

GENERAL ASSEMBLY OF NORTH CAROLINA  
1993 SESSION

CHAPTER 561  
SENATE BILL 26

AN ACT TO MAKE APPROPRIATIONS TO PROVIDE CAPITAL IMPROVEMENTS FOR STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.

The General Assembly of North Carolina enacts:

**PART 1. INTRODUCTION**

Section 1. The appropriations made by the 1993 General Assembly for capital improvements are for constructing, repairing, or renovating State buildings, utilities, and other capital facilities, for acquiring sites for them where necessary, and for acquiring buildings and land for State government purposes.

**PART 2. TITLE**

Sec. 2. This act shall be known as "The Capital Improvements Appropriations Act of 1993".

**PART 3. PROCEDURES FOR DISBURSEMENTS**

Sec. 3. The appropriations made by the 1993 General Assembly for capital improvements shall be disbursed for the purposes provided by this act. Expenditure of funds shall not be made by any State department, institution, or agency, until an allotment has been approved by the Governor as Director of the Budget. The allotment shall be approved only after full compliance with the Executive Budget Act, Article 1 of Chapter 143 of the General Statutes. Prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects including the source of funds, interest rate, and liquidation period. Provided, however, that if the Director of the Budget approves the method of financing a project, the Director shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

Where direct capital improvement appropriations include the purpose of furnishing fixed and movable equipment for any project, those funds for equipment shall not be subject to transfer into construction accounts except as authorized by the Director of the Budget. The expenditure of funds for fixed and movable equipment and furnishings shall be reviewed and approved by the Director of the Budget prior to commitment of funds.

Capital improvement projects authorized by the 1993 General Assembly shall be completed, including fixed and movable equipment and furnishings, within the limits of the amounts of the direct or self-liquidating appropriations provided, except as otherwise provided in this act.

**PART 4. CAPITAL IMPROVEMENTS/GENERAL FUND**

Sec. 4. Appropriations are made from the General Fund for the 1993-94 fiscal year for use by the State departments, institutions, and agencies to provide for capital improvement projects according to the following schedule:

	1993-94
<b>DEPARTMENT OF ADMINISTRATION</b>	
1. Reserve for Repairs/Renovations - Planning Reserve for Old Education Building and Old Revenue Building	\$1,000,000
2. State Veterans' Cemetery - Fort Bragg Requirements \$1,219,500 Receipts - Federal 751,100 State Appropriation	468,400
3. Reserve for Veterans' Home - State Share	3,000,000
4. GPAC Prison Facility Consolidation - Planning and Design	2,000,000
5. Western Government Center – Planning	1,000,000
6. Indian Cultural Center - Purchase of Land/ Redesign of Center for Site Specific	750,000
7. Government Complex Mall – Supplement	150,000
8. Public Telecommunications - Upgrade Satellite System	314,000
<b>TOTAL - DEPARTMENT OF ADMINISTRATION</b>	<b>\$8,682,400</b>
<b>DEPARTMENT OF AGRICULTURE</b>	
1. Medical Waste Incinerators - Animal Labs	\$712,900
2. Pesticide Storage Buildings - Research Stations and State Farms	399,200
3. Shop and Equipment Storage Facility - Upper Mountain Research Station Requirements 323,300 Timber Receipts 323,300 State Appropriation	0
4. Dairy Milking Parlor - Umstead Research Station Requirements 213,000	

	Timber Receipts	213,000	
	State Appropriation		0
5.	Shop/Storage - Horticultural Crops Research Station		
	Requirements	168,900	
	Timber Receipts	168,900	
	State Appropriation		0
6.	Western Agricultural Center - Covered Show Ring/ Parking Area/Construction of restrooms and showers and Development of N.C. Mountain Fair		2,580,000
7.	Tidewater Research Station - Greenhouse and Headhouse Construction		500,000
8.	Southeastern Farmers' Market and Agricultural Center Development		2,500,000
9.	Western Farmers Market - Truck Shed, Wholesale Buildings and WNCDA Office on State Property Site Development		697,415
10.	Triad Farmers' Market Development	4,400,000	
11.	Eastern N.C. Agricultural Center Development		3,400,000
12.	Livestock Facility - Planning Funds		50,000
	<b>TOTAL - DEPARTMENT OF AGRICULTURE</b>		<b>\$15,239,515</b>
 <b>DEPARTMENT OF CORRECTION</b>			
1.	Add Dayrooms - Odom Correctional Center		\$381,500
2.	Water/Wastewater Improvements – Statewide		1,000,000
	<b>TOTAL - DEPARTMENT OF CORRECTION</b>		<b>\$1,381,500</b>
 <b>DEPARTMENT OF COMMUNITY COLLEGES</b>			
1.	Regional Truck Driver Training Facility		\$50,000
	<b>TOTAL - DEPARTMENT OF COMMUNITY COLLEGES</b>		<b>\$50,000</b>
 <b>DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY</b>			
1.	National Guard Armory Replacement - Kinston		
	Requirements	3,897,700	
	Receipts - Federal	2,848,300	
	Receipts - Local	524,700	
	State Appropriation		524,700
2.	National Guard - Aerial Reserve Equipment for Emergency Support Missions		275,000
3.	National Guard - Underground Storage Tank		71,400
	<b>TOTAL - DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY</b>		<b>\$871,100</b>

DEPARTMENT OF CULTURAL RESOURCES

1. Museum of History - Core Exhibition Design and Construction	\$5,424,100
2. Somerset Place State Historic Site - Development - Washington County	300,000
3. Museum of the Albemarle - Complete Design	1,000,000
4. Elizabeth II State Historic Site - Master Plan Implementation - Design	250,000
TOTAL - DEPARTMENT OF CULTURAL RESOURCES	\$6,974,100

DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES

1. State Parks - Reserve for Construction Projects for Health, Safety, Access Improvements, and Land Acquisition	\$2,100,000
2. Small Watershed Grants and Solid Waste Grants	1,680,000
3. Forestry - District and County Headquarters Buildings/Equipment Sheds (Scotland, Henderson, Mitchell, Graham, Wayne, Davidson, and Fayetteville)	1,448,100
4. Water Resources (Civil Works) - Reserve for Planning, Construction Projects, Operations and Maintenance Projects, and Feasibility Studies	7,908,000
5. Geological Survey Repository - Core Sample Storage Addition	434,600
6. Partnership for the Sounds - Matching Funds	846,000
7. Expansion - Aquariums - Planning	250,000
TOTAL - DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES	\$14,666,700

DEPARTMENT OF HUMAN RESOURCES

1. Reserve - Life Safety/Certification Improvements - Statewide	\$1,000,000
2. Dorothea Dix Hospital - Male Wing Completion	1,457,300
3. John Umstead Hospital - Sewer Plant Upgrade - Design	250,000
4. Eastern School for the Deaf - Student Activity/ Recreation complex - Design	250,000
TOTAL - DEPARTMENT OF HUMAN RESOURCES	\$2,957,300

DEPARTMENT OF JUSTICE

1. Justice Academy - B-Dorm Repairs and Equipment Requirements	321,800
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Receipts	321,800	
State Appropriation		0
2. SBI Lab - New Construction		\$18,600,000
TOTAL - DEPARTMENT OF JUSTICE		\$18,600,000
NORTH CAROLINA PORTS RAILWAY COMMISSION		
1. Planning Funds - Replacement of Morehead Trestle		250,000
TOTAL - NORTH CAROLINA PORTS RAILWAY COMMISSION		250,000
OFFICE OF STATE CONTROLLER		
1. State Telecommunications System - Communications Network Development		\$4,100,000
TOTAL - OFFICE OF STATE CONTROLLER		\$4,100,000
UNIVERSITY - BOARD OF GOVERNORS		
1. North Carolina State University		
a. Centennial Center - State Match		\$5,000,000
b. Renovations and Equipment for Dearstyne Building and Ricks Hall to Effect the Transfer of Agricultural Education Program to College of Agriculture and Life Science		200,000
2. Reserve for Advance Planning		3,250,000
3. University of North Carolina - Chapel Hill - Terrell Building Additions/Renovations for N.C. High School Athletic Association		400,000
4. North Carolina State University - Agricultural Program		
a. Horticultural Crops Research Station at Fletcher - Improvements		258,000
5. School of the Arts - Education Building for Film School		7,900,000
6. U.N.C. - Asheville - Land Purchase		2,000,000
7. North Carolina Arboretum Development		2,000,000
8. North Carolina Central University - Biology and Biomedical Center		4,200,000
9. University of North Carolina - Public Television - Tower Stokes County		1,006,175
10. East Carolina University - State support for Renovation of Minges Coliseum		2,500,000
TOTAL - UNIVERSITY BOARD OF GOVERNORS		\$28,714,175
TOTAL - CAPITAL IMPROVEMENTS - GENERAL FUND		\$102,486,790

## PART 5. CAPITAL IMPROVEMENTS/HIGHWAY FUND

Sec. 5. (a) There is appropriated from the Highway Fund for the 1993-94 fiscal year the listed funds for use of the Department of Transportation to provide for capital improvement projects according to the following schedule:

	1993-94
1. Upgrade facilities to meet the Americans With Disabilities Act Standards	\$1,678,600
2. Replace the two elevators in the Highway Building in Raleigh	350,500
3. Acquire 20 acres of land in Garner for location of DOT warehouse	250,000
4. Renovate one floor of the Highway Building in Raleigh	400,000
TOTAL - DEPARTMENTWIDE	\$2,679,100

### DIVISION OF HIGHWAYS

1. Replace roofs statewide	391,000
2. Construct traffic service facility - Town of Union (Hertford County)	818,000
3. Design a roadside environmental facility (office, warehouse, shed) in Sylva	31,000
4. Construct equipment shop in Sandy Ridge	717,000
5. Construct maintenance facility in Nashville	
Requirements	768,000
Receipts	222,000
State Appropriations	546,000
6. Construct equipment repair shop in Creswell	739,000
7. Construct equipment shop in Spindale	747,000
TOTAL - DIVISION OF HIGHWAYS	\$3,989,000

### DIVISION OF MOTOR VEHICLES

1. Replace roofs statewide	76,100
2. Resurface six parking lots statewide	120,900
3. Renovate DMV Office Building in Durham	197,000
4. Renovate DMV Office Building in Salisbury	197,000
5. Renovate the Division of Motor Vehicles Building in Raleigh	1,677,000
TOTAL - DIVISION OF MOTOR VEHICLES	\$2,268,000

### HIGHWAY PATROL

1. Replace underground storage tanks	\$350,000
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MAINTENANCE

1. Increase Highway and Bridge Maintenance	\$2,641,000
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RESERVES

1. Create a Reserve for Promotion and Development of International Air Service	\$5,000,000
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GRAND TOTAL HIGHWAY FUND \$16,927,100

(b) The Department of Transportation may begin the land purchase and design phases for a Division of Highways office complex in Winston-Salem. These phases shall be funded with any proceeds from the sale of land owned by the Department in Rowan County.

(c) The funds appropriated pursuant to the schedule in subsection (a) of this section for the Division of Highways for the construction of a maintenance facility in Nashville shall be supplemented by two hundred twenty-two thousand dollars (\$222,000) received as proceeds from the sale of land owned by the Department of Transportation in Goldsboro, which sale proceeds shall be applied to the total project cost of seven hundred sixty-eight thousand dollars (\$768,000).

**PART 6. NONRECURRING APPROPRIATIONS/GENERAL FUND**

Sec. 6. Appropriations are made from the General Fund for the 1993-94 fiscal year for use by the State departments, institutions, and agencies to provide for one-time expenditures according to the following schedule:

	1993-94
DEPARTMENT OF ADMINISTRATION	
1. Domestic Violence Program - To Fully Fund all 67 Programs	\$95,433
2. Displaced Homemakers Job Training Pilot Project	375,000
3. Funds to Provide for a State Government Disparity Study	950,000
TOTAL - ADMINISTRATION	\$1,420,433

DEPARTMENT OF AGRICULTURE

1. Farm Loan Reserve Funds for Agricultural Finance Authority	\$1,000,000
2. Carrboro Farmers' Market Grant	236,000
3. Funds to Provide Mycotoxin Research	160,000

TOTAL - AGRICULTURE \$1,396,000

DEPARTMENT OF COMMERCE

1.	Rural Tourism Development Grants	\$200,000
2.	Center for Community Self-Help	1,000,000
3.	World Trade Center	100,000
4.	Investment in Manufacturing Technology - Match Federal Funds	1,000,000
5.	Reserve for Economic Development Initiatives - Columbus and Stanly Counties	1,275,000
6.	Institute for Minority Economic Development	350,000
	TOTAL - COMMERCE	\$3,925,000

DEPARTMENT OF COMMERCE -  
RURAL ECONOMIC DEVELOPMENT CENTER

1.	Rural Economic Development Act Implementation	\$2,825,000
2.	Economic Development Programs	
	a. Grants to Community Development Corporations That Have Not Received State Funds	100,000
	b. N.C. Community Development Initiatives, Inc. - Support for Mature CDC's; Will Leverage Additional \$4 Million Foundation Funds	2,000,000
	c. Continue Support for Community Development Corporations Previously State Funded	1,300,000
	d. Microenterprise Loan Program	650,000
	e. Rural Economic Development Center Administrative Cost	50,000
	f. Community Development Housing Counseling Demonstration Project	150,000
	g. Minority Credit Union Support Center	300,000
	h. N.C. Association of Community Development Corporations	200,000
	TOTAL - RURAL ECONOMIC DEVELOPMENT CENTER	\$7,575,000

DEPARTMENT OF COMMERCE - BIOTECHNOLOGY CENTER

1.	Fund Biotechnology Program for Public Historically Black Universities and Pembroke State University	\$1,000,000
2.	Supplement for Grant Programs - One-Time Grant	1,000,000
	TOTAL - BIOTECHNOLOGY CENTER	\$2,000,000

DEPARTMENT OF COMMERCE - MCNC

1.	MCNC Reserve for Capital Needs and Communications	
	a. Conduct a Joint Telecommunications	



	Research and Development Project with MCI Corporation	\$2,000,000
b.	Purchase and Installation of Upgraded Equipment for the MCNC Supercomputer, the Telecommunications Network, and the Microelectronics Program	2,500,000
c.	Funds to Connect the 6 Remaining State- Owned Campuses to the MCNC CONCERT Telecommunications Network (Pembroke State, ECSU, WCU, FSU, NCCU, UNC-G)	2,118,000
TOTAL - MCNC		\$6,618,000
CONTINGENCY FUND		
1.	Support for Reimbursements to Local Boards of Elections for Expenses Incurred with Sale of Bond Elections	\$1,000,000
TOTAL - CONTINGENCY FUND		\$1,000,000
DEPARTMENT OF CULTURAL RESOURCES		
1.	Reserve for Grants To Local Historical And Cultural Organizations	\$2,000,000
2.	Andrew Jackson Memorial - Grant	100,000
3.	The Lost Colony - Matching Funds	500,000
TOTAL - DEPARTMENT OF CULTURAL RESOURCES		\$2,600,000
DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES		
1.	Reserve for Falls Lake Watershed Study	\$150,000
2.	Wildlife Resources Commission - Extend Beaver Control Pilot Program for One Year	146,000
3.	Western North Carolina Genetic Center - Start-up Costs	355,000
4.	Technical Assistance Grants of \$100,000 Each to Richmond, Chatham, and Wake Counties for Their Site Designation Review Committee	300,000
TOTAL - DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES		\$951,000
GENERAL ASSEMBLY		
1.	LRC's (\$200,000) Independent Studies (\$300,000)	\$500,000
2.	Reserve Increase	2,000,000
3.	Courts Commission - Support for Staff, Travel	54,438
4.	Swine Study	15,000

5. Study on Economic Incentives to Lure Industry	100,000
6. Reserve for GPAC Recommendations	1,076,163
TOTAL - GENERAL ASSEMBLY	\$3,745,601

OFFICE OF THE GOVERNOR

1. Housing Trust Fund	\$ 2,500,000
2. Industrial Recruitment - Restricted Reserve for Automobile Manufacturing Company Relocation	35,000,000
TOTAL - OFFICE OF THE GOVERNOR	\$37,500,000

DEPARTMENT OF HUMAN RESOURCES

1. Medicaid Planning Funds - Funds to Support Planning and Design of the Eligibility Information System in the event of expanded coverage for the uninsured	\$200,000
2. Senior Citizens' Funds - Funds for Senior Citizen Centers' Maintenance, Renovation, and Upkeep. Funds shall be allocated based on need. No Center shall receive more than \$10,000	300,000
3. Headstart Funds - Funds for 5 additional Headstart Parent and Child Centers	1,100,000
4. Sheltered Workshops Capital Funds - Funds for Capital Needs at Community-Based Facilities that Operate Vocational Rehabilitation Services or Adult Developmental Activity Programs (ADAP). \$76.28 Per Slot for 6,554 Slots. Each Program Shall Submit a Budget for These Funds for Approval to the Department of Human Resources	500,000
5. Governor Morehead School - Funds for Braille Textbooks and a Resource Center for Visually Impaired Children	300,000
6. Deaf Funds - Funds to Meet Critical Educational and Support Services Needs of Deaf Children and Adults	800,000
7. Child Care Resources - Funds to Develop Resources and Referral Service in Unserved and Underserved Counties and to Fund Existing Resources and Referral Services	500,000
8. Children Grant Funds - Funds to Provide Grants to Programs Serving Children-at-Risk and Child Care Capital Needs	200,000
9. TEACH Funds - Funds for the Teacher Education	

and Compensation Helps Early Childhood Project to Allow Child Day Care Teachers to Seek Continued Education	1,000,000
10. Community Volunteer Program for Parent Involvement - Funds to Support the Development of the Volunteer Program for Parent Involvement	100,000
11. Mental Health Facility Funds	2,000,000
TOTAL - DEPARTMENT OF HUMAN RESOURCES	\$7,000,000

#### JUDICIAL DEPARTMENT

1. Alamance Dispute Settlement Center - Expand Mediation into Schools	\$5,000
2. Cumberland County Dispute Resolution Center - Pilot Project for Dispute Settlement for Students in Junior and Senior High Schools in Cumberland County	30,000
TOTAL - JUDICIAL DEPARTMENT	\$35,000

#### DEPARTMENT OF JUSTICE

1. Reserve for Litigation Expenses Related to Redistricting	\$500,000
2. Grant Funds for the North Carolina Law Enforcement Officers' Hall of Honor	45,000
TOTAL - DEPARTMENT OF JUSTICE	\$545,000

#### DEPARTMENT OF LABOR

1. Reserve for Computerized Network	\$750,000
TOTAL - DEPARTMENT OF LABOR	\$750,000

#### PUBLIC EDUCATION

1. Department of Public Instruction	
a. Advanced Placement - Pilot Program to Match Costs of Taking Advanced Placement Exams	\$550,000
b. Cued Speech Center of Wake County for Transition Services	95,000
2. Aid to Local School Administrative Units	
a. Funds to Hold Ashe and Jackson County Schools Harmless in the Small School Formula	600,565
b. Education Technology Equipment for Libraries	5,000,000
TOTAL - PUBLIC EDUCATION	\$6,245,565

#### DEPARTMENT OF SECRETARY OF STATE

1. Business License Office - Computer System Development and Equipment	\$350,000
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TOTAL - SECRETARY OF STATE	\$350,000
OFFICE OF STATE BUDGET AND MANAGEMENT	
1. Science and Math Alliance - Development	\$800,000
2. Children's Home Society of N.C., Inc. - Grant to Establish an Adoption Resource Center	500,000
3. N. C. Future Farmers of America, Inc., - Matching Grant	300,000
4. Piedmont Triad Regional Water Authority Grant	500,000
5. Child Protective Services - Grant for Equipment	60,000
TOTAL - OFFICE OF STATE BUDGET AND MANAGEMENT	\$2,160,000
OFFICE OF STATE CONTROLLER	
1. Reserve to Continue the Implementation of the State Accounting System	\$4,200,000
TOTAL OFFICE OF STATE CONTROLLER	\$4,200,000
DEPARTMENT OF TRANSPORTATION	
1. North Carolina Global TransPark Development Zone - Development of Infrastructure	\$7,500,000
TOTAL - DEPARTMENT OF TRANSPORTATION	\$7,500,000
UNIVERSITY - BOARD OF GOVERNORS	
1. North Carolina State University - To Study the Abatement of Odors from Swine Farms and the Impact of Swine Farms on Ground and Surface Water Supplies	\$85,000
2. North Carolina A&T - One-Time Funds for Agricultural Research and Extension Development, Including Matching Funds for Federal Grants	500,000
3. University of North Carolina at Chapel Hill - Funds to Support the Bicentennial Observance	250,000
4. UNC-Chapel Hill - One-Time Funds for Work of Educational Consortium	150,000
5. UNC-Chapel Hill - One-Time Funds to Infectious Disease Control Program in School of Medicine to Assist Health Facilities with Training of Disease Control Coordinators	75,000
6. North Carolina State University- One-Time Funds for Expansion	

of Turfgrass Research	250,000
7. Fayetteville State University - One-Time Funds for Process Leadership Training Program	50,000
8. Teacher Training Task Force	10,000
9. Freshmen Scholars Program at Five Campuses	1,000,000
10. Board of Governors - Planning Grant for Reopening of Chinqua-Penn Plantation	75,000
11. North Carolina A & T - State Support for the Applied Manufacturing and Education Center	3,500,000
12. North Carolina State University - To Study Alternative Disposal Systems for Residential Sewage in Those Parts of the State Where Soil Absorption Qualities Are Poor	50,000
13. Winston-Salem State University- State Support for the Cooperative Effort of North Carolina A & T, UNC-Greensboro, North Carolina State University in the Establishment of Research Parks in the Winston-Salem Area	3,026,000
<b>TOTAL - UNIVERSITY - BOARD OF GOVERNORS</b>	<b>\$9,021,000</b>
 <b>TOTAL NONRECURRING - GENERAL FUND</b>	 <b>\$106,537,599</b>

**PART 7. GENERAL PROVISIONS**

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan  
**HIGHWAY FUND AVAILABILITY INCREASE**

Sec. 7. Section 18 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 18. The Highway Fund appropriations availability used in developing the 1993-95 Highway Fund budget is shown below:

	(\$Million) <u>1993-94</u>	(\$Million) <u>1994-95</u>
Beginning Credit Balance	\$ <del>9.03</del> <u>21.03</u>	-
Estimated Revenues:	944.6	\$ 961.3
Transfer from Equipment Fund	10.0	-
Transfer to Highway Trust Fund	-	(9.6)
Total Highway Fund Availability	<del>\$963.63</del> <u>975.63</u>	\$951.7."

