

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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3

SENATE BILL 1309

Appropriations Committee Substitute Adopted With Amendments 1,2,&3 8/2/89

Appropriations Senate Committee Substitute #2 Adopted

With Amendment #1 8/3/89

Short Title: Budget Reconciliation Act.

(Public)

Sponsors:

Referred to:

May 17, 1989

A BILL TO BE ENTITLED

AN ACT TO MAKE MISCELLANEOUS CHANGES TO THE STATE BUDGET FOR THE 1989-90 FISCAL YEAR AND FOR PAST FISCAL YEARS.

The General Assembly of North Carolina enacts:

Section 1. From the funds appropriated to the Office of State Budget and Management in Section 4 of the Capital Improvement Appropriations Act of 1989 (Senate Bill 1042, Second Edition) to the Reserve for Repairs and Renovations, \$13,903,890 is allocated as follows:

1989-90

ADMINISTRATIVE OFFICE OF THE COURTS

- 1. To provide funds to continue the contract for a special drug trafficking prosecution program in the 13th prosecutorial district. \$ 47,500

DEPARTMENT OF AGRICULTURE

- 1. Division of Marketing - Grant-in-aid for a poultry marketing sales promotion. 25,000  
State Aid

DEPARTMENT OF COMMERCE

- 1. Industrial Development Fund - Funds to continue assisting economically distressed counties. 3,500,000  
State Aid

1       2.       N.C. Housing Finance Agency - Provide reserve to be used for the Housing  
2                   Partnership Program. 2,000,000  
3                   State Aid

4       3.       Antique Village of Wilson County, Inc. - Matching funds for capital  
5                   improvements. Dollar-for-dollar match. 50,000  
6                   State Aid

7 DEPARTMENT OF COMMUNITY COLLEGES

8       1.       Central Piedmont Community College - Funds to complete the third floor  
9                   addition to the Optical Disc facility. 600,000  
10                  Capital Improvements

11  
12       2.       Wake Technical Community College - Funds to purchase equipment for the  
13                   nursing program. 50,000

14 DEPARTMENT OF CULTURAL RESOURCES

15       1.       Unconditional Grant-in-Aid - Grant-in-aid to complete renovations of  
16                   various historic buildings on the campus of the Central Children's Home,  
17                   Inc., in Oxford. 129,730  
18                   State Aid

19       2.       Unconditional Grant-in-Aid - Grant-in-aid to complete the second phase of  
20                   the restoration of Biddle Memorial Hall (a national historic property) at  
21                   Johnson C. Smith University in Charlotte. 400,000  
22                   State Aid

23       3.       Unconditional Grant-in-Aid - Grant-in-aid to the Garden Clubs of North  
24                   Carolina, Inc., for the Elizabethan Gardens. 50,000  
25                   State Aid

26       5.       Funds to complete the construction of the new Thomas Wolfe Memorial.  
27                   75,000  
28                   Capital Improvements

29       6.       Grant-in-Aid to Arts - N.C. Shakespeare Festival - Grant for touring  
30                   metropolitan and rural communities throughout the State to present major  
31                   Shakespearean productions, to tour high schools and support operating  
32                   expense. 75,000  
33                   State Aid

34       7.       Grant-in-Aid to Arts - Vagabond School of Drama - Grant-in-aid for  
35                   support of the official State Theater of N.C. 25,000  
36                   State Aid

37       8.       Arts Council - Increase State  
38                   aid to the arts through grants  
39                   made by the Council.       550,000  
40                   State Aid

41 DEPARTMENT OF HUMAN RESOURCES

42       1.       Division of Health Services -  
43                   Grant-in-aid for United Cerebral Palsy group homes and developmental  
44                   centers. 200,000

- 1 State Aid  
2 2. Western Carolina Center  
3 a. Funds to construct an addition to the wheelchair shop. 105,160  
4 Capital Improvements  
5 b. To construct a roof over the outdoor recreation center. 20,000  
6 Capital Improvements  
7 c. To replace the air conditioning cooling towers. Funds will match an  
8 Exxon grant dollar-for-dollar. 200,000  
9 Capital Improvements  
10 SECRETARY OF STATE  
11 1. Funds to implement the revised Business Corporations Act.  
12 100,000  
13 DEPARTMENT OF INSURANCE  
14 1. Funds to implement the monitoring required by SB 519 related to  
15 continuing care facilities. 75,000  
16 2. Funds to implement SB 446 which requires a rewrite of the N.C.  
17 Medicare Supplement Insurance Minimum Standards Act of 1981 to  
18 comply with new federal law. 50,000  
19 DEPARTMENT OF JUSTICE  
20 1. General Administration - Grant-in-aid for law enforcement at the  
21 public access and camping areas during peak use time at Jordan Lake  
22 and Kerr Lake.  
23 Chatham County 25,000  
24 Vance County 25,000  
25 State Aid  
26 DEPARTMENT OF NATURAL RESOURCES AND COMMUNITY  
27 DEVELOPMENT  
28 1. Funds to assist Avery County in developing a Growth Management  
29 Strategy. 37,500  
30 State Aid  
31 2. Funds to Division of Parks and Recreation for the purpose of  
32 establishing a residential training center to improve the professional  
33 skills and capabilities of State Park superintendents, rangers, and  
34 support staff. 250,000  
35 OFFICE OF STATE BUDGET AND MANAGEMENT  
36 1A. Marine Research and Development Crescent - To provide economic  
37 development in southeastern North Carolina to assist marine related  
38 activities while maintaining the region's fragile ecology. 65,000  
39 State Aid  
40 1B. Neuse River Development Authority - To promote economic  
41 development in the nine county region of the Eastern North Carolina  
42 Tomorrow Program - for aquaculture. 33,000  
43 State Aid  
44

