

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

S

3

SENATE BILL 967
Judiciary II Committee Substitute Adopted 4/15/09
Finance Committee Substitute Adopted 5/4/09

Short Title: Creation of Yadkin River Trust.

(Public)

Sponsors:

Referred to:

March 26, 2009

A BILL TO BE ENTITLED

AN ACT TO CREATE THE YADKIN RIVER TRUST IN ORDER TO: (1) DEVELOP THE YADKIN RIVER IN DAVIDSON, MONTGOMERY, ROWAN, AND STANLY COUNTIES AS AN INSTRUMENTALITY OF INTRASTATE, INTERSTATE, AND FOREIGN COMMERCE AND NAVIGATION; (2) ACQUIRE AND OPERATE THE YADKIN PROJECT, AN EXISTING HYDROELECTRIC FACILITY, AND TO AUTHORIZE ISSUANCE OF BONDS AND NOTES BY THE TRUST FOR THAT PURPOSE; AND (3) PRODUCE, DISTRIBUTE, AND SELL HYDROELECTRIC POWER FROM EXISTING OR NEW HYDROELECTRIC FACILITIES.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 77 of the General Statutes is amended by adding a new Article to read as follows:

"Article 9.

"Yadkin River Trust.

"§ 77-120. Yadkin River Trust.

There is established the Yadkin River Trust as a public agency and instrumentality of the State. The purpose of the Trust is to benefit the people of the State as follows:

- (1) To develop the Yadkin River in Davidson, Montgomery, Rowan, and Stanly Counties as an instrumentality of intrastate, interstate, and foreign commerce and navigation through the development, sale, and distribution of hydroelectric power.
- (2) To ensure the equitable distribution of water for public purposes.
- (3) To maintain recreational facilities associated with the Yadkin River.

"§ 77-121. Definitions.

The following definitions apply in this Article:

- (1) Board. – The Board of Directors of the Yadkin River Trust.
- (2) Trust. – The Yadkin River Trust as established by this Article.
- (3) Yadkin Project. – Project No. 2197 as described in a license issued by the Federal Energy Regulatory Commission as of May 1, 1958, and as thereafter amended and otherwise subject to the regulation of the Federal Energy Regulatory Commission.
- (4) Yadkin Project License. – The license issued by the Federal Energy Regulatory Commission as of May 1, 1958, which expired on April 30, 2008, the year-to-year annual licenses that have been issued since that time, and any future renewal license for Project No. 2197.

"§ 77-122. Board of Directors.



1 (a) Appointment. – The Board of Directors of the Yadkin River Trust shall consist of
2 seven directors who shall be appointed by the Governor upon the advice of the Speaker of the
3 House of Representatives and the President Pro Tempore of the Senate and subject to
4 confirmation by the General Assembly by joint resolution. Two of the directors shall have
5 substantial work experience within the operations of electric cooperatives or investor-owned
6 utilities or substantial experience on an electric cooperative board or investor-owned utility
7 board but must not serve as an employee or board member of an electric cooperative or
8 investor-owned utility during their term as a director of the Yadkin River Trust. The names of
9 directors to be appointed by the Governor shall be submitted by the Governor to the General
10 Assembly for confirmation by the General Assembly on or before June 1 of the year in which
11 the terms for which the appointments are to be made are to expire. Upon failure of the
12 Governor to submit names by that date, the President Pro Tempore of the Senate and Speaker
13 of the House of Representatives jointly shall submit the names of a like number of directors to
14 the General Assembly on or before June 15 of the same year for confirmation by the General
15 Assembly. Regardless of the way in which the names of directors are submitted, confirmation
16 of directors must be accomplished prior to adjournment of the then current session of the
17 General Assembly. The Governor may remove any director of the Board for misfeasance,
18 malfaisance, or nonfeasance.

19 (b) Terms. – The term of office of directors of the Board is four years. A director may
20 be reappointed to any number of successive four-year terms. A director in office continues to
21 serve until the director's successor is duly confirmed and qualified, but the holdover does not
22 affect the expiration date of the succeeding term.