Requested by: Representatives Nesbitt and Diamont

**BUDGET REFORM STATEMENTS**

Sec. 8. (a) Section 17 of Chapter 321 of the 1993 Session Laws is repealed.

(b) The General Fund and availability used in developing the 1993-95 budget is as shown below:

(1)	Composition of the 1993-94 beginning availability:		
	a.	Revenues collection in 1992-93 in excess of authorized estimates	\$201,740,000
	b.	Unexpended appropriations during 1992-93 (reversions)	171,190,000
	c.	Disproportionate share payments received in 1992-93	
			<u>158,680,000</u>
		Subtotal	
			\$531,610,000
	d.	Transfer to Savings Reserve	132,902,500
	e.	Transfer to Reserve for Repair and Renovations	
			57,000,000
		Ending Fund Balance	\$341,707,500

		<u>1993-94</u>	<u>1994-95</u>
(2)	Beginning Unrestricted Fund Balance	\$ 341,707,500	-
	Revenues Existing Tax Structure	\$8,649,700,000	\$9,212,100,000

Changes:

1.	Accelerated Growth with Implementation of GPAC recommendation	5,400,000	5,400,000
2.	Retain in General Fund interest previously paid to Highway Trust Fund (G.S. 105-187.9(b))	7,000,000	7,000,000
3.	Increase Court Fees	5,900,000	5,900,000
5.	Transfer from Department of		

Insurance Fund	(474,580)	(1,132,000)
6. Treasurer's Banking Fees/Local Government Operation	634,300	1,106,000
7. Disproportionate Share Receipts	93,200,000	-
8. Highway Fund Transfer Reduction Related to Sales Tax Exemption	(200,000)	(200,000)
9. Transfer from Savings Reserve	121,000,000	-
10. Transfer from DHR Private Hospital Donation Fund	10,000,000	-
11. Cotton Promotion Transfer	600,000	-
Total Changes	243,059,720	18,074,000
Revised Revenues	8,892,759,720	9,230,174,000
Total Availability	9,234,464,220	9,230,174,000
Revenue Growth Rates:		
Economic Basis	6.2%	6.5%
Less Impact of Special Factors	.9%	-2.6%
Actual Basis	7.1%	3.9%

(3) Estimate of Disproportionate Share Receipts to be deposited as a nontax revenue and reserved by the State Controller:  
1993-94 \$114,200,000.

Requested by: Representatives Diamont, Nesbitt, Senators Daniel, Plyler, Kaplan  
**CASWELL COUNTY COMMUNICATIONS TOWER FUNDS SHALL BE USED FOR AN EMERGENCY MANAGEMENT BUILDING**

Sec. 9. The following funds, which were appropriated in prior fiscal years, shall be used by Caswell County to house 911 communications equipment:

(1) The sum of ten thousand dollars (\$10,000), which was appropriated to Caswell County in Paragraph S1435 of Section 6 of Chapter 830 of the 1987 Session Laws to purchase an emergency services communications tower;

- (2) The sum of two thousand dollars (\$2,000), which was appropriated to Caswell County in Paragraph H2600 of Section 1 of Chapter 1085 of the 1987 Session Laws for a central communications tower;
- (3) The sum of eight thousand dollars (\$8,000), which was appropriated to Caswell County in Paragraph H2642 of Section 1 of Chapter 1085 of the 1987 Session Laws to purchase a central communications tower;
- (4) The sum of seventeen thousand dollars (\$17,000), which was appropriated to Caswell County in Paragraph S1770 of Section 1 of Chapter 1094 of the 1987 Session Laws for the purchase and construction of a communications tower and system for use in law enforcement, fire protection, and emergency services.

The 911 communications equipment may be used to construct a facility that is used for other purposes so long as these funds are used only for that portion of the facility that houses the 911 communications equipment.

## **PART 8. TECHNICAL CORRECTIONS**

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**TECHNICAL CORRECTIONS/CHAPTER 321-CURRENT OPERATIONS  
APPROPRIATIONS ACT OF 1993, AND OTHER ACTS.**

### **Sec. 10. MEDICAL SCHOOL ASSISTANCE FUNDING**

Section 78(b) of Chapter 321 of the 1993 Session Laws reads as rewritten:

"(b) The Board of Governors of The University of North Carolina shall set goals for the Schools of Medicine at the University of North Carolina at Chapel Hill and the School of Medicine at East Carolina University for increasing the percentage of graduates who enter residencies and careers in primary care. A minimum goal should be at least fifty percent (50%) of graduates entering primary care disciplines. Each school shall submit a plan with strategies to reach these goals of increasing the number of graduates entering primary care disciplines to the Board by April 15, 1994. The Board of Governors shall report to the Joint Legislative Education Oversight Committee by May 15, 1994, on the status of these efforts to strengthen primary health care in North Carolina.

Primary care shall include the disciplines of ~~family~~, family medicine, general pediatric medicine, general internal medicine, internal medicine/pediatrics, and obstetrics/gynecology."

### **Sec. 11. UNC LIBRARIES FUNDING**

Section 91 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 91. Of the funds appropriated in this act to the Board of Governors of The University of North Carolina for Institutional Programs, the Board of Governors shall allocate at least eleven million eighty-four thousand dollars (\$11,084,000) for the 1993-94 fiscal year and at least two million six hundred five thousand six hundred seventy-seven dollars (\$2,605,677) for the 1994-95 fiscal year for Lines 2 and 4 of the Schedule of Priorities, to enhance library networks and library operations."

### **Sec. 12. ECONOMIC DEVELOPMENT BOARD**



G.S. 143B-434(b) as rewritten by Section 313(a) of Chapter 321 of the 1993 Session Laws reads as rewritten:

"(b) Membership. – The Economic Development Board shall consist of 36 members. The Secretary of Commerce shall serve ex officio as a member and as the secretary of the Economic Development Board. Four members of the House of Representatives appointed by the ~~General Assembly upon the recommendation of the~~ Speaker of the House of Representatives, four members of the Senate appointed by the ~~General Assembly upon the recommendation of the~~ President Pro Tempore of the Senate, the President of The University of North Carolina, or designee, the President of the North Carolina Community College System, or designee, the Secretary of State, and the Lieutenant Governor, shall serve as members of the Board. The Governor shall appoint the remaining 23 members of the Board, provided that effective with the terms beginning July 1, 1997, one of those appointees shall be a representative of a nonprofit organization involved in economic development and two of those appointees shall be county economic development representatives. The Governor shall designate a chair and a vice-chair from among the members of the Board. Appointments to the Board made by the Governor for terms beginning July 1, 1997, and appointments to the Board made by the ~~General Assembly~~ Speaker of the House of Representatives and the President Pro Tempore of the Senate for terms beginning July ~~1, 9,~~ 1993, should reflect the ethnic and gender diversity of the State as nearly as practical.

The initial appointments to the Board shall be for terms beginning on ~~the date of ratification of the Current Operations Appropriations Act of 1993. July 9, 1993.~~ Of the initial appointments made by the Governor, the terms shall expire July 1, 1997. Of the initial appointments made by the ~~General Assembly, two terms made upon the recommendation of the~~ Speaker of the House of Representatives and ~~two terms made upon the recommendation of~~ by the President Pro Tempore of the Senate two appointments of each shall be designated to expire on July 1, 1995; the remaining terms shall expire July 1, 1997. Thereafter, all appointments shall be for a term of four years.

The ~~Governor appointing officer~~ shall make a replacement appointment to serve for the unexpired term in the case of a vacancy, ~~provided that a vacancy in a term appointed by the General Assembly shall be filled in accordance with G.S. 120-122. vacancy.~~

The members of the Economic Development Board shall receive per diem and necessary travel and subsistence expenses payable to members of State Boards and agencies generally pursuant to G.S. 138-5 and 138-6, as the case may be. The members of the Economic Development Board who are members of the General Assembly shall not receive per diem but shall receive necessary travel and subsistence expenses at rates prescribed by G.S. 120-3.1."

### Sec. 13. EARLY CHILDHOOD EDUCATION AND DEVELOPMENT INITIATIVES

Section 254(b) of Chapter 321 of the 1993 Session Laws reads as rewritten:

"(b) Of the funds appropriated to the Department of Human Resources, the sum of twenty million dollars (\$20,000,000) for the 1993-94 fiscal year and the sum of ~~twenty-eight million four hundred forty thousand dollars (\$28,440,000)~~ twenty-seven million six hundred forty thousand dollars (\$27,640,000) for the 1994-95 fiscal year to

implement subsection (a) of this section. From the funds appropriated by this subsection, the Department shall provide funds for services prescribed in subsection (a) of this section, for necessary State, regional, and local administration of this Part, and for the activities of the North Carolina Partnership for Children, Inc., consistent with the provisions of subsection (a) of this section."

#### Sec. 14. CHILD PROTECTIVE SERVICES

Section 234(a) of Chapter 321 of the 1993 Session Laws reads as rewritten:

"(a) Funds appropriated to the Division of Social Services, Department of Human Resources, in this act for Child Protective Services shall be allocated for the 1993-94 fiscal year and for the 1994-95 fiscal year as follows:

- (1) Each county department of social services shall receive an amount based on a formula that takes into consideration the number of Child Protective Services cases in that county and the number of Child Protective Services workers required to meet a ratio of no more than 20 active cases per one Child Protective Services worker. The allocation of these funds to each county shall not be less than that county's allocation in the 1992-93 fiscal year unless the General Assembly appropriates less funds for the 1993-94 fiscal year and the 1994-95 fiscal year for Child Protective Services than it appropriated in the 1992-93 fiscal year; and
- (2) Each county department of social services shall receive a portion of the remainder of these funds, if any, on a proportional basis determined by the amount of funds necessary in that county to enable that county to achieve the caseload prescribed in subdivision (1) of this subsection. Counties that have achieved the caseload ratios prescribed by subdivision (1) of this section ~~pursuant to funds allocated in that subdivision~~ in either the 1993-94 fiscal year or the 1994-95 fiscal year shall not receive any funds pursuant to this subdivision in that fiscal year."

#### Sec. 15. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON EARLY CHILDHOOD EDUCATION AND DEVELOPMENT INITIATIVES

G.S. 120-70.91, as enacted by Section 259 of Chapter 321 of the 1993 Session Laws, reads as rewritten:

##### **"§ 120-70.91. Purpose and powers of Committee.**

(a) The Committee shall examine, on a continuing basis, the Early Childhood Education and Development Initiatives established by Section 254 of ~~this act, Chapter 321 of the 1993 Session Laws~~, in order to make ongoing recommendations to the General Assembly on ways to improve the provision of these programs and services. In this examination, the Committee shall study the budgets, programs, and policies of the 12 local projects, their development and implementation by the North Carolina Partnership for Children, Inc., and their oversight by the Department of Human Resources, to determine whether to recommend that the General Assembly should continue the Initiatives, expand them, or make them statewide and, if the Initiatives are continued, expanded, or made statewide, continue to study the budgets, programs, and

policies of the Initiatives, their continued development and their oversight, to determine how to enable the Initiatives to provide the best, most cost-effective, and most equitable early childhood education and development services within the scope of the Initiatives' services and programs.

(b) At the same times and intervals the Department reports to the General Assembly pursuant to Section 257 of ~~this act~~, Chapter 321 of the 1993 Session Laws, the Department shall report to the Committee on the implementation of the Initiatives. After the final report presented pursuant to Section 257, the Department shall continue to report to the Committee every three months. If the Initiatives are discontinued, the Committee terminates.

(c) 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."

#### Sec. 16. REPAIRS AND RENOVATIONS RESERVE ACCOUNT

G.S. 143-15.3A(b), as enacted by Section 17.1(b) of Chapter 321 of the 1993 Session Laws, reads as rewritten:

"(b) The funds in the Repairs and Renovations Reserve Account shall be used only for the repair and renovation of State ~~buildings~~ facilities and related infrastructure that are supported from the General Fund. The Director of the Budget shall not use funds in the Repairs and Renovations Reserve Account unless the use has been approved by an act of the General Assembly."

#### Sec. 17. INITIAL MEETINGS OF REGIONAL ECONOMIC DEVELOPMENT COMMISSIONS

(a) G.S. 158-8.1, as added by Section 309 of Chapter 321 of the 1993 Session Laws, is amended by adding a new subsection to read:

"(c1) The initial meeting shall be called by the Secretary of the Department of Commerce."

(b) G.S. 158-8.2, as added by Section 309.1 of Chapter 321 of the 1993 Session Laws, is amended by adding a new subsection to read:

"(d1) The initial meeting shall be called by the Secretary of the Department of Commerce."

(c) G.S. 158-8.3, as added by Section 309.2 of Chapter 321 of the 1993 Session Laws, is amended by adding a new subsection to read:

"(c1) The initial meeting shall be called by the Secretary of the Department of Commerce."

#### Sec. 18. SICK LEAVE CONVERSION TECHNICAL CORRECTION

(a) G.S. 126-8, as rewritten by Section 73(f) of Chapter 321 of the 1993 Session Laws, reads as rewritten:

#### **"§ 126-8. Minimum leave granted State employees.**

The amount of vacation leave granted to each full-time State employee subject to the provisions of this Chapter shall be determined in accordance with a graduated scale established by the State Personnel Commission which shall allow the equivalent rate of not less than two weeks' vacation per calendar year, prorated monthly, cumulative to at

least 30 days. ~~Any~~ On December 31 of each year, any State employee who has vacation leave in excess of the allowed accumulation shall have that leave converted to sick leave. Sick leave allowed as needed to such State employees shall be at a rate not less than 10 days for each calendar year, cumulative from year to year. Notwithstanding any other provisions of this section, no full-time State employee subject to the provisions of Chapter 126, as the same appears in the Cumulative Supplement to Volume 3B of the General Statutes, on May 23, 1973, shall be allowed less than the equivalent of three weeks' vacation per calendar year, cumulative to at least 30 days."

(b) This section becomes effective June 30, 1993.

#### Sec. 19. SCHOOL-BASED ADMINISTRATOR SALARIES

Section 132(e) of Chapter 321 of the 1993 Session Laws reads as rewritten:

"(e) Notwithstanding any other provision of this section, the certified base salary of a principal or assistant principal shall not increase less than one percent (1%) or more than three percent (3%) as a result of placement on the salary schedule in accordance with this section. If placement on a grade and step of the salary schedule in accordance with this section would result in a principal or assistant principal receiving a salary increase of from one percent (1%) to three percent (3%), the principal or assistant principal shall be placed on a grade and step of the salary schedule in accordance with this section. If placement on a grade and step of the salary schedule in accordance with this section would result in a principal or assistant principal receiving a salary increase of less than one percent (1%), the principal or assistant principal shall be placed on the lowest grade and step with a salary that is at least a one percent (1%) salary increase for the principal or assistant principal. If placement on a grade and step of the salary schedule in accordance with this section would result in a principal or assistant principal receiving a salary increase of more than three percent (3%), the principal or assistant principal shall be placed on the ~~lowest~~ highest grade and step with a salary that is ~~at least~~ not more than a three percent (3%) salary increase for the principal or assistant principal."

## **PART 9. GENERAL ASSEMBLY**

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **GPAC RECOMMENDATIONS**

Sec. 20. In applying G.S. 143-16.3, bills implementing recommendations of the Government Performance Audit Committee shall not be considered.

Requested by: Representatives Wainwright, Crawford, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **FISCAL NOTE REQUIREMENT AMENDED**

Sec. 21. G.S. 120-36.7(c) reads as rewritten:

"(c) Proposed New Programs. – Upon the request of a member of the General Assembly, the Fiscal Research Division shall prepare a fiscal analysis of proposed legislation to create a new State program. The analysis shall identify and estimate all personnel costs of the proposed new program for the first five fiscal years it will

operate. The analysis shall also include a five-year estimate of space requirements, an indication of whether those requirements can be satisfied using existing State-owned facilities, and estimated costs of occupying leased space where State-owned space is not available."

## **PART 10. OFFICE OF STATE BUDGET AND MANAGEMENT**

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan  
**EXPENDITURE OF FUNDS FROM RESERVE FOR REPAIRS AND RENOVATIONS**

Sec. 22. Of the funds in the Reserve for Repairs and Renovations for the 1993-94 fiscal year, fifty-five percent (55%) shall be allocated to the Board of Governors of The University of North Carolina for repairs and renovations to General Fund supported facilities and related infrastructure in The University of North Carolina, including the North Carolina School of Science and Math, and forty-five percent (45%) shall be allocated to the Office of State Budget and Management for necessary repairs and renovations to all other General Fund supported facilities and related infrastructure. From this Reserve the Board of Governors may expend thirty-one million three hundred fifty thousand dollars (\$31,350,000), and the Office of State Budget and Management may expend twenty-five million six hundred fifty thousand dollars (\$25,650,000) for repairs and renovation, improvements to roads and walks, architectural barrier removal, and North Carolina Occupational Safety and Health Act projects.

Notwithstanding G.S. 143-15.3A, the Board of Governors may allocate funds for the repair and renovation of facilities not supported from the General Fund if the Board determines that sufficient funds are not available from other sources and that conditions warrant General Fund assistance. Any such finding shall be included in the Board's submission to the Joint Legislative Commission on Governmental Operations on the proposed allocation of funds.

