

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

**SESSION LAW 2001-491
SENATE BILL 166**

AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, TO CREATE VARIOUS STUDY COMMITTEES AND COMMISSIONS, TO AUTHORIZE OR DIRECT STATE AGENCIES, LEGISLATIVE OVERSIGHT COMMITTEES AND COMMISSIONS TO STUDY SPECIFIED ISSUES, AND TO AMEND THE LAW REGARDING THE FURNISHING OF DATA AND INFORMATION BY STATE AGENCIES TO LEGISLATIVE COMMITTEES AND COMMISSIONS AND REGARDING INTERIM COMMITTEE ACTIVITY.

The General Assembly of North Carolina enacts:

PART I. TITLE

SECTION 1. This act shall be known as "The Studies Act of 2001".

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 2001 Regular Session of the 2001 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) Governmental Agency and Personnel Issues:
 - a. Definition of "child" in G.S. 165-20(3), the Veterans' Scholarship Program (Plyler)
 - b. Restructuring the Office of State Personnel (Kinnaird)
 - c. Establish North Carolina Portrait Gallery Commission (S.B. 1082 – Reeves)
 - d. Efficient location of State offices (Weinstein)
 - e. Early retirement for State employees and law enforcement officers (H.B. 4 – Hensley, H.B. 79 – Tucker, H.B. 1022 – Goodwin)
 - f. Firefighter's and rescue squad retirement issues (H.B. 1077, H.B. 1078 – Arnold)
- (2) Insurance and Managed Care Issues:
 - a. High-risk insurance health pools (S.J.R. 159 – Ballantine)
 - b. Insurance availability in beach and coastal areas (S.B. 212 – Soles, Ballantine, Jordan, Wellons, Allran; H.B. 229 – Redwine, Dedmon, Hurley, Nye, Smith)
 - c. Moratorium on health insurance mandates (S.B. 1044 – Hoyle; H.B. 1048 – Redwine)
 - d. Uninsured motorist coverage (H.B. 1253 – Goodwin)
 - e. Motor vehicle insurers/no mandates/nonoriginal crash parts (Nesbitt; H.B. 1329 – Carpenter of Haywood, Teague, West)
 - f. Workers' compensation insurance classifications (S.B. 1084 – Berger, Foxx; Rucho).
- (3) Environmental/Agricultural Issues:

- a. Enhancing fairness in agricultural contracts (S.B. 1086 – Wellons)
- b. Deposits on beverage containers (H.B. 772 – Edwards)
- (4) Government Regulatory Issues:
 - a. Visitor safety in State parks (Rand)
 - b. Clear cutting and development growth management in the City of Raleigh (Reeves)
 - c. Safety requirements in State building code (Rand)
 - d. State Medical Examiner system (H.B. 648 – Earle)
 - e. Naturopathy (H.B. 1091 - Hill)
 - f. Ensuring an efficient, timely, and flexible State purchasing and procurement process decentralized to the extent possible (Cole, Crawford, Fox)
 - g. Establishing a State energy program and the use of alternative financing agreements to finance energy conservation projects in State facilities (H.B. 389 – Tolson)
 - h. Government tort claims (S.B. 743 – Miller of Wake; H.B. 384 – Nesbitt)
 - i. Impact of licensure and reimbursement requirements for Licensed Psychological Associates on health care and on these practitioners (Masters level psychologists) (Kinnaird, Holliman)
 - j. Construction contracts/retainage reform (H.B. 1224 – Nesbitt)
- (5) Transportation Issues:
 - a. Steering and the offering of incentives with regard to motor vehicle glass repairs (Wellons; H.B. 13 – Sherrill)
 - b. Post-towing procedures (H.B. 1340 – Mitchell)
 - c. Use of cellular telephones in vehicles (H.B. 62 – McAllister, H.B. 74 – Bowie)
 - d. Compensation for Highway Patrol services at special events (H.B. 455 – McCombs)
- (6) Criminal Laws Issues:
 - a. Consolidation of law enforcement agencies (Kinnaird)
- (7) Election Issues:
 - a. Providing for a later primary date (S.B. 372 – Thomas)
- (8) Consumer Issues:
 - a. Mandatory arbitration provisions in consumer contracts
- (9) Domestic Violence Issues:
 - a. Child abuse and neglect in child care facilities (H.B. 456 – Hunter)
 - b. Confidentiality program for victims of domestic violence (H.B. 1402 – Jeffus)
 - c. Establishing a domestic violence fatality review team (S.B. 626 – Clodfelter; H.B. 810 – Alexander)
- (10) Education-Related Issues:
 - a. Payment of costs incurred by constituent institutions of The University of North Carolina for municipal services, including issues related to stormwater systems, fire protection, and traffic congestion (Hackney)
 - b. Reporting threats of school violence (H.B. 1134 – Davis)
- (11) Civil Law:
 - a. Distribution of wrongful death proceeds (H.B. 400 – Haire)
 - b. Use of traffic control photographic systems (H.B. 536 – Ellis)
- (12) Juvenile Issues:
 - a. Improving academic performance of juveniles in education programs for juveniles in juvenile facilities, promoting

efficiencies in government to permit funds to be redirected to these education programs, and increasing school-based decision making and parental involvement in these education programs (Nesbitt, Walend)

- b. Establishing procedures in the juvenile code for juveniles who lack the capacity to proceed (H.B. 138 – Baddour)
 - c. Juvenile commitment procedures (H.B. 277 – Haire)
 - d. Allowing counties to appeal certain orders in juvenile court (H.B. 1314 – Baddour)
- (13) Other:
- a. Economic impact of State's tourism industry (H.J.R. 419 – Warwick, McComas, Rayfield, Redwine, Smith)
 - b. Living income for State citizens (S.B. 1035 – Ballance; Martin of Guilford; H.B. 1104 – Alexander, Yongue, Earle, Fox)
 - c. Zero-based budgeting (H.B. 479 – Gulley of Mecklenburg)

SECTION 2.1A. Study of Bail Bondsmen (Harris) – The Legislative Research Commission may study the authority and regulation of bail bondsmen in this State. If it undertakes the study, the Commission shall consult with the Department of Insurance to consider the following:

- (1) The current legal authority of bail bondsmen and whether that authority should be limited or restricted.
- (2) The law and policies of other states in regulating bail bondsmen.
- (3) Alternatives for strengthening the laws and regulations of this State in regard to regulating bail bondsmen.
- (4) Any other issues the Commission considers relevant to the regulation of bail bondsmen.

SECTION 2.1B. Study of Cumberland Dam/Reservoir/State Park (S.B. 763 – Shaw of Cumberland) – (a) The Legislative Research Commission may study the feasibility and the desirability of constructing and establishing a dam and reservoir to be located on the Cape Fear River in Cumberland County for the purpose of establishing a regional public drinking water supply and authorizing the Department of Environment and Natural Resources to add the property surrounding the dam and reservoir to the State Parks System, as provided in G.S. 113-44.14(b). The Legislative Research Commission may consider whether purchasing land and developing a State park in Cumberland County and constructing and establishing a dam and reservoir on the Cape Fear River in the State park would:

- (1) Significantly enhance and conserve water quality in the Cape Fear River and in the area.
- (2) Further the objectives of the basinwide management plans for the Cape Fear River Basin and watershed.
- (3) Promote regional integrated ecological networks insofar as they affect water quality.
- (4) Preserve resources with significant recreational or economic value and uses.
- (5) Add to the development of a network of riparian buffer greenways bordering the Cape Fear River in the State park that would serve environmental, educational, and recreational uses.

(b) The Legislative Research Commission may consider the following issues related to purchasing land and developing a State park in Cumberland County and constructing and establishing a dam and reservoir on the Cape Fear River in the State park:

- (1) Whether the Department of Environment and Natural Resources should develop for budget and planning purposes estimates of the costs of the proposed project.

- (2) Whether the Department of Environment and Natural Resources should request the North Carolina Congressional delegation to apply to the Congress of the United States for appropriations for this water resources development project.
- (3) Whether the Department of Environment and Natural Resources should apply for a grant from the Clean Water Management Trust Fund under Article 13A of Chapter 113 of the General Statutes to fund all or part of the proposed project being studied under subsection (a) of this section, including the purchase of land or other interests in property.
- (4) Whether the Department of Environment and Natural Resources should use funds available for water resources development projects to assist in constructing and establishing the dam and reservoir project being studied under subsection (a) of this section.
- (5) Whether the Department of Environment and Natural Resources, pursuant to G.S. 143-355(b), should conduct an engineering study and report of the proposed water resources project consisting of constructing and establishing the dam and reservoir project being studied under subsection (a) of this section.

(c) The Division of Parks and Recreation of the Department of Environment and Natural Resources shall participate in each component of the study under subsection (a) of this section and in the consideration of any issues considered by the Legislative Research Commission under this section.

SECTION 2.1C. Availability of Liability Insurance for Long-Term Care Facilities, Physicians, and Hospitals – The Legislative Research Commission may study the availability of liability insurance for long-term care facilities, physicians, and hospitals in this State. If it undertakes this study, the Commission shall consider:

- (a) The factors causing and compounding reductions in underwriting capacity.
- (b) The underwriting and marketing practices of insurers and producers writing liability insurance for long-term care facilities, physicians, and hospitals.
- (c) Optional methods of risk management or risk sharing that may be utilized by long-term care facilities, physicians, and hospitals.
- (d) The effects of diminished underwriting capacity in long-term care facility, physician, and hospital liability insurance on the State's economy.
- (e) Any other related issues.

SECTION 2.1D. Tier 1 County Core and Essential Public Health Services Study (S.B. 949 – Ballance) – The Legislative Research Commission may study how to improve core and essential public health services in counties designated as Tier 1 counties. If it undertakes this study, the Commission shall determine:

- (1) Whether county health departments and district health departments in Tier 1 counties can coordinate the delivery of core and essential public health services through the establishment of a State-funded regional public health improvement demonstration project.
- (2) How to improve local public health departments' community health assessment functions.
- (3) How to improve the capability of local public health departments and local boards of health to impact community health issues.
- (4) How to ensure that needed quality health services are available and accessible to all residents.

SECTION 2.1E. State Personnel System (Baddour, Coates, Gibson, Russell, Sherrill, Underhill) – The Legislative Research Commission may study the State's overall system of personnel administration, including the following:

- (1) The funding and staffing of the Office of State Personnel.
- (2) The Comprehensive Compensation System for State employees.
- (3) State employee performance evaluation practices and procedures.