- 1           2.     Brevard Music Center, Inc. - Grant-in Aid. 50,000
- 2                     State Aid
- 3           3.     Schiele Museum of Natural History and Planetarium, Inc., in Gaston
- 4                     County - Grant-in-Aid. 50,000
- 5                     State Aid
- 6           4.     Duplin Outdoor Drama Society, Inc., for the production of "The
- 7                     Liberty Cart". 35,000
- 8                     State Aid
- 9           5.     Snow Camp Historical Drama Society, Inc., for the production of
- 10                    "Sword of Peace". 50,000
- 11                    State Aid
- 12           6.     The Eastern Music Festival, Inc., in Guilford County - Grant-in-Aid.
- 13                    25,000
- 14                    State Aid
- 15           7.     Old Salem, Inc., in Forsyth County - Grant-in Aid. 50,000
- 16                    State Aid
- 17           8.     The Greenville Museum of Art, Inc., to match funds for construction
- 18                    of a new regional facility. 218,000
- 19                    State Aid
- 20           9.     Caswell County Commissioners to extend water and sewer lines along
- 21                    N.C. Highway 86 for development of this industrial corridor. 500,000
- 22                    State Aid
- 23           10.    Upper Cleveland Water District - To expand water system and extend
- 24                    water lines to Alzheimer's facility. 50,000
- 25                    State Aid
- 26           11.    Autism Foundation of N.C. Inc., for development of a permanent year-
- 27                    round camp and conference center for autistic adults and children.
- 28                    250,000
- 29                    State Aid
- 30           12.    Fairgrounds Rural Fire Department, Inc., in Wake County to match
- 31                    funds for construction of a new building to be used to continue fire
- 32                    protection to State-owned properties. 140,000
- 33                    State Aid
- 34           13.    Town of Dillsboro for development of an additional water source for
- 35                    the town and Jackson County (4.25 to 1 match). 43,000
- 36                    State Aid
- 37           14.    Rural Day Care Association of Northeastern N.C. - To provide day
- 38                    care for senior citizens. 100,000
- 39                    State Aid
- 40           15.    Thelonious Monk Institute of Jazz - Grant-in-Aid for capital
- 41                    improvements. 250,000
- 42                    State Aid

- 1           16.   Grant-in-Aid to the Roanoke Voyages and Corridor Commission for  
2           the celebration of the birthday of Eleanor Dare, first child born of  
3           English parents, to be held at the Elizabeth II State historic site. 25,000  
4           State Aid
- 5           17.   Autistic Society of North Carolina - To continue grant for operations  
6           and stipends for the autistic children's and adults' camp. 262,000  
7           State Aid
- 8           18.   Robeson Historical Drama, Inc. - To assist funding the outdoor drama  
9           "Strike At The Wind". 35,000  
10          State Aid
- 11          19.   Gaston County Museum of Art and History in Gaston County - Grant-  
12          in-aid. 50,000  
13          State Aid
- 14 DEPARTMENT OF PUBLIC INSTRUCTION
- 15          1.    Funds for contracted personal services for new and innovative projects  
16          and for research and development. 250,000
- 17 DEPARTMENT OF TRANSPORTATION
- 18          1.    Matching funds to establish a Viet Nam Veterans Memorial Park on  
19          Interstate 85. 100,000
- 20 UNIVERSITY OF NORTH CAROLINA -  
21 BOARD OF GOVERNORS
- 22          1.    Planning Funds For:   1,158,000  
23                  Capital Improvements
- 24          a.    N.C. Agricultural and Technical University - School of Technology  
25          Classroom/Lab Building.
- 26          b.    UNC - Greensboro - Music Building.
- 27          c.    N.C. Central University - Dorm Renovations.
- 28          d.    Winston-Salem State University - Student Services Complex.
- 29          e.    N.C. Central University - Conversion of Women's Gym to Data  
30          Processing Center.
- 31          2.    UNC - Asheville - Funds for continued development of the N.C.  
32          Arboretum. 1,000,000  
33                  Capital Improvements
- 34          3.    Grant to the Lineberger Cancer Research Center for planning of  
35          facility addition. 400,000
- 36          4.    East Carolina University - Continued support to match a grant to be  
37          used for establishing the North Carolina Geographic Alliance Network  
38          Program. 50,000  
39                  State Aid
- 40
- 41          TOTAL ALLOCATIONS       \$13,903,890.
- 42

1           Sec. 2. There is appropriated from the General Fund to the Office of State  
2 Budget and Management the sum of \$2,300,000 for the 1989-90 fiscal year and the sum  
3 of \$7,800,000 for the 1990-91 fiscal year for a Reserve for Repairs and Renovations.

4  
5 Requested by: Senator Walker

6 ---LOCATION OF MONUMENT CONSTRUCTED BY VETERANS' MEMORIAL  
7 COMMISSION NOT EXEMPT FROM CERTAIN STATUTES

8           Sec. 3. G.S. 143B-133.1(b) reads as rewritten:

9       "(b) The Commission may, in its discretion, hire any person or persons to design,  
10 construct, and erect the monument, and shall choose its location on the Capitol Grounds,  
11 in accordance with the review procedures of the North Carolina Historical Commission  
12 as set forth in Chapter 100 of the General Statutes, and without regard to Article 8 of  
13 Chapter 143 of the General Statutes, G.S. 143B-373, or G.S. 147-12(12)."

14  
15 Requested by: Senator Simpson

16 ---ARTS COUNCIL FUNDS LIMITATION

17           Sec. 4. No State funds appropriated for the 1989-90 fiscal year or for the  
18 1990-91 fiscal year to the Department of Cultural Resources for the Arts Council may  
19 be allocated for any project that denigrates any religion or religious symbol.

20  
21 Requested by: Senator Basnight

22 ---HYDE COUNTY COMMUNICATIONS BUILDING

23           Sec. 5. The funds designated in the Conference Report dated July 7, 1988,  
24 for Chapter 1086 of the 1987 Session Laws (1988 Session), for the Hyde County  
25 Sheriff's Department for construction of a communications tower on Ocracoke Island  
26 may also be used to construct a communications building.

27  
28 Requested by: Senator Parnell

29 ---PEMBROKE LIBRARY RENOVATION FUNDS REDIRECTED FOR  
30 MUNICIPAL COMPLEX CONSTRUCTION

31           Sec. 6. The portion of Section 1 of Chapter 1094 of the 1987 Session Laws  
32 (1988 Session) referring to Senate Bill 1742 reads as rewritten:

33       "~~S1742 PEMBROKE LIBRARY MUNICIPAL COMPLEX FUNDS.~~

34       Fifty thousand dollars (\$50,000) to the Town of Pembroke in Robeson  
35 County for capital costs for ~~the library~~ a municipal complex."