The Board of Governors and the Office of State Budget and Management shall submit to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office, for their review, the proposed allocation of these funds. Subsequent changes in the proposed allocations shall be reported prior to expenditure to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**RENOVATION OF BUTLER HALL AT ELIZABETH CITY STATE UNIVERSITY**

Sec. 22.1. Of the funds in the Reserve for Repairs and Renovations for the 1993-94 fiscal year that are allocated to the Board of Governors of The University of North Carolina, the Board of Governors shall allocate at least two million six thousand one hundred seventy-five dollars (\$2,006,175) for the renovation of Butler Hall at Elizabeth City State University.

Requested by: Representatives Gottovi, DeVane, Bowman, Senators Daniel, Plyler, Kaplan

**LOCAL WATER/SEWER FUNDS**

Sec. 23. (a) Notwithstanding the provisions of Section 3 of Chapter 321 of the 1993 Session Laws, the Office of State Budget and Management shall transfer from the funds appropriated to the Reserve for Local Government Shared Tax Revenue for the 1993-94 fiscal year, to the Clean Water Revolving Loan and Grant Fund created in G.S. 159G-5, the amount necessary to match for the 1993-94 fiscal year the federal wastewater or water supply assistance funds deposited in the Clean Water Pollution Control Revolving Fund or another fund. The amount transferred pursuant to this subsection shall not, however, exceed the sum of six million eight hundred thousand dollars (\$6,800,000).

(b) Notwithstanding the provisions of G.S. 105-116, the Secretary of Revenue shall reduce the amount to be transferred to municipalities on or before December 15, 1993, pursuant to G.S. 105-116(d), by an amount equal to sixty-five percent (65%) of the amount to be transferred pursuant to subsection (a) of this section. The Secretary of Revenue shall allocate this reduction on a pro rata basis among the municipalities entitled to receive a quarterly installment pursuant to G.S. 105-116(d) on or before December 15, 1993.

(c) Notwithstanding the provisions of G.S. 105-113.82, the Secretary of Revenue shall reduce the amount to be distributed to counties and cities for the 1993-94 fiscal year pursuant to G.S. 105-113.82 by an amount equal to thirty-five percent (35%) of the amount to be transferred pursuant to subsection (a) of this section. The Secretary of Revenue shall allocate this reduction on a pro rata basis among the counties and cities entitled to receive a distribution pursuant to G.S. 105-113.82 for the 1993-94 fiscal year.

(d) The General Assembly finds that the purpose of the allocation provided in this section is to meet the funding needs of local governments for water supply and wastewater treatment facilities, as requested by local governmental units.

(e) This section becomes effective only if:

- (1) Senate Bill 14, which provides in part that a portion of the water and sewer bond proceeds may be used to make the match provided for in this section is not ratified in the 1993 Regular Session; or
- (2) Senate Bill 14 is ratified in the 1993 Regular Session but, after the election to be held in November 1993, the State Board of Elections certifies that a majority of those voting on the question of the issuance of water and sewer bonds in the election did not vote in favor of the issuance of the bonds.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**RESERVE FOR GPAC RECOMMENDATIONS**

Sec. 24. Funds appropriated in this act to the Reserve for GPAC Recommendations shall be used to implement GPAC recommendations related to the following:

- (1) Program budget and evaluation;
- (2) Personnel classification and compensation;
- (3) Personnel policy; and
- (4) Legislative peer review, classification, and compensation.

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**CONTINGENCY FUND FOR BOND ELECTION EXPENSES ONLY**

Sec. 25. The funds appropriated to the Contingency and Emergency Fund by this act shall be used only to reimburse the counties for the necessary expenses of conducting the election called by Senate Bill 14 of the 1993 Session, as provided by that bill.

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**UNOBLIGATED BALANCE OF CERTAIN FUNDS TRANSFERRED**

Sec. 26. (a) The unobligated balance of funds received pursuant to G.S. 143-23.2, prescribing transfers to the Department of Human Resources, on hand as of the end of the 1992-93 fiscal year shall be transferred to the State Treasurer to be deposited as a nontax revenue.

- (b) This section becomes effective June 30, 1993.

**PART 10.1. OFFICE OF THE GOVERNOR**

Requested by: Representatives Nesbitt, Diamont, Bowman, DeVane, Senators Daniel, Plyler, Kaplan

**AUTOMOBILE MANUFACTURING FACILITY FUNDS**

Sec. 27. (a) The thirty-five million dollars (\$35,000,000) in nonrecurring State funds appropriated in this act from the General Fund to the Office of the Governor for the 1993-94 fiscal year shall be placed in a Restricted Reserve for Automobile Manufacturing Company Relocation. Funds from the restricted reserve shall be expended only for purposes directly related to the recruitment, relocation, and retention in North Carolina of a facility for the manufacture and assembly of automobiles by a major automobile manufacturing company. Funds from the restricted reserve shall not be expended until the following conditions have been fully satisfied:

- (1) The Governor has prepared and submitted to the Joint Legislative Commission on Governmental Operations, for its review, an implementation plan detailing the major activities and costs involved in recruiting, relocating, and retaining a major facility for the manufacture and assembly of automobiles in North Carolina. These activities may include plans for providing advanced skills training in automobile manufacturing technology to North Carolina's work force. The implementation plan shall also indicate the status of relocation efforts and level of commitment by a major automobile manufacturing company to construct a new automobile manufacturing facility in

North Carolina, and shall provide the information required under subsection (b) of this section; and

- (2) The Governor has received a written, legally binding commitment from a major automobile manufacturing company that the company will construct and operate a major facility for the manufacture and assembly of automobiles in North Carolina.

(b) In addition to the information required under subsection (a)(1) of this section, the Governor's implementation plan shall include the following:

- (1) Anticipated number and type of jobs to be created in North Carolina, including number of jobs created for residents of North Carolina, by operation of the automobile manufacturing and assembly facility;
- (2) Information on proposed advanced skills training that will be available to North Carolina workers, including proposed curriculum and costs and benefits of advanced skills training;
- (3) The long-range recurring and nonrecurring costs to the State associated with the operation of the automobile manufacturing facility and with advanced skills training over a five-year period beginning in 1994-95; and
- (4) Information on the involvement of the community college system in providing advanced skills training and skilled workers for the automobile manufacturing facility.

(c) The Office of the Governor shall provide quarterly reports beginning with the first quarter subsequent to submission of the Governor's implementation plan required under this section, on the status and activities associated with the recruitment, relocation, and retention of the automobile manufacturing facility. These quarterly reports shall be provided to the Joint Legislative Commission on Governmental Operations and to the Joint Legislative Education Oversight Committee, and shall include all of the information required under subsections (a) and (b) of this section as well as the amount of funds expended from the restricted reserve and the purposes for which the funds have been expended.

(d) No commitment shall be made which obligates the State to appropriate funds for recurring expenditures related to the recruitment, relocation, and retention of the automobile manufacturing facility and related training and recruitment activities.

(e) If all of the conditions specified under subsection (a) of this section have not been fully satisfied by June 30, 1994, then funds in the restricted reserve shall revert to the General Fund on that date.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**GOVERNOR'S OFFICE ECONOMIC INITIATIVES**

Sec. 28. For the 1993-94 fiscal year only, the provisions of G.S. 143-16.3 do not apply to the following programs in the Office of the Governor:

- (1) The Total Quality Management Program,
- (2) The Governor's Executive Institute, and
- (3) The Economic Development Institute.



## **PART 11. DEPARTMENT OF ADMINISTRATION**

Requested by: Representatives Black, Rogers, Daniel, Plyler, Kaplan

### **EVALUATION OF DESIGN AND CONTRACT WORK FOR COMMUNITY COLLEGE BUILDINGS**

Sec. 29. G.S. 143-135.26(4) reads as rewritten:

"(4) To develop procedures for evaluating the work performed by designers and contractors on State capital improvement projects and those community college buildings, as defined in G.S. 143-336, requiring the estimated expenditure for construction or repair work for which public bidding is required under G.S. 143-129, and for use of the evaluations as a factor affecting designer selections and determining qualification of contractors to bid on State capital improvement ~~projects.~~ projects and community college buildings."

Requested by: Representatives Nesbitt, Diamont, Wainwright, Crawford, Easterling, Holt, Senators Plexico, Daniel, Plyler, Kaplan

### **DOMESTIC VIOLENCE CENTER FUNDS**

Sec. 30. Section 31 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 31. The funds appropriated ~~in this act~~ to the Department of Administration, the North Carolina Council for Women, for the 1993-94 fiscal year and for the 1994-95 fiscal year for domestic violence centers shall be allocated equally among domestic violence centers in operation on July 1, ~~1990, 1993,~~ that offer services including a hotline, transportation services, community education programs, daytime services, and call forwarding during the night and that fulfill other criteria established by the Department of Administration. Grants shall be awarded based on criteria established by the Department of Administration and disbursed on a quarterly basis. The North Carolina Coalition against Domestic Violence, Incorporated, is eligible for a grant of ten thousand dollars (\$10,000) under this section."

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont, Wainwright, Crawford,

### **STATE VETERANS HOME**

Sec. 31. (a) It is the intent of the General Assembly that no State funds shall be appropriated in future years to support operational costs of the State Veterans Home in Fayetteville.

(b) Funds appropriated in this act for the State Veterans Home in Fayetteville shall be used to construct at least 150 beds at the facility. It is the intent of the General Assembly that this appropriation be the complete appropriation for this facility and that no additional State capital funds be appropriated.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

## LEGISLATIVE REVIEW REQUIRED FOR CERTAIN CONVEYANCES OF STATE LAND

Sec. 32. (a) G.S. 146-27 reads as rewritten:

### "§ 146-27. The role of the Department of Administration in sales, leases, and rentals.

Every sale, lease, ~~or rental~~ rental, or gift of land owned by the State or by any State agency shall be made by the Department of Administration and approved by the Governor and Council of State; provided that if the proposed disposition is a sale or gift of land with an appraised value of at least twenty-five thousand dollars (\$25,000), the sale or gift may only be ~~shall not be~~ made until after consultation with the Joint Legislative Commission on Governmental Operations. The Department of Administration may initiate proceedings for sales, leases, ~~and rentals~~ rentals, and gifts of land owned by the State or by any State agency."

(b) G.S. 146-74 reads as rewritten:

### "§ 146-74. Approval of conveyances.

Every proposed conveyance in ~~fee~~ fee, including conveyances by gift, of State lands shall be submitted to the Governor and Council of State for their approval. If the proposed conveyance is of State lands with an appraised value of at least twenty-five thousand dollars (\$25,000), and it is for other than a transportation purpose, the Council of State shall consult with the Joint Legislative Commission on Governmental Operations before making a final decision on the proposed conveyance. Upon approval of the proposed conveyance in fee by the Governor and Council of State, a deed for the land being conveyed shall be executed in the manner prescribed in this Article."

(c) G.S. 146-29.1 reads as rewritten:

### "§ 146-29.1. Lease or sale of real property for less than fair market value.

(a) Real property owned by the State or any State agency may not be sold, leased, or rented at less than fair market value to any private entity that operates, or is established to operate for profit.

(b) Real property owned by the State or by any State agency may be sold, leased, or rented at less than fair market value to a public entity. 'Public entity' means a county, municipal corporation, local board of education, community college, special district or other political subdivision of the State and the United States or any of its agencies. Any such sale, lease, or rental shall be reported at least 30 days prior to the sale, lease, or rental to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the Legislative Services Office, with the details of such transaction.

(c) Real property owned by the State or by any State agency may be sold, leased, or rented at less than market value to a private, nonprofit corporation, association, organization or society upon a determination by the Department of Administration that such transaction is in consideration of public service rendered or to be rendered. The transaction shall be reported in detail at least 30 days prior to the sale, lease, or rental to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the Legislative Services Office. In the case of a private, nonprofit corporation, association, organization, or society that engages in some for-profit

activities, the amount of the sale, lease, or rent shall be not less than the fair market value of the property times the percentage of the total activities of the corporation, association, organization, or society that are for profit.

(d) Any sale, lease, or rental of real property made in conformity with the provisions of this section is not a violation of G.S. 66-58(a).

(e) All sales, leases, or rentals, prior to July 15, 1986, of real property owned by the State or any State agency are not invalid because of a conflict with G.S. 66-58(a) or with a prior version of this section, but any renewal of any such lease or rental agreement on or after July 15, 1986, shall conform to the requirements of this section."

Requested by: Representatives Sutton, Bowman, DeVane, Wainwright, Crawford,  
Senators Daniel, Plyler, Kaplan

### **INDIAN CULTURAL CENTER FUNDS**

Sec. 33. (a) Of the funds appropriated from the General Fund to the Department of Administration, the sum of seven hundred fifty thousand dollars (\$750,000) for the 1993-94 fiscal year shall be used for the purchase of land as necessary, an environmental study, and design as necessary, of the North Carolina Indian Cultural Center in Robeson County. Up to fifty thousand dollars (\$50,000) of these funds may be used by the North Carolina Indian Cultural Center, Inc., for administrative and operating expenses.

(b) Subsection (a) of Section 22 of Chapter 900 of the 1991 Session Laws reads as rewritten:

"(a) Of the funds appropriated to the Department of Administration in Section 3 of Chapter 689 of the 1991 Session Laws, the sum of one thousand five hundred dollars (\$1,500) shall be expended for maintenance of the following State lands located in Robeson County:

- (1) 386.69 acres contained in the deed dated April 14, 1983, and recorded in Deed Book 533, page 164, Robeson County Registry;
- (2) 386.69 acres contained in the deed dated August 24, 1984, and recorded in Deed Book 563, page 254, Robeson County Registry;
- (3) 99.62 acres contained in the deed dated March 20, 1985, and recorded in Deed Book 575, page 523, Robeson County Registry; and
- (4) 10.00 acres contained in the deed dated September 11, 1985, and recorded in Deed Book 586, page 142, Robeson County Registry.

The public golf course known as the Riverside Golf Course, and any Indian Cultural Center developed or constructed on the above referenced lands shall be included in lands for which funds may be expended for maintenance under this section. No Indian Cultural Center developed or constructed on any of the above referenced lands shall be built on a public golf course, in a manner that will materially affect the operation of the Riverside Golf Course, including the clubhouse, parking areas, and access to the course, unless prior approval is granted by the General Assembly. ~~No lease on the public golf course known as the Riverside Golf Course shall be entered into by the Department of Administration for a lease term in excess of 12 months unless prior approval is granted by the General Assembly.~~

Nothing in this provision shall be construed as being inconsistent with the provisions of Section 18 of Chapter 1074 of the 1989 Session Laws.

Any lease of the lands and buildings comprising the public golf course known as the Riverside Golf Course entered into by the State of North Carolina and any entity other than the North Carolina Indian Cultural Center, Inc., shall by its terms continue the use of the lands and buildings as a public golf course."

(c) Subsection (a) of Section 18 of Chapter 1074 of the 1989 Session Laws, as amended by subsection (e) of Section 22 of Chapter 900 of the 1991 Session Laws, as amended by Section 1 of Chapter 88 of the 1993 Session Laws, reads as rewritten:

"(a) The State of North Carolina shall lease out to the North Carolina Indian Cultural Center, Inc., for a period of 99 years at a monetary consideration of \$1.00 per year all the real property it acquired for the Indian Cultural Center, except that portion containing the Riverside Golf Course, but no part of Phase I of the project may be constructed either by the State or for the lessee until an environmental impact assessment is completed on Phase I of the property, and if required pursuant to Article 1 of Chapter 113A of the General Statutes, an environmental impact statement is prepared. The State shall enter into a lease agreement in accordance with this section not later than December 31, 1993. If the State and the North Carolina Indian Cultural Center, Inc., do not enter into a lease agreement by December 31, 1993, then the property may be used for any public purpose.

Any lease agreement entered into by the State with the North Carolina Indian Cultural Center, Inc., shall include but not be limited to the following terms:

- (1) An environmental impact assessment pursuant to Article 1 of Chapter 113A of the General Statutes is completed on Phase I of the property.
- (2) The lease shall include a reversionary clause stipulating that the North Carolina Indian Cultural Center, Inc., must raise funds or receive pledges totalling the \$4,160,000 necessary to complete Phase I of this project within three years from the date of execution of the lease agreement.
- (3) If the funds or pledges are not obtained within three years from the date of execution, then this lease agreement will automatically terminate.
- (4) The North Carolina Indian Cultural Center, Inc., as lessee, may conduct no construction of Phase I on the premises until it has fulfilled the terms of the lease agreement.
- ~~(5) The North Carolina Indian Cultural Center, Inc., as lessee, shall enter into a sublease agreement with the operator of the land and buildings known as the Riverside Golf Course to continue the operation and maintenance of the Riverside Golf Course under the same terms as the lease agreement between the State and the operator of the Riverside Golf Course. The sublease agreement shall be renewable annually until such time as the terms of the lease agreement as required under subdivisions (1) through (4) of this subsection have been fulfilled."~~

(d) The second line of Section 1 of Chapter 88 of the 1993 Session Laws is amended by inserting the phrase "of Section 22" between "Subsection (e)" and "of Chapter 900".

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**OLD EDUCATION BUILDING AND OLD REVENUE BUILDING  
RENOVATION REPORT**

Sec. 34. The Office of State Construction of the Department of Administration shall, prior to the expenditure of funds, report to the Joint Legislative Commission on Governmental Operations by October 1, 1993, the extent to which renovations are necessary for occupancy of the old Education Building and the old Revenue Building and how that Office proposes to spend the one million dollars (\$1,000,000) appropriated in this act for the planning of the renovation of these buildings.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**MUSEUM OF THE ALBEMARLE**

Sec. 35. Funds appropriated from the General Fund to the Department of Cultural Resources for the Museum of the Albemarle in this act shall be used for design and construction of new facilities for the Museum of the Albemarle. The facility shall be sited in downtown Elizabeth City and funds appropriated in this act for this project may be used for the purchase of land if necessary.

**PART 12. DEPARTMENT OF CULTURAL RESOURCES**

Requested by: Representatives Nesbitt, Diamont, Crawford, Wainwright, Senators Daniel, Plyler, Kaplan

**LOCAL HISTORICAL ORGANIZATIONS GRANTS**

Sec. 36. Funds appropriated in this act for the 1993-94 fiscal year to the Department of Cultural Resources for Local Historical Organizations shall be distributed as grants-in-aid to nonprofit historical organizations or local governmental entities on a competitive basis in accordance with administrative guidelines issued by the Secretary of the Department of Cultural Resources. The purpose of the grants shall be to encourage, through the use of grants-in-aid, the protection, preservation, and interpretation of historic assets with local or regional significance. Priority consideration shall be given to the local historical organization's educational objectives. Grants shall be limited to amounts of fifty thousand dollars (\$50,000) or less.

Requested by: Representatives Nesbitt, Diamont, Crawford, Wainwright, Senators Daniel, Plyler, Kaplan

**LOCAL CULTURAL ORGANIZATIONS**

Sec. 37. Of the funds appropriated in this act to the Department of Cultural Resources, the sum of one million dollars (\$1,000,000) shall be allocated to local cultural organizations under the General Support Program of the North Carolina Arts

Council. Priority consideration shall be given to the local cultural organization's educational objectives.

Requested by: Representatives Diamont, Nesbitt, Wainwright, Crawford, Culpepper, James, Blue, Fitch, Black, Gray, Ellis, Senators Daniel, Plyler, Kaplan

**SOMERSET PLACE FUNDS/MEMORIAL**

Sec. 38. Notwithstanding G.S. 100-8, of the funds appropriated in this act to the Department of Cultural Resources for Somerset Place for the 1993-94 fiscal year, the sum of two thousand dollars (\$2,000) shall be allocated to provide an appropriate memorial at Somerset Place.