- (4) Whether provisions of the State Personnel Act, Chapter 126 of the General Statutes, should be revised based upon modern human resources practices.
- (5) Any other matters relative to the policies, practices, terms, and condition of State government employment.

SECTION 2.1F. Bioterrorism Preparedness (Gibson, Wright) – The Legislative Research Commission may study the ability of the State to respond in instances of suspected bioterrorism, including the ability of the State to provide laboratory and epidemiological support when bioterrorism is suspected or when there is a question of food supply safety and security.

SECTION 2.1G. Employment Security (Redwine) – The Legislative Research Commission may study issues relating to the State's Employment Security Law, Chapter 96 of the General Statutes, with an emphasis on the unemployment insurance tax. The Legislative Research Commission is encouraged to appoint members of the public, including representatives of the employers and employees, as well as legislators to participate in the study. The study may include the following issues:

- (1) Changes in the North Carolina economy and job market and their effect on the balance of the State Unemployment Insurance Trust Fund.
- (2) What minimum and maximum balances would be most reasonable for the Fund to assure that it will be adequate but not excessive.
- (3) Recommendations from the Employment Security Commission, including specifically the appropriate low balance for the State Unemployment Trust Fund.
- (4) The average duration of unemployment in the State and its impact on the appropriate tax rate and balance of the Trust Fund.
- (5) The current reserve of the Employment Security Commission Reserve Fund created under G.S. 96-59(f), and the proper use of that reserve.
- (6) The State Unemployment Insurance Tax base rate, options for adjusting the rate, and the effect on Trust Fund revenue resulting from the various options available to adjust the rate.

SECTION 2.1H. Funding Mechanisms for Agriculture Operations Conversion (Hackney) – The Legislative Research Commission may study potential funding mechanisms to facilitate the conversion of agriculture operations in this State to environmentally superior management systems.

SECTION 2.2. Committee Membership. – For each Legislative Research Commission committee created during the 2001-2003 biennium, the cochairs of the Legislative Research Commission shall appoint the committee membership.

SECTION 2.3. Reporting Date. – For each of the topics the Legislative Research Commission decides to study under this Part or pursuant to G.S. 120-30.17(1), the Commission may report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly, or the 2003 General Assembly.

SECTION 2.4. Funding. – From the funds available to the General Assembly, the Legislative Services Commission may allocate additional monies to fund the work of the Legislative Research Commission.

PART III. JOINT LEGISLATIVE GROWTH STRATEGIES OVERSIGHT COMMITTEE (Lee, Gulley of Durham, Hackney)

SECTION 3.1. Chapter 120 of the General Statutes is amended by adding a new Article to read:

"Article 12N.

"Joint Legislative Growth Strategies Oversight Committee.

§ 120-70.120. Creation and membership of Joint Legislative Growth Strategies Oversight Committee.

The Joint Legislative Growth Strategies Oversight Committee is established. The Committee consists of 12 members as follows:

- (1) Six members of the Senate appointed by the President Pro Tempore of the Senate; and
- (2) Six members of the House of Representatives appointed by the Speaker of the House of Representatives.

Terms on the Committee are for two years and begin on the convening of the General Assembly in each odd-numbered year, except the terms of the initial members, which begin on appointment and end on the day of the convening of the 2003 General Assembly. Members may complete a term of service on the Committee even if they do not seek reelection or are not reelected to the General Assembly, but resignation or removal from service in the General Assembly constitutes resignation or removal from service on the Committee.

A member continues to serve until a successor is appointed. A vacancy shall be filled by the officer who made the original appointment.

"§ 120-70.121. Purpose and powers of Committee.

(a) The Joint Legislative Growth Strategies Oversight Committee shall examine, on a continuing basis, growth and development issues and strategies in North Carolina in order to make ongoing recommendations to the General Assembly on ways to promote comprehensive and coordinated local, regional, and State growth planning and public investment, taking into consideration regional differences within the State. In this examination, the Committee may:

- (1) Study the recommendations of the Commission to Address Smart Growth, Growth Management, and Development Issues established pursuant to S.L. 1999-237, Section 16.7, and determine what legislation is necessary and desirable to effectuate those recommendations;
- (2) Consider strategies that help communities and regions maximize the benefits of growth by developing transportation choices, protecting natural and cultural resources, enhancing the vitality of downtowns and existing neighborhoods, removing barriers to affordable housing and preserving housing choice while preserving a viable economic climate and industry, and building greater regional cooperation on development issues;
- (3) Analyze legislation from other states regarding local, regional, and State planning and growth management;
- (4) Assess the viability of a comprehensive statewide growth policy;
- (5) Determine how to increase the full range of affordable housing opportunities for low- and moderate-income North Carolinians;
- (6) Study the fiscal relationship between State agencies and the communities in which they are located. This study may:
 - a. Analyze the direct and indirect economic and financial benefits and relative burdens and costs of the presence of a State agency in a community to a local government.
 - b. Consistent with Article V, Section 2 of the North Carolina Constitution, which exempts State property from taxation, examine the unfunded costs associated with the expansion of a State agency in a community and recommend who should assume responsibility for those costs and the appropriate funding sources.
 - c. Discuss the requirements local governments seek to impose on State agencies and determine whether those requirements should be applied, or applied differently, to State agencies; and
- (7) Study any other matters that the Committee considers necessary to fulfill its mandate.

(b) The Committee may make interim reports to the General Assembly on matters for which it may report to a regular session of the General Assembly. A report to the General Assembly may contain any legislation needed to implement a recommendation of the Committee.

"§ 120-70.122. Organization of Committee.

(a) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Joint Legislative Growth Strategies Oversight Committee. The Committee shall meet upon the joint call of the Strategies cochairs.

(b) A quorum of the Committee is seven members. Only recommendations, including proposed legislation, receiving at least six affirmative votes may be included in a Committee report to the General Assembly. While in the discharge of its official duties, the Committee has the powers of a joint committee under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.

(c) The cochairs of the Committee may call upon other knowledgeable persons or experts to assist the Committee in its work.

(d) Members of the Committee shall receive subsistence and travel expenses as provided in G.S. 120-3.1, 138-5, or 138-6, as appropriate. The Committee may contract for consultants or hire employees in accordance with G.S. 120-32.02. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Committee in its work. Upon the direction of the Legislative Services Commission, the Supervisors of Clerks of the Senate and of the House of Representatives shall assign clerical staff to the Committee. The expenses for clerical employees shall be borne by the Committee."

SECTION 3.2. From funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Committee.

SECTION 3.3. This Part becomes effective January 15, 2002, and expires January 16, 2005. Prior to its expiration on January 16, 2005, the Committee shall report to the General Assembly on its activities conducted pursuant to this Part.

PART IV. LEGISLATIVE ALCOHOLIC BEVERAGE CONTROL STUDY COMMISSION (Lee)

SECTION 4.1. Commission Established. – There is established a Legislative Alcoholic Beverage Control Study Commission.

SECTION 4.2. Membership. – The Commission shall be composed of 13 members as follows:

- (1) Three members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (2) Three members of the Senate appointed by the President Pro Tempore of the Senate.
- (3) Three members of the public appointed by the Governor, none of whom shall be State officials, and two of whom shall have expertise in Alcoholic Beverage Control matters.
- (4) Two members of the public appointed by the Speaker of the House of Representatives, one of whom shall be a municipal-elected official, and one of whom shall have experience in business and Alcoholic Beverage Control matters.
- (5) Two members of the public appointed by the President Pro Tempore of the Senate, one of whom shall be an elected county official, and one of whom shall have experience in business and Alcoholic Beverage Control matters.

SECTION 4.3. Chairman of the Alcoholic Beverage Control Commission. – The Study Commission shall invite the Chairman of the Alcoholic Beverage Control Commission to attend each meeting of the Study Commission and encourage his participation in the Study Commission's deliberations.

SECTION 4.4. Duties of Commission. – The Commission shall study the following matters related to Alcoholic Beverage Control:

- (1) Benefits and costs of "control" and "license" systems, as implemented in other states, or privatization of alcoholic beverage control, with particular focus on which type of system is more efficient.
- (2) Aspects of organization, structure, and function of the North Carolina ABC Commission and local alcoholic beverage control systems. – Including statutory authority, policy-making and regulatory functions, price-setting functions, distribution functions, purchasing, budget, staffing, capital assets, and other fiscal and financial matters.
- (3) Schedule, collection, and distribution of alcohol-related taxes and fees. – Including the taxes and fees currently applicable and not applicable to the sale of alcoholic beverages.
- (4) Possible efficiency enhancements to the ABC system. – Including effects on the price paid by the consumer, the costs of distribution, regulatory costs, tax collection costs, and distribution of revenue to the State and local governments.
- (5) Other Alcoholic Beverage Control issues. – Including location and zoning of retail stores, liquor advertising, effects of price on alcohol consumption, uniformity throughout the State of alcoholic beverage availability and sales, and direct purchase of alcoholic beverages from out-of-state wholesalers.
- (6) List not exclusive. – The Commission may study any other Alcoholic Beverage Control-related issues approved by the cochairs or recommended by the Chairman of the Alcoholic Beverage Control Commission and approved by the cochairs.

SECTION 4.5. Vacancies. – A vacancy shall be filled by the officer who made the original appointment.

SECTION 4.6. Cochairs. – The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall designate cochairs of the Commission from among their respective appointees. The Commission shall meet upon the call of the cochairs. A quorum of the Commission shall be seven members.

SECTION 4.7. Expenses of Members. – Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 4.8. Staff. – The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses related to the clerical employees shall be borne by the Commission.

SECTION 4.9. Consultants. – The Commission may employ consultants to assist with the study as provided in G.S. 120-32.02. Before expending any funds for a consultant, the Commission shall report to the Joint Legislative Commission on Governmental Operations on the consultant selected, the work products to be provided by the consultant, and the cost of the contract, including an itemization of the cost components.

SECTION 4.10. Meetings During Legislative Session. – The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

SECTION 4.11. Meeting Location. – The Commission shall meet at various locations around the State in order to promote greater public participation in its deliberations. Subject to the approval of the Legislative Services Commission, the Commission may meet in the State Legislative Building or the Legislative Office Building.

SECTION 4.12. Report. – The Commission shall submit an interim report to the Joint Legislative Commission on Governmental Operations, to the Cochairs of the House and Senate Appropriations Committees, to the Cochairs of the House and Senate Appropriations Subcommittees on Natural and Economic Resources, and to the Fiscal Research Division on or before April 15, 2002. The Commission shall submit a final report to the recipients of the interim report on or before March 1, 2003. Upon the earlier of the filing of its final report or March 1, 2003, the Commission shall terminate.