23 (c) Chair; Vice-Chair. – Upon confirmation of the directors by the General Assembly as
24 provided in subsection (a) of this section, the Governor shall designate one of the directors to
25 serve as chair of the Board for the succeeding four years and until the director's successor is
26 duly confirmed and qualified. Upon death or resignation of the director appointed as chair, the
27 Governor shall designate the chair from the remaining directors and appoint a successor in
28 accordance with this section to fill the vacancy on the Board. The Governor shall convene the
29 first meeting of the Board, at which time the members of the Board shall elect from their
30 membership a vice-chair of the Board.

31 (d) Vacancies. – In case of death, incapacity, resignation, or vacancy for any other
32 reason in the office of any director prior to the expiration of the director's term of office, the
33 name of the director's successor shall be submitted by the Governor within four weeks after the
34 vacancy arises to the General Assembly for confirmation by the General Assembly. Upon
35 failure of the Governor to submit the name of the successor, the President Pro Tempore of the
36 Senate and the Speaker of the House of Representatives jointly shall submit the name of a
37 successor to the General Assembly within six weeks after the vacancy arises. Regardless of the
38 way in which the names of directors are submitted, confirmation of directors must be
39 accomplished prior to the adjournment of the then current session of the General Assembly. If a
40 vacancy arises in the office of director when the General Assembly is not in session, and the
41 appointment is deemed urgent by the Governor, the Governor may appoint a director to serve
42 on an interim basis pending confirmation by the General Assembly.

43 (e) Organization of the Board. – The Board shall adopt bylaws with respect to the
44 calling of meetings, quorums, voting procedures, the keeping of records, and other
45 organizational and administrative matters as the Board may determine. A quorum consists of a
46 majority of the members of the Board. No vacancy in the membership of the Board impairs the
47 right of a quorum to exercise all rights and to perform all the duties of the Board and the Trust.

48 (f) Compensation of the Board. – No part of the revenues or assets of the Trust shall
49 inure to the benefit of or be distributable to the members of the Board or officers or other
50 private persons. The members of the Board shall receive no salary for their services but shall be
51 entitled to receive per diem and allowances in accordance with the provisions of G.S. 138-5.

"§ 77-123. Authority to acquire Yadkin Project and Yadkin Project License.

The Trust may acquire the Yadkin Project License and the Yadkin Project, including all associated facilities and land and water rights. If the Trust acquires the Yadkin Project License, it shall pursue transfer of the license at the Federal Energy Regulatory Commission and other transfer of title for property or permits and may enter into negotiations, execute agreements, file an application for a new license, amend the existing license, and take any other actions necessary to become the licensee for the Yadkin Project on behalf of the State. Any terms of acquisition must be approved by the Board prior to completion of the acquisition. If acquired, the Trust cannot agree to voluntarily surrender, terminate, transfer, or sell the Yadkin River License or the Yadkin Project unless an act of the General Assembly approves the action.

"§ 77-124. Operation of the Trust.

(a) Management. – The Board shall determine the policies of the Trust by majority vote of the members of the Board present and voting, a quorum having been established. Once a policy is determined, the Board must communicate it to the executive director who shall have the sole and exclusive authority to execute the policy of the Trust. No member of the Board has the responsibility or authority to give operational directives to any employee of the Trust other than the executive director.

(b) Employees. – The Board shall appoint an executive director, whose salary is fixed by the Board, to serve at its pleasure. The executive director or a person designated by the executive director shall appoint, employ, dismiss, and, within the limits of available funding, fix the compensation of other employees as considered necessary. During any fiscal year, the Trust may not expend funds for merit and performance-based salary increases in excess of the funds that would have been expended had the employees of the Trust received the same across-the-board salary increases granted by the General Assembly to State employees subject to the State Personnel Act. These merit and performance-based salary increases may be awarded on an aggregated average basis according to rules adopted by the Trust. Except as to the provisions of Articles 6 and 7 of Chapter 126 of the General Statutes, the employees of the Trust are exempt from the State Personnel Act.

(c) Consultants. – The Board may employ consulting engineers, architects, attorneys, real estate counselors, appraisers, and other consultants as needed.

"§ 77-125. Powers of the Trust.