**PART 13. DEPARTMENT OF INSURANCE**

Requested by: Representatives McAllister, Wainwright, Crawford, Senators Daniel, Plyler, Kaplan

**MINORITY BOND STUDY**

Sec. 39. (a) The Department of Insurance shall study the need to develop a program to provide surety bonds to minority contractors. The Department of Insurance shall consider the following issues in its study and any other relevant issues:

- (1) The specific criteria for a minority bonding program.
- (2) Staff resources within State government that are available to provide prescreening of applications for bonding applicants.
- (3) How to better provide opportunities for small and disadvantaged minority contractors to secure bonding assistance.
- (4) Monitoring procedures for projects and financial plan development in program criteria.
- (5) Procedures to develop and promote joint ventures and partnerships where appropriate to facilitate bondability.

(b) The Department shall seek the views and opinions of the public and private sectors with regard to the development of a surety bond program for minority businesses. The Department of Insurance shall report its findings and recommendations to the 1993 General Assembly, 1994 Regular Session.

Requested by: Representatives Nesbitt, Wainwright, Crawford, Senators Daniel, Plyler, Kaplan

**SAFETY GRANTS COORDINATOR**

Sec. 40. The Commissioner of Insurance shall establish the position of Safety Grants Coordinator, together with one supporting clerical position, within Fund Code 1110, Department of Insurance. The State Treasurer shall transfer one hundred twenty-five thousand dollars (\$125,000) for the 1993-94 fiscal year and one hundred twenty-five thousand dollars (\$125,000) for the 1994-95 fiscal year from the Department of Insurance Fund to the Department of Insurance to support these positions. The transfers shall be accounted as departmental receipts and shall be budgeted for expenditures in

addition to amounts approved for the Department of Insurance under Chapter 321 of the 1993 Session Laws.

## **PART 13.1. SECRETARY OF STATE**

Requested by: Representatives Redwine, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **BUSINESS LICENSE OFFICE/MASTER APPLICATION SYSTEM**

Sec. 41. (a) G.S. 147-54.16 reads as rewritten:

#### **"§ 147-54.16. Master application system.**

~~The Office shall develop an operating plan for an automated master application system, shall determine the software and hardware needs of the system, and shall determine the staffing levels and space required for the system. The plan shall be developed with the assistance of the departments that issue business licenses and with due regard to privacy statutes. In making the determinations and developing an operating plan for an automated master application system, the Office shall identify the business licenses appropriate for inclusion in a master application system and shall develop a master application form that consolidates the information needed for the various State agencies to issue the licenses. Environmental licenses may not be included in a master application form.~~

The Office shall implement and administer an automated master application system. The Office shall determine the licenses appropriate for inclusion in the master application system. The Office may not include environmental licenses in the master application system.

The appropriate agency shall continue to determine whether a requested license shall be issued and to issue the license if the application is approved by the agency. An applicant who receives written notification by the Office that a license requested through the Office is being issued by the appropriate agency may proceed with the licensed business activity without having physical possession of the issued license.

The Office shall collect from each applicant the total amount of the fees for the licenses applied for through the Office. The Office is the repository for an original signed application form submitted through the Office for a license that is included in the master application system. If, based on the information supplied by the applicant to the Office, the Office fails to make application for a required license, and the applicant did not know such a license was required, the applicant shall not be liable for any civil or criminal penalties or disciplinary action for failure to have the license. If the failure to obtain the license is reported to the applicant by either the Office or the agency issuing the license, the applicant must make application within 30 days or be subject to the penalties or disciplinary action.'

(b) The Business License Information Office shall implement a master application system as described in Article 4B of Chapter 147 of the General Statutes. The master application system shall be implemented in two phases as described below over a period of two years. The first phase of the process to implement the master application system shall be completed by July 1, 1994. The Department of the

Secretary of State shall evaluate the first phase of the implementation of the master application system and shall report to the Joint Legislative Commission on Governmental Operations by October 1, 1995, regarding the evaluation. The second phase of the process to implement the master application system shall be completed by January 1, 1996.

(1) Phase I. Applicant Tracking Module.

This phase shall consist of the following automated functions: recording and tracking of inquiries regarding business licenses, identification of required licenses, and monitoring of the status of the resulting applications. The original signed license applications received by the Office during this phase shall be forwarded by the Office to the appropriate licensing agency.

(2) Phase II. Application Generation Module.

During this phase the Office shall implement the centralized application process so that a master application may be generated for those licenses deemed appropriate by the Office for inclusion in the master application system. The Office shall retain the original signed license applications for licenses requested through the Office that are included in the master application system.

(c) Of the funds appropriated in this act from the General Fund to the Department of the Secretary of State the sum of three hundred fifty thousand dollars (\$350,000) for the 1993-94 fiscal year shall be used to implement the master application system as provided in G.S. 147-54.16.

(d) This section becomes effective September 1, 1993.

## **PART 14. SALARIES AND BENEFITS**

Requested by: Representative Diamont, Nesbitt, Senators Daniel, Plyler, Kaplan  
**STATE FICA SAVINGS USE EXTENSION**

Sec. 42. Section 14(i) of Chapter 1044 of the 1991 Session Laws reads as rewritten:

"(i) Subsections (a) through (d) of this section are effective January 1, 1990. Subsections (e) through (h) of this section are effective January 1, 1991. Subsections (a) through (h) of this section shall expire December 31, ~~1993~~-1994."

## **PART 15. COLLEGES AND UNIVERSITIES**

Requested by: Senators Lee, Daniel, Plyler, Kaplan, Representatives Barnes, Nesbitt, Diamont

### **UNC-CH EDUCATIONAL CONSORTIUM**

Sec. 43. Of the funds appropriated in this act to The Board of Governors of The University of North Carolina, the sum of one hundred fifty thousand dollars (\$150,000) shall be allocated by the Board for a new cooperative educational consortium at the University of North Carolina at Chapel Hill. This consortium shall



comply with the requirements of Section 101.2 of Chapter 321 of the 1993 Session Laws.

Requested by: Representatives Rogers, Black, Jeffus, Senators Daniel, Plyler, Kaplan  
**UNC EDUCATIONAL CONSORTIA**

Sec. 44. The Board of Governors of The University of North Carolina shall require each constituent institution that has received an allocation of State funds under Section 206.3 of Chapter 689, 1991 Session Laws, Section 101.2, Chapter 321, 1993 Session Laws, or in this act for educational consortia and the purposes stated in these sections to provide a report to the Joint Legislative Education Oversight Committee on the allocation and use of these funds, the amount and sources of non-State funds contributed to these efforts, activities supported by these funds, and an assessment of the educational value added by these efforts. The reports shall be submitted by May 15, 1994, with copies to the Fiscal Research Division of the Legislative Services Office.

Requested by: Representative H. Hunter, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**SWINE FARM ODOR ABATEMENT STUDY**

Sec. 45. (a) Of the funds appropriated in this act to the Board of Governors of The University of North Carolina for Agricultural Programs, the sum of eighty-five thousand dollars (\$85,000) for the 1993-94 fiscal year shall be used to perform a technical study on the cause, extent, and abatement of odors from swine farms and to compile information on the impact of swine farms on ground and surface water supplies. The study shall be conducted by the North Carolina Agricultural Research Service (NCARS) of the College of Agriculture and Life Sciences at North Carolina State University. Reports on the progress of the study shall be presented to the Chair of the House Agriculture Committee, and the Chair of the Senate Committee on Agriculture, Marine Resources, and Wildlife, and they shall report to their respective committees biannually. The study shall ascertain:

- (1) The causes of odors from swine farms;
  - (2) Methods and technology to control, abate, and reduce the odors from swine farms in a manner that is economically feasible; and
  - (3) North Carolina's, other states', and other countries' efforts and research being conducted to reduce odors on swine farms.
- (b) NCARS shall also:
- (1) Compile information regarding methods and technology available which address the impact of swine farms on ground and surface water supplies; and
  - (2) Compile information from North Carolina, other states, and other countries on efforts and research being conducted on ground and surface water impacts of swine farms.
- (c) The focus of the above research shall be:
- (1) To offer economically feasible solutions to existing operations for reduction of odor;

- (2) To offer economically feasible solutions that may be incorporated into new swine operations for reduction of odor;
- (3) To review the information available on the impact of swine farms on ground and surface water supplies and propose economically feasible solutions; and
- (4) To identify those areas needing further research to ensure the availability of economically feasible solutions for odor reduction and wastewater supplies created by swine farms.

NCARS shall file its final report and recommendations on or before the convening of the 1995 General Assembly. The report shall be filed with the Offices of the Speaker of the House of Representatives, the President Pro Tempore of the Senate, the Chair of the House Agriculture Committee, the Chair of the Senate Committee on Agriculture, Marine Resources, and Wildlife, the Offices of the Principal Clerks of the Senate and the House of Representatives, and the Legislative Librarian.

(d) Of the funds appropriated in this act, the sum of fifteen thousand dollars (\$15,000) for the 1993-94 fiscal year shall be used for the House Agriculture Committee and the Senate Committee on Agriculture, Marine Resources, and Wildlife to hold meetings and tour swine farms in the State for evaluating information on the issues of odors and wastewater supplies from swine farms. The Chairs of both Committees shall call the meetings and tours as they consider necessary.

Requested by: Representatives Nesbitt, Diamont, Fitch, Senators Daniel, Plyler, Kaplan  
**FRESHMEN SCHOLARS PROGRAM**

Sec. 46. Of the funds appropriated to the Board of Governors of The University of North Carolina in this act, one million dollars (\$1,000,000) shall be allocated in the 1993-94 fiscal year equally among five constituent institutions for a pilot Freshmen Scholars Program. The five constituent institutions to receive funds are Fayetteville State University, North Carolina Agricultural and Technical State University, North Carolina Central University, Pembroke State University, and Winston-Salem State University.

These funds shall not revert and are to be used by the campuses in recruiting new students to enroll in the future who might not be able to attend college without this incentive. The funds shall be placed in trust funds accounts, with the investment earnings to be used for this program as well.

The funds shall be used to guarantee high school students tuition, fees, and books for their freshman year of college. Students shall be eligible if they meet the standards established by each campus; the standards shall include minimum grade point average, minimum admission standards, additional coursework required by the campus, and behavioral guidelines.

The institutions receiving these funds shall establish standards for eligibility by September 30, 1993, and shall recruit students in regional high schools. The scholarship guarantees are for one year only, and may be combined with other financial aid when the students enroll in college.

The five campuses receiving these grants shall report to the General Assembly by February 1, 1995, on their guidelines for receiving these scholarship funds and the progress of students in this pilot program. The success of these pilot efforts in attracting students who otherwise might not have enrolled at each campus or in any higher education institution shall be evaluated by the Board of Governors of The University of North Carolina, with a report to the Joint Legislative Education Oversight Committee by May 15, 1996.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**ENGINEERING GRADUATE RESEARCH CENTER FUNDS**

Sec. 47. Of the funds appropriated in Chapter 1044 of the 1991 Session Laws, Regular Session 1992, from the General Fund to the Board of Governors of The University of North Carolina for the Engineering Graduate Research Center (EGRC) at North Carolina State University, up to one million five hundred thousand dollars (\$1,500,000) may be released and expended for equipment that will be located in the EGRC upon its completion.

Requested by: Senators Winner of Buncombe, Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**UNC ASHEVILLE LAND FUNDS**

Sec. 48. Of the funds appropriated in this act from the General Fund to the Board of Governors of The University of North Carolina, the sum of two million dollars (\$2,000,000) for the 1993-94 fiscal year shall be used for the purchase of additional property for the University of North Carolina at Asheville to allow for future campus growth.

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan  
**NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY APPLIED MANUFACTURING CENTER**

Sec. 49. Funds appropriated in this act to the Board of Governors of The University of North Carolina for an Applied Manufacturing Education Center for North Carolina Agricultural and Technical State University may be expended only on a facility that is owned and controlled by North Carolina Agricultural and Technical State University. Prior to the expenditure of these funds, the Board of Governors shall present a plan for the use of these funds to the Joint Legislative Commission on Governmental Operations. This plan shall include all financial, organizational, and legal arrangements pertaining to the use of these funds and the proposed facility, and shall include projections and plans for the operation of the facility, including operating costs.

## **PART 16. DEPARTMENT OF COMMUNITY COLLEGES**

Requested by: Representative Easterling, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**CERTAIN REFUGEES STATE RESIDENTS FOR COMMUNITY COLLEGE TUITION PURPOSES, CONTINUED**

Sec. 50. (a) Subsection (d) of Section 25 of Chapter 1044 of the 1991 Session Laws is repealed.

(b) This section becomes effective June 30, 1993.

Requested by: Representatives Black, Rogers, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**BOOKS AND EQUIPMENT APPROPRIATIONS/CHANGES IN SPECIFICATIONS REGARDING REVERTING**

Sec. 51. Section 113 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 113. Appropriations to the Department of Community Colleges for equipment and library books are made for each year of the fiscal biennium. All unencumbered appropriations for library books shall revert to the General Fund 12 months after the close of each fiscal year for which they were appropriated. All equipment funds shall revert to the General Fund 48 months after the close of each fiscal year for which they were appropriated. Equipment funds shall not be spent for any other purpose. Encumbered balances outstanding at the end of each period shall be handled in accordance with existing State budget policies. The Department shall be able to identify to the Office of State Budget and Management which appropriations will revert at the end of the 12 months after the close of each fiscal year."

**PART 17. PUBLIC SCHOOLS**

Requested by: Representatives Diamont, Nesbitt, Senators Daniel, Plyler, Kaplan

**SMALL SCHOOL FORMULA/HOLD HARMLESS PROVISION**

Sec. 52. (a) The General Assembly finds that the data to enable the Department of Public Instruction to determine eligibility for small school system supplemental funding for the 1993-94 fiscal year was not available from the Department of Revenue until July 8, 1993; therefore, this determination was made well after the boards of county commissioners had acted on the boards of education budgets for the 1993-94 fiscal year. While considering the budgets for the Ashe and Jackson County School Administrative Units, the boards of county commissioners of those counties assumed that small school system supplemental funding would be available for the 1993-94 fiscal year. Therefore, for the 1993-94 fiscal year only, notwithstanding the provisions of Section 138.1 of Chapter 321 of the 1993 Session Laws, the State Board of Education shall allocate funds appropriated for small school system supplemental funding in this act to the Ashe and Jackson County School Administrative Units. Each of these county school administrative units shall receive for the 1993-94 fiscal year the same amount it received for the 1992-93 fiscal year.

(b) Section 138(j) of Chapter 321 of the 1993 Session Laws requires the Department of Revenue to provide to the Department of Public Instruction a final report prior to May 1 of each year of all data necessary to determine eligibility for small school

system supplemental funding; therefore, (i) all boards of county commissioners will have this information when they consider the budgets for their county school administrative units, and (ii) the General Assembly does not intend to hold counties harmless in future fiscal years.

Requested by: Representatives Gottovi, Redwine, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**NEW HANOVER COUNTY SCHOOLS PAY DATES CHANGED**

Sec. 53. Notwithstanding the provisions of G.S. 115C-302(a), G.S. 115C-316(a), or any other provision of law, all 10-month contract teachers and all 10-month contract teacher assistants of the New Hanover County Schools shall be paid on the fifteenth day of each month. Nothing in this section shall have the effect of changing the rate of pay for any employee of New Hanover County Schools.

This section shall not be construed to authorize prepayment of any employees by the New Hanover County Board of Education.

Requested by: Representatives Black, Rogers, Barnes, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**PAYMENT OF CAREER DEVELOPMENT BONUSES**

Sec. 54. G.S. 115C-238.4(e) reads as rewritten:

"(e) Any additional compensation received by an employee as a result of the unit's participation in the Program shall be paid as a bonus or supplement to the employee's regular salary. If an employee in a participating unit does not receive additional compensation, such failure to receive additional compensation shall not be construed as a demotion, as that term is used in G.S. 115C-325.

Payments of bonuses or supplements shall be made no more frequently than once every calendar quarter: Provided, however, ~~prior to the 1994-95 school year,~~ payments in the career development pilot units may be made on a monthly basis."

Requested by: Representatives Green, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**CPR INSTRUCTION STUDY**

Sec. 55. The State Board of Education shall study the issue of whether local boards of education are providing for the efficient teaching at appropriate grade levels of cardio-pulmonary resuscitation (CPR) and the Heimlich maneuver, as required by G.S. 115C-81(c). The State Board shall report the results of its study to the Joint Legislative Education Oversight Committee prior to May 1, 1994.

Requested by: Representatives Black, Rogers, Barnes, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**DIFFERENTIATED PAY FUNDS/REVERSION**

Sec. 56. (a) G.S. 115C-238.4 is amended by adding a new subsection to read:

"(a1) All State-differentiated pay funds shall become available for expenditure July 1 of each fiscal year. These funds shall remain available for expenditure for:

- (1) Bonuses and supplements to implement local differentiated pay plans until November 30 of the subsequent fiscal year; and
  - (2) Staff development to implement local differentiated pay plans until August 31 of the subsequent fiscal year: Provided, however, if funds allocated for bonuses and supplements under a local differentiated pay plan are not spent for that purpose because of a failure to meet local goals, these funds shall remain available until November 30 of the subsequent fiscal year to provide for staff development in accordance with that local plan."
- (b) This section applies to all fiscal years beginning with the 1992-93 fiscal year.

Requested by: Representatives Colton, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **NONCERTIFIED SCHOOL EMPLOYEE STUDY**

Sec. 57. The Joint Legislative Education Oversight Committee may study the methods by which local boards of education employ, train, evaluate, and dismiss noncertified employees, including, but not limited to, the issues of recruitments, standards, salary, job protection, and due process, and may report its findings and recommendations to the 1994 Session of the General Assembly.

Requested by: Representatives Barnes, Black, Rogers, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **TEACHER TRAINING TASK FORCE**

Sec. 58. (a) Section 2 of Chapter 971 of the 1991 Session Laws reads as rewritten:

"Sec. 2. Membership. The Task Force shall consist of ~~20~~23 members as follows:

(a) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each appoint one member of the Joint Legislative Education Oversight Committee to serve on the Task Force.

(b) The Superintendent of Public Instruction, or a designee.

(c) The nine members of the Joint Committee on Teacher Education of the Board of Governors of The University of North Carolina and the State Board of Education. In the event that a State Board or Board of Governors member's term expires, and that person serves as a Joint Committee member to the Task Force, the appointing board may elect to reappoint the expired member to continue to serve on the Task Force.

(c1) Four teachers currently employed in the North Carolina public schools, appointed by the cochairs of the Task Force in accordance with this subsection. One teacher shall be chosen from each of the following types of school systems: small, urban, rural, and low-wealth. At least one of the four teachers shall have graduated from a North Carolina teacher training program since 1989. Insofar as possible, teacher members shall represent gender, ethnic, and racial diversity. New teacher members shall be chosen by the cochairs from a list compiled by the State Superintendent of several suggested candidates in each category. If a teacher member was previously

appointed under subsection (d) of this section, that person may continue to serve, and may become the representative of one of the types of school systems listed in this subsection. Task Force members appointed by the cochairs to serve on an ad hoc basis prior to the effective date of this legislation shall, with the approval of the cochairs, be entitled to per diem, subsistence, and travel allowances retroactively and in accordance with G.S. 138-5, 138-6, or 120-3.1.

(d) The Board of Governors of The University of North Carolina and the State Board of Education shall jointly appoint ~~eight~~seven members from a list of recommended members to be suggested by the Joint Committee on Teacher Education of the Board of Governors of The University of North Carolina and the State Board of Education. Members may be recommended from among representatives of practicing public school teachers and personnel; public school administrators; the deans of schools of education; the chancellors of the constituent institutions of The University of North Carolina and the chief officers of private institutions of higher education. Other qualified persons may be recommended by the Joint Committee and approved by the Boards. Task Force members shall receive per diem, subsistence, and travel allowances in accordance with G.S. 138-5, 138-6, or 120-3.1, as appropriate. Appointments to the Task Force shall be made no later than September 1, 1992. If a vacancy occurs in the membership, the appointing authority shall appoint another person to serve for the balance of the unexpired term."