SECTION 4.13. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds to implement the provisions of this Part.

PART V. DOT STUDY OF PIEDMONT AREA COMMUTER RAIL LINE ACQUISITION (Garrou)

SECTION 5.1. The Department of Transportation Rail Division shall study the feasibility of acquiring rail lines or usage rights on rail lines in Forsyth County, Guilford County, and neighboring counties for commuter rail service operated by the Piedmont Authority for Regional Transportation. The Department shall consult with the Authority in conducting its study. The Department shall report its findings and recommendations to the Joint Legislative Transportation Oversight Committee by May 1, 2002.

PART VI. COMMISSION ON POSITIVE RACIAL, ETHNIC, AND FAITH RELATIONS (MARTIN OF GUILFORD)

SECTION 6.1. The Commission on Positive Racial, Ethnic, and Faith Relations is created. The purpose of the Commission is to examine and understand the factors and beliefs that influence the formation of damaging attitudes and intolerance towards persons based on race, ethnicity, and faith and to seek ideas for changing false perceptions and building tolerance and acceptance.

SECTION 6.2. The Commission shall consist of 22 members as follows:

- (1) Nine members appointed by the President Pro Tempore of the Senate, as follows:
 - a. Five members of the Senate;
 - b. Four members from the public.
- (2) Nine members appointed by the Speaker of the House of Representatives, as follows:
 - a. Five members of the House of Representatives;
 - b. Four members from the public.
- (3) Four members appointed by the Governor, none of whom shall be members of the General Assembly.

SECTION 6.3. The President Pro Tempore of the Senate shall designate one senator as cochair, and the Speaker of the House of Representatives shall designate one representative as cochair. Vacancies on the Commission shall be filled by the officer who made the initial appointment. The Commission shall terminate the earlier of the delivery of its final report or December 1, 2002.

SECTION 6.4. The Commission, while in the discharge of official duties, may exercise all powers provided for under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the joint call of the cochairs. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the Legislative Office Building. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 6.5. The Commission shall have the following powers and duties:

- (1) To identify policies and practices within State government that countenance, sanction, or foster negative attitudes and perceptions of, and actions towards, persons based on their race, ethnicity, and faith.
- (2) To make recommendations for actions State government can take to eliminate and prevent policies and practices that tend to foster fear and intolerance based on race, ethnicity, and faith, and that have a negative impact upon the citizens and residents of North Carolina.
- (3) To consider the extent to which, and how, State government should attempt to become involved in changing perceptions, attitudes, and behaviors of individuals and institutions in ways that foster greater acceptance and tolerance of racial, ethnic, and faith differences among its citizens and residents.
- (4) To identify strategies for creating better cooperation between State government and non-State institutions and systems to eliminate negative perceptions, attitudes, and behaviors based on racial, ethnic, and faith differences.
- (5) To identify policies and practices within State government and non-State institutions and systems that have a positive impact on racial, ethnic, and faith relations and make recommendations for enhancing and expanding upon those policies and practices.

SECTION 6.6. The Commission on Positive Racial, Ethnic, and Religious Relations shall submit an interim report to the General Assembly not later than the convening of the 2002 Regular Session of the 2001 General Assembly. The Commission on Positive Racial, Ethnic, and Religious Relations shall submit a final report to the General Assembly December 1, 2002.

SECTION 6.7. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds to implement the provisions of this Part.

PART VII. INCEST PENALTY STUDY (Metcalf; H.B. 1276 – Nesbitt)

SECTION 7.1. The North Carolina Sentencing and Policy Advisory Commission may study the current punishments for violations of G.S. 14-178 and G.S. 14-179 to determine whether those punishments are consistent with other punishments for sex offenses. The Commission may also study the incest statutes' application to acts between related minors.

SECTION 7.2. The Commission may report its findings and recommendations, including any proposed legislation, to the General Assembly prior to the convening of the 2002 Regular Session of the 2001 General Assembly.

PART VIII. JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE STUDIES

SECTION 8.1. The Joint Legislative Education Oversight Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly, or to the 2003 General Assembly.

SECTION 8.2. Residential Charter Schools (Lee) - The Joint Legislative Education Oversight Committee may study whether the State should authorize and fund residential charter schools. As part of this study, the Committee shall consider what portion, if any, of the residential costs should be borne by the State, and whether nonresident students should be required to pay tuition.

SECTION 8.4. Halifax Community College Service Area (Ballance) – The Joint Legislative Education Oversight Committee may study whether additional townships in Northampton County should be included in the Halifax Community College service area. If this study is undertaken, the Committee shall consider the availability of satellite campus facilities and other services in Jackson, as well as the impact this change would have on Roanoke-Chowan Community College. At the same

time it reports its findings and recommendations to the General Assembly, the Committee shall report its findings and recommendations to the State Board of Community Colleges.

SECTION 8.5. Teaching Personal Financial Literacy in Schools (S.B. 744 – Hagan, Bingham) – The Committee may study the issue of teaching personal financial literacy in the public schools and shall consider the following issues in its study:

- (1) The best methods of equipping students with the knowledge and skills they need, before they become self-supporting, to make critical decisions regarding their personal finances.
- (2) The components of a personal financial literacy curriculum, including topics such as consumer financial education, personal finance, and personal credit.
- (3) The appropriate materials and guidelines for local boards of education to use in implementing a program of instruction on personal financial literacy.
- (4) Methods of funding for local boards of education, including information on securing public and private grant funds and on using other public and private assets, to implement the instructional program.

SECTION 8.6. Classroom Experience for School Personnel (S.B. 586 – Hartsell) – The Committee may study whether professional employees of schools who do not have daily classroom instructional contact with students should be required to deliver instruction or to have other contact with students in classrooms during the instructional day.

SECTION 8.7. Schoolwork of Suspended Students (Kinnaird) – The Committee may study the development of standards for the acceptance by public schools of schoolwork performed by suspended students at Day Reporting Centers and other alternative schools.

SECTION 8.8. Nutrition in Public Schools (S.B. 725 – Kinnaird; H.B. 650 – Howard) – The Committee may study the public health issues related to elementary and secondary students consuming foods of minimal nutritional value and whether and to what extent those foods should be made available to students in public schools.

SECTION 8.9. Tuition Rates for Noncitizen Immigrant Students (S.B. 812 – Martin of Guilford) – The Committee may study State law pertaining to tuition rates for noncitizen immigrant students and consider the feasibility of extending in-State tuition status to those students. In addition to members from the Committee, the co-chairs may appoint other members from among the following categories of individuals who are not members of the General Assembly to assist the Committee in this study:

- (1) Experts in immigration law and advocacy.
- (2) Advocates for noncitizen students versed in education and immigration issues.
- (3) Representatives of organizations for refugee and immigrant populations.
- (4) Advisors for immigrant students at The University of North Carolina.
- (5) Advocates or leaders from the noncitizen immigrant community.

SECTION 8.10. Science, Mathematics, and Technology Education (Lee; H.B. 1338 – Boyd-McIntyre) – The Committee may study ways to improve science, mathematics, and technology education and student achievement, implement the State's vision of having the best public schools in the nation by 2010, prepare students for future science, mathematics, and technology learning and jobs, and improve support to the School of Science and Mathematics.

SECTION 8.11. Health Care Personnel Education – The Committee may study ways to address the current and projected critical shortage of health care personnel and how the educational system can assist in the development of an adequate supply of appropriately trained health care personnel. Any Committee report on this issue shall be provided to the Joint Legislative Health Care Oversight Committee.

Regardless of whether the Committee undertakes this study, on or before March 1, 2002, the Board of Governors of The University of North Carolina, the State Board of Community Colleges, and the Department of Public Instruction shall submit a report to the Committee and to the Joint Legislative Health Care Oversight Committee outlining existing and future plans to address this issue, including obstacles to realizing those plans, additional plans that could be developed should additional resources be made available, numbers of current and projected students enrolled in and expected to complete health care training programs, where students become employed upon completion of the health care training programs, and any reductions in funding to programs designed to train or retain health care personnel.

SECTION 8.12. Community Colleges (Rand, Preston, Yongue) – The Committee may study the effects of requiring nine-month contracts of all full-time community college faculties. If undertaken, the study shall include a determination of the value of nine-month contracts in making national salary comparisons, the additional administrative requirements that result from nine-month contracts, the feasibility of permitting the North Carolina Community Colleges System to carry forward encumbered contract funds to a subsequent fiscal year, and the length of contract as it relates to faculty discipline.

In addition, the Committee may study the relationship between fully funding summer term instruction and moving full-time community college faculty and professional staff toward their respective national average salaries.

The Committee may also study the need for additional student services positions in the North Carolina Community Colleges System based upon changing demographics among the student population, including the need for additional counselors, financial aid specialists, special population specialists, advisors, testing and job placement specialists.

SECTION 8.13. The Prescription of Ritalin and Other Drugs to Children Diagnosed ADD/ADHD (S.J.R. 1074 – Rucho) – The Committee may study the procedure to identify amphetamine/stimulant drugs, (for example Ritalin and Adderal) based upon "Attention Deficit Disorder" (ADD) and "Attention Deficit Hyperactivity Disorder" (ADHD) in diagnosed children.

SECTION 8.14 . Review of Low-Wealth School Funding Formula (H.B. 230 – Gillespie) – The Committee may study the funding formula used to provide supplemental funds to schools in low-wealth counties.

SECTION 8.15. Meeting the Needs of Students with Disabilities (S.B. 98 – Dannelly; H.B. 248 – Boyd-McIntyre, McLawhorn) – The Committee may study issues relating to the education of students with disabilities.

SECTION 8.16. High Priority School Assistance (S.B. 1076 – Lee; H.B. 1018 – Yongue, Arnold, Rogers, Warner, Bonner) – The Committee may study ways to assist any continually low-performing schools.

SECTION 8.17. Performance-Based Licensure Program (H.B. 1256 – McLawhorn, Underhill) – The Committee may study the implementation of and the timetable for the Performance-Based Licensure Program for initially licensed teachers.

SECTION 8.18. Advisory State Board of Education Members (S.B. 394 – Miller) – The Committee may study the issue of changing the advisory membership of the State Board of Education.

SECTION 8.19. Speech and Language Pathology Caseloads and Severity Rating Scales (Yongue) – The Committee may study the implementation of caseload limits for speech and language pathologists who are serving State-identified speech and language-impaired children. The Committee may also study the implementation of a severity rating scale for speech and language-impaired children.