The Trust has all the powers necessary to execute the provisions of this Article, including the following:

- (1) To adopt, alter, or repeal its bylaws and adopt, amend, or repeal rules to implement the provisions of this Article. The Trust and its activities are not subject to review or approval by the North Carolina Utilities Commission.
- (2) To sue and be sued, to make contracts, to adopt and use a common seal, and to alter the adopted seal as needed.
- (3) To contract and enter into agreements with the State, local governments, other authorities of North Carolina, and other states for the interchange of business and to facilitate the business of the Trust.
- (4) To rent, lease, purchase, acquire, own, hold, use, encumber, sell, transfer, or dispose of any property, real, personal, or mixed, or any interest therein.
- (5) To apply for, accept, and administer loans and grants of money from any federal agency, from the State or its political subdivisions, or from any other public or private sources available, to expend the money in accordance with the requirements imposed by the lender or donor, and to give any evidences of indebtedness that are required.
- (6) To procure and maintain adequate insurance or otherwise provide for adequate protection to indemnify the Trust and its officers, directors, agents,

- 1 employees, adjoining property owners, or the general public against loss or
2 liability resulting from any act or omission by or on behalf of the Trust.
3 (7) To establish, finance, purchase, construct, operate, and regulate
4 hydroelectric facilities on the Yadkin River to implement the provisions of
5 this Article.
6 (8) To manufacture, produce, and generate hydroelectric power using the waters
7 of the Yadkin River and to sell the hydroelectric power to utilities within and
8 without the State of North Carolina.
9 (9) To set rates, services, and practices, or participate in any organized power
10 sales market with one or more entities for the sale, transmission, or
11 distribution of the power generated by the hydroelectric facility, and to
12 charge and collect fees for the use of power generated.
13 (10) To acquire, purchase, establish, build, construct, maintain, equip, and
14 operate any structure or facilities necessary, useful, or customarily used and
15 employed in generation of hydroelectric power.
16 (11) To seek enforcement of environmental laws and contribution to
17 environmental cleanup costs, consistent with its obligations under this
18 Article.
19 (12) To fix, charge, collect, pledge, or assign revenues of the Trust.
20 (13) To purchase or finance real or personal property in the manner provided for
21 cities and counties under G.S. 160A-20.

22 **"§ 77-126. Responsibilities to local governments.**

23 If the Trust acquires the Yadkin Project and Yadkin Project License as provided in this
24 Article, the Trust must provide the following services for the local governmental units in the
25 Yadkin River area:

- 26 (1) Conduct environmental testing and assessment of all properties located in
27 Stanly County currently or formerly owned and operated by Alcoa Power
28 Generating, Inc., or Alcoa, Inc., or its subsidiaries, in order to evaluate
29 danger to public health or the environment.
30 (2) Pursue remediation of contamination at the Badin Works site located in
31 Stanly County to levels over and above the minimum levels required in order
32 to restore the contaminated land and water to multiple use purposes.
33 (3) Establish a remediation fund to perform necessary environmental testing and
34 remediation of hazardous waste sites in the Yadkin River Basin, excluding
35 properties owned or under the control of Alcoa Power Generating, Inc.,
36 Alcoa, Inc., or its subsidiaries.
37 (4) Install aeration technology in association with the Yadkin Project to increase
38 dissolved oxygen levels and improve water quality in the Yadkin River.
39 (5) Institute operational changes to the Yadkin Project that will retain more
40 water in Badin, Falls, High Rock, and Tuckertown lakes and provide a
41 consistent flow of water to downstream water users.
42 (6) Extend the recreation seasons at Badin, Falls, High Rock, and Tuckertown
43 lakes by three months from April 1 to October 31.
44 (7) Implement a comprehensive drought management plan, or "Low Inflow
45 Protocol," that requires the Trust to reduce power generation and send less
46 water downstream when certain drought-related triggers are reached.
47 (8) Develop and maintain new or expanded public recreation facilities across the
48 Yadkin River, including a new public swim area in Rowan County, new
49 tailwater fishing access areas, two new reservoir fishing piers, and 10 new
50 campsites.