(b) Sec. 3.1 of Chapter 971 of the 1991 Session Laws reads as rewritten:

"Sec. 3.1. Cochairs. The State Board of Education and the Board of Governors of The University of North Carolina shall each appoint a cochair from the nine members of the Joint Committee on Teacher Education of the Board of Governors of The University of North Carolina and the State Board of Education. The Task Force shall meet upon the call of the cochairs. In the event that a State Board or Board of Governors member's term expires, and that person serves as a cochair of the Task Force, the appointing board may reappoint the expired member to continue to serve as cochair of the Task Force."

(c) Of the funds appropriated in this act to the Board of Governors of The University of North Carolina, the sum of ten thousand dollars (\$10,000) for the 1993-94 fiscal year shall be used to complete the activities of the Teacher Training Task Force, reconvened pursuant to Chapter 971 of the 1991 Session Laws, Regular Session 1992, as recommended by the Teacher Training Task Force and the Joint Legislative Education Oversight Committee.

Requested by: Representatives Nesbitt, Diamont, Black, Rogers, Senators Daniel, Plyler, Kaplan

### **PUBLIC SCHOOL LIBRARY TECHNOLOGY FUNDS**

Sec. 59. The funds appropriated to Aid to Local School Administrative Units for public school library technology shall be allocated to local school administrative units by the State Board of Education on the basis of average daily membership and shall be used only to enhance the availability of technology in public school libraries.

Requested by: Representatives Black, Rogers, Nye, James, Wilkins, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**NORTH CAROLINA FUTURE FARMERS OF AMERICA CENTER FUNDS**

Sec. 60. Of the funds appropriated in this act to the Office of State Budget and Management, three hundred thousand dollars (\$300,000) for the 1993-94 fiscal year shall be allocated to the North Carolina Future Farmers of America Foundation, Incorporated, for the North Carolina Future Farmers of America Center, for development, repairs, and renovations. These funds shall be matched by local funds on a dollar-for-dollar basis.

Requested by: Representatives Black, Rogers, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**FLEXIBILITY IN REORGANIZING DEPARTMENT OF PUBLIC INSTRUCTION POSITIONS**

Sec. 61. The Superintendent of Public Instruction, with the approval of the State Board of Education, may request that the Director of the Budget (i) transfer federal funds from the Department of Public Instruction to Aid to Local School Administrative Units and (ii) offset that transfer by transferring a like amount of General Fund appropriations from Aid to Local School Administrative Units to the Department of Public Instruction. The Director of the Budget may authorize these transfers to the extent not prohibited by federal law or the conditions of federal grants.

Requested by: Representatives Black, Rogers, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**ADVANCED PLACEMENT PILOT PROGRAM/MATCHING REQUIREMENT**

Sec. 62. Funds appropriated in this act to the Department of Public Instruction for the advanced placement pilot program shall be allocated by the Superintendent of Public Instruction. These funds shall be matched on the basis of one non-state dollar for every State dollar.

Requested by: Representatives Black, Rogers, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**PAYROLL DEDUCTION CLARIFICATION CONTINUED**

Sec. 63. (a) G.S. 143-3.3(g) reads as rewritten:

"(g) Payroll Deduction for Payments to Certain Employees' Associations Allowed. – An employee of the State or any of its institutions, departments, bureaus, agencies or commissions, or any of its local boards of education or community colleges, who is a member of a domiciled employees' association that has at least 2,000 members, the majority of whom are employees of the State or public school employees, may authorize, in writing, the periodic deduction each payroll period from the employee's salary or wages a designated lump sum to be paid to the employees' association. The authorization shall remain in effect until revoked by the employee. A plan of payroll deductions pursuant to this subsection for employees of the State and other association members shall become void if the employees' association engages in collective



bargaining with the State, any political subdivision of the State, or any local school administrative unit. This subsection does not apply to county or municipal governments or any local governmental unit, except for local boards of education."

(b) An authorization made under Section 80 of Chapter 900 of the 1991 Session Laws is considered to have been made under G.S. 143-3.3(g), as amended by subsection (a) of this section.

## **PART 18. DEPARTMENT OF TRANSPORTATION**

Requested by: Representatives Nye, McAllister, McLaughlin, Nesbitt, Diamont, Senators Lee, Daniel, Plyler, Kaplan

### **DOT TO DEVELOP CRITERIA FOR NONBETTERMENT CONTRIBUTIONS**

Sec. 64. The Department of Transportation shall study and implement a program for the payment of nonbetterment costs for the relocation of water and sewer lines within existing State highway rights-of-way required by G.S. 136-27.1 and shall develop criteria for State participation in the relocation of water and sewer lines owned by units of local government, special districts, and municipal corporations based on:

- (1) Their ability to pay;
- (2) The per capita income of the populations served; and
- (3) The supporting tax base.

The Department of Transportation shall report on the criteria developed to the Joint Legislative Highway Oversight Committee and the Fiscal Research Division of the Legislative Services Office by October 1, 1993.

Requested by: Representatives McAllister, McLaughlin, Nesbitt, Diamont, Senators Lee, Daniel, Plyler, Kaplan

### **HIGHWAY FUND AND HIGHWAY TRUST FUND SMALL PROJECT BIDDING**

Sec. 65. (a) Notwithstanding the provisions of G.S. 136-28.4(b), for Highway Fund or Highway Trust Fund projects of three hundred thousand dollars (\$300,000) or less, the Board of Transportation may, after soliciting at least three informal bids in writing from Small Business Enterprises, award contracts to the lowest responsible bidder. The Department of Transportation may identify projects likely to attract increased participation by Small Business Enterprises, and restrict the solicitation and award to those bidders. The Board of Transportation may delegate full authority to award contracts, adopt necessary rules, and administer the provisions of this section to the Secretary of Transportation.

(b) The letting of contracts under this section is not subject to any of the provisions of G.S. 136-28.1 relating to the letting of contracts. The Department may waive the bonding requirements of Chapter 44A of the General Statutes and the licensing requirements of Chapter 87 for contracts awarded under this section.

(c) The Secretary of Transportation shall report quarterly to the Joint Legislative Transportation Oversight Committee on the implementation of this section.

Requested by: Representatives McAllister, McLaughlin, Nesbitt, Diamont, Senators Lee, Daniel, Plyler, Kaplan

**MANAGEMENT ASSESSMENT AND COMPLIANCE POSITIONS  
RECREATED**

Sec. 66. From funds available to the Department of Transportation from funding codes 84210, 84220, and 84260, the Department of Transportation may recreate three positions in Management Assessment and Compliance that were eliminated in the Current Operations Appropriations Act of 1993, Chapter 321 of the 1993 Session Laws.

Requested by: Representatives McAllister, McLaughlin, Nesbitt, Diamont, Senators Lee, Daniel, Plyler, Kaplan

**RESERVE FOR PROMOTION AND DEVELOPMENT OF INTERNATIONAL  
AIR SERVICE**

Sec. 67. Of the funds appropriated in this act to the Reserve for Promotion and Development of International Air Service, the sum of five million dollars (\$5,000,000) shall be used to acquire, promote, and develop international air routes and service.

Requested by: Senators Daniel, Plyler, Kaplan, Perdue, Representatives Nesbitt, Diamont

**PLANNING FUNDS FOR REPLACEMENT TRESTLE**

Sec. 68. Of the funds appropriated in this act from the General Fund to the North Carolina Ports Railway Commission, the sum of two hundred fifty thousand dollars (\$250,000) for the 1993-94 fiscal year shall be used to plan for the replacement of the wooden trestle over the Newport River on the Beaufort and Morehead Railroad with a modern concrete trestle.

The Attorney General and the Department of Transportation shall identify legal issues related to the design, construction, and operation of the new trestle and shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office not later than March 1, 1994, on options available to resolve those issues.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**HIGHWAY 264 REST AREA**

Sec. 69. Funds appropriated in Chapter 900, Section 106, 1991 Session Laws, Regular Session 1992, for the construction of a rest area at U.S. Highway 264 in Beaufort County may also be used for the purchase of land to be used as a site for that rest area after reporting to and review by the Joint Legislative Commission on Governmental Operations.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**DOT VEHICLES EXEMPTION**

Sec. 70. (a) All State-owned passenger motor vehicles which are permanently assigned to the Department of Transportation or its individual employees are exempt

from the minimum mileage requirements of G.S. 143-341(8)i.7a. The Department shall report on the utilization of these vehicles to the Joint Legislative Commission on Governmental Operations and to the Joint Legislative Highway Oversight Committee on a quarterly basis beginning October 1, 1993.

(b) This section expires June 30, 1994.

Requested by: Senators Lee, Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**TRANSPORTATION OVERSIGHT STUDY DIESEL FUEL CONSUMPTION**

Sec. 71. (a) The Joint Legislative Transportation Oversight Committee created in G.S. 120-70.50 shall study the issue of the level of consumption of diesel fuel in this State as compared to surrounding states. This study shall include all of the following:

- (1) Investigation of the extent to which the 1989 diesel fuel tax increase to a rate above that in other South Atlantic states may have resulted in a shift of truck fueling to other states, noncompliance with the tax law by interstate truckers, or both.
- (2) Analysis of the impact of the diesel fuel tax rate upon the level of consumption of liquid diesel fuel in this State and, as a result, upon Highway Fund revenues and North Carolina Highway Trust Fund revenues and upon the truckstop business in North Carolina.
- (3) Comparison of other states that have raised in-state fuel consumption by placing part of the fuel tax at the pump and collecting the remainder by reporting or otherwise.
- (4) Evaluation of the diesel fuel tax proposal outlined in Senate Bill 1088, Second Edition, 1993 Session, A BILL TO BE ENTITLED AN ACT TO PROVIDE THAT THE TAX ON DIESEL FUEL SHALL BE PAID PARTLY AT THE PUMP AND PARTLY BY EITHER REPORTING OR ANNUAL REGISTRATION TAX.
- (5) Study of how these and other compliance measures can be used to enhance consumption of diesel fuel in this State.
- (6) Consideration of any other issues the Committee considers relevant.

(b) The Department of Transportation and the Department of Revenue shall provide the Committee any information it requires to conduct this study. The Committee may make an interim report to the 1994 Session of the 1993 General Assembly and shall make a final report of the results of its study and any recommendations to the 1995 Session of the 1995 General Assembly on this study.

Requested by: Representatives Fitch, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**GLOBAL TRANSPARK ZONE INFRASTRUCTURE FUNDS**

Sec. 72. The funds appropriated in this act from the General Fund to the Global TransPark Development Zone created pursuant to Article 4 of Chapter 158 of the General Statutes, as enacted by Senate Bill 853, 1993 General Assembly, shall be used for economic development projects and infrastructure construction projects as

provided in Article 4 of Chapter 158 of the General Statutes. These funds shall be available to the Global TransPark Development Zone only after the effective date of a tax levied by the Zone pursuant to G.S. 158-42, as enacted by Senate Bill 853, 1993 General Assembly. In addition, these funds shall be available to the Global TransPark Development Zone only on a dollar-for-dollar match with non-State funds contributed on or after July 1, 1993, to the Global TransPark Foundation, Inc. Notwithstanding G.S. 143-31.4, the match can be in-kind.

These funds shall be credited quarterly, as the State Budget Officer receives certification of the receipt of the match, to the interest-bearing trust account created pursuant to G.S. 158-42, as enacted by Senate Bill 853, 1993 General Assembly, and shall be subject to the restrictions on funds in that account provided in G.S. 158-42. Upon credit to the trust account, the funds become an asset of the Zone subject to all provisions of Article 4 of Chapter 158 governing Zone assets. These funds shall not revert to the General Fund but shall remain available until used for the purposes authorized in this section. If the Zone terminates, the funds may revert as provided in G.S. 158-41.

## **PART 19. DEPARTMENT OF CORRECTION**

Requested by: Representatives Holt, Gist, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **RENOVATION OF POLK YOUTH INSTITUTION**

Sec. 73. When the replacement facility for Polk Youth Institution has been completed and the inmates have been relocated, the existing Polk Youth Institution shall be renovated for use as a minimum custody facility.

Requested by: Representatives Michaux, Holt, Gist, Senators Daniel, Plyler, Kaplan

### **CREDIT FOR SAFEKEEPER MEDICAL EXPENSE PAYMENTS**

Sec. 74. Section 2 of Chapter 983 of the 1991 Session Laws reads as rewritten:

"Sec. 2. Notwithstanding any other provision of law, counties shall not be liable for extraordinary medical expenses of safekeepers incurred prior to the effective date of this act; however, counties that reimbursed the Department of Correction for extraordinary medical expenses of safekeepers prior to the effective date of this act shall be given credit for that payment. The Department of Correction shall implement the credit by applying it against extraordinary medical expenses of safekeepers incurred on and after July 1, 1993. ~~no county that has reimbursed the Department of Correction for extraordinary medical expenses of safekeepers prior to the effective date of this act has the right to a refund or credit for such payment.~~"

Requested by: Representatives Holt, Gist, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **REPAIR AND RENOVATION FUNDS**

Sec. 75. (a) Section 170 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 170. ~~From the funds appropriated to the Department of Correction in the certified budget for the 1993-94 fiscal year, the Department may transfer within its budget~~ The Department of Correction may use up to five million dollars (\$5,000,000) from the Repair and Renovation Reserve in the Office of State Budget and Management for repair and renovation of its facilities. The use of these funds shall be subject to the prior approval of the Office of State Budget and Management. The Department of Correction shall have a verifiable ten percent (10%) goal for participation by minority and women contractors in these projects. If necessary, the Department may transfer within its budget up to six hundred fifty thousand dollars (\$650,000) in each fiscal year to match federal grant funds received by the Department.

The Department of Correction shall submit a schedule of repairs and renovations funded pursuant to this section and shall provide information on the use of minority and women contractors for those projects in a quarterly report to the Joint Legislative Commission on Governmental Operations and to the Chairs of the Senate and House Appropriations Subcommittees on Justice and Public Safety."

(b) Of the funds appropriated in this act to the Office of State Budget and Management, Reserve for Repairs and Renovation, for the 1993-94 fiscal year, the sum of four hundred twelve thousand dollars (\$412,000) shall be transferred to the Department of Correction for repairs and renovations to the Black Mountain Women's Correctional Center.

Requested by: Representatives Holt, Gist, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **CLARIFY POLICY CONCERNING CORRECTION ENTERPRISES**

Sec. 76. The Department of Administration, Purchase and Contracts Division, in consultation with the Department of Correction, the North Carolina Citizens for Business and Industry, the North Carolina Association of County Commissioners, the North Carolina School Boards Association, and the North Carolina League of Municipalities, shall develop policy concerning the manufacture of goods and the provision of services by Correction Enterprises. The policy shall be for distribution to all State agencies and departments and shall:

- (1) Address the appropriate levels of production and services by Correction Enterprises;
- (2) Provide guidelines for purchase by State agencies from Correction Enterprises whenever Correction Enterprises offers lower prices for quality products than other potential vendors; and
- (3) Identify the potential benefits to prisoner rehabilitation as a result of the Correction Enterprises program.

The Department of Administration shall submit the policy for approval by the General Assembly by March 15, 1994.

#### **PART 19.1. DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY**

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Holt, Gist, Nesbitt, Diamont

**ALCOHOL LAW ENFORCEMENT OFFICER ACCESS TO PUBLIC INFORMATION NETWORK**

Sec. 77. The Department of Crime Control and Public Safety may use up to forty-six thousand eight hundred dollars (\$46,800) from forfeiture funds available in the 1993-94 fiscal year to provide access to the public information network by alcohol law enforcement officers.

**PART 20. JUDICIAL DEPARTMENT**

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan  
**COMMUNITY PENALTIES PROGRAMS**

Sec. 78. Section 189 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 189. (a) Of the funds appropriated from the General Fund to the Judicial Department for the 1993-95 biennium to conduct the community penalties programs, the sum of one million nine hundred eighteen thousand nine hundred twelve dollars (\$1,918,912) for the 1993-94 fiscal year and the sum of one million nine hundred eighteen thousand nine hundred twelve dollars (\$1,918,912) for the 1994-95 fiscal year may be allocated by the Judicial Department in any amount among existing community penalties ~~programs~~ programs, including State-operated programs, or may be used to establish new community penalties programs.

(b) The Judicial Department shall report annually to the Senate and House Appropriations Subcommittees on Justice and Public Safety and to the Fiscal Research Division on the administrative expenditures of the community penalties programs."

Requested by: Representatives R. Hunter, Holt, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**INDIGENT ATTORNEY CONTRACTS**

Sec. 79. (a) G.S. 7A-344, as rewritten by Section 192 of Chapter 321 of the 1993 Session Laws, reads as rewritten:

**"§ 7A-344. Special duties of Director concerning representation of indigent persons.**

In addition to the duties prescribed in G.S. 7A-343, the Director shall also:

- (1) Supervise and coordinate the operation of the laws and regulations concerning the assignment of legal counsel for indigent persons under Subchapter IX of this Chapter to the end that all indigent persons are adequately represented;
- (2) Advise and cooperate with the offices of the public defenders as needed to achieve maximum effectiveness in the discharge of the defender's responsibilities;

- (3) Collect data on the operation of the assigned counsel and the public defender systems, and make such recommendations to the General Assembly for improvement in the operation of these systems as appear to him to be appropriate; and
- (4) Accept and utilize federal or private funds, as available, to improve defense services for the indigent, including indigent juveniles alleged to be delinquent or undisciplined. To facilitate processing of juvenile ~~and other indigent cases,~~ cases and civil cases in which a party is entitled to counsel, the administrative officer is further authorized, in any district or set of districts as defined in 7A-41.1(a), with the approval of the chief district court judge for cases in the district court division and the approval of the senior resident superior court judge for cases in the superior court division, to engage the services of a particular attorney or attorneys to provide specialized representation on a full-time or part-time basis."

(b) The Director of the Administrative Office of the Courts may conduct a pilot program in up to six judicial districts selected by the Director with the approval of the senior resident superior court judge and the chief district court judge of each district. To facilitate the processing of all cases, the Director shall, in each pilot area, engage the services of a particular attorney or attorneys to provide specialized representation to indigent persons on a full-time or part-time basis. The pilot program shall terminate on June 30, 1994, and the Administrative Office of the Courts shall provide a written evaluation of the pilot program to the North Carolina Courts Commission on or before October 1, 1994.

Requested by: Representatives Richardson, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **JUVENILE JUSTICE PILOT PROGRAM**

Sec. 80. (a) Of the funds appropriated to the Judicial Department in this act, the sum of thirty thousand dollars (\$30,000) for the 1993-94 fiscal year shall be used by the Cumberland County Dispute Resolution Center for the development and implementation of the programs described in subsection (c) of this section. These funds shall be matched by non-State funds on a dollar-for-dollar basis.

(b) The Administrative Office of the Courts shall distribute the funds in quarterly payments beginning July 1993, and ending April 1994. The Cumberland County Dispute Resolution Center shall provide the Administrative Office of the Courts with quarterly reports as to the expenditure of funds and relevant statistical data.

(c) The Cumberland County Dispute Resolution Center shall develop and implement the following programs to meet the objectives of this section:

- (1) Development and implementation of a "Teen Court" Program as a community resource for the 12th Judicial District of North Carolina. Cases in which a juvenile has allegedly committed an offense in the 12th Judicial District that does not involve violence or personal injury, and that would constitute an infraction or misdemeanor if committed

by an adult, may be diverted by Intake Services to "Teen Court" to be "sentenced" by a jury of the juvenile's peers. "Sentences" shall include extensive amounts of counseling and community service;

- (2) "Teen Court" model programs made available to all junior and senior high schools in the 12th Judicial District to handle problems that develop at school but that have not been turned over to the juvenile authorities;
- (3) Alternative sentencing programs implemented and made available to the juvenile court judges, including house arrest, monitored telephone curfew, Victim-Offender Reconciliation Programs (VORP), and mediation referrals;
- (4) School-based mediation programs made available to schools within the 12th Judicial District, with students being trained as peer mediators and with teachers and administrators being trained in conflict resolution and mediation; and
- (5) Curriculum supplements to the standard course of study made available to educators to teach conflict resolution and related topics to all students.