SECTION 8.20. Participation of Nonpublic Students in Public School Extracurricular Activities (H.B. 823 – Decker) – The Committee may study the participation of nonpublic school students and home school students in extracurricular activities at public schools.

SECTION 8.21. Higher Education Residency Requirements (H.B. 1279 – Allred) – The Committee may study the current requirements to qualify as a North Carolina resident for tuition purposes.

PART IX. REVENUE LAWS STUDY COMMITTEE

SECTION 9.1. The Revenue Laws Study Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly, or to the 2003 General Assembly.

SECTION 9.2. Compliance With Tax Laws - The Committee may study proposals for improving compliance with State tax laws. The study shall include an evaluation of how existing data may be used to identify businesses that underreport income or sales, retailers that misuse certificates of resale, and taxpayers that use other methods to avoid complying with the tax laws.

SECTION 9.3. Travel and Tourism Capital Incentive Grants (S.B. 1050 – Metcalf) – The Committee may study whether a travel and tourism capital incentive grant program should be established.

SECTION 9.4. Credit Card Solicitation (S.B. 800 – Bingham, Warren, Weinstein) – The Committee may study the issue of credit card solicitation in this State.

SECTION 9.5. Apportionment Formula (H.B. 1231 – Hensley) – The Committee may study the formula used to apportion the income of multistate corporations to this State, including the elimination of the double-weighted sales factor.

PART X. JOINT LEGISLATIVE HEALTH CARE OVERSIGHT COMMITTEE

SECTION 10.1. The Joint Legislative Health Care Oversight Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly, or to the 2003 General Assembly.

SECTION 10.2. Medical Services to Persons With Disabilities (S.B. 766 – Carpenter of Macon, Lucas) – The Committee may study the delivery of medical services to persons with disabilities.

SECTION 10.3. Prescription Drugs (Kinnaird, Purcell) – The Committee may study the following issues relating to prescription drugs:

- (1) The increasing cost of prescription drugs and approaches to controlling these costs effectively.
- (2) The impact of the increasing cost of prescription drugs on the State Medical Assistance program and other programs administered by the State that are directly or indirectly affected by the increasing costs of prescription drugs and possible approaches to reducing these costs.
- (3) The impact of increasing costs and the high utilization of prescription drugs by seniors and the disabled, the resulting decline in access to prescription drugs by seniors and the disabled, and approaches the State may adopt to make drug coverage more accessible and affordable to seniors and the disabled.
- (4) Ways to improve the health of elderly and disabled persons through reviewing their prescription drug regimens, identifying possible conflicting drugs, offering education and counseling in the use of drugs, and proposing affordable substitutes.
- (5) Ways to facilitate and enhance assessment of drug regimens by qualified persons so that individual consent is obtained and privacy protected.
- (6) Ways to fund reasonable costs associated with assessment, management, and counseling services.
- (7) How to maximize federal support for enhancing access and management assistance to elderly and disabled persons who are not currently eligible for Medicaid or receiving prescription drug coverage under Medicare or other health insurance.

- (8) How to establish public/private partnerships via cooperative agreements between and among hospitals, health care providers, and pharmacists, statewide and at the community level, to enhance access and provide assessment, management, and counseling services.
- (9) How to ensure that pharmacy services are available in rural areas where there are few retail pharmacies.
- (10) A cost-benefit analysis for providing assessment, management, and care management services for eligible elderly and disabled persons.
- (11) Where programs to improve access and management assistance could be most effectively located, such as pharmacies, community organizations, or other appropriate locations.
- (12) Ways of educating and counseling elderly and disabled persons on preventive health care measures.

SECTION 10.4. County Share of the Cost of Medicaid (Rand; H.B. 1251 - Goodwin) – The Committee may study the county share of the cost of Medicaid, including the benefits, legal implications and respective services costs of the Medicaid program, and the associated costs implications and capability by counties to generate sufficient revenue. Any findings as a result of this study shall include strategies and recommendations targeted to eliminating or equalizing county costs and lessening the State's fiscal burden.

SECTION 10.5. Long-Term Care Aide Workforce Issues (S.B. 180 – Purcell; H.B. 244 – Earle) – The Committee may study workforce issues pertaining to the long-term care aide workforce.

PART XI. UNDERAGE DRINKING STUDY COMMISSION (S.B. 821 – Rand; H.B. 1275 – Alexander, Goodwin)

SECTION 11.1. Commission Established. – There is established an Underage Drinking Study Commission.

SECTION 11.2. Membership. – The Commission shall be composed of 15 members as follows:

- (1) Four members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (2) Four members of the Senate appointed by the President Pro Tempore of the Senate.
- (3) Three members appointed by the Governor, two of whom shall be representatives of the law enforcement community, and one of whom shall be a representative of the business community.
- (4) Two members of the public appointed by the Speaker of the House of Representatives, one of whom shall have expertise in juvenile alcohol and drug abuse and addiction, and one of whom shall be a representative of the primary or secondary education community.
- (5) Two members of the public appointed by the President Pro Tempore of the Senate, one of whom shall be familiar with how underage persons actually obtain alcoholic beverages, and one of whom shall be a representative of the primary or secondary education community.

SECTION 11.3. Secretaries of Health and Human Services, Crime Control and Public Safety, and Juvenile Justice and Delinquency Prevention. – The Commission shall invite the Secretary of Health and Human Services, the Secretary of Crime Control and Public Safety, and the Secretary of Juvenile Justice and Delinquency Prevention to attend each meeting of the Commission and encourage their participation in the Commission's deliberations.

SECTION 11.4. Duties of Commission. – The Commission shall study the following matters related to alcohol consumption by persons under the age of 21:

- (1) Commercial availability. – The Commission shall review the laws regulating the sale and consumption by persons under the age of 21; types and locations of commercial outlets that are likely sites for youth

purchases; serving and selling practices that reduce the likelihood of illegal sales, including server/seller licensing, minimum age to sell or serve alcohol, and minimum age to enter bars; comprehensive compliance check enforcement programs; controls on price and promotion of alcohol to discourage underage consumption; and appropriate administrative, criminal, and civil penalties for violating commercial availability statutes.

- (2) Social and public availability. – The Commission shall review the noncommercial sources of alcohol available to persons under the age of 21, including kegs, third-party sales for underage persons, teen parties, off-campus parties, and public places; methods of reducing noncommercial settings for youth consumption; and appropriate administrative, criminal, and civil penalties for violating noncommercial availability statutes.
- (3) Restricting youth possession. – The Commission shall review restrictions on possession of alcohol by persons under the age of 21; false identification statutes; and appropriate administrative, criminal, and civil penalties for youth offenders that deter underage consumption behavior.
- (4) Other underage alcohol consumption issues. – The Commission may study any other underage drinking-related issue approved by the cochairs or recommended by either the Secretary of Health and Human Services, the Secretary of Crime Control and Public Safety, or the Secretary of Juvenile Justice and Delinquency Prevention and approved by the cochairs.
- (5) The Commission shall evaluate current laws related to the aforementioned areas, specifically as to whether the laws address high-risk settings or activities that are associated with serious harm, deter unwanted behavior, and are efficiently and effectively enforced. The Commission shall recommend changes to reduce the access and availability of alcohol to persons under the age of 21 and to deter adults from providing alcohol to underage persons.

SECTION 11.5. Vacancies. – Any vacancy on the Commission shall be filled by the appointing authority.

SECTION 11.6. Cochairs. – Cochairs of the Commission shall be designated by the Speaker of the House of Representatives and the President Pro Tempore of the Senate from among their respective appointees. The Commission shall meet upon the call of the chairs. A quorum of the Commission shall be eight members.

SECTION 11.7. Expenses of Members. – Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 11.8. Staff. – Upon the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional staff to the Commission to aid its work.

SECTION 11.9. Consultants. – The Commission may hire consultants to assist with the study. Before expending any funds for a consultant, the Commission shall report to the Joint Legislative Commission on Governmental Operations on the consultant selected, the work products to be provided by the consultant, and the cost of the contract, including an itemization of the cost components.

SECTION 11.10. Meetings During Legislative Session. – The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

SECTION 11.11. Meeting Location. – The Commission shall meet at various locations around the State in order to promote greater public participation in its

deliberations. Subject to the approval of the Legislative Services Commission, the Commission may meet in the State Legislative Building or the Legislative Office Building.

SECTION 11.12. Report. – The Commission shall submit an interim report to the Joint Legislative Commission on Governmental Operations on or before May 1, 2002. The Commission shall submit a final report to the Joint Legislative Commission on Governmental Operations by December 1, 2002. Upon the filing of its final report or on December 1, 2002, whichever occurs earlier, the Commission shall terminate.

SECTION 11.13. Funding. – From funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission.

PART XII. JOINT SELECT COMMITTEE ON INFORMATION TECHNOLOGY STUDY (S.B. 991 – Rand, Reeves; H.B. 1101 – Baddour)

SECTION 12.1. The Joint Select Committee on Information Technology may study issues related to personal privacy and security in electronic commerce. If it undertakes this study, the Committee shall examine issues related to protections for personal privacy and security, including the following:

- (1) Privacy protection and security of nonpublic personal financial information.
- (2) Privacy protection and security of personal consumer information.
- (3) Privacy protection and security of personal information collected on students by or through schools and their contractors.
- (4) Privacy protection and security of Internet use and use of electronic messaging.
- (5) Privacy protections and security for children online.
- (6) Privacy protection and security of medical records and personal health information.
- (7) Privacy protection and security of personal insurance information.
- (8) Privacy protection and security of personal information collected by the State.
- (9) Privacy protection and security of credit card numbers on credit card receipts.
- (10) Adequacy of the State's computer "hacking" laws.
- (11) The potential interplay between federal security proposals and personal privacy considerations.

SECTION 12.2. The Committee may report to the 2002 Regular Session of the 2001 General Assembly or to the 2003 General Assembly on its findings and may make any legislative recommendations it considers appropriate.

PART XIII. JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE STUDIES

SECTION 13.1. The Joint Legislative Transportation Oversight Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly, or to the 2003 General Assembly.

SECTION 13.2. Commission Contract Agent Study (S.B. 27 – Hoyle; H.B. 21 – Barbee, Sutton). – The Committee may study the following:

- (1) Review the history and policies that led to the enactment of G.S. 20-63(h) providing for contracts for the issuance of registration plates and certificates.
- (2) Study the current implementation and consequences of the provisions of G.S. 20-63(h).
- (3) Study how registration plates and certificates are issued in other states.
- (4) Study the implications and potential effects on the contract agents of the authority of the Division of Motor Vehicles to use electronic applications and collections authorized in G.S. 20-63(i).