- 1 (9) Allow the City of Albemarle to increase water withdrawals from the Yadkin
2 River up to 30,000,000 gallons per day.
- 3 (10) Utilize a portion of the proceeds from power generation to fund a Yadkin
4 River Basin Clean Water Trust Fund to be created in order to acquire land
5 for water quality improvements, implement innovative stormwater
6 strategies, state-of-the-art wastewater improvements, and aquatic habitat
7 improvements, and to provide funding mechanisms to assist local
8 governments to make water quality improvements throughout the Yadkin
9 River Basin.
- 10 (11) Apportion a percentage of electricity from the Yadkin Project output for use
11 by a regional economic development entity to be designated by the
12 Department of Commerce. To the extent that there are renewable energy
13 credits attributable to the output, the Trust must transfer the credits to the
14 designated entity.
- 15 (12) Use proceeds from power generation for the following recreational and
16 conservation projects:
- 17 a. To acquire and donate land to the Town of Badin for a new public
18 park.
- 19 b. To acquire and donate land to Rowan County for the continued
20 protection and public access to the Eagle Point Nature Preserve.
- 21 c. To acquire other land for conservation purposes.
- 22 d. To donate forty thousand dollars (\$40,000) to the Yadkin-Pee Dee
23 River Trail Fund.
- 24 (13) Review the proposed Water Infrastructure Mitigation license condition
25 proposed by the City of Salisbury and determine what the Yadkin River
26 Trust can do to assure an adequate, clean future water supply for the region.

27 **"§ 77-127. Revenue bonds.**

28 The Trust is a municipality under Article 5 of Chapter 159 of the General Statutes, the State
29 and Local Revenue Bond Act. The provisions of Chapter 159 of the General Statutes, the Local
30 Government Finance Act, apply to revenue bonds issued by the Trust. The Trust may issue
31 revenue bonds pursuant to Chapter 159 of the General Statutes to pay all or a portion of the cost
32 of the Yadkin Project.

33 **"§ 77-128. Use of revenues.**

34 Revenues from the Yadkin River Project must be used to pay the obligations listed in this
35 section. Any revenues remaining after the payment of these listed obligations must be remitted
36 to the State Treasurer and credited to the General Fund. The State may use all or a portion of
37 the revenue remitted to it to provide funds for the replacement of the Yadkin River Bridge on
38 Interstate 85. The obligations are:

- 39 (1) To operate the Yadkin Project.
- 40 (2) To pay the debt service on any revenue bonds, notes, or other evidences of
41 indebtedness or obligation.
- 42 (3) To fulfill the local responsibilities under G.S. 77-126.
- 43 (4) To make payments to taxing units under G.S. 77-129.

44 **"§ 77-129. Exemption from taxation; payments in lieu of taxes.**

45 (a) Exemption. – Property owned by the Trust is exempt from taxation in accordance
46 with Article V, Section 2 of the North Carolina Constitution.

47 (b) Payments to Taxing Units. – The Trust must pay an amount to a taxing unit in
48 which the Trust is the listed owner of property in the unit on January 1. The amount the Trust
49 must remit to the taxing unit is the amount of property tax payable on the property in the year
50 preceding the date the Trust acquired the property.

51 **"§ 77-130. Report; audit.**

1 (a) Report. – The Trust must submit a report regarding its operations and transactions
2 for the preceding fiscal year to the Joint Legislative Commission on Governmental Operations,
3 the Joint Legislative Utility Review Committee, and the House and Senate Committees on
4 Appropriations on or before July 1 of each year. The annual report must include the following
5 information:

6 (1) The amount of power and energy produced by the Trust.

7 (2) The Trust's financial statements for the preceding fiscal year, prepared in
8 accordance with generally accepted accounting principles.

9 (3) The price of power and energy sold by the Trust.

10 (4) The amount of water distributed to each entity or water user.

11 (5) The status of environmental testing, assessment, and remediation of
12 contamination at the Badin Works and other sites located in Stanly County.

13 (b) Audit. – The operations of the Trust are subject to the oversight of the State Auditor
14 under Article 5A of Chapter 147 of the General Statutes.

15 **"§ 77-131. Conflicts of interest.**

16 A director, officer, or employee of the Trust who has a conflict of interest in a contract with
17 the Trust must disclose this interest to the Board and the Board must note the conflict of
18 interest in its minutes. The director, officer, or employee who has a conflict of interest may not
19 participate on behalf of the Trust in the authorization of that contract. Failure to take the actions
20 required by this section does not affect the validity of any bonds or notes issued by the Trust.

21 A director, officer, or employee of the Trust has a conflict of interest if any one or more of
22 the following applies:

23 (1) The director, officer, or employee has a direct or indirect interest in a
24 contract with the Trust.