36  
37 Requested by: Senators Johnson of Wake and Royall

38 ---REGIONAL PUBLIC TRANSPORTATION AUTHORITY FUNDING

39           Sec. 7. A Regional Public Transportation Authority created pursuant to  
40 Article 26 of Chapter 160A of the General Statutes may, in addition to all other powers  
41 granted by G.S. 160A-610, and in furtherance of G.S. 160A-613, apply for a grant from  
42 the Department of Transportation to be funded from the funds for public transportation  
43 received from the North Carolina Highway Trust Fund if those funds are available. The

1 Department of Transportation may allocate to a regional public transportation authority  
2 any funds appropriated for public transportation.

3  
4 Requested by: Senator Ward

5 —IMPLEMENTATION OF RECOMMENDATION OF THE TASK FORCE ON  
6 THE PREPARATION OF TEACHERS

7 Sec. 8. (a) The State Board of Education and the Board of Governors of The  
8 University of North Carolina shall implement the objectives of the plan for the  
9 preparation of teachers as identified in "The Education of North Carolina  
10 Teachers" report and in the "Second Annual Report of the Joint Committee on Teacher  
11 Education of the Board of Governors of The University of North Carolina and the State  
12 Board of Education".

13 (b) Of the funds appropriated to the Department of Public Education in Section 3  
14 of this act, the sum of \$1,080,000 for the 1989-90 fiscal year, and the sum of \$2,000,000  
15 for the 1990-91 fiscal year shall be used by the State Board of Education to carry out the  
16 following program components as identified in the "Second Annual Report on the Joint  
17 Committee on Teacher Education of the Board of Governors of The University of North  
18 Carolina and the State Board of Education" :

	<u>1989-90</u>	<u>1990-91</u>
20 Reform of Teacher Education Programs	\$ 50,000	\$ 50,000
21 Quality Assurance Program Improvement	5,000	5,000
22 Teacher Certification and Program		
23 Approval	850,000	970,000
24 Professional Education	125,000	925,000
25 Incentive Programs for Teachers	<u>50,000</u>	<u>50,000</u>
26		
27 Total <u>\$1,080,000</u>	<u>\$2,000,000</u>	

28  
29 (c) Of the funds appropriated to the Board of Governors of The University of  
30 North Carolina in Section 3 of this act, the sum of \$1,500,000 for the 1989-90 fiscal  
31 year, and the sum of \$2,504,089 for the 1990-91 fiscal year shall be used to carry out  
32 the following program components as identified in the "Second Annual Report of the  
33 Joint Committee on Teacher Education of the Board of Governors of The University of  
34 North Carolina and the State Board of Education" :

	<u>1989-90</u>	<u>1990-91</u>
36 Reform of Teacher Education Programs	\$ 424,000	\$ 700,000
37 Quality Assurance Program Improvement	536,000	884,087
38 Professional Education		50,000
39 Revitalization of Teacher Education		
40 Faculty <u>540,000</u>	<u>870,000</u>	
41		
42 Total <u>\$1,500,000</u>	<u>\$2,504,089</u>	

1 (d) The State Board of Education and the Board of Governors of The University  
2 of North Carolina shall, through the Joint Committee on Teacher Education, continue to  
3 monitor and evaluate the implementation of the programs for the improvement of the  
4 preparation of teachers as set forth in the report, "The Education of North Carolina  
5 Teachers", and in the "Second Annual Report on the Joint Committee on Teacher  
6 Education of the Board of Governors of The University of North Carolina and the State  
7 Board of Education".

8

9 Requested by: Senator Sherron

10 —DEPARTMENT OF TRANSPORTATION TO REPAIR AND MAINTAIN THE  
11 STATE PARKS ROAD SYSTEM

12 Sec. 9. (a) G.S. 136-44.2 reads as rewritten:

13 **"§ 136-44.2. Budget and appropriations.**

14 The Director of the Budget shall include in the 'Budget Appropriations Bill' an  
15 enumeration of the purposes or objects of the proposed expenditures for each of the  
16 construction and maintenance programs for that budget period for the State primary,  
17 secondary, ~~and urban,~~ and State parks road systems. The State primary system shall  
18 include all portions of the State highway system located outside municipal corporate  
19 limits which are designated by N.C., U.S. or Interstate numbers. The State secondary  
20 system shall include all of the State highway system located outside municipal corporate  
21 limits that is not a part of the State primary system. The State urban system shall include  
22 all portions of the State highway system located within municipal corporate limits. The  
23 State parks system shall include all State parks roads which are not also part of the State  
24 highway system.

25 All construction and maintenance programs for which appropriations are requested  
26 shall be enumerated separately in the budget. Programs that are entirely State funded  
27 shall be listed separately from those programs involving the use of federal-aid funds.  
28 Proposed appropriations of State matching funds for each of the federal-aid construction  
29 programs shall be enumerated separately as well as the federal-aid funds anticipated for  
30 each program in order that the total construction requirements for each program may be  
31 provided for in the budget. Also, proposed State matching funds for the highway  
32 planning and research program shall be included separately along with the anticipated  
33 federal-aid funds for that purpose.

34 Other program categories for which appropriations are requested, such as, but not  
35 limited to, maintenance, channelization and traffic control, bridge maintenance, public  
36 service and access road construction, and ferry operations shall be enumerated in the  
37 budget.

38 The Department of Transportation shall have all powers necessary to comply fully  
39 with provisions of present and future federal-aid acts. No federally eligible construction  
40 project may be funded entirely with State funds unless the Department of Transportation  
41 has first consulted with the Joint Legislative Commission on Governmental Operations.  
42 For purposes of this section, 'federally eligible construction project' means any  
43 construction project except secondary road projects developed pursuant to G.S. 136-



1 44.7 and 136-44.8 eligible for federal funds under any federal-aid act, whether or not  
2 federal funds are actually available.