- (5) Study any other factors it deems relevant related to the use of contract agents for the issuance of registration plates and certificates.
- (6) Make findings and recommendations on improving the services related to the issuance of registration plates and certificates to the citizens of North Carolina while reducing the costs to the State.

SECTION 13.3. Improving Compliance With Vehicle Registration Requirements (Rand) – The Committee may study methods to improve compliance with vehicle registration requirements. If it undertakes this study, the Committee shall:

- (1) Review requirements in other states for reissuing license plates;
- (2) Compare the cost of reissuing license plates in other states with the additional revenues raised from reissuing license plates;
- (3) Determine the cost of reissuing license plates in this State;
- (4) Examine the potential to increase revenues by reissuing license plates in this State; and
- (5) Review methods for adopting license plate design and alternatives to the current method of adopting license plate designs.

SECTION 13.4. Substandard Subdivision Roads (H.B. 601 – Brubaker) – The Committee may study subdivision roads that do not meet the standards for acceptance onto the State highway system to determine the cost for the Department of Transportation to minimally upgrade and maintain those roads.

SECTION 13.5. Transportation Funding Equity (H.B. 945 – Barnhart) – The Committee may study matters related to transportation funding, including The Highway Trust Fund Act of 1989, current planning and funding procedures, transportation system maintenance, public transportation, Highway Fund transfers, and transportation spending.

SECTION 13.6. Nonbetterment Relocation Costs (H.B. 43 – Nesbitt, Sherrill, Walend; Crawford of Buncombe) The Committee may study the issue of payment by the Department of Transportation of nonbetterment utility line relocation costs, including the establishment of a uniform State policy concerning payment of nonbetterment utility line relocation costs.

PART XIV. ENVIRONMENTAL REVIEW COMMISSION STUDIES

SECTION 14.1. The Environmental Review Commission may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly, or to the 2003 General Assembly.

SECTION 14.2. Appointment of Local Health Directors (S.B. 1033 – Albertson) The Commission, in consultation with the Public Health Study Commission, may study issues related to the appointment of local health directors. The Environmental Review Commission may specifically examine the relationships among local health directors, local boards of health, and boards of county commissioners in the appointment and evaluation of local health directors. The Environmental Review Commission may also examine the benefits of expanding to the boards of county commissioners of all 100 counties the authority of certain boards of county commissioners under G.S. 153A-77.

SECTION 14.3. Expanding Land and Water Conservation Options in North Carolina (Albertson, Lucas, Odom) – The Commission may study strategies to attain the State's goal of preserving a million acres of open space over the next 10 years, and the long-term protection and restoration of water quality. If it undertakes this study, the Commission shall consider:

- (1) The expansion of existing State and local incentives that will encourage private stewardship and conservation of farmland, forestland, riparian buffers, wetlands, natural areas, historic sites, open spaces, and waters.
- (2) Additional State and local incentives that will encourage private stewardship and conservation of land and water.

- (3) The adequacy of and existing coordination among the Natural Heritage Trust Fund, Parks and Recreation Trust Fund, Farmland Preservation Trust Fund, and the Clean Water Management Trust Fund in protecting water quality, preserving the natural and cultural heritage of the State, and preserving farmland and open space.
- (4) State and local alternatives for financing options to achieve the State's goal of preserving a million acres of open space, and the goals of the Natural Heritage Trust Fund, Parks and Recreation Trust Fund, Farmland Preservation Trust Fund, and the Clean Water Management Trust Fund.

SECTION 14.4. Interconnection of Public Water Systems (S.B. 1019 – Hartsell) – The Commission may study requiring the interconnection of public water systems or wastewater systems to regional systems and requiring that reasonable alternatives be reviewed before constructing or altering a public water system. If it undertakes this study, the Commission shall consult with the Commission to Address Smart Growth, Growth Management, and Development Issues.

SECTION 14.5. Stormwater Programs and Policies (Reeves) – The Commission may study the programs, policies, and strategies necessary to attain the State's goal of preventing environmental degradation of the State's water and groundwater resources, particularly due to stormwater impacts. If it undertakes this study, the Commission shall:

- (1) Survey the State's waters located in developed areas to identify the threat, if any, posed to those waters by sedimentation and erosion resulting from construction and other land-disturbing activities.
- (2) Determine the appropriate role of local governments in reducing surface runoff of waters and erosion of soil to waters of the State.
- (3) Survey the State's waters located in undeveloped areas for the purpose of developing a hydrographic baseline for those areas in order to establish stormwater standards for undeveloped areas that preserve the predevelopment hydrography of the area to the extent it is scientifically and economically feasible.
- (4) Determine how the General Assembly can better support the work of the Sedimentation Control Commission.
- (5) Study the current mandatory standards for land-disturbing activities and determine if any changes need to be made to those standards.
- (6) Consider other existing water quality rules, programs, plans, and permits.
- (7) Study other topics related to the State's stormwater programs and policies it considers appropriate.

SECTION 14.6. Abandoned Mobile Homes (Harris) – The Commission may study the solid waste issues related to the abandonment and improper disposal of mobile homes. In conducting this study, the Commission should develop an estimate of the number of abandoned mobile homes in the State, identify the adverse environmental and public health impacts that result from failure to properly dispose of mobile homes, and identify the preferred means of disposal of mobile homes, including environmentally friendly disposal methods such as recycling. The Commission may also evaluate the means by which the State and local governments can discourage or prevent the abandonment and improper disposal of mobile homes in the State and facilitate the environmentally friendly disposal of mobile homes.

SECTION 14.7. Alternative Energy Sources (S.B. 1007 – Albertson; H.B. 1300 – Warwick; Weiss) – The Commission may study the availability and use of alternative energy sources in North Carolina, including the use of biomass resources. If it undertakes this study, the Commission shall gather data and other information as may be necessary to accomplish the purposes of the Commission and shall work cooperatively with other boards, commissions, and entities, taking advantage of their

resources and activities for the provision of useful information and insight. In the course of its study, the Commission may seek input and advice from the Utilities Commission, the Department of Environment and Natural Resources, the Department of Agriculture and Consumer Services, the Attorney General, the Public Staff of the Utilities Commission, and the Energy Policy Council of the Department of Administration. The Commission may also review alternative energy activities conducted in other states and may solicit the participation of appropriate federal agencies and foreign governments.

In the course of its study and in making its recommendations, the Commission may consider the following subjects:

- (1) Methods to encourage the use of alternative energy sources, such as tax incentives, alternative energy portfolio standards, system benefit programs, and product offerings to retail electricity customers.
- (2) Barriers to distribution and market entry for alternative energy generators.
- (3) Federal and State regulatory jurisdiction with respect to electric utilities, including potential conflicts and ways to address those conflicts.
- (4) Environmental benefits and impacts associated with alternative energy generation.
- (5) Assurance of fairness and equity among all electricity customer classes and electric power providers.
- (6) Potential benefits to rural areas of the State and to agricultural economic development.
- (7) Sources of funds that could be used to encourage the use of alternative energy sources.
- (8) Other relevant and appropriate subjects, as determined by the Commission.

PART XV. COMMISSION ON GOVERNMENTAL OPERATIONS STUDY (Kinnaird)

SECTION 15.1. The Joint Legislative Commission on Governmental Operations may study reducing government costs by duplex printing, eliminating unnecessary printing, centralizing printing where possible, taking advantage of current print and mail facilities, streamlining print processes, and creating a statewide print and delivery strategy to eliminate redundant printing and delivery. The Commission may report its findings and recommendations to the 2002 Regular Session of the 2001 General Assembly, or to the 2003 General Assembly.

PART XVI. STUDY OF CATAWBA-WATEREE RIVER BASIN WATER QUALITY AND WATER SUPPLY ISSUES (Clodfelter, Odom)

SECTION 16.1. The Secretary of the Department of Environment and Natural Resources, in cooperation with the Director of the South Carolina Department of Health and Environmental Control, shall study strategies and mechanisms to promote better coordination of the activities of the two states on water quality and water supply within the Catawba-Wateree River basin. This study may include the following topics:

- (1) The need for and development of a memorandum of agreement between North and South Carolina to ensure cooperation, coordination and integrated management in addressing issues related to the basin, all within the framework of currently existing programs and agencies of the two states.
- (2) The development of a shared model and common procedures for use by both states in collecting and reporting data and information concerning water quality and water supply within the entire basin.
- (3) The desirability and feasibility of establishing joint, basinwide goals, policies, planning and implementation tools, and the desirability of

different types of decision-making structures for accomplishing the joint activities.

- (4) Any other related topics.

The Secretary shall submit a report on the results of this study, including any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly.

PART XVII. STATE BUSINESS INFRASTRUCTURE STUDY (Reeves, Tolson)

SECTION 17.1. The Office of State Controller, with assistance from the Office of State Budget and Management, the Office of Information Technology Services, and the Office of State Personnel, shall engage a qualified consulting firm through the Information Technology Services Technical Services Contract to determine the feasibility of developing and implementing a new financial business infrastructure for the State. This study shall include:

- (1) A high-level inventory and assessment of the business systems and subsystems that provide financial, human resources, and payroll information and support to programs in State government.
- (2) An assessment of the existing integration capabilities of these systems and the estimated costs of the current integration, or the costs to integrate these systems where that capability does not currently exist.
- (3) The feasibility of implementing a financial business infrastructure that would include integrated operations for budgeting, accounting, payroll, human resources, revenue collection, cash management, investments, and other business functions of State government.
- (4) A preliminary risk assessment of implementing a new financial business infrastructure.
- (5) An estimate of the cost to develop a Request for Proposal and to design and implement such a financial business infrastructure.

SECTION 17.2. The Director of the Budget may identify funds to support this study. This provision shall not apply to The University of North Carolina constituent institutions or to the constituent institutions of the North Carolina Community Colleges System.

SECTION 17.3. The Office of State Controller shall present an interim report of the study prescribed in this section to the 2002 Regular Session of the 2001 General Assembly, and shall submit a final report to the 2003 General Assembly, Regular Session 2003.

PART XVIII. NATURAL HERITAGE AREA DESIGNATION COMMISSION (H.B. 1271 – Haire, Nesbitt)

SECTION 18.1. The General Assembly finds that the following physical and cultural features in the mountain region of Western North Carolina are of national significance:

- (1) The Great Smoky Mountains National Park is the most visited national park in America.
- (2) The Blue Ridge Parkway is the nation's longest scenic highway.
- (3) The Joyce Kilmer Memorial Forest is the last remaining stand of virgin timber in the eastern United States.
- (4) The Linville Gorge wilderness area is the first wilderness in the eastern United States and the deepest gorge east of the Mississippi River.
- (5) Mount Mitchell is the highest mountain in the eastern United States.
- (6) The New River is the second oldest river in the world and was designated as an American Heritage River in 1998.
- (7) Fontana Dam is the highest dam in eastern America that was built by the Tennessee Valley Authority and is known as one of the country's greatest engineering feats in history.
- (8) Grandfather Mountain is the oldest mountain in the eastern United States, was designated as an International Biosphere Reserve by the United Nations, and is the only mountain that is privately owned.

- (9) The Cherokee Indian Qualla Boundary is the home of the Eastern Band of the Cherokee Indians, and the Trail of Tears is a National Heritage Trail.
- (10) Roan Mountain is the world's largest natural Catawba rhododendron garden.
- (11) The Appalachian Trail is the longest national hiking trail in the United States.
- (12) Whiteside Mountain has the highest cliffs of perpendicular bare rock east of the Rockies.
- (13) The Nantahala River is the most popular white-water rafting river in America.
- (14) The Biltmore Estate is America's largest private residence.
- (15) The Cradle of Forestry in America National Historic Site is the first forestry school in America.
- (16) The Cherohala Skyway is a National Scenic Byway.
- (17) The Carl Sandburg Home is a National Historic Site.

SECTION 18.2. The General Assembly further finds that:

- (1) The National Park Service's definition of a National Heritage Area is a place designated by Congress where natural, cultural, historic, and scenic resources combine to form a cohesive, nationally distinctive landscape arising from patterns of human activity shaped by geography. These patterns make National Heritage Areas representative of the national experience through the physical features that remain and the traditions that have evolved in them. Continued use of the National Heritage Area by people whose traditions helped to shape the landscape enhances their significance.
- (2) Designation by the United States Congress of the North Carolina Appalachian Heritage Area, the 23-county mountain region of Western North Carolina, as a National Heritage Area would recognize the nationally distinctive landscape of this area and the role of this distinctive landscape in defining the collective American cultural landscape. The natural, cultural, historic, and recreation resources in this 23-county region combine to form a cohesive, nationally distinctive landscape arising from patterns of human activity shaped by geography. These patterns make the mountain region of Western North Carolina representative of the national experience through the physical features that remain and the traditions that have evolved in the area. Continued use of this area by people whose traditions helped to shape the landscape enhances its significance.
- (3) Since 1916, the National Park Service has been the federal agency responsible for preserving nationally significant natural and historic resources for present and future generations.
- (4) The National Park Service provides technical expertise to assist in all stages of the process for seeking designation as a National Heritage Area.
- (5) Congress has designated 18 National Heritage Areas.
- (6) Residents, business interests, nonprofit organizations, and governments within the proposed National Heritage Area are interested and committed to completing the suitability and feasibility study that must be completed prior to Congress's designating a National Heritage Area.
- (7) The National Heritage Area designation by the United States Congress for the 23-county mountain region of Western North Carolina would help to preserve and celebrate the uniqueness of this area and its defining landscape in North Carolina and offers the potential to ensure

key educational and inspirational opportunities in perpetuity, without compromising traditional local control over, and use of, the landscape.

SECTION 18.3. As used in this act, "23-county mountain region" means the following 23 counties, which are the counties designated to be served by the Western North Carolina Regional Economic Development Commission under G.S. 158-8.1: Alleghany, Ashe, Avery, Burke, Buncombe, Caldwell, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, Macon, Madison, McDowell, Mitchell, Polk, Rutherford, Swain, Transylvania, Watauga, Wilkes, and Yancey.

SECTION 18.4. The National Heritage Area Designation Commission is created. This Commission shall consist of 17 members, to be appointed as follows:

- (1) Two members shall be appointed by the President Pro Tempore of the Senate.
- (2) Two members shall be appointed by the Speaker of the House of Representatives.
- (3) Two members shall be appointed by the Governor.
- (4) One member shall be appointed by the Lieutenant Governor.
- (5) One member shall be appointed by the Commissioner of Agriculture.
- (6) One member shall be appointed by the Secretary of Cultural Resources.
- (7) One member shall be appointed by the Secretary of Commerce.
- (8) Three members shall be appointed by the Western North Carolina Regional Economic Development Commission, created in G.S. 158-8.1.
- (9) Three members shall be appointed by the regional host organizations: one member from the Blue Ridge Mountain Host, Inc., one member from the North Carolina High Country Host, Inc., and one member from the Smoky Mountain Host of North Carolina, Inc.
- (10) One member shall be appointed by the Principal Chief of the Eastern Band of the Cherokee Nation.

SECTION 18.5. In addition, the following five individuals shall serve as ex officio, nonvoting members of the Commission:

- (1) The Superintendent of the Great Smoky Mountains National Park.
- (2) The Superintendent of the Blue Ridge Parkway.
- (3) The District Supervisor of each of the following: the Pisgah National Forest, the Nantahala National Forest, and the Cherokee National Forest.

SECTION 18.6. The National Heritage Area Designation Commission shall seek designation by the United States Congress of the North Carolina Appalachian Heritage Area, the 23-county mountain region of Western North Carolina, as a National Heritage Area. The Commission also shall develop and complete a suitability and feasibility study, a critical step prior to Congress's designating a National Heritage Area. The Commission shall elicit public involvement in the study and interest and commitment in the proposal by residents, business interests, nonprofit organizations, and governments within the proposed National Heritage Area.

SECTION 18.7. The Speaker of the House of Representatives shall select one member to serve as cochair. The President Pro Tempore of the Senate shall select one member to serve as cochair. A majority of the Commission shall constitute a quorum for the transaction of business.

SECTION 18.8. Members initially appointed under subdivisions (1), (4), (5), (6), and (8) of 18.4 of this part shall serve a one-year term. All other members under subsection (a) of this section shall serve a two-year term. Commission members who are also General Assembly members may complete a term of service on the Commission even if they do not seek reelection or are not reelected to the General Assembly, but resignation or removal from service in the General Assembly shall result in removal from the Commission. A member continues to serve until a successor is

appointed. A vacancy shall be filled within 30 days and shall be filled by the same appointing officer who made the original appointment. Members of the Commission who are State employees shall receive travel expenses under G.S. 138-6. Other members of the Commission shall receive travel expenses under G.S. 138-5.

SECTION 18.9. Notwithstanding G.S. 158-8.1, the Western North Carolina Regional Economic Development Commission shall provide administrative and funding support to the National Heritage Area Designation Commission.

SECTION 18.10. Notwithstanding G.S. 158-8.1, the Western North Carolina Regional Economic Development Commission shall develop a regional heritage tourism plan and shall present the plan to the 2002 Regular Session of the 2001 General Assembly no later than May 1, 2002.

PART XIX. COMMISSION FOR MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES STUDY OF DATE RAPE DRUG ANALOGUES (S.B. 938 – Foxx)

SECTION 19.1. The Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services may study controlled substance analogues used as "date rape drugs". The Commission shall determine whether those substances should be added to the schedules for controlled substances as provided under G.S. 90-88, except that G.S. 90-88(e) shall not apply to this study or be a factor in the Commission's determination.

For purposes of this section, the term "analogue" means a substance other than a controlled substance that is intended for human consumption and that either has a chemical structure substantially similar to a controlled substance in Schedules I, II, or III of Chapter 90 of the General Statutes or that produces an effect substantially similar to that of a controlled substance in Schedules I, II, or III as set out in Chapter 90 of the General Statutes.

SECTION 19.2. The Commission may report its findings and recommendations to the Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services prior to the convening of the 2003 General Assembly.

PART XX. JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE STUDY (S.B. 367 – Hoyle)

SECTION 20.1. The Joint Legislative Administrative Procedure Oversight Committee may study the applicability of the Administrative Procedure Act to the North Carolina Federal Tax Reform Allocation Committee and the North Carolina Housing Finance Agency and may report to the 2002 Regular Session of the 2001 General Assembly and to the 2003 General Assembly.

PART XXI. SENTENCING AND POLICY ADVISORY COMMISSION STUDIES

SECTION 21.1. The North Carolina Sentencing and Policy Advisory Commission may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly and to the 2003 General Assembly.

SECTION 21.2. Second Degree Arson Penalty Study (H.B. 123 – Russell) – The Commission may study the State's criminal laws with regard to arson and other burnings and whether conforming changes to the statutory medical reporting requirements regarding burn injuries that appear to result from a criminal act are needed.

SECTION 21.3. Habitual Felon Law Study (H.B. 1151, H.B. 1152 – Michaux) – The Commission may study the habitual felon law to determine whether any changes are needed.

SECTION 21.4. Drug Offenses (H.J.R. 1420 – Carpenter of Haywood) – The Commission may study the laws regarding drug offenses and the current sentencing guidelines for those offenses.

SECTION 21.5. Penalties for Detonation of Explosive Devices (Goodwin) – The Commission may study whether the State's penalties for detonation of explosive devices within courthouses and other public buildings should be enhanced. The Commission may include as a part of its study and recommendations all of the provisions in Article 13 of Chapter 14 of the General Statutes.

PART XXII. LONG-TERM CARE LOCAL LEAD AGENCY STUDY (S.B. 166 – Dannelly; H.B. 161 – Insko)

SECTION 22.1. The Department of Health and Human Services, Division of Aging, shall study whether counties should designate local lead agencies to organize a local long-term care planning process, as described in Recommendation #10 of the Institute of Medicine's (IOM) Long-Term Care Task Force Interim Report of June 30, 2000. In conducting the study, the Department shall consider how a lead agency for long-term care planning at the local level would relate to other requirements for county planning and long-term care. The Department shall report its findings and recommendations to the North Carolina Study Commission on Aging on or before the convening of the 2003 General Assembly. The report shall specifically address the IOM Task Force recommendation and rationale pertaining to local planning and long-term care services.

PART XXIII. DEPARTMENT OF HEALTH AND HUMAN SERVICES STUDY

SECTION 23.1. Eliminate Disparities in Health Care (S.B. 391 – Forrester, Lucas) – The Department of Health and Human Services shall study disparities among ethnic and racial minorities in the health care system and shall make recommendations on ways to eliminate disparities in and barriers to health care for ethnic and racial minorities. The Department may report to the 2002 Regular Session of the 2001 General Assembly upon its convening and shall make its report to the 2003 General Assembly. The Department shall provide a copy of the report to the cochairs of the Health Care Oversight Committee.