25 (2) The director, officer, or employee is an officer or employee of a firm or
26 corporation, not including a unit of local government, that has a direct or
27 indirect interest in a contract with the Trust.

28 (3) The director, officer, or employee has an ownership interest in a firm or
29 corporation that has a direct or indirect interest in a contract with the Trust."

30 **SECTION 2.** Notwithstanding G.S. 77-122, as enacted by Section 1 of this act, in
31 order to provide for the staggering of the terms of the Board of Directors of the Yadkin River
32 Trust, the terms of the initial appointments of the directors made by the Governor shall be made
33 as follows: (i) two shall be for a period of two years; (ii) two shall be for a period of three
34 years; and (iii) three shall be for a period of four years.

35 **SECTION 3.** G.S. 66-58(b) is amended by adding a new subdivision to read:

36 (b) The provisions of subsection (a) of this section shall not apply to:

37 ...

38 (26) The Yadkin River Trust, established in G.S. 77-120."

39 **SECTION 4.** G.S. 126-5(c1) reads as rewritten:

40 (c1) Except as to the provisions of Articles 6 and 7 of this Chapter, the provisions of this
41 Chapter shall not apply to:

42 ...

43 (29) Employees of the Yadkin River Trust."

44 **SECTION 5.** G.S. 150B-1(c) reads as rewritten:

45 (c) Full Exemptions. – This Chapter applies to every agency except:

46 (1) The North Carolina National Guard in exercising its court-martial
47 jurisdiction.

48 (2) The Department of Health and Human Services in exercising its authority
49 over the Camp Butner reservation granted in Article 6 of Chapter 122C of
50 the General Statutes.

51 (3) The Utilities Commission.

- 1 (4) The Industrial Commission.
 2 (5) The Employment Security Commission.
 3 (6) The State Board of Elections in administering the HAVA Administrative
 4 Complaint Procedure of Article 8A of Chapter 163 of the General Statutes.
 5 (7) The North Carolina State Lottery.
 6 (8) The Yadkin River Trust, established in G.S. 77-120."

7 **SECTION 6.** G.S. 159-81 reads as rewritten:

8 **"§ 159-81. Definitions.**

9 ~~The words and phrases defined in this section shall have the meanings indicated when used~~
 10 ~~in this Article.~~ The following definitions apply in this Article:

- 11 (1) ~~"Municipality" means Municipality.~~ – One or more of the following:
 12 a. ~~A~~ county, city, town, ~~or incorporated village, sanitary village.~~
 13 b. A sanitary district, metropolitan sewerage district, metropolitan water
 14 district, county water and sewer district, or water and sewer
 15 authority, hospital authority, authority.
 16 c. A hospital authority or hospital district, parking district.
 17 d. A parking authority, special authority.
 18 e. An airport district, regional district, an airport authority, or a joint
 19 agency authorized by agreement between two cities to operate an
 20 airport pursuant to G.S. 63-56.
 21 f. A public transportation authority, authority or regional transportation
 22 authority, regional authority.
 23 g. A natural gas district, regional district.
 24 h. A regional sports authority, airport authority, joint authority.
 25 i. A joint agency created pursuant to Part 1 of Article 20 of Chapter
 26 160A of the General Statutes, a joint agency authorized by agreement
 27 between two cities to operate an airport pursuant to G.S. 63-56, and
 28 the Statutes.
 29 j. The North Carolina Turnpike Authority created pursuant to Article
 30 6H of Chapter 136 of the General Statutes, but not any other forms of
 31 State or local government. Statutes.
 32 k. The Yadkin River Trust created pursuant to Article 9 of Chapter 77
 33 of the General Statutes.

- 34 (2) ~~"Revenue bond" means a Revenue bond.~~ – A bond issued by the State of
 35 North Carolina or a municipality pursuant to this Article.

- 36 (3) ~~"Revenue bond project" means any Revenue bond project.~~ – Any
 37 undertaking for the acquisition, construction, reconstruction, improvement,
 38 enlargement, betterment, or extension of any one or combination of the
 39 revenue-producing utility or public service enterprise facilities or systems
 40 listed in this subdivision, to be financed through the issuance of revenue
 41 bonds, thereby providing funds to pay the costs of the undertaking or to
 42 reimburse funds loaned or advanced by or on the behalf of either the State or
 43 a municipality to pay the costs of the undertaking.

44 A revenue bond project shall be (i) owned or leased as lessee by the
 45 issuing unit or (ii) owned by one or more of the municipalities participating
 46 in an undertaking established pursuant to Part 1 of Article 20 of Chapter
 47 160A of the General Statutes. If the revenue bond project is owned by one or
 48 more municipalities as provided in (ii) of this subdivision, any one or more
 49 of the participating municipalities may each be an issuing unit consistent
 50 with their agreement to establish a joint undertaking. In addition, any joint
 51 agency established by participating municipalities pursuant to Part 1 of

1 Article 20 of Chapter 160A of the General Statutes may be an issuing unit
2 without owning the revenue bond project or leasing it as lessee.

3 The cost of an undertaking may include all property, both real and
4 personal and improved and unimproved, plants, works, appurtenances,
5 machinery, equipment, easements, water rights, air rights, franchises, and
6 licenses used or useful in connection with the undertaking; the cost of
7 demolishing or moving structures from land acquired and the cost of
8 acquiring any lands to which the structures are to be moved; financing
9 charges; the cost of plans, specifications, surveys, and estimates of cost and
10 revenues; administrative and legal expenses; and any other expense
11 necessary or incident to the project.

12 The following facilities or systems may be revenue bond projects under
13 this subdivision:

- 14 a. Water systems or facilities, including all plants, works,
15 instrumentalities and properties used or useful in obtaining,
16 conserving, treating, and distributing water for domestic or industrial
17 use, irrigation, sanitation, fire protection, or any other public or
18 private use.
- 19 b. Sewage disposal systems or facilities, including all plants, works,
20 instrumentalities, and properties used or useful in the collection,
21 treatment, purification, or disposal of sewage.
- 22 c. Systems or facilities for the generation, production, transmission, or
23 distribution of gas (natural, artificial, or mixed) or electric energy for
24 lighting, heating, or power for public and private uses, where gas
25 systems shall include the purchase and/or lease of natural gas fields
26 and natural gas reserves and the purchase of natural gas supplies, and
27 where any parts of such gas systems may be located either within the
28 State or without.
- 29 d. Systems, facilities and equipment for the collection, treatment, or
30 disposal of solid waste.
- 31 e. Public transportation systems, facilities, or equipment, including but
32 not limited to bus, truck, ferry, and railroad terminals, depots,
33 trackages, vehicles, and ferries, and mass transit systems.
- 34 f. Public parking lots, areas, garages, and other vehicular parking
35 structures and facilities.
- 36 g. Aeronautical facilities, including but not limited to airports,
37 terminals, and hangars.
- 38 h. Marine facilities, including but not limited to marinas, basins, docks,
39 dry docks, piers, marine railways, wharves, harbors, warehouses, and
40 terminals.
- 41 i. Hospitals and other health-related facilities.
- 42 j. Public auditoriums, gymnasiums, stadiums, and convention centers.
- 43 k. Recreational facilities.
- 44 l. Repealed by Session Laws 2001-474, s. 36, effective November 29,
45 2001.
- 46 m. Economic development projects, including the acquisition and
47 development of industrial parks, the acquisition and resale of land
48 suitable for industrial or commercial purposes, and the construction
49 and lease or sale of shell buildings in order to provide employment
50 opportunities for citizens of the municipality.

- 1 n. Facilities for the use of any agency or agencies of the government of
- 2 the United States of America.
- 3 o. Structural and natural stormwater and drainage systems of all types.
- 4 p. In the case of the North Carolina Turnpike Authority, a Turnpike
- 5 Project, as defined in G.S. 136-89.181, including the planning and
- 6 design of a Turnpike Project, that is designated by the Authority to
- 7 be a revenue bond project.
- 8 (4) ~~"Revenues" include all Revenues.~~ – All moneys received by the State or a
- 9 municipality from, in connection with, or as a result of its ownership or
- 10 operation of a revenue bond project or a utility or public service enterprise
- 11 facility or system of which a revenue bond project is a part, including (to the
- 12 extent deemed advisable by the State or a municipality) moneys received
- 13 from the United States of America, the State of North Carolina, or any
- 14 agency of either, pursuant to an agreement with the State or a municipality,
- 15 as the case may be, pertaining to the project."

16 **SECTION 7.** This act is effective when it becomes law.