(d) The Cumberland County Dispute Resolution Center shall report at least annually to the Administrative Office of the Courts and to officials of the 12th Judicial District. The Administrative Office of the Courts shall evaluate the effectiveness of the programs and report its findings and any recommendations by March 15, 1995, to the Joint Legislative Commission on Governmental Operations and to the Chairs of the House and Senate Appropriations Subcommittees on Justice and Public Safety.

## **PART 21. DEPARTMENT OF JUSTICE**

Requested by: Representatives Holt, Gist, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **CENTRALIZED UTILIZATION OF LEGAL PUBLICATIONS**

Sec. 81. The Attorney General and the Director of the Budget shall conduct a review of the proliferation of legal publications used by State agencies, departments, and institutions to determine:

- (1) The most efficient utilization of legal publications; and
- (2) The feasibility of providing centralized access to legal publications, including the fiscal impact of providing for the centralized use and availability of legal publications.

The Attorney General and the Director of the Budget shall report their findings and recommendations to the General Assembly by March 31, 1994, by submitting a copy of the report to the Speaker of the House of Representatives, the President Pro Tempore of the Senate, and the Fiscal Research Division.



Requested by: Representatives Diamont, Nesbitt, Warner, Senators Daniel, Plyler, Kaplan

**LAW ENFORCEMENT HALL OF HONOR FUNDS**

Sec. 82. Of the funds appropriated in this act to the North Carolina Law Enforcement Hall of Honor Foundation, the sum of forty-five thousand dollars (\$45,000) shall be used for the 1993-94 fiscal year for the support of activities relative to the promotion, planning, construction, administration, and maintenance of the Hall of Honor.

Requested by: Representatives Holt, Gist, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**BANKING COMMISSION LEGAL COUNSEL TECHNICAL CORRECTION**

Sec. 83. G.S. 53-96 as rewritten by Section 206(b) of Chapter 321 of the 1993 Session Laws reads as rewritten:

**"§ 53-96. Salary of Commissioner; legal assistance.**

The salary of the Commissioner of Banks shall be fixed by the General Assembly in the Current Operations Appropriations Act. The Attorney General shall assign an attorney on his staff to work full time with the Banking Commission. The attorney shall be subject to all provisions of Chapter 126 of the General Statutes relating to the State Personnel System. The Commission shall fully reimburse the Department of Justice for the compensation, secretarial support, equipment, supplies, records, and other property to support this attorney."

**PART 22. DEPARTMENT OF HUMAN RESOURCES**

Requested by: Representatives Nye, Easterling, Diamont, Nesbitt, Senators Daniel, Plyler, Kaplan

**HEAD START CAPITAL FUNDS/1993-94**

Sec. 83.1. Of the funds appropriated in this act to the Department of Human Resources for the 1993-94 fiscal year, the sum of one million one hundred thousand dollars (\$1,100,000) is allocated to the Division of Child Development to provide grants to local private nonprofit agencies administering Head Start programs. These funds shall be used by the Head Start agencies for the payment of the cost of acquiring, constructing, reconstructing, renovating, equipping, and improving classroom facilities for the existing Head Start programs. The Department of Human Resources shall develop a formula for the distribution of State supplemental Head Start funds to those counties with the greatest relative burden of low-income children who qualify for Head Start, which formula shall include consideration of the percentage of North Carolina's unserved eligible Head Start children in each county and any other statistical indicator that is in keeping with the legislative intent.

Each Head Start program that is allocated State supplemental Head Start funds pursuant to this section shall submit a budget for review by the State. The budget shall itemize the program's expenditure of State funds. The expenditure needs shall fall under the allowable expenditure categories identified above.

Requested by: Representatives Easterling, Nye, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **MEDICAID PLANNING FUNDS**

Sec. 84. Of the funds appropriated in this act from the General Fund to the Department of Human Resources for the 1993-94 fiscal year, the sum of two hundred thousand dollars (\$200,000) may be used to plan and design an eligibility system to provide Medicaid coverage to all Supplemental Security Income recipients, elderly, and disabled persons with incomes below seventy-five percent (75%) of the federal poverty guidelines, and additional children. Nothing in this section shall be construed to obligate the State to provide Medicaid coverage to these individuals without further State appropriations for that purpose.

Requested by: Representatives Easterling, Nye, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **CHILDREN'S GRANTS FUNDS**

Sec. 85. Of the funds appropriated in this act to the Department of Human Resources, the sum of two hundred thousand dollars (\$200,000) for the 1993-94 fiscal year shall be allocated to counties for county programs that specifically provide services to children at risk and for capital needs relating to child day care services. Programs receiving funds pursuant to this section shall serve disadvantaged children and their families. These programs shall include juvenile delinquency prevention programs and services designed to prevent youth suicide. The Department shall develop requests for proposals for these grants and shall provide technical assistance to county programs needing assistance in making requests for these grants. Grants to individual county programs shall not exceed fifty thousand dollars (\$50,000) but the grants shall not be limited only to those existing county programs funded by State, federal, or local sources.

Requested by: Representatives Easterling, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **COMMITMENT OF FOREIGN NATIONAL/CONSULAR NOTICE**

Sec. 86. (a) G.S. 122C-344 reads as rewritten:

##### **"§ 122C-344. Citizens of other countries.**

In addition to the provisions of G.S. 122C-341 through G.S. 122C-343, if a 24-hour facility determines that a client is not a citizen of the United States, the facility shall notify the Governor of this State of the name of the client, the country and place of his residence in the country and other facts in the case as can be obtained, together with a copy of pertinent medical records. The Governor shall send the information to the Secretary of State at Washington D.C., nearest consular office of the committed foreign national, with the request that ~~he~~ the consular office tell the minister resident or plenipotentiary of the country of which the client is alleged to be a citizen."

(b) This section is effective upon ratification and applies to commitments made on or after that date.

Requested by: Representatives Easterling, Nye, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**JUVENILE SECURE CUSTODY STUDY**

Sec. 87. The Department of Human Resources and the Administrative Office of the Courts shall study the issue of secure custody facilities to determine how best to ensure that only those juveniles that meet the criteria set forth in G.S. 7A-574(b) and (c) are placed in secure custody and that the secure custody facilities available are not overcrowded and are as safe as possible for all the juveniles in secure custody. This study shall include:

- (1) An analysis of all 1993 secure custody orders, to permit an evaluation of the criteria used, and the appropriateness of the criteria, for each order;
- (2) A determination of the number of these orders made for juveniles to be adjudicated for offenses that would be crimes against the person or against property, if committed by an adult, for violation of probation, and for running away; and
- (3) An evaluation of all secure custody facilities used in 1993, including the total length of custody for each juvenile, to determine the number of juveniles in the facilities on a regular basis, and to determine the number of juveniles each facility can safely contain on a regular basis. This determination shall include an analysis of the relationship of the number of juveniles that may be safely contained at any one time in any one facility to the offenses for which these juveniles are being adjudicated.

The Department of Human Resources and the Administrative Office of the Courts shall report the results of this study to the 1993 General Assembly by May 1, 1994, together with any proposals that would be of benefit in ensuring the best and safest use of secure custody.

Requested by: Representatives Nye, Easterling, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**CERTAIN ICF/MR FACILITIES' CERTIFICATE OF NEED BED LIMITATION EXEMPTION EXTENDED**

Sec. 88. Those existing facilities that were granted a Certificate of Need to develop no more than 30 beds and that have applied for a Certificate of Need to expand to 32 beds prior to July 1, 1993, are exempt from the 30-bed limitation and may be issued a Certificate of Need for no more than 32 beds each. These additional beds for those facilities shall not be taken into account in deciding Certificate of Need allocations to other applicants in the same service area during the 1993 calendar year.

Requested by: Representatives Colton, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**COMMISSION FOR BLIND CHANGES**

Sec. 89. (a) G.S. 143B-157 reads as rewritten:

**"§ 143B-157. Commission for the Blind – creation, powers and duties.**

There is hereby recreated the Commission for the Blind of the Department of Human Resources with the power and duty to adopt rules and regulations to be followed in governing the conduct of the State's rehabilitative programs for the blind with the power and duty to adopt, amend and rescind rules and regulations under and not inconsistent with the laws of the State that are necessary to carry out the provisions and purposes of this Article.

- (1) ~~The Commission for the Blind is authorized and empowered to adopt such rules and regulations that may be~~ shall adopt rules that are necessary and desirable for the programs administered by the Department of Human Resources as provided in Chapter 111 of the General Statutes of North Carolina.
- (2) ~~The Commission for the Blind shall have the power and duty to establish standards and adopt rules and regulations for aid to the needy blind as contained in Chapter 111 of the General Statutes of North Carolina.~~
- (3) ~~The Commission is authorized and empowered to adopt such rules and regulations,~~ shall adopt rules, not inconsistent with the laws of this State, ~~as may be~~ that are required by the federal government for grants-in-aid for rehabilitative purposes for the blind ~~which that~~ that may be made available ~~for to~~ to the State ~~by from~~ from the federal government. This section is to be liberally construed in order that the State and its citizens may benefit from such grants-in-aid.
- (3a) The Commission shall review, analyze, and advise the Department regarding the performance of its responsibilities under the federal rehabilitation program in which the State participates, as it relates to the provision of services to the blind, particularly its responsibilities relating to the following:
  - a. Eligibility for the program;
  - b. The extent, scope, and effectiveness of the services provided;  
and
  - c. The functions performed by the Department that affect, or that have the potential to affect, the ability of individuals who are blind or visually impaired to achieve rehabilitative goals and objectives under the federal rehabilitation program;
- (3b) The Commission shall advise the Department regarding preparation of applications, the State Plan, the strategic plan, amendments to these plans, the State needs assessments, and the evaluations required by the federal rehabilitation program;
- (3c) The Commission shall, to the extent feasible, conduct a review and analysis (i) of the effectiveness of, and consumer satisfaction with, the functions performed by the Department and other public and private entities responsible for performing functions for individuals who are

- blind or visually impaired, and (ii) of vocational rehabilitation services provided or paid for from funds made available through other public or private sources and provided by State agencies and other public and private entities responsible for providing vocational rehabilitation services to individuals who are blind or visually impaired;
- (3d) The Commission shall prepare and submit an annual report to the Governor, the Secretary, and the federal rehabilitation program, and make the report available to the public;
- (3e) The Commission shall coordinate with other councils within the State, including the statewide Independent Living Council established under section 705 of the federal Rehabilitation Act, 294 U.S.C. §§ 720, et seq., the advisory panel established under section 613(a)(12) of the Individuals with Disabilities Education Act, 20 U.S.C. § 1413(A)(12), the State Planning Council described in section 124 of the Developmental Disabilities Assistance and Bill of Rights Act, 42 U.S.C. § 6024, and the State Mental Health Planning Council established pursuant to section 1916(e) of the Public Health Service Act, 42, U.S.C. § 300x-4(e);
- (3f) The Commission shall advise the Department and provide for coordination with, and establishment of working relationships between, the Department and the Independent Living Council;
- (3g) The Commission shall prepare, in conjunction with the Department, a plan for the provision of those resources, including staff and other personnel, that are necessary to carry out the Commission's function under this Part. The resource plan shall, to the maximum extent possible, rely on the use of resources in existence during the period of implementation of the plan. The agreed-upon resources shall be provided pursuant to G.S. 143B-14. To the extent that there is a disagreement between the Commission and the Department with regard to the resources necessary to carry out the functions of the Commission required by this Part, the Governor shall resolve the disagreement. The Department or other State agency shall not assign any other duties to the staff and other personnel who are assisting the Commission in carrying out its duties that would create a conflict of interest;
- (4) ~~The Commission for the Blind shall adopt rules and regulations shall adopt rules~~ consistent with the provisions of this Chapter. All rules ~~and regulations~~ not inconsistent with the provisions of this Chapter heretofore adopted by the North Carolina State Commission for the Blind shall remain in full force and effect unless and until repealed or superseded by action of the recreated Commission for the Blind. All rules ~~and regulations~~ adopted by the Commission shall be enforced by the Department of Human Resources."
- (b) G.S. 143B-158 reads as rewritten:

**"§ 143B-158. Commission for the Blind – members; selection; quorum; compensation.**

The Commission for the Blind of the Department of Human Resources shall consist of 11 members appointed by the Governor. ~~The initial members of the Commission shall include the members of the existing Commission for the Blind who shall serve for a period equal to the remainder of their current terms on the existing Commission for the Blind, three of whose appointments expire July 2, 1974, three of whose appointments expire July 2, 1975, and three of whose appointments expire July 2, 1977.~~ No physician, no optometrist, no optician, no oculist, nor any other person who receives services or funds regulated by the Commission shall be qualified to serve on the Commission for the Blind. Any person who is presently a member of the Commission and is disqualified by reason of the preceding sentence shall be deemed to have resigned his position on the Commission. The Governor shall appoint a successor for the balance of the unexpired term. At all times at least ~~two~~ six members of the Commission shall be persons who are visually handicapped to the minimum extent of being legally blind. ~~At the end of the respective terms of office of the initial members of the Commission, their successors~~ The members of the Commission shall be appointed for terms of six years and until their successors are appointed and qualify. Any appointment to fill a vacancy on the Commission created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term.

The Governor shall have the power to remove any member of the Commission from office for misfeasance, malfeasance, or nonfeasance in accordance with the provisions of G.S. 143B-13 of the Executive Organization Act of 1973.

The members of the Commission shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5.

A majority of the Commission shall constitute a quorum for the transaction of business.

All clerical and other services required by the Commission shall be supplied by the Secretary of Human Resources."

(c) This section becomes effective August 1, 1993.

Requested by: Representatives Nye, Easterling, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**AREA AUTHORITY PLAN**

Sec. 90. To the maximum extent possible, Area Mental Health Authorities are encouraged to develop service implementation plans in accordance with the long-range plans of the Mental Health Study Commission and with the involvement of local affected organizations. These plans may be used as the basis for future budget requests submitted by the Division.

The plans shall be ready for review by the Department and the Mental Health Study Commission by November 1, 1993, February 1, 1994, and May 1, 1994.

Requested by: Representatives Nye, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan  
**CONSENT JUDGEMENT/FOCUS CLASS AGREEMENT/THOMAS S.**

Sec. 91. (a) Notwithstanding G.S. 114-2.1, the State may enter into the Focus Class/Evaluation Alternative Test Agreement in the case of Thomas S. et al. v. Britt, formerly Thomas S. et al. v. Flaherty, 699 F. Supp. 1178 (W.D.N.C. 1988).

(b) The consent judgment authorized under subsection (a) of this section is subject to G.S. 114-2.2.

Requested by: Representatives Nye, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan  
**CAROLINA ACCESS CHANGE REPEALED**

Sec. 92. Section 238 of Chapter 321 of the 1993 Session Laws is repealed.

Requested by: Senators Richardson, Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**DISTRIBUTION SPECIFICATIONS FOR AREA MENTAL HEALTH PROGRAM CAPITAL FUNDS**

Sec. 93. (a) No area program shall receive more than ten percent (10%) of the total funds appropriated in the 1993-94 fiscal year by the General Assembly for area program capital needs.

(b) Capital funds awarded by the Department of Human Resources to area programs for projects in counties that fall within the last quartile of either per capita income, according to the North Carolina Data System 1990 Ranking, or of property valuation, according to the North Carolina Data System Ranking of 1990, shall not require a local match. The Department shall require a dollar-for-dollar local match for capital funds awarded for projects in all other counties.

(c) All area program capital grants are subject to the Department of Human Resources' approval of the grant application.

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan  
**GOVERNOR MOREHEAD SCHOOL FUNDS**

Sec. 93.1. Of the funds appropriated in this act to the Office of State Budget and Management, Reserve for Repairs and Renovations, for the 1993-94 fiscal year, the sum of two million seven hundred thousand dollars (\$2,700,000) shall be transferred to the Department of Human Resources for repairs and renovations at the Governor Morehead School.

**PART 23. DEPARTMENT OF AGRICULTURE**

Requested by: Representatives Nesbitt, Fitch, Bowman, DeVane, Diamont, Senators Daniel, Plyler, Kaplan

**REALLOCATION OF 1988 FUNDS FOR ROCKY MOUNT'S FARMER'S MARKET FOR ROCKY MOUNT BUSINESS DEVELOPMENT**

Sec. 94. (a) The seven hundred thousand dollars (\$700,000) appropriated to the Rocky Mount Business Development Authority for the agricultural complex located at Fountain Park in Section 137(a) of Chapter 738 of the 1987 Session Laws, as amended by Section 154 of Chapter 1086 of the 1987 Session Laws and Section 34 of

Chapter 1100 of the 1987 Session Laws, the sum of seven hundred thousand dollars (\$700,000) may be loaned to a city which is located in two counties so as to allow that city to establish a Farmer's Market in the vicinity of the old Fenner's Warehouse No. 1 on the North Church Street corridor.

(b) This no-interest loan shall be repaid by the city to the Rocky Mount Business Development Authority (RMBDA) over the next seven years at the rate of one hundred thousand dollars (\$100,000) per year or at a rate necessary to support the cash flow requirement for planning and constructing a processing facility at Fountain Park.

(c) The Rocky Mount Business Development Authority (RMBDA) shall provide a grant of all interest accrued to date, less expenses, on the seven hundred thousand dollar (\$700,000) appropriation to the Rocky Mount/Edgecombe Community Development Corporation (RMECDC) for the South Washington Street Revitalization Project.

(d) The City of Rocky Mount shall organize the Rocky Mount Business Development Authority (RMBDA) such that the Authority assists in planning and construction of a vegetable and fruit processing facility in Fountain Park before January 1, 2001. This processing facility shall have the capability to, at least: cool, wash, wax, grade, sort, package, and store for transit the commercial produce of local farm families. The facility shall provide facilities for unloading harvested farm fruits and vegetables, loading surface transport with packaged fruits and vegetables, and supporting brokerage operations. RMBDA may use the funds repaid to it under subsection (b) of this section for the purposes of this subsection.

Requested by: Representatives Bowman, DeVane, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

#### **WAREHOUSE ACT FUNDS**

Sec. 95. (a) G.S. 106-435 reads as rewritten:

#### **"§ 106-435. Fund for support of system; collection and investment.**

In order to provide a sufficient indemnifying or guarantee fund to cover any loss not covered by the bonds hereinbefore mentioned, in order to provide the financial backing which is essential to make the warehouse receipt universally acceptable as collateral, and in order to provide that a State warehouse system intended to benefit all cotton growers in North Carolina shall be supported by the class it is designed to benefit, it is hereby declared: that on each bale of cotton ginned in North Carolina during the period from the ratification of this bill until June 30, 1922, twenty-five cents (25¢) shall be collected through the ginner of the bale and paid into the State treasury, to be held there as a special guarantee or indemnifying fund to safeguard the State warehouse system against any loss not otherwise covered. The State Tax Commission shall provide and enforce the machinery for the collection of this tax, which shall be held in the State treasury to the credit of the State warehouse system. Not less than ten per centum (10%) of the entire amount collected from the per bale tax shall be invested in United States government or farm loan bonds or North Carolina bonds, and the remainder may be invested in amply secured first mortgage notes or bonds to aid and encourage the establishment of warehouses operating under this system, and to aid and encourage the



establishment of farm markets designed to serve the marketing, packaging, and grading needs for the sale and distribution of unprocessed farm commodities when adequate markets are not otherwise provided. Such investments shall be made by the Board of Agriculture, with the approval of the Governor and Attorney General: Provided, such first mortgages shall be for not more than one-half the actual value of the warehouse property covered by such mortgages, and run not more than 10 years: Provided further, that the interest received from all investments shall be available for appropriation for capital projects and nonrecurring expenditures as provided in the bill making the appropriation, and for the administrative expense of carrying into effect the provisions of this law, including the employment of such persons and such means as the State Board of Agriculture in its discretion may deem necessary: Provided further, that the guarantee fund, raised under the provisions of sections 4907 to 4925 of the Consolidated Statutes of 1919, shall become to all intents and purposes a part of guarantee fund to be raised under this law and subject to all the provisions hereof."