3 The 'Budget Appropriations Bill' shall also contain the proposed appropriations of  
4 State funds for use in each county for maintenance and construction of secondary roads,  
5 to be allocated in accordance with G.S. 136-44.5 and 136-44.6. State funds appropriated  
6 for secondary roads shall not be transferred nor used except for the construction and  
7 maintenance of secondary roads in the county for which they are allocated pursuant to  
8 G.S. 136-44.5 and 136-44.6.

9 In the event receipts and increments to the State Highway Fund shall be more than  
10 the appropriations made for the preceding fiscal year, such excesses shall be allocated  
11 by the Director of the Budget to the Department of Transportation for school and  
12 industrial access roads and unforeseen happenings or state of affairs requiring prompt  
13 action, with fifty percent (50%) of the balance to be allocated to the State secondary  
14 roads program on the basis of need as determined by the Department of Transportation  
15 and the remaining fifty percent (50%) to be allocated in accordance with G.S. 136-44.5.

16 The Department of Transportation may provide for costs incurred or accrued for  
17 traffic control measures to be taken by the Department at major events which involve a  
18 high degree of traffic concentration on State highways, and which cannot be funded  
19 from regular budgeted items. This authorization applies only to events which are  
20 expected to generate 30,000 vehicles or more per day."

21 (b) G.S. 136-44.12 reads as rewritten:

22 "**§ 136-44.12. ~~Construction and maintenance~~ Maintenance of roads in areas**  
23 **administered by the Division of State Parks and Recreation.**

24 The Department of Transportation is ~~authorized to shall~~ construct and maintain all  
25 roads which are not part of the State Highway System, leading into and located within  
26 the boundaries of all areas administered by the Division of ~~State Parks and Recreation~~  
27 of the Department of Natural Resources and Community Development.

28 All such roads shall be planned, designed, and engineered ~~and constructed~~ through  
29 joint action between the Department of Transportation and the Division of ~~State Parks~~  
30 and Recreation of the Department of Natural Resources and Community Development.  
31 This joint action shall encompass all accepted park planning and design principles.  
32 Particular concern shall be given to traffic counts and vehicle weight, minimal cutting  
33 into or through any natural and scenic areas, width of shoulders, the cutting of natural  
34 growth along roadways, and the reduction of any potential use of roads for any purpose  
35 other than by park users. All State park roads shall conform to the standards regarding  
36 width and other roadway specifications as agreed upon by the Division of ~~State Parks~~  
37 and Recreation of the Department of Natural Resources and Community Development  
38 and the Department of Transportation.

39 The State park road systems may be closed to the public in accordance with  
40 approved park practices that control the use of State areas so as to protect these areas  
41 from overuse and abuse and provide for functional use of the park areas, or for any  
42 other purpose considered in the best interest of the public by the Division of ~~State Parks~~  
43 and Recreation of the Department of Natural Resources and Community Development.

1 Nothing herein shall be construed to include the transfer to the Department of  
2 Transportation the powers now vested in the Division of ~~State Parks and Recreation~~ of  
3 the Department of Natural Resources and Community Development relating to the  
4 patrol and safeguarding of State parks or parkway roads."

5 (c) This section shall become effective July 1, 1990.

6  
7 Requested by: Senator Martin of Guilford

8 ---STATE ACCOUNTING SYSTEM PROJECT FUNDS

9 Sec. 10. Effective July 1, 1989, there shall be transferred from contributed  
10 capital of the State Information Processing Services (SIPS) internal service fund (Code  
11 74160) to the Office of the State Controller general fund (Code 14160) the sum of  
12 \$2,000,000 which shall be used by the Office of the State Controller in the ongoing  
13 State Accounting System Project.

14  
15 Requested by: Senator Parnell

16 ---CLEAN WATER REVOLVING LOAN AND GRANT FUND APPLICANTS

17 Sec. 11. G.S. 159G-3(2) reads as rewritten:

18 "(2) 'Applicant' means a local government unit that applies for a revolving  
19 loan or grant under the provisions of this Chapter. In addition, a local  
20 government may provide funds to a nonprofit agency which is  
21 currently under contract and authorized to provide wastewater  
22 treatment or water supply services to that unit of local government."

23  
24 Requested by: Senator Murphy

25 ---P.B. RAIFORD REGIONAL AIRPORT IN DUPLIN COUNTY

26 Sec. 12. Section 165 of Chapter 1086 of the 1987 Session Laws reads as  
27 rewritten:

28 "Sec. 165. Of the funds appropriated for State Aid to Airports in G.S. 136-16.4 for  
29 fiscal year 1988-89, the sum of twenty-five thousand dollars (\$25,000) shall be  
30 allocated to Duplin County for ~~drainage~~ capital improvements at the P.B. Raiford  
31 Regional Airport."

32  
33 Requested by: Senators Hunt of Durham and Royall

34 ---ENO RIVER STATE PARK CAPITAL FUNDS

35 Sec. 13. Of the funds appropriated by Section 4 of the Capital Improvement  
36 Appropriations Act of 1989 (Senate Bill 1042, Second Edition) to the Department of  
37 Natural Resources and Community Development for the Reserve for Development of  
38 the State Park System for the fiscal year 1989-90, \$500,000 shall be disbursed to the  
39 Association for the Preservation of the Eno River Valley, Incorporated, for land  
40 acquisition and capital improvements at the Eno River State Park.

41  
42 Requested by: Senator Marvin

43 ---PLAN FOR IMPLEMENTATION OF EDUCATIONAL PROGRAMS FOR  
44 CERTAIN HANDICAPPED CHILDREN

1       Sec. 14. (a)     During the 1989-90 school year, the Department of Public  
2 Education shall plan the implementation of educational programs for handicapped  
3 children between the ages of three and five as provided by Title II of Public Law 99-  
4 457. The planning activities shall include:

- 5           (1)     Identifying the number of handicapped children between the ages of  
6                   three and five currently residing in the State;
- 7           (2)     Identifying facilities in which services can be provided to these  
8                   children;
- 9           (3)     Estimating the number of qualified persons available to provide  
10                   services to these children; and
- 11          (4)     Developing rules and a budget for implementing the educational  
12                   programs for handicapped children between the ages of three and five  
13                   as provided by Title II of Public Law 99-457.

14          (b) The Department shall report to the General Assembly describing its  
15 planning activities, including proposed rules and a detailed budget request, no later than  
16 May 1, 1990.

17          (c) The Department of Human Resources, local school systems, local health  
18 departments, and local social services agencies shall provide the Department of Public  
19 Education with any assistance it requests in conducting its planning activities and  
20 preparing its report to the General Assembly.

21  
22 Requested by: Senators Basnight and Martin of Pitt

23 —USE OF FUNDS FOR EASTERN DETOXIFICATION PROGRAMS

24       Sec. 15. The Department of Human Resources is authorized to use \$695,000  
25 for fiscal year 1989-90 from over-realized receipts, Block Grant carry-forward monies,  
26 prior year receipts or other funds available to the Department for the established  
27 detoxification programs in the Eastern region during the period of study required by the  
28 General Assembly to develop an Alcohol Rehabilitation Center Plan.

29  
30 Requested by: Senator Royall

31 —UNIVERSITY OF NORTH CAROLINA PHYSICAL PLANT BUDGETED  
32 OVERHEAD RECEIPTS

33       Sec. 16. Budgeted overhead receipts related to the thirty percent (30%)  
34 transfers for support of physical plant operations for the University of North Carolina at  
35 Chapel Hill, Academic Affairs, for the 1989-90 and 1990-91 fiscal years, as reflected in  
36 Section 3 of Chapter 500 of the 1989 Session Laws, shall be increased by one hundred  
37 seventy-seven thousand three hundred forty-five dollars (\$177,345) and the General  
38 Fund appropriations for the 1989-90 and 1990-91 fiscal years shall be decreased by like  
39 amounts. Budgeted overhead receipts related to the thirty percent (30%) transfers for  
40 support of physical plant operations for the University of North Carolina at Chapel Hill,  
41 Health Affairs, for the 1989-90 and 1990-91 fiscal years as reflected in Chapter 500 of  
42 the 1989 Session Laws shall be increased by one hundred forty-one thousand six  
43 hundred twenty-one dollars (\$141,621) and the General Fund appropriations for the  
44 1989-90 and 1990-91 fiscal years shall be decreased by like amounts.

1           The appropriations for the University of North Carolina at Chapel Hill,  
2 Health Affairs, from the General Fund for the 1989-90 and 1990-91 fiscal years shall be  
3 increased by three hundred eighteen thousand nine hundred sixty-six dollars (\$318,966)  
4 for a Reserve for the Greensboro Regional TEACCH (Treatment and Education of  
5 Autistic and other Communications Handicapped Children and Adults) Center. This  
6 reserve shall be available for continuing operations of the Regional TEACCH Center  
7 which serves the Greensboro, High Point, and Winston-Salem area.

8  
9 Requested by: Senator Royall

10 ---NORTH CAROLINA MEMORIAL HOSPITAL IMPROVEMENT PROJECT

11       Sec. 17. (a)     The purpose of this section is to authorize construction, by North  
12 Carolina Memorial Hospital of an Administrative Office Building, in the amount of  
13 \$8,774,200, and to authorize the financing of this capital improvements project from  
14 funds available to the Hospital from gifts, grants, receipts, self-liquidating indebtedness,  
15 or other funds, or any combination of funds, but not including funds appropriated from  
16 the General Fund of the State.

17       (b)     The project authorized to be constructed and financed as provided in  
18 subsection (a) of this section is as follows:

19     1. North Carolina Memorial Hospital

20           Administrative Office Building                   \$8,774,200.

21       (c)     The Director of the Budget, provided the Director of the Budget may consult  
22 with the Advisory Budget Commission, may, when in his opinion it is in the best  
23 interest of the State to do so, and upon the request of the Board of Governors of The  
24 University of North Carolina, authorize a decrease in the scope or a change in the  
25 method of funding of the project authorized by this act.

26  
27 Requested by: Senator Goldston

28 ---DEPARTMENT OF TRANSPORTATION EXEMPTION FROM LIMITATION  
29 ON NUMBER OF STATE EMPLOYEES

30       Sec. 18. The limitation on the number of State employees contained in G.S.  
31 143-10.2 shall not apply to the Department of Transportation with respect to additional  
32 employees in administrative positions and to the Division of Highways with respect to  
33 operational and field positions when those administrative, operational, and field  
34 positions are needed to plan, design, and construct the specific projects funded by the  
35 North Carolina Highway Trust Fund.

36  
37 Requested by: Senator Goldston

38 ---NORTH CAROLINA HIGHWAY TRUST FUND CASH BALANCES

39       Sec. 19. Cash balances not required for construction payments in the North  
40 Carolina Highway Trust Fund may be advanced to the Highway Fund Equipment Fund  
41 to the extent required to acquire the appropriate equipment for force account  
42 construction of the Secondary Roads component of the North Carolina Highway Trust  
43 Fund construction schedule and plans. Advances under this section shall not exceed the

1 requirements beyond the first three years and rental rates shall be established to provide  
2 for the repayment during the construction schedule.

3  
4 Requested by: Senator Goldston

5 —DEPARTMENT OF TRANSPORTATION FUND CODE STRUCTURE  
6 REORGANIZATION

7       Sec. 20. During the 1989-90 fiscal year the Department of Transportation  
8 may reorganize the Fund Code Structure within and between Departmental  
9 Administration (Budget Code 84210), the Division of Highway Operations  
10 Administration (Budget Code 84220), and Construction and Maintenance Encumbrance  
11 Accounts (Budget Code 84230) in order to provide an efficient means of  
12 accommodating the additional requirements resulting from the North Carolina Highway  
13 Trust Fund. All changes must be approved by the Director of the Budget and reported  
14 quarterly to the Joint Legislative Commission on Governmental Operations.

15  
16 Requested by: Senator Goldston

17 —EXECUTIVE BUDGET ACT APPLIES TO NORTH CAROLINA HIGHWAY  
18 TRUST FUND

19       Sec. 21. Notwithstanding the establishment of the North Carolina Highway  
20 Trust Fund as an entity, since various components of that Fund are coordinated with  
21 programs of the Highway Fund, all projects funded shall be subject to the provisions of  
22 the Executive Budget Act (Article 1 of Chapter 143 of the General Statutes) with  
23 respect to allotments, obligations, encumbrances, and expenditures with appropriate  
24 reporting to the Director of the Budget in the same manner as currently employed for  
25 the Highway Fund and the Highway Bond Fund.

26  
27 Requested by: Senator Goldston

28 —HIGHWAY FUND CASH FLOW FUNDING

29       Sec. 22. Cash flow funding as authorized by G.S. 143-28.1 may be used to  
30 the extent required to balance the 1990-91 Highway Fund budget for authorized  
31 obligations which exceed anticipated revenues.

32  
33 Requested by: Senator Plyler

34 —ANSON COUNTY AIRPORT FUNDS REALLOCATION

35       Sec. 23. (a) Section 7 of Chapter 1101 of the 1987 Session Laws reads as  
36 rewritten:

37       "**Sec. 7.** Of the funds appropriated for State Aid to Airports in G.S. 136-16.4 for  
38 fiscal year 1988-89, the sum of fifty-eight thousand dollars (\$58,000) shall be allocated  
39 to the Anson County Airport for runway maintenance, ~~and~~ airport construction, ~~and~~  
40 other airport capital improvements."

41       (b) This section shall become effective July 1, 1988.

42  
43 Requested by: Senator Royall

44 —NO TRANSFERS BETWEEN ITEMS IN THE BUDGET

1           Sec. 24. G.S. 143-23(a1) reads as rewritten:

2           "(a1) No transfers may be made between line items in the budget of any  
3 department, institution, or other spending agency; however, with the approval of the  
4 Director of the Budget, a department, institution, or other spending agency may spend  
5 more than was appropriated for a line item if the overexpenditure is:

6           (1) In a program for which funds were appropriated for that fiscal period  
7 and the total amount spent for the program is no more than was  
8 appropriated for the program for the fiscal period;

9           (2) Required to continue a program because of unforeseen events, so long  
10 as the scope of the program is not increased;

11           (3) Required by a court, Industrial Commission, or administrative hearing  
12 officer's order or award or to match unanticipated federal funds;

13           (4) Required to respond to an unanticipated disaster such as a fire,  
14 hurricane, or tornado; or

15           (5) Required to call out the National Guard.

16           The Director of the Budget shall report on a quarterly basis to the Joint Legislative  
17 Commission on Governmental Operations and to the Fiscal Research Division of the  
18 Legislative Services Office the reason if the amount expended for a program is more  
19 than the amount appropriated for it from all sources.

20           Funds appropriated for salaries and wages may only be used for salaries and wages  
21 or for premium pay, overtime pay, longevity, unemployment compensation, workers'  
22 compensation, temporary wages, contracted personal services, moving expenses,  
23 payment of accumulated annual leave, certain awards to employees, tort claims, and  
24 employer's social security, retirement, and hospitalization payments: provided, however,  
25 funds appropriated for salaries and wages may also be used for purposes for which over  
26 expenditures are permitted by subdivisions (3), (4), and (5) of this subsection but the  
27 Director of the Budget shall include such use and the reason for it in his quarterly report  
28 to the Joint Legislative Commission on Governmental Operations and to the Fiscal  
29 Research Division of the Legislative Services Office. ~~Salary—Lapsed salary~~ funds that  
30 become available from vacant positions may not be used for new permanent employee  
31 positions or to raise the salary of existing employees.

32           As used in this subsection, 'program' means a group of expenditure and receipt line  
33 items for support of a specific budgeted activity outlined in the certified budget for each  
34 department, agency, or institution, as designated by the four-digit fund (purpose)  
35 number in the Budget Preparation System.

36           The requirements in this section that the Director of the Budget report to the Joint  
37 Legislative Commission on Governmental Operations shall not apply to expenditures of  
38 receipts by entities that are wholly receipt supported, except for entities supported by  
39 the Wildlife Resources Fund."

40  
41 Requested by: Senator Marvin

42 —SIMPLIFY CLERKS OF SUPERIOR COURT SALARY SCHEDULE

43           Sec. 25. (a) G.S. 7A-101(a) reads as rewritten:

"(a)The clerk of superior court is a full-time employee of the State and shall receive an annual salary, payable in equal monthly installments, based on the population of the county, as determined by the population projections of the Office of State Budget and Management for the year preceding the first year of each biennial budget, according to the following schedule:

<u>Population</u>	<u>Annual Salary</u>	<u>1989-90</u>	<u>1990-91</u>
Less than 30,000	\$36,288		
30,000-0 to 99,999	41,748	44,256	46,920
100,000 to 199,999	47,184	50,016	53,028
200,000 and above	53,832	57,072	60,054

When a county changes from one population group to another, the salary of the clerk shall be changed to the salary appropriate for the new population group on July 1 of the first year of each biennial budget, except that the salary of an incumbent clerk shall not be decreased by any change in population group during his continuance in office."

(b) From funds appropriated to the Judicial Department in the certified budget for the 1989-91 biennium, the Administrative Officer of the Courts may use up to three hundred thirty-two thousand six hundred twenty-five dollars (\$332,625) in fiscal year 1989-90 and up to three hundred thirty-three thousand eight hundred eighty-two dollars (\$333,882) in fiscal year 1990-91 to meet the additional current operating expenses necessary to increase the salaries and benefits of clerks of superior court in counties with a population of less than 30,000 as required by subsection (a) of this section.

Requested by: Senator Basnight

—CIVIL AIR PATROL HEADQUARTERS BUILDING FUNDS

Sec. 26. Notwithstanding any other provision of law, of the funds appropriated pursuant to G.S. 136-16.4 for aviation purposes, the sum of \$100,000 is appropriated for the 1989-90 fiscal year for the construction by the North Carolina Wing of the Civil Air Patrol, Inc., of a new headquarters and training facility. No less than ninety percent (90%) of these funds will be used for capital improvements, and the remaining ten percent (10%) may be used for furnishings. In order to receive these funds, the North Carolina Wing of the Civil Air Patrol, Inc., must match the funds on a dollar-for-dollar basis.

Requested by: Senator Royall

—EXPAND PURPOSES CERTAIN RECEIPTS MAY BE USED FOR ON THE BUTNER LANDS

Sec. 27. G.S. 146-30 reads as rewritten:

**"§ 146-30. Application of net proceeds.**

The net proceeds of any disposition made in accordance with this Subchapter shall be handled in accordance with the following priority: First, in accordance with the provisions of any trust or other instrument of title whereby title to such real property was heretofore acquired or is hereafter acquired; second, as provided by any other act of the General Assembly; third, the net proceeds shall be deposited with the State Treasurer. Provided, however, nothing herein shall be construed as prohibiting the

1 disposition of any State lands by exchange for other lands, but if the appraised value in  
2 fee simple of any property involved in the exchange is at least twenty-five thousand  
3 dollars (\$25,000), then such exchange may not be made without consultation with the  
4 Joint Legislative Commission on Governmental Operations.

5 For the purposes of this Subchapter, the term 'net proceeds' means the gross amount  
6 received from the sale, lease, rental, or other disposition of any State lands, less

7 (1) Such expenses incurred incident to that sale, lease, rental, or other  
8 disposition as may be allowed under rules and regulations adopted by  
9 the Governor and approved by the Council of State;

10 (2) Amounts paid pursuant to G.S. 105-296.1, if any; and

11 (3) A service charge to be paid into the State Land Fund.

12 The amount or rate of such service charge shall be fixed by rules and regulations  
13 adopted by the Governor and approved by the Council of State, but as to any particular  
14 sale, lease, rental, or other disposition, it shall not exceed ten percent (10%) of the gross  
15 amount received from such sale, lease, rental, or other disposition. Notwithstanding any  
16 other provision of this Subchapter, the net proceeds derived from the sale of land or  
17 products of land owned by or under the supervision and control of the Wildlife  
18 Resources Commission, or acquired or purchased with funds of that Commission, shall  
19 be paid into the Wildlife Resources Fund. Provided, however, the net proceeds derived  
20 from the sale of land or timber from land owned by or under the supervision and control  
21 of the Department of Agriculture shall be deposited with the State Treasurer in a capital  
22 improvement account to the credit of the Department of Agriculture, to be used for such  
23 specific capital improvement projects or other purposes as are provided by transfer of  
24 funds from those accounts in the Current Operations Appropriations Act. Provided  
25 further, the net proceeds derived from the sale of park land owned by or under the  
26 supervision and control of the Department of Natural Resources and Community  
27 Development shall be deposited with the State Treasurer in a capital improvement  
28 account to the credit of the Department of Administration to be used for the purpose of  
29 park land acquisition as provided by transfer of funds from those accounts in the  
30 Current Operations Appropriations Act. In the Current Operations Appropriations Act,  
31 line items for purchase of park and agricultural lands will be established for use by the  
32 Departments of Administration and Agriculture. The use of such funds for any specific  
33 capital improvement project or land acquisition is subject to approval by the Director of  
34 the Budget. No other use may be made of funds in these line items without approval by  
35 the General Assembly except for incidental expenses related to the project or land  
36 acquisition. Additionally with the approval of the Director of the Budget, either  
37 Department may request funds from the Contingency and Emergency Fund when the  
38 necessity of prompt purchase of available land can be demonstrated and funds in the  
39 capital improvement accounts are insufficient. Provided further, the net proceeds  
40 derived from the sale of any portion of the land in or around the unincorporated area  
41 known as Butner on or after July 1, 1980, shall be deposited with the State Treasurer in  
42 a capital improvement account to the credit of the Hospital to provide water and sewers  
43 and to bring those streets in the unincorporated area known as Butner not on the State  
44 highway system up to standards adequate for acceptance on the system, according to a



1 plan adopted by the Department of Administration, and the Office of State Budget and  
2 Management, with the approval of the Board of County Commissioners of Granville  
3 ~~County and County~~, to build industrial access roads to industries on the Butner lands  
4 lands, to construct new city streets on the Butner lands, extend water and sewer service  
5 on the Butner lands, and repair storm drains on the Butner lands."  
6

7 Requested by: Senator Ward

8 ---UNIVERSITY OF NORTH CAROLINA EXPENDITURES

9 Sec. 28. G.S. 116-143 reads as rewritten:

10 "**§ 116-143. State-supported institutions of higher education required to charge**  
11 **tuition and fees.**

12 The Board of Governors of the University of North Carolina shall fix the tuition and  
13 fees, not inconsistent with actions of the General Assembly, at the institutions  
14 enumerated in G.S. 116-4 in such amount or amounts as it may deem best, taking into  
15 consideration the nature of each institution and program of study and the cost of  
16 equipment and maintenance; and each institution shall charge and collect from each  
17 student, at the beginning of each semester or quarter, tuition, fees, and an amount  
18 sufficient to pay other expenses for the ~~term~~-term. Actual receipts in excess of the  
19 amounts budgeted may be expended as provided in G.S. 143-23 and G.S. 143-27, and as  
20 otherwise provided by law.

21 In the event that said students are unable to pay the cost of tuition and required  
22 academic fees as the same may become due, in cash, the said several boards of trustees  
23 are hereby authorized and empowered, in their discretion, to accept the obligation of the  
24 student or students together with such collateral or security as they may deem necessary  
25 and proper, it being the purpose of this Article that all students in State institutions of  
26 higher learning shall be required to pay tuition, and that free tuition is hereby abolished.

27 Inasmuch as the giving of tuition and fee waivers, or especially reduced rates,  
28 represent in effect a variety of scholarship awards, the said practice is hereby prohibited  
29 except when expressly authorized by statute or by the Board of Governors of the  
30 University of North Carolina; and, furthermore, it is hereby directed and required that  
31 all budgeted funds expended for scholarships of any type must be clearly identified in  
32 budget reports.

33 Notwithstanding the above provision relating to the abolition of free tuition, the  
34 Board of Governors of the University of North Carolina may, in its discretion, provide  
35 regulations under which a full-time faculty member of the rank of full-time instructor or  
36 above, and any full-time staff member of the University of North Carolina may during  
37 the period of normal employment enroll for not more than one course per semester in  
38 the University of North Carolina free of charge for tuition, provided such enrollment  
39 does not interfere with normal employment obligations and further provided that such  
40 enrollments are not counted for the purpose of receiving general fund appropriations."

41  
42 Requested by: Senator Ward

43 ---ALLOCATION OF BASIC EDUCATION PROGRAM ENHANCEMENT  
44 TEACHERS

1           Sec. 29. No school unit shall receive from funds appropriated in the  
2 continuation budget fewer Basic Education Program Enhancement Teachers in 1989-90  
3 than it received in 1988-89.

4  
5 Requested by: Senator Royall  
6 —INDUSTRIAL DEVELOPMENT FUND

7           Sec. 30. Part 2 of Article 10 of Chapter 143B of the General Statutes is  
8 amended by adding a new section to read:

9 **"§ 143B-437.1. Industrial Development Fund.**

10 There is created in the Department of Commerce the Industrial Development Fund  
11 to provide funds to assist the local government units of the most economically  
12 depressed counties in the State in creating jobs. The Department of Commerce shall  
13 adopt rules providing for the administration of the program. Those rules shall include  
14 the following:

15           (1) The funds shall be used for (i) installation of or purchases of  
16 manufacturing equipment or process productions equipment, (ii)  
17 structural repairs, improvements, or renovations of existing buildings  
18 to be used for manufacturing and industrial expansion, and/or (iii)  
19 construction of or improvements to new or existing water, sewer, gas,  
20 or electrical utility distribution lines or equipment for existing  
21 industrial buildings to be used for manufacturing and industrial  
22 operations, or (iv) in the case of counties designated as severely  
23 distressed counties under G.S. 105-130.40(c) or G.S. 105-151.17(c) or  
24 units of local government within those counties, construction of or  
25 improvement to new or existing water, sewer, gas, or electrical utility  
26 distribution lines or equipment to serve new or proposed industrial  
27 buildings to be used for manufacturing and industrial operations. To  
28 be eligible for funding, the water, sewer, gas or electrical utility lines  
29 of facilities shall be located on the site of the building or, if not located  
30 on the site, shall be directly related to the operation of the specific  
31 manufacturing activity. However, the Secretary of Commerce may use  
32 up to one hundred thousand dollars (\$100,000) to provide emergency  
33 economic development assistance in any county which is documented  
34 to be experiencing a major economic dislocation.

35           (2) The funds shall be used by the city and county governments for  
36 projects that will directly result in the creation of new jobs. The funds  
37 shall be expended at a rate of one thousand two hundred dollars  
38 (\$1,200) per new job created up to a maximum of two hundred fifty  
39 thousand dollars (\$250,000) per project.

40           (3) The funds may be used by the city or county governments in  
41 accordance with rules to be issued by the Department of Commerce  
42 governing the use of funds and eligibility for grants under this  
43 program.

1        Each year, on or before December 31, the Secretary of Commerce shall designate  
2 the most economically distressed counties in the State; this designation shall remain  
3 effective for the following calendar year. The Secretary of Commerce shall determine  
4 which counties are the most economically distressed counties in the State based on (i)  
5 rate of unemployment, (ii) per capita income, and (iii) relative population and  
6 work force growth or lack of growth, as determined by the Secretary of Commerce.

7        The Department of Commerce shall report annually to the General Assembly  
8 concerning the applications made to the fund and the payments made from the fund and  
9 the impact of the payments on job creation in the State. The Department of Commerce  
10 shall also report monthly to the Joint Legislative Commission on Governmental  
11 Operations and the Fiscal Research Division on to whom payments were made, in what  
12 amounts, and for what purposes."

13  
14 Requested by: Senator Plyler

15 —MOTOR FUELS TAX COLLECTION COSTS

16        Sec. 31. Section 17 of Chapter 652 of the General Statutes reads as rewritten:

17        "Sec. 17. All sums collected on kerosene and motor fuel pursuant to G.S. 119-18  
18 that are not allotted by the Office of State Budget and Management to administer and  
19 enforce the provisions of Chapter 119 and the cost of collection of motor fuels tax under  
20 Chapter 105, Article 36 of the General Statutes shall be credited to the Commercial  
21 Leaking Petroleum Underground Storage Tank Cleanup Fund and the Noncommercial  
22 Leaking Underground Petroleum Storage Tank Cleanup Fund as certified on a monthly  
23 basis as follows: one-half (½) shall be credited to the Commercial Fund and one-half  
24 (½) shall be credited to the Noncommercial Fund unless the balance in the Commercial  
25 Fund exceeds fifteen million dollars (\$15,000,000), and in that event, all such funds  
26 shall be credited to the Noncommercial Fund until the balance of the Commercial Fund  
27 falls below five million dollars (\$5,000,000), at which time credits to the Commercial  
28 Fund shall resume."

29  
30 Requested by: Senator Taft

31 —SALARIES OF INDUSTRIAL COMMISSION CHAIRMAN AND  
32 COMMISSIONERS

33        Sec. 32. G.S. 97-78(a) reads as rewritten:

34        "(a) The salaries-salary of each commissioner shall be the same as that fixed from  
35 time to time for judges of the superior court except that the chairman and each of the  
36 other commissioners shall be fixed by the General Assembly in the Current Operations  
37 Appropriations Act receive one thousand dollars (\$1,000) additional per annum."

38        Sec. 31.1. Of the funds appropriated in Section 4 of the Capital  
39 Improvements Appropriations Act of 1989 (Senate Bill 1042, Third Edition, Engrossed  
40 7/6/89) to the Department of Natural Resources and Community Development for the  
41 Division of Coastal Management, \$100,000 is redesignated to the Gates County Board  
42 of Education - to bring the High School's wastewater system into compliance with State  
43 and Federal wastewater regulations.

44

- 1 Requested by: Senator Royall
- 2 ---EFFECTIVE DATE
- 3           Sec. 33. This act is effective upon ratification.