTION 3.3.** The Department of Public Instruction may use up to four  
37 hundred thirty thousand dollars (\$430,000) in funds appropriated for Learn and Earn  
38 Online for 14 planning grants for Learn and Earn sites in the 2008-2009 fiscal year.

39 **SECTION 3.4.** The Office of State Budget and Management may, after a  
40 request from the State Board of Education, provide from funds available in any agency  
41 in the budget up to one million dollars (\$1,000,000) for the 2008-2009 fiscal year to the  
42 Department of Public Instruction for efforts to inform eighth and ninth grade students  
43 about opportunities to gain access to college and to college coursework. These efforts  
44 should include, but not be limited to, strategies to ensure that parents, administrators,

1 teachers, and students are fully informed about the Learn and Earn Online program, the  
 2 Learn and Earn program, the UNC needs-based financial aid program, community  
 3 college and UNC Online opportunities, and the EARN Grant.

4 The Department shall report no later than January 1, 2009, and June 30, 2009,  
 5 to the Joint Legislative Education Oversight Committee on the use of any funds  
 6 provided under this section.

7 **SECTION 3.5.** The Department of Crime Control and Public Safety shall  
 8 use funds appropriated to the Department to keep and maintain the five North Carolina  
 9 floodplain mapping positions that were not funded for fiscal year 2008-2009. The  
 10 authority conferred by this section expires when the receipts of the Department received  
 11 pursuant to G.S. 161-11.3 are sufficient to support these five positions.

12 **SECTION 3.6.(a)** Section 28.4(a) of S.L. 2007-323, as amended by Section  
 13 26.4(a) of House Bill 2436 of the 2007 Regular Session, if it becomes law, reads as  
 14 rewritten:

15 "**SECTION 28.4.(a)** The annual salaries, payable monthly, for specified judicial  
 16 branch officials for the 2008-2009 fiscal year are:

<u>Judicial Branch Officials</u>	<u>Annual Salary</u>
18 Chief Justice, Supreme Court	\$140,932
19 Associate Justice, Supreme Court	137,249
20 Chief Judge, Court of Appeals	<del>133,817</del> 135,061
21 Judge, Court of Appeals	131,531
22 Judge, Senior Regular Resident Superior Court	127,957
23 Judge, Superior Court	124,382
24 Chief Judge, District Court	112,946
25 Judge, District Court	109,372
26 District Attorney	119,305
27 Administrative Officer of the Courts	126,738
28 Assistant Administrative Officer of the Courts	115,763
29 Public Defender	119,305
30 Director of Indigent Defense Services	123,022".

31 **SECTION 3.6.(b)** The Administrative Office of the Courts shall use  
 32 available salary reserve funds in the amount of one thousand two hundred forty-four  
 33 dollars (\$1,244), plus the cost of benefits, to increase the salary of the Chief Judge,  
 34 Court of Appeals, as provided by subsection (a) of this section. This additional salary  
 35 increase is to restore the differential in the salary between the Chief Judge and the other  
 36 Judges in the Court of Appeals to pre-1994 levels and to increase the current differential  
 37 such that it is approximately equivalent to the differential in salary between the Chief  
 38 Justice and the other Justices of the Supreme Court.

39 **SECTION 3.8.** Section 1.1 of S.L. 2004-179 as amended by Section 30.3A  
 40 of S.L. 2005-276 and Section 2.1 of S.L. 2006-146, authorized the State to issue or  
 41 incur special indebtedness in order to provide funds to the State for Western Carolina  
 42 University to be used, together with other available funds, to pay the cost of land  
 43 acquisition, site preparation, engineering, architectural, and other consulting services,  
 44

1 and construction of a building for Western Carolina University and the Mountain Area  
2 Health Education Consortium for the North Carolina Center for Health and Aging to be  
3 operated as a consortium among Western Carolina University, the University of North  
4 Carolina at Asheville, and the Mountain Area Health Education Consortium.

5 Western Carolina University, the University of North Carolina at Asheville,  
6 and the Mountain Area Health Education Consortium may expend available funds,  
7 including appropriations, for the operation and maintenance of this facility.

8  
9 **PART IV. EFFECTIVE DATE**

10 **SECTION 4.1** This act becomes effective July 1, 2008.