(b) Of the funds available in accumulated interest from the North Carolina Warehouse Act Fund, the sum of six hundred thousand dollars (\$600,000) shall be deposited into the General Fund as nontax revenues for the 1993-94 fiscal year to be used to support expenditures for capital projects or nonrecurring expenditures as provided in this act.

(c) There is appropriated from the North Carolina Warehouse Act Fund to the Department of Agriculture for fiscal year 1993-94 the sum of four hundred thousand dollars (\$400,000) in accumulated interest, for non-recurring cotton promotion projects and activities in fiscal year 1993-94.

Requested by: Representatives Bowen, DeVane, Bowman, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**REALLOCATE FUNDS APPROPRIATED FOR AGRICULTURAL FACILITIES**

Sec. 96. Of the funds appropriated to the Department of Agriculture in Section 4 of Chapter 1044 of the 1991 Session Laws for the Southeastern Farmers' Market - Shipping Point Facility, the sum of ninety thousand dollars (\$90,000) shall be used as a grant-in-aid to the Town of Roseboro for water and sewer services and the sum of nine hundred ten thousand dollars (\$910,000) shall be used as a grant-in-aid to Sampson County to be used for construction of a livestock sale facility.

Requested by: Representatives Redwine, DeVane, Bowman, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**AUTHORIZE THE AGRICULTURAL FINANCE AUTHORITY TO USE THE INTEREST FROM THE RESERVE FOR FARM LOANS FOR ADMINISTRATIVE EXPENSES**

Sec. 97. Section 3 of Chapter 1011 of the 1985 Session Laws reads as rewritten:

"Sec. 3. Funds appropriated ~~in Section 2 of House Bill 2055 of the 1985 Session Laws~~ to the Department of Agriculture, Reserve for Farm Loans shall be used for the

purposes set out in this act, other than the administration of Chapter 122D of the General Statutes. Interest on these funds and interest received from loans of these funds may be used for any of the purposes set out in this act, including the administration of Chapter 122D of the General Statutes."

## **PART 24. DEPARTMENT OF COMMERCE**

Requested by: Representatives Bowman, DeVane, Jenkins, Dockham, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **RURAL TOURISM DEVELOPMENT FUNDS**

Sec. 98. Of the funds appropriated in this act from the General Fund to the Department of Commerce for the 1993-94 fiscal year, the sum of two hundred thousand dollars (\$200,000) shall be used for the Rural Tourism Development Grant Program. The Department shall establish and implement this Program to provide grants to local governments and nonprofit organizations to encourage the development of new tourism projects and activities in rural areas of the State. Grant funds shall not be allocated for projects or activities eligible to receive funds from the Department's Tourism Promotion Grant Program. The Secretary shall establish guidelines for eligibility to receive grants under the Rural Tourism Development Grant Program. No recipient or new tourism project shall receive a total of more than fifty thousand dollars (\$50,000) of these grant funds for the 1993-94 fiscal year.

Requested by: Representatives H. Hunter, Bowman, DeVane, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **BIOTECHNOLOGY FUNDS FOR MINORITY UNIVERSITIES**

Sec. 99. Of the funds appropriated in this act from the General Fund to the North Carolina Biotechnology Center for the 1993-94 fiscal year, the sum of one million dollars (\$1,000,000) shall be used to develop a special biotechnology program initiative for North Carolina's Public Historically Black Universities and Pembroke State University. This program initiative is a means to get more funds to these institutions of higher education in the short run to help them develop their biotechnology programs and a means to develop a mechanism to improve these institutions' capacity over the long term. The Center's special initiative shall, at a minimum, provide for:

- (1) A range of program activities, including grants, designed to enhance the existing strengths and capabilities of Pembroke University, and the public Historically Black Universities;
- (2) A Facilities and Infrastructure Review Committee to advise the Center on major program elements and priority projects that would be most helpful to these institutions; and
- (3) A Program Advisory Panel with representation from these institutions to advise and make recommendations to the Center's President and Board of Directors on funding proposals under this initiative.

The Center shall report to the General Assembly by March 15, 1994, on the development and implementation of this special initiative.

In awarding grant funds pursuant to this section, the Center shall ensure that the grant funds are distributed equally among the eligible universities.

Requested by: Representatives Wainwright, Bowman, DeVane, Nesbitt, Diamont,  
Senators Daniel, Plyler, Kaplan

### **PROMOTE TOURISM THROUGHOUT THE STATE**

Sec. 100. Section 307 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 307. The Department of Commerce shall review its tourism advertising program and shall ensure that the program addresses the promotion of tourism in ~~rural~~ all areas of the State. State and particularly the State's minority communities. In expending funds appropriated for tourism advertising promotion, the Department shall ensure that minority-owned businesses are given appropriate consideration. The Department shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

Requested by: Representatives H. Hunter, Bowman, DeVane, Nesbitt, Diamont,  
Senators Daniel, Plyler, Kaplan

### **MCNC CAPITAL EQUIPMENT**

Sec. 101. (a) Of the funds appropriated in this act from the General Fund to MCNC, the sum of four million five hundred thousand dollars (\$4,500,000) for the 1993-94 fiscal year shall be allocated as follows:

- (1) \$900,000 for the Telecommunications Program for video and data network equipment.
- (2) \$1,000,000 for the Microelectronics Program for design and test equipment and for computer chip fabrication and packaging equipment.
- (3) \$600,000 for the Supercomputer Program for additional computer work stations and peripheral equipment.
- (4) \$2,000,000 to conduct joint research and development projects on networking technology with the MCI Communications Corporation and with N.C. State University and Duke University. Of this amount, \$1,000,000 shall be held in a reserve in the Office of State Budget and Management. Release of the funds in this reserve shall be contingent upon the location of MCI Communications Corporation's Billing Center in North Carolina by June 30, 1994. If the condition for the release of funds from the reserve is not met, those funds shall revert to the General Fund.

(b) MCNC shall provide the Joint Legislative Commission on Governmental Operations with quarterly reports on the following:

- (1) Use and benefits of the funds appropriated under this section, and

- (2) Status of the relocation activity of the MCI Communications Corporation's Billing Center.

The reports required under this subsection shall be included in the MCNC quarterly reports to the Joint Legislative Commission on Governmental Operations required under Section 295 of Chapter 321 of the 1993 Session Laws.

Requested by: Representatives Nesbitt, DeVane, Bowman, Diamont, Senators Daniel, Plyler, Kaplan

### **STUDY EXPANSION OF ECONOMIC DEVELOPMENT COMMISSIONS**

Sec. 102. (a) The General Assembly makes the following findings:

- (1) The economic development of the State as a whole will be enhanced if all counties participate in economic development efforts conducted on a regional basis, and if the unique economic needs of the State's minority communities are identified and addressed;
- (2) Regional economic development commissions have been established to assess the economic needs unique to the regions of the State they serve and to determine the economic development efforts appropriate to meet those needs;
- (3) The General Assembly has funded and intends to continue support for economic development in the eastern region of the State through the Global TransPark;
- (4) State funding for regional economic development commissions should be distributed in such a way as to ensure equity in economic growth potential among all regions and minority communities of the State. To that end, a funding formula should be developed based in part on distress factors established under G.S. 143B-437A(b).

(b) In view of the findings stated in subsection (a) of this section, the Department of Commerce shall do the following:

- (1) Survey existing regional economic development commissions and determine the need for additional regional commissions to ensure that all areas of the State are appropriately served;
- (2) Develop a plan to:
  - a. Create additional regional economic development commissions necessary to serve the State;
  - b. Establish a statewide economic development commission to identify and address the economic needs of minority communities of the State; and
  - c. Establish linkages between the statewide minority economic development commission and the regional commissions, and among the regional commissions.
- (3) Establish a formula for funding regional economic development commissions based in part on the distress factors established under G.S. 143B-437A(b).

The Secretary shall submit the plan required by this section to the General Assembly not later than March 1, 1994, by providing a copy to the Speaker of the House of Representatives and to the President Pro Tempore of the Senate.

Requested by: Representatives Nesbitt, Diamont, Bowman, DeVane, Senators Daniel, Plyler, Kaplan

### **STUDY ON ECONOMIC INCENTIVES TO LURE INDUSTRY**

Sec. 103. (a) There is created the Legislative Study Commission on Economic Incentives to Lure Industry. The Commission shall consist of 10 members: five Representatives appointed by the Speaker of the House of Representatives and five Senators appointed by the President Pro Tempore of the Senate.

(b) The Speaker of the House of Representatives shall designate one Representative as cochair and the President Pro Tempore of the Senate shall designate one Senator as cochair.

(c) The Commission shall study the use of economic incentives to lure industry to the State. In the course of its study, the Commission shall consider:

- (1) The experience of this State and other states in using economic incentives to lure industry;
- (2) The long- and short-term impacts of using economic incentives to lure industry;
- (3) The costs and benefits of using economic incentives to lure industry;
- (4) Whether some industries may be moving from state to state solely to receive the economic incentives;
- (5) What rules would be appropriate to provide adequate State control over a program for using economic incentives to lure industry;
- (6) Complications inherent in a program that requires that public business be carried on in private negotiations;
- (7) The amount of State resources that should be dedicated to these programs;
- (8) The impact that erosion of the tax base from tax incentives will have on the State's fiscal condition and taxing structure;
- (9) Ways to ensure that economic incentives to lure industry are used to attract industry equitably throughout the State;
- (10) Ways to ensure that economic incentives to lure industry are used to attract industries that pay high wages; and
- (11) The extent to which incentives may require future recurring or operating budget appropriations by the State.

(d) The Commission shall submit a final report of its findings and recommendations to the General Assembly on or before April 15, 1994, by filing the report with the Speaker of the House of Representatives and the President Pro Tempore of the Senate. Upon filing its final report, the Commission shall terminate.

(e) The Commission, while in the discharge of official duties, may exercise all the 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 cochairmen. The Commission may meet in the Legislative Building or the Legislative Office Building.

(f) Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1.

(g) 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 Administrative Officer, shall assign professional staff to assist in the work of the Commission. The House of Representatives and the Senate supervisors of clerks shall assign clerical staff to the commission or committee, upon the direction of the Legislative Services Commission. The expenses relating to clerical employees shall be borne by the Commission established by this section.

(h) When a vacancy occurs in the membership of the Commission, the vacancy shall be filled by the same appointing officer who made the initial appointment.

(i) All State departments and agencies and local governments and their subdivisions shall furnish the Commission with any information in their possession or available to them.

(j) The Legislative Services Commission may use one hundred thousand dollars (\$100,000) of the funds appropriated to the General Assembly for the 1993-94 fiscal year for the expenses of the Commission.

Requested by: Representatives Bowman, DeVane, H. Hunter, Nesbitt, Diamont,  
Senators Daniel, Plyler, Kaplan

### **ECONOMIC DEVELOPMENT FUNDS**

Sec. 104. (a) Definition. – For purposes of this section, the term "community development corporation" means a nonprofit corporation:

- (1) Chartered pursuant to Chapter 55A of the General Statutes;
- (2) Tax-exempt pursuant to section 501(c)(3) of the Internal Revenue Code of 1986;
- (3) Whose primary mission is to develop and improve low-income communities and neighborhoods through economic and related development;
- (4) Whose activities and decisions are initiated, managed, and controlled by the constituents of those local communities; and
- (5) Whose primary function is to act as deal-maker and packager of projects and activities that will increase their constituencies' opportunities to become owners, managers, and producers of small businesses, affordable housing, and jobs designed to produce positive cash flow and curb blight in the target community.

(b) Community Development Grants. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc., the sum of one million five hundred fifty thousand dollars (\$1,550,000) for the 1993-94 fiscal year shall be used to support community development projects and activities within the State's minority community. Any community development corporation as defined in this section is eligible to apply for funds under this section. The Rural Economic

Development Center, Inc. shall establish and implement performance-based criteria for determining which community development corporations will receive a grant and the grant amounts.

The Rural Economic Development Center, Inc. shall allocate these funds as follows:

- (1) \$1,300,000 for direct grants to the local community development corporations that have previously received State funds for this purpose to support operations and project activities;
- (2) \$100,000 for direct grants to local community development corporations that have not previously received State funds for this purpose to support operations and project activities; and
- (3) \$150,000 for the Community Development Housing Counseling Demonstration Project.

The North Carolina Rural Economic Development Center, Inc., shall establish and implement performance-based criteria for determining which community development corporations will receive a grant and the grant amounts. The North Carolina Rural Economic Development Center, Inc. shall report quarterly on the use of these funds.

(c) North Carolina Community Development Initiative, Inc. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc. for the 1993-94 fiscal year, the sum of two million dollars (\$2,000,000) shall be allocated to the North Carolina Community Development Initiative, Inc. The Initiative shall provide operating and project activity grants to mature community development corporations that have demonstrated project and organizational capacity.

The North Carolina Community Development Initiative, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(d) North Carolina Association of Community Development Corporations. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc. the sum of two hundred thousand dollars (\$200,000) for the 1993-94 fiscal year shall be allocated to the North Carolina Association of Community Development Corporations to provide training, technical assistance, resource development, project assistance, and support for local community development corporations statewide. The North Carolina Association of Community Development Corporations shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(e) North Carolina Minority Credit Union Support Center, Inc. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc., the sum of three hundred thousand dollars (\$300,000) for the 1993-94 fiscal year shall be allocated to the North Carolina Minority Credit Union Support Center, Inc., to provide technical assistance to community-based credit unions. The Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(f) Microenterprise Loan Program. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc., the sum of six hundred fifty thousand dollars (\$650,000) for the 1993-94 fiscal year shall be used to support the loan fund and operations of the Microenterprise Loan Program. The Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(g) Administrative costs. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc., the sum of fifty thousand dollars (\$50,000) for the 1993-94 fiscal year shall be used to cover expenses in administering this act.

(h) Center for Community Self-Help. – Of the funds appropriated in this act from the General Fund to the Department of Commerce for the 1993-94 fiscal year, the sum of one million dollars (\$1,000,000) shall be allocated to the Center for Community Self-Help for the same purposes and with the same restrictions and requirements, except for the requirement to match funds dollar-for-dollar, as provided in Section 308 of Chapter 321 of the 1993 Session Laws. Funds allocated pursuant to this section shall be in addition to those allocated under Section 308 of Chapter 321 of the 1993 Session Laws. The Department of Commerce shall disburse this appropriation within 15 working days of the receipt of a request for the funds from the Center for Community Self-Help.

(i) Of the funds appropriated in this act from the General Fund to the Department of Commerce, the sum of three hundred fifty thousand dollars (\$350,000) for the 1993-94 fiscal year shall be allocated to the North Carolina Institute of Minority Economic Development to foster minority economic development within the State through policy analysis, information and technical assistance, and resource expansion. The North Carolina Institute of Minority Economic Development shall:

- (1) Update, maintain, and disseminate the annual survey and directory of minority-owned businesses;
- (2) Update, maintain, and disseminate the minority profile of the State;
- (3) Support a model minority business technical assistance program in conjunction with the Fuqua School of Business at Duke University;
- (4) Support a specialized and targeted training program on the unique needs and requirements of minority-owned businesses; and
- (5) Increase the number of Institute-sponsored interns.

The North Carolina Institute of Minority Economic Development shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of these funds.

(j) The Office of State Budget and Management, the Department of Commerce, and the Rural Economic Development Center, Inc., shall ensure that funds allocated under this section to the following organizations are disbursed within 15 working days of the receipt of a request for the funds from the organization:

- (1) North Carolina Community Development Initiative, Inc.,
- (2) North Carolina Association of Community Development Corporations,
- (3) The Center for Community Self-Help,



- (4) Community Development Housing Counseling Demonstration Project,
- (5) North Carolina Minority Credit Union Support Center, Inc.,
- (6) The Microenterprise Loan Program, and
- (7) The North Carolina Institute of Minority Economic Development.

Requested by: Representatives Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**RURAL ECONOMIC DEVELOPMENT PILOT PROGRAM  
IMPLEMENTATION**

Sec. 104.1. (a) Supplemental Funding Pilot Project. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc., the sum of one million six hundred fifty thousand dollars (\$1,650,000) for the 1993-94 fiscal year shall be used for a pilot program to provide supplemental funding for matching requirements for economic development in economically depressed areas. The Center shall use the funds to make grants to local governments and nonprofit corporations to provide funds necessary to match federal grants or other grants for necessary economic development projects and activities in economically depressed areas. The grant recipients shall be selected on the basis of need.

(a1) Definitions. – The following definitions apply in this subsection:

(1) Economically depressed area. – Any of the following:

- a. A county that the Secretary of Commerce has designated one of the most economically depressed counties in the State pursuant to G.S. 143B-437A.
- b. That part of a rural county whose poverty rate is at least one hundred fifty percent (150%) of the State poverty rate. For the purpose of this subsection, the poverty rate is the percentage of the population with income below the latest annual federal poverty guidelines issued by the United States Department of Health and Human Services.
- c. That part of a rural county whose rate of unemployment is at least double the State rate of unemployment.
- d. That part of a rural county that experiences an actual or imminent loss of jobs in a number that is equal to or exceeds five percent (5%) of the total number of jobs in the part.

(2) Rural county. – A county that the United States Office of Management and Budget has not designated as a metropolitan county.

(a2) Reports. – The Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations and the Department of Commerce on the use of the funds allocated in this subsection and on the outcomes achieved by the pilot program.

(b) Appropriations. – Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc., the sum of six hundred thousand dollars (\$600,000) for the 1993-94 fiscal year shall be used for a pilot program to provide grants to depressed counties and municipalities to enable them to acquire short-term capacity for immediate needs for economic development planning and

writing federal grant applications. The Center shall establish standards for determining each local government's needs and shall make grants on the basis of need. The Center shall report to the Joint Select Fiscal Trends and Reform Commission on or before October 1, 1993, on the standards it has established for determining need. The Center shall report quarterly to the Joint Legislative Commission on Governmental Operations and the Department of Commerce on the use of the funds allocated in this subsection and on the outcomes achieved by the pilot program.

(c) Child Day Care Loan Guarantee Act of 1993. – There is established the Child Day Care Loan Guarantee Act of 1993. The purpose of this act is to encourage lenders to make loans available to child day care providers for the purpose of financing the development and expansion of child day care centers and homes in low-income, distressed counties of the State and to increase the quality and availability of child day care and employment opportunities in these areas.

(c1) Definitions. – The following definitions apply in this act:

- (1) Center. – North Carolina Rural Economic Development Center, Inc.
- (2) Child day care provider. – A person providing or planning to provide child day care, as defined in G.S. 110-86.
- (3) Community Development Corporation. – An organization that:
  - a. Is a neighborhood-based nonprofit corporation;
  - b. Is controlled by area residents;
  - c. Directs community development initiatives in economically distressed areas; and
  - d. Is characterized by comprehensive community programs designed to enhance the overall quality of life through the elimination of blight and the economic empowerment of area residents.
- (4) Department. – The Department of Commerce.
- (5) Distressed counties. – Severely distressed counties of the State as designated by the Secretary of Commerce under G.S. 105-130.40(c) or G.S. 105-151.17(c), or both.
- (6) Fund. – The Child Day Care Loan Guarantee Fund.

(c2) Child Day Care Loan Guarantee Fund. – The Center shall establish the Child Day Care Loan Guarantee Fund, which shall be used to guarantee loans made by lenders to qualifying child day care providers to finance the development or expansion of child day care centers or homes in distressed counties. Interest and other investment income shall accrue to the Fund.

Notwithstanding any law to the contrary, the principal and any income to the Fund may be used to make loan guarantees under this act or pay the Center's cost of administering this act in accordance with Section 9 of this act.

(c3) Center's responsibilities. – The Center shall:

- (1) Administer the Fund established in Section 4 of this act.
- (2) Develop and manage a loan approval process in accordance with policies established by the Center.