PART XXIV. BOARD OF GOVERNORS STUDY

SECTION 24.1. Fayetteville State Stadium (Rand, McAllister) – The Board of Governors of The University of North Carolina shall study the feasibility of building a new stadium at Fayetteville State University. The Board may report its findings and recommendations to the Joint Legislative Education Oversight Committee by April 1, 2002.

PART XXV. HOUSE SELECT COMMITTEE ON VARIOUS ENVIRONMENTAL RULES (Warwick)

SECTION 25.1. Committee Created. – The House Select Study Committee on Various Environmental Rules is created. The purpose of the House Select Study Committee on Various Environmental Rules is to determine:

- (1) The effect of certain environmental impacts upon tourism in the State.
- (2) The involvement of appropriate locally elected officials in the rule-making process regarding the environmental rules subject to study under Section 25.3 of this part, whether there should be more involvement by locally elected officials, and, if so, what specific acts of involvement.
- (3) Whether an economic impact statement should be prepared for any proposed rule that is subject to study under Section 25.3 of this part, and, if so, whether an economic impact statement should take into account the county or the region of the State affected by the proposed rule.
- (4) The working relationships among boards, commissions, or authorities that adopt any rules subject to study under Section 25.3 of this part.
- (5) The extent to which property owners are unduly burdened by rules subject to study under Section 25.3 of this part.

SECTION 25.2. Membership. – The Speaker of the House of Representatives shall appoint 11 members of the House of Representatives to serve as

members of the House Select Study Committee on Various Environmental Rules. In the event a vacancy occurs on the Committee, the Speaker of the House of Representatives shall appoint a replacement from the members of the House of Representatives.

SECTION 25.3. Study. – The House Select Study Committee on Various Environmental Rules may study any current rule adopted by, or any rule proposed by, the Environmental Management Commission or by the Coastal Resources Commission under the Coastal Area Management Act of 1974, Article 7 of Chapter 113A of the General Statutes, regarding the following subjects as well as the process whereby any such rule is adopted:

- (1) The creation, preservation, maintenance, and restoration of riparian buffers, buffers along lake shorelines, or buffers along the North Carolina coast.
- (2) Control of erosion and sedimentation resulting from the Department of Transportation engaging in land-disturbing activities.
- (3) The process of obtaining an air quality permit.
- (4) Any other current rule adopted by, or any rule proposed by, the Environmental Management Commission or by the Coastal Resources Commission under the Coastal Area Management Act of 1974, Article 7 of Chapter 113A of the General Statutes, that the Committee determines is appropriate for study.

SECTION 25.4. Report. – The House Select Study Committee on Various Environmental Rules shall submit a final report of its findings and recommendations by February 1, 2003, to the General Assembly. The Committee may also make an interim report, including recommended legislation, to the 2002 Regular Session of the 2001 General Assembly. The report may include draft legislation to implement its recommendations along with an analysis of the fiscal impact of each recommendation. The Committee shall terminate upon filing its final report.

SECTION 25.5. Expenses of Members. – Members of the House Select Study Committee on Various Environmental Rules shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1.

SECTION 25.6. Cochairs; Meetings. – The Speaker of the House of Representatives shall designate two cochairs of the House Select Study Committee on Various Environmental Rules from among the respective appointees. The Committee shall meet upon the call of the cochairs. A majority of the members of the Committee shall constitute a quorum.

The Committee may meet during a regular or special session of the General Assembly, subject to approval of the Speaker of the House of Representatives. The Legislative Services Commission shall grant adequate meeting space to the Committee in the State Legislative Building or the Legislative Office Building.

SECTION 25.7. Staff. – The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the House Select Study Committee on Various Environmental Rules in its work. The House of Representatives Supervisor of Clerks shall assign clerical staff to the Committee, and the expenses related to the clerical employees shall be borne by the Committee.

SECTION 25.8. Powers. – The House Select Study Committee on Various Environmental Rules, while in the discharge of official duties, may exercise all the powers provided under the provisions of G.S. 120-19 through G.S. 120-19.4.

SECTION 25.9. Cooperation by Government Agencies. – The House Select Study Committee on Various Environmental Rules may call upon any department, agency, institution, or officer of the State or any political subdivision of the State for facilities, data, or other assistance.

PART XXVI. GENERAL STATUTES COMMISSION STUDY OF MOTOR VEHICLE STATUTES (Weatherly)

SECTION 26.1. The General Statutes Commission may study renumbering, rearranging, and consolidating the provisions of Chapter 20 of the General Statutes.

The Commission may report its findings and recommendations to the 2003 General Assembly and to the 2005 General Assembly.

PART XXVII. LEGISLATIVE SERVICES COMMISSION STUDY OF SECURITY SURVEY (H.J.R. 1267 – Wright)

SECTION 27.1. The Legislative Services Commission shall examine the Security Survey of the North Carolina General Assembly Complex, conducted by the United States Secret Service, and make recommendations on implementing its recommendations. A report may be made to the 2002 Regular Session of the 2001 General Assembly and shall be made to the 2003 General Assembly.

PART XXVIII. PUBLIC HEALTH STUDY COMMISSION STUDIES

SECTION 28.1. The Public Health Study Commission may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2002 Regular Session of the 2001 General Assembly or to the 2003 General Assembly.

SECTION 28.2. Public Health Impact of Hepatitis C (H.B. 1264 – Wright) – The Commission may study the public health impact of Hepatitis C in this State and the need for programs or policies to enhance education, awareness, detection, and prevention of the disease in the general population.

SECTION 28.3. HIV/AIDS Prevention and Care Programs (H.B. 1405 – Wright) – The Commission may study ways to improve HIV/AIDS prevention and care programs.

SECTION 28.4. Treatment of Rape Victims and Health Care Workers Who Risk HIV Infection (H.B. 1416 – Daughtry) – The Commission may study State law and public policy pertaining to the treatment of rape victims and needle stick health care workers who risk HIV infection.

PART XXIX. REESTABLISH NORTH CAROLINA TAX POLICY COMMISSION

SECTION 29.1. Commission Established. – There is established a North Carolina Tax Policy Commission.

SECTION 29.2. Membership. – The Commission shall consist of 18 members who shall represent, insofar as practicable, the diverse interests and geographic regions of the State and shall include individuals with expertise in tax policy, tax administration, and professional tax practice.

The Speaker of the House of Representatives shall appoint six members, as follows: two members of the General Assembly, one individual nominated by the North Carolina League of Municipalities, one individual who represents business taxpayers, and two public members.

The President Pro Tempore of the Senate shall appoint six members, as follows: two members of the General Assembly, one individual nominated by the North Carolina Association of County Commissioners, one individual who represents nonbusiness taxpayers, and two public members.

The Governor shall appoint six members, as follows: one individual who represents tax practitioners, one individual who represents nonprofit, charitable organizations, one individual who has demonstrated leadership and expertise in tax policy, one individual who represents senior citizens, one individual who represents small business taxpayers, and one public member.

Vacancies shall be filled by the original appointing authority.

SECTION 29.3. Mission. – The mission of the Commission is to study, examine, and, if necessary, design a realignment of the State and local tax structure in accordance with a clear, consistent tax policy. This mission requires:

- (1) Establishing the principles of taxation upon which a sound State and local tax structure should be built for the 21st century.
- (2) Examining the current State and local tax structure to determine if it reflects these principles.

- (3) Recommending changes in the State and local tax structure to the extent it does, and does not, reflect these benchmark tax principles.
- (4) Recommending principles and practices to simplify and consolidate existing taxes to provide uniformity; to ease the administrative burden on the taxpayer; to maximize taxpayers' use of electronic tax payment and reporting methods; and to reduce the costs of collecting and administering taxes.

SECTION 29.4. Duties. – The Commission shall:

- (1) Evaluate the current State and local tax base in terms of:
 - a. Responsiveness of each base to the changing and emerging economies (e.g., from farming and manufacturing to services, commerce, such as Internet sales, and technology).
 - b. Rates compared to other states.
 - c. Cost of collecting each tax.
 - d. Tax burden imposed on individuals and businesses in the State.
 - e. Principles of taxation reflected in the tax.
- (2) Examine all current tax preferences, such as lower rates, exemptions, exclusions, and refunds, to determine their public policy purpose; examine the narrowing of the tax base that is a product of these preferences; and evaluate the resulting impact on taxpayers not eligible for these preferences.
- (3) Review tax changes made in the last 10 years to determine their impact on the State compared to their projected impact, and to assess any economic or demographic conditions on the horizon that may alter their impact.
- (4) Examine the impact of changing intergovernmental (federal-State-local) relationships upon funding among levels of government and the resulting impact upon tax policy; and examine how the State, counties, and cities will share a reduced federal funding role, when, in 2003, the Balanced Budget Act takes full effect and federal domestic spending is fully capped.
- (5) Examine the impact of changing interlocal, (city/county) service systems and the resulting effect on local tax policy; and examine how area-wide services, such as fire suppression, water and sewer, and recreation, should be financed and allocated.

SECTION 29.5. Report. – The Commission shall submit a final report of its findings and recommendations by March 1, 2003, to the General Assembly, the Governor, and the citizens of the State. The Commission may also make an interim report, including recommended legislation, to the 2002 Regular Session of the 2001 General Assembly, and to the Governor and the citizens of the State. The report shall include draft legislation to implement its recommendations along with an analysis of the fiscal impact of each recommendation. The Commission shall terminate upon filing its final report.

SECTION 29.6. Expenses of Members. – Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 29.7. Cochairs; Meetings. – Cochairs of the Commission shall be designated by the Speaker of the House of Representatives and the President Pro Tempore of the Senate from among their respective appointees. The Commission shall meet upon the call of the chairs. A majority of the members of the Commission shall constitute a quorum.

The Commission may meet during a regular or special session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate. The Legislative Services Commission shall grant

adequate meeting space to the Commission in the State Legislative Building or the Legislative Office Building.

SECTION 29.8. Subcommittees. – The Commission may appoint subcommittees of its members and other knowledgeable persons or experts to assist it. It may also appoint a Technical Advisory Board, if deemed desirable by its members to have an ongoing body of technical experts.

SECTION 29.9. Citizen Participation. – The Commission shall establish a process of citizen education and participation that assures the citizens of North Carolina of the opportunity to be informed of and contribute to the work of the Commission.

SECTION 29.10. Staff. – Within funds available, the Commission, after consultation with the Legislative Services Commission, shall employ a full-time Executive Director who shall report to the Commission and serve at its pleasure. The Executive Director shall be the Chief Executive Officer and may employ additional employees and contract for services, subject to approval of the Commission. Additional staff may be provided to the Commission by the Legislative Services Office.

SECTION 29.11. Powers. – The Commission, while in the discharge of official duties, may exercise all the powers provided under the provisions of G.S. 120-19 through G.S. 120-19.4. The Commission may contract for consultant services as provided by G.S. 120-32.02, including revenue forecasting and estimating services from the Tax Research Division of the Department of Revenue.

SECTION 29.12. Cooperation by Government Agencies. – The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision of the State for facilities, data, or other assistance.

SECTION 29.13. Funding. – Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission. The Commission may apply for, receive, and accept grants of non-State funds, or other contributions as appropriate to assist in the performance of its duties.

PART XXX. JOINT LEGISLATIVE UTILITY REVIEW COMMITTEE STUDIES

SECTION 30.1. Study 911 Funds (S.B. 589 – Dannelly; H.B. 125 – Hall, H.B. 130 – Edwards, H.B. 678 – Buchanan, H.B. 710 – Arnold, H.B. 725 – Culpepper, H.B. 791 – Starnes, H.B. 867 – McLawhorn) – The Joint Legislative Utility Review Committee is authorized to study clarifying and expanding the allowed uses of the money in emergency telephone system funds and making other statutory changes for the purpose of expanding the use of telecommunications systems for public safety purposes. The Committee is authorized to report its findings and recommendations, including any proposed legislation, to the 2002 Regular Session of the 2001 General Assembly and to the 2003 General Assembly.

SECTION 30.2. Improve Air Quality (S.B. 1078 – Metcalf; H.B. 1015 – Nesbitt, Haire) – The Joint Legislative Utility Review Committee is authorized to study requiring reductions in the emissions of certain pollutants from certain facilities that burn coal to generate electricity. The Committee is authorized to report its findings and recommendations, including any proposed legislation, to the 2002 Regular Session of the 2001 General Assembly and to the 2003 General Assembly.

PART XXXI. UNC BOARD OF GOVERNORS STUDY COMMISSION

SECTION 31.1. There is created the UNC Board of Governors Study Commission. The Commission shall consist of 10 members appointed as follows: five by the President Pro Tempore of the Senate and five by the Speaker of the House of Representatives. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each appoint one member to serve as cochair of the Commission. Vacancies on the Commission shall be filled by the appointing authority. The Commission shall meet upon the call of the chairs. A majority of the members of the Commission shall constitute a quorum.

SECTION 31.2. The Commission shall study the method of election or appointment of members of the Board of Governors, the length of members' terms, the number of terms a member may serve, and the size of the Board of Governors. As part of the study, the Commission may examine the governing boards of other states' institutions of higher education. The Commission shall report its findings and any recommendations to the 2003 Regular Session of the General Assembly.

SECTION 31.3. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 31.4. Subject to the approval of the Legislative Services Commission, the Commission may meet in the State Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist in the work of the Commission. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. All State departments and agencies and local governments and their subdivisions shall furnish the Commission with information in their possession or available to them. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds to implement the provisions of this section.

SECTION 31.5. The Commission shall terminate upon the filing of its final report.

PART XXXII. ELECTION LAWS REVISION COMMISSION (Gulley of Durham; H.B. 260 – Alexander, Bonner)

SECTION 32.1. There is created an Election Laws Revision Commission. The Commission shall be composed of 17 members. Twelve members shall be appointed as follows:

- (1) The President Pro Tempore of the Senate shall appoint four members, including at least one county board of elections member, with no more than three of the four affiliated with the same political party.
- (2) The Speaker of the House of Representatives shall appoint four members, including at least one county elections director, with no more than three of the four affiliated with the same political party.
- (3) The Governor shall appoint four members, including at least one county commissioner and at least one minority-party member of the State Board of Elections.

The Chair and the Executive Secretary-Director of the State Board of Elections shall be ex officio members. The State chairs of the three political parties whose nominees for Governor received the largest number of votes in the most recent general election for Governor shall be ex officio members. All members of the Commission, whether appointed or ex officio, shall be voting members.

SECTION 32.2. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Commission from their appointees.

SECTION 32.3. The Election Laws Revision Commission shall study the following:

- (1) The election laws, policies, and procedures of the State.
- (2) The administration of those laws, policies, and procedures at the State and local levels and the responsibilities of those administering these laws.
- (3) The election laws, policies, and procedures of other states and jurisdictions.
- (4) Federal and State case rulings impinging on these laws, policies, and practices.

- (5) Public funding of election campaigns, including the advisability and proper design of a system to allow public funds to be used to support the campaigns of candidates for Governor, Lieutenant Governor, other Council of State officers, and the General Assembly who agree to abide by fund-raising and spending limits.
- (6) APA exemption for the State Board of Elections.
- (7) Preference voting and instant second primaries.

SECTION 32.4. The Commission shall prepare and recommend to the General Assembly a comprehensive revision of the election laws of North Carolina that will accomplish the following:

- (1) Remove inconsistencies, inaccuracies, ambiguities, and outdated provisions in the law.
- (2) Incorporate in the law any desirable uncodified procedures, practices, and rulings of a general nature that have been implemented by the State Board of Elections or its Executive Secretary-Director.
- (3) Conform the statutory law to State and federal case law and to any requirements of federal statutory law and regulation.
- (4) Ensure the efficient and effective administration of elections in this State.
- (5) Continue the impartial, professional administration of elections, which the citizens of the State expect and demand.
- (6) Recodify the election laws, as necessary, to produce a comprehensive, clearly understandable structure of current North Carolina election law, susceptible to orderly expansion as necessary.

SECTION 32.5. With the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional staff to assist in the work of the Election Laws Revision Commission and may provide for additional staffing by the State Board of Elections, Office of the Attorney General, and the Institute of Government. With prior approval of the State Board of Elections, the Election Laws Revision Commission may hold its meetings in the offices of the State Board. With the prior approval of the Legislative Services Commission, the Election Laws Revision Commission may hold its meetings in the State Legislative Building or the Legislative Office Building.

SECTION 32.6. The Commission shall submit a final written report of its findings and recommendations on or before the convening of the 2003 Session of the General Assembly and may submit a report to the 2002 Regular Session of the 2001 General Assembly. All reports shall be filed with the President Pro Tempore of the Senate and the Speaker of the House of Representatives, the Principal Clerks of the Senate and the House of Representatives, and the Legislative Librarian. Upon filing its final report, the Commission shall terminate.

SECTION 32.7. Members of the Commission shall be paid per diem, subsistence, and travel allowances as follows:

- (1) Commission members who are also members of the General Assembly, at the rate established in G.S. 120-3.1.
- (2) Commission members who are officials or employees of the State or local government agencies, at the rate established in G.S. 138-6.
- (3) All other Commission members, at the rate established in G.S. 138-5.

SECTION 32.8. All State departments and agencies, local boards of elections, and local governments and their subdivisions shall cooperate with the Commission and, upon request, shall furnish to the Commission and its staff any information in their possession or available to them.

SECTION 32.9. From funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Election Laws Revision Commission.

PART XXXIII. AMEND LAW REQUIRING STATE AGENCIES TO FURNISH DATA AND INFORMATION TO LEGISLATIVE COMMITTEES AND REGARDING INTERIM COMMITTEE ACTIVITY

SECTION 33.1. G.S. 120-19 reads as rewritten:

"§ 120-19. State officers, etc., upon request, to furnish data and information to legislative committees-committees or commissions.

Except as provided in G.S. 105-259, all officers, agents, agencies and departments of the State are required to give to any committee of either house of the General Assembly, or any committee or commission whose funds are appropriated or transferred to the General Assembly or to the Legislative Services Commission for disbursement, upon request, all information and all data within their possession, or ascertainable from their records. This requirement is mandatory and shall include requests made by any individual member of the General Assembly or one of its standing committees or the chair of a standing committee."

SECTION 33.2. G.S. 120-19.6 reads as rewritten:

"§ 120-19.6. Interim committee activity; rules.

(a) Upon a general directive by resolution of the house in question or upon a specific authorization of either the Speaker of the House, President of the Senate, President ~~pro tempore~~ Pro Tempore of the Senate or the Speaker ~~pro tempore~~ Pro Tempore of the House, any standing committee, select committee or subcommittee of either house of the General Assembly is authorized to meet in the interim period between sessions or during recesses of the General Assembly to consider specific bills or resolutions or other matters properly before the committee. No particular form of authority is needed, but this section is intended to promote better coordination by having a system of authorization for meetings of the committees of the General Assembly between sessions or during recesses. Meetings will be held in Raleigh, but with the approval of the Speaker or Speaker ~~pro tempore~~, Pro Tempore, a House committee may meet elsewhere; and with the approval of the President or President ~~pro tempore~~, Pro Tempore, a Senate committee may meet elsewhere. In addition, committees may meet at such places as authorized by specific resolution or action of either body of the General Assembly.

(a1) The Speaker of the House or the President Pro Tempore of the Senate may authorize, in writing, the creation of interim study committees to study and investigate governmental agencies and institutions and matters of public policy to assist that chamber in performing its duties in the most efficient and effective manner. The Speaker of the House or the President Pro Tempore of the Senate may appoint members of the relevant chamber, State officers and employees, and members of the public to the interim study committee. An interim study committee created under this subsection shall be deemed a committee of the relevant chamber for the purposes of this Article. Interim study committee members who are State officers and employees or members of the public shall receive subsistence and travel expenses as provided in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

(b) In all other respects, committees shall function in the interim period between sessions or during recesses in the same manner and under the rules generally applicable to committees of the house in question of the General Assembly during the session of the General Assembly.

(c) Any committee during the interim period that meets upon specific authorization of the Speaker of the House, President of the Senate, President ~~pro tempore~~ Pro Tempore of the Senate or Speaker ~~pro tempore~~ Pro Tempore of the House shall limit its activities to those matters contained in the authorization, and shall suspend its activities upon written directive of such officer. Any interim committee that meets upon a directive by resolution of the house in question of the General Assembly shall limit its activities to those matters contained in the authorization."

PART XXXIV. BILL AND RESOLUTION REFERENCES

SECTION 34.1. The listing of the original bill or resolution in this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

PART XXXV. EFFECTIVE DATE AND APPLICABILITY

SECTION 35.1. Except as otherwise specifically provided, this act is effective when it becomes law. If a study is authorized both in this act and the Current Operations Appropriations Act of 2001, the study shall be implemented in accordance with the Current Operations Appropriations Act of 2001 as ratified.

In the General Assembly read three times and ratified this the 6th day of December, 2001.

s/ Frank W. Ballance, Jr.
Deputy President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 7:20 p.m. this 19th day of December, 2001