- (3) Make its best effort to ensure that providers of small business technical assistance in North Carolina, including, but not limited to, the Small Business and Technology Development Centers, the Small Business Centers of the Department of Community Colleges, and Community Development Corporations, provide fair and equitable business counseling to applicants for loan guarantees under this act.
- (4) Monitor projects to ensure compliance with applicable State and federal laws, rules, and relevant court decisions.
- (5) Develop procedures for managing defaults and for enforcing the obligations of borrowers to repay loans.
- (6) Actively seek additional non-State funds to leverage the State dollars appropriated to the Fund on the basis of three non-State dollars to every State dollar.
- (7) Report quarterly to the Joint Legislative Commission on Governmental Operations on the implementation of this act, the results and operation of the program, efforts to secure matching funds, and the use of appropriations for this program.
- (c4) Loan guarantee standards. –
  - (1) In making loan guarantees under this act, the Center shall give priority to child day care providers that serve or intend to serve distressed counties that demonstrate the greatest need for child day care services. It shall also give priority to the geographic distribution of loan guarantees.
  - (2) Loans that are eligible for guarantees under this act may be made for only the following reasons:
    - a. The construction, purchase, lease, or improvement of buildings or other facilities.
    - b. The purchase or improvement of land.
    - c. The purchase or lease of equipment, including vehicles.
    - d. Start-up and expansion costs.
    - e. Initial operating expenses.
  - (3) Loan guarantees under this act are subject to the following restrictions:
    - a. The Center shall not grant a loan guarantee greater than seventy-five thousand dollars (\$75,000).
    - b. The Center shall not guarantee more than eighty percent (80%) of a loan.
    - c. The Center shall not issue an aggregate amount of loan guarantees that exceeds five times the amount deposited in the Fund.
  - (4) The Center shall use the following criteria in its determination of whether to grant a loan guarantee to a child day care provider who has a history of operating or owning a child day care center, child day care home, or both:
    - a. Quality of programming and staff.

- b. Ratio of children to staff.
  - c. Quality of facilities.
  - d. Degree of coordination with Head Start or other programs.
  - e. Quality of administrative and financial management.
  - f. History of compliance with child day care licensing or registration requirements.
  - g. Ability to repay.
- (5) An applicant for a guarantee under this act shall supply the Center with the following:
- a. A detailed description of the project.
  - b. A disclosure of additional funds, if any, that are available to the applicant.
  - c. Information that relates to the inability of the applicant to obtain adequate financing on reasonable terms through normal lending channels, such as a letter from a lender certifying that it would not grant credit without the loan guarantee.
  - d. Credit references, if available, for the applicant.
  - e. A five-year projected budget.
  - f. A comprehensive business plan that includes the applicant's plans in the areas of:
    - i. Debt reduction;
    - ii. Marketing;
    - iii. Staff training;
    - iv. Facility improvement; and
    - v. Program improvement.
  - g. Other information that the Center requests.

(c5) Defaults. – Upon default by a borrower, the lender, consistent with its current collections policies, shall exercise reasonable diligence in its collection efforts before the Fund is liable for the default.

(c6) Conflict of interest. – Any employee, officer, or Board member of the Center who is employed by, holds any paid official relation to, or has any financial interest in any child day care enterprise for which the Center is considering the granting of, or already has granted, a guarantee under this act shall disclose the relationship and shall not vote or otherwise participate in any decision to grant the guarantee or otherwise affect that enterprise.

(c7) Appropriations. – Of the funds appropriated in this act to the Rural Economic Development Center, Inc., from the General Fund the sum of five hundred thousand dollars (\$500,000) for the 1993-94 fiscal year shall be used to implement this subsection.

(d) Of the funds appropriated in this act from the General Fund to the Rural Economic Development Center, Inc., for the 1993-94 fiscal year, the sum of seventy-five thousand dollars (\$75,000) shall be used for on-going job training programs and shall be allocated as follows:

- (1) Twenty-five thousand dollars (\$25,000) to the Opportunities Industrialization Center of Wilson, Inc.;
- (2) Twenty-five thousand dollars (\$25,000) to the Opportunities Industrialization Center, Inc., in Rocky Mount;
- (3) Twenty-five thousand dollars (\$25,000) to the Pitt-Greenville Opportunities Industrialization Center, Inc.

The Rural Economic Development Center, Inc., shall report quarterly to the Joint Legislative Commission on Governmental Operations on the use of funds allocated in this subsection.

## **PART 25. DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL RESOURCES**

Requested by: Representatives Gottovi, Bowman, DeVane, Nye, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **AGRICULTURE COST SHARE PROGRAM FUNDS**

Sec. 105. Of the funds appropriated to the Department of Environment, Health, and Natural Resources, Division of Soil and Water Conservation, for the Agriculture Cost Share Program for Nonpoint Source Pollution Control for the 1993-94 fiscal year, the sum of forty thousand dollars (\$40,000) shall be used to install best management practices to protect water quality, including tide gates, water control structures, and waste management measures in rural environs, in the subbasin of the Cape Fear River and Atlantic drainage east of Cypress Creek and north of Walden Creek, under the Rural Clean Water Demonstration Program and in accordance with the match and program requirements specified in G.S. 143-215.74(b)(6).

Requested by: Representatives Hackney, Barnes, DeVane, Bowman, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **TECHNICAL ASSISTANCE GRANTS**

Sec. 106. Notwithstanding the limitations of G.S. 104G-19(d), funds appropriated in this act to the Department of Environment, Health, and Natural Resources may be used to provide technical assistance grants in the amount of one hundred thousand dollars (\$100,000) each to Richmond, Chatham, and Wake Counties for their site designation review committee.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Gottovi, DeVane, Bowman, Nesbitt, Diamont

### **WATER RESOURCES DEVELOPMENT PROJECTS FUNDS**

Sec. 107. (a) Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the 1993-94 fiscal year the sum of seven million nine hundred eight thousand dollars (\$7,908,000) shall be used for water resources development projects, and the sum of one million one hundred eighty thousand dollars (\$1,180,000) shall be used for small watershed projects. The

Department shall allocate funds for the following projects whose estimated costs are as indicated:

(1)	Wilmington Harbor Deepening Study	\$ 612,000
(2)	Morehead City Harbor Deepening	3,825,000
(3)	Jordan Lake Water Supply Repayment	130,000
(4)	Wilmington Harbor Ocean Bar Deepening	1,016,000
(5)	Aquatic Plant Control	150,000
(6)	Wrightsville Beach Renourishment	400,000
(7)	Wanchese Channel Maintenance	280,000
(8)	State-Local Projects	300,000
(9)	North Channel Maintenance Dredging	523,000
(10)	Hamlet City Lake	377,000
(11)	Cape Fear Above Wilmington Channel Maintenance	100,000
(12)	Wilmington Harbor 25-foot Project	125,000
(13)	Dare County Beaches	70,000
(14)	Limestone Creek (Duplin County)	180,000
(15)	Deep Creek (Yadkin County)	250,000

(16) Town Fork 400,000  
(Stokes County)

(17) Meadow Branch 350,000.  
(Robeson County)

(b) Where the actual costs are different from the estimated costs under subsection (a) of this section, the Department may adjust the allocations among projects as needed. If any projects listed in subsection (a) of this section are delayed and the budgeted State funds cannot be used during the 1993-94 fiscal year, or if the projects listed in subsection (a) of this section are accomplished at a lower cost, the Department may use the resulting fund availability to fund:

- (1) Corps of Engineers project feasibility studies, or
- (2) Corps of Engineers projects whose schedules have advanced and require State matching funds in fiscal year 1993-94, or
- (3) State-local Water Resources Development Projects.

Funds not expended or encumbered for these purposes shall revert to the General Fund at the end of the 1994-95 fiscal year.

(c) Beginning October 1, 1993, the Department shall make quarterly reports on the use of these funds to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Office of State Budget and Management. Each report shall include:

- (1) All projects listed in this section;
- (2) The estimated cost of each project;
- (3) The date that work on each project began or is expected to begin;
- (4) The date that work on each project was completed or is expected to be completed; and
- (5) The actual cost of each project.

The quarterly reports shall also show those projects advanced in schedule, those projects delayed in schedule, and an estimate of the amount of funds expected to revert to the General Fund.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

#### **FALLS LAKE WATERSHED STUDY**

Sec. 107.1. The scope and parameters of the Falls Lake Watershed Study for which funds have been appropriated in this act in a reserve in the Department of Environment, Health, and Natural Resources for the 1993-94 fiscal year, may be established by agreement among the governing boards of Wake and Durham Counties and the Cities of Durham and Raleigh. If these governing boards are unable to agree upon the scope and parameters of the study by October 1, 1993, then the Secretary of Environment, Health, and Natural Resources shall establish them.

Requested by: Representatives Bowman, DeVane, J. Preston, Nesbitt, Diamont,  
Senators Daniel, Plyler, Kaplan

## **BOARDS OF HEALTH FUNDS**

Sec. 108. The Department of Environment, Health, and Natural Resources may, for the 1993-94 fiscal year, use up to one hundred thousand dollars (\$100,000) for a grant-in-aid to the Association of North Carolina Boards of Health for continuing board of health orientation, leadership, and educational development programs. The allocation authorized under this section shall be made from funds appropriated to the Department in Section 3 of Chapter 900 of the 1991 Session Laws for the purposes specified in Section 168(e) of that Chapter.

Requested by: Representatives Bowman, DeVane, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

## **IMMUNIZATION PROGRAM FUNDING**

Sec. 109. (a) Of the funds appropriated in Chapter 321 of the 1993 Session Laws from the General Fund to the Department of Environment, Health, and Natural Resources for the 1993-94 fiscal year for childhood immunization programs for positions, operating support, equipment, and pharmaceuticals, the sum of up to one million dollars (\$1,000,000) may be used for projects and activities that are also designed to increase childhood immunization rates in North Carolina. These projects and activities shall include the following:

- (1) Outreach efforts at the State and local levels to improve service delivery of vaccines. Outreach efforts may include educational seminars, media advertising, support services to parents to enable children to be transported to clinics, longer operating hours for clinics, and mobile vaccine units; and
- (2) Continued development of an automated immunization registry.

(b) Funds authorized to be used for immunization efforts under subsection (a) of this section shall not be used to fund additional State positions in the Department of Environment, Health, and Natural Resources.

(c) The Department of Environment, Health, and Natural Resources shall not obligate or expend funds authorized for the purposes stated in subsection (a) of this section until the Department has prepared and submitted for review to the Joint Legislative Commission on Governmental Operations the eight-year plan for implementation of the statewide immunization program required under Section 287 of Chapter 321 of the 1993 Session Laws. In addition to the requirements of Section 287 of Chapter 321 of the 1993 Session Laws, the eight-year plan shall address planned expenditures and immunization projects and activities identified under subsection (a) of this section.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

## **PARTNERSHIP FOR THE SOUNDS**

Sec. 110. The funds appropriated in this act to the Department of Environment, Health, and Natural Resources for the 1993-94 fiscal year for the Partnership for the Sounds shall be used to provide architectural, engineering, and development services for the design and construction of the Estuarine Educational



Center in Beaufort County, the Lake Mattamuskeet Lodge in Hyde County, and the Walter B. Jones Center for the Sounds in Tyrrell County. Up to sixty thousand dollars (\$60,000) of these funds may be used for contracted personal services.

Requested by: Representatives Redwine, Bowman, DeVane, Nesbitt, Diamont,  
Senators Daniel, Plyler, Kaplan

**EXPAND/EXTEND BEAVER CONTROL PROGRAM**

Sec. 111. (a) Subsection (b) of Section 69 of Chapter 1044 of the 1991 Session Laws reads as rewritten:

"(b) The Beaver Damage Control Advisory Board shall develop a pilot program to control beaver damage on private and public lands. Bladen, Brunswick, Columbus, Pender, Robeson, and Sampson Counties shall participate in the pilot program. The Beaver Damage Control Advisory Board shall act in an advisory capacity to the Wildlife Resources Commission in the implementation of the program. In developing the program, the Board shall:

- (1) Orient the program primarily toward public health and safety and toward landowner assistance, providing some relief to landowners through beaver control and management rather than eradication;
- (2) Develop a priority system for responding to complaints about beaver damage;
- (3) Develop a system for documenting all activities associated with beaver damage control, so as to facilitate evaluation of the program;
- (4) Provide educational activities as a part of the program, such as printed materials, on-site instructions, and local workshops;
- (5) Provide for the hiring of personnel necessary to implement beaver damage control activities, administer the pilot program, and set salaries of personnel;
- (6) Evaluate the costs and benefits of the program that might be applicable elsewhere in North Carolina.

Upon the conclusion of the pilot program on December 1, ~~1993~~, 1994, the Board shall issue a report to the Wildlife Resources Commission on the results of the program, including recommendations on the feasibility of continuing the program in participating counties and the desirability of expanding the program into other counties."

(b) Subsection (h) of Section 69 of Chapter 1044 of the 1991 Session Laws reads as rewritten:

"(h) Subsections (a) through (d) of this section expire December 1, ~~1993~~, 1994."

(c) Of the funds appropriated to the Wildlife Resources Commission in this act for the 1993-94 fiscal year, the sum of one hundred forty-six thousand dollars (\$146,000) shall be used to provide the State share necessary to continue the beaver damage control pilot program established by Section 69 of Chapter 1044 of the 1991 Session Laws in Bladen, Brunswick, Columbus, Pender, Robeson, and Sampson Counties, provided the sum of twenty-five thousand dollars (\$25,000) in federal funds is available to provide the federal share. These funds shall be matched by four thousand dollars (\$4,000) of local funds from each of the six participating counties.

Requested by: Representatives DeVane, Bowman, R. Hunter, Nesbitt, Diamont,  
Senators Daniel, Plyler, Kaplan

**PARKS CAPITAL IMPROVEMENTS**

Sec. 112. Of the funds appropriated to the Department of Environment, Health, and Natural Resources in this act for the 1993-94 fiscal year, the sum of two million one hundred thousand dollars (\$2,100,000) shall be used for land acquisition, maintenance, repairs, renovation, improvements related to health, safety, and access, and construction at the State parks and recreation areas. Land acquisition funded under this section shall be limited to the purchase of inholdings, corridor linkages, and critical areas within the existing park boundaries or buffer areas. Prior to expending or obligating any of the funds allocated by this section, the Department shall report to the Joint Legislative Commission on Governmental Operations and to the Office of State Budget and Management on the proposed use of the funds.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**STATE PARKS**

Sec. 113. Of the funds appropriated in this act to the Department of Environment, Health, and Natural Resources for land purchase in the State Parks System, the sum of up to fifty thousand dollars (\$50,000) may be spent by the Division of Parks and Recreation for operating expenses associated with the acquisition of land.

Requested by: Senators Cochrane, Smith, Tally, Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**FORESTRY HEADQUARTERS**

Sec. 114. Of the funds appropriated in this act from the General Fund to the Department of Environment, Health, and Natural Resources, the sum of one million four hundred forty-eight thousand one hundred dollars (\$1,448,100) for the 1993-94 fiscal year shall be used to replace District 6 Headquarters in Fayetteville and for county headquarters in Davidson, Graham, Henderson, Mitchell, Scotland, and Wayne counties. Funds remaining after these expenditures shall be used for needed repair or replacement of county headquarters in other counties. The Department may use force account construction for the Graham County project.

Requested by: Representatives DeVane, Bowman, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

**FIRE TOWER TRANSFER**

Sec. 115. Notwithstanding the provisions of G.S. 146-74, the Division of Forest Resources, Department of Environment, Health, and Natural Resources, shall transfer in fee simple by gift the East Robeson Fire Tower and the approximately .91827 acres of land on which the tower is located approximately eight miles east of Lumberton on Highway 41 in East Howellsville Township, Robeson County, this being the property described in the deed dated March 7, 1935, and recorded in Deed Book 8-N, page 219, Robeson County Registry to the East Howellsville Volunteer Fire

Department, Inc. The transfer under this section shall be evidenced by a deed executed in accordance with G.S. 146-75 and registered in accordance with G.S. 146-77.

Requested by: Representatives Colton, DeVane, Bowman, Nesbitt, Diamont, Senators Daniel, Plyler, Kaplan

### **TRANSFER MUSEUM OF NATURAL SCIENCES**

Sec. 116. (a) The statutory authority, powers, duties, and functions, records, personnel, property, and unexpended balances of appropriations, allocations, or other funds of (i) the North Carolina State Museum of Natural Sciences, and of (ii) the Advisory Commission established in Article 40 of Chapter 143 of the General Statutes for the North Carolina State Museum of Natural Sciences, are transferred from the Department of Agriculture to the Department of Environment, Health, and Natural Resources. This transfer has all of the elements of a Type I transfer as defined by G.S. 143A-6.

(b) Article 40 of Chapter 143 of the General Statutes, G.S. 143-370 through G.S. 143-373, is recodified as Part 29 of Article 7 of Chapter 143B of the General Statutes, G.S. 143B-344.18 through G.S. 143B-344.21.

(c) G.S. 143A-66 is repealed.

(d) G.S. 106-22(15) is repealed.

(e) G.S. 143B-279.2, as amended by Chapter 321 of the 1993 Session Laws, reads as rewritten:

#### **"§ 143B-279.2. Department of Environment, Health, and Natural Resources – duties.**

It shall be the duty of the Department:

(1) To provide for the protection of the environment;

(1a) To administer the State Outer Continental Shelf (OCS) Task Force and coordinate State participation activities in the federal outer continental shelf resource recovery programs as provided under the OCS Lands Act Amendments of 1978 (43 USC §§ 1801 **et seq.**) and the OCS Lands Act Amendments of 1986 (43 USC §§ 1331 **et seq.**).

(2) To provide for the protection and enhancement of the public health;  
~~and~~

(2a) To provide and keep a museum or collection of the natural history of the State and to maintain the North Carolina Biological Survey; and

(3) To provide for the management of the State's natural resources."

(f) Part 29 of Article 7 of Chapter 143B of the General Statutes, as recodified in Section 2 of this act, reads as rewritten:

"Part 29. Advisory Commission for

~~State Museum of Natural History.~~

North Carolina State Museum of Natural Sciences.

#### **"§ 143B-344.18. Commission created; membership.**

There is hereby created an Advisory Commission for the ~~Museum of Natural History~~ North Carolina State Museum of Natural Sciences which shall determine its own

organization. It shall consist of at least nine members, which shall include the Director of the ~~Museum of Natural History~~, North Carolina State Museum of Natural Sciences, the Commissioner of Agriculture, the State Geologist and Secretary of Environment, Health, and Natural Resources, the Director of the Institute of Fisheries Research of the University of North Carolina, the Director of the Wildlife Resources Commission, the Superintendent of Public Instruction, or qualified representative of any or all of the above-named members, and at least three persons representing the East, the Piedmont, ~~and~~ and the Western areas of the State. Members appointed by the Governor shall serve for terms of two years with the first appointments to be made effective September 1, 1961. Any member may be removed by the Governor for cause.

**"§ 143B-344.19. Duties of Commission; meetings, formulation of policies and recommendations to Governor and General Assembly.**

It shall be the duty of the Advisory Commission for the ~~Museum of Natural History~~ North Carolina State Museum of Natural Sciences to meet at least twice each year, to formulate policies for the advancement of the ~~said~~ Museum, to make recommendations to the Governor and to the General Assembly concerning the Museum, and to assist in promoting and developing wider and more effective use of the ~~Museum of Natural History~~ North Carolina State Museum of Natural Sciences as an educational, scientific and historical exhibit.

**"§ 143B-344.20. No compensation of members; reimbursement for expenses.**

Members of the Advisory Commission shall serve without compensation and shall be reimbursed for actual expenses incurred while in attendance at meetings of the Commission at the same rate as that established for reimbursement of State employees. Payment for such reimbursement for actual expense shall be made from the Contingency and Emergency Fund.

**"§ 143B-344.21. Reports to General Assembly.**

The Commission shall prepare and submit to the ~~1963-1995~~ General Assembly, and to each succeeding General Assembly, a report outlining the needs of the ~~State Museum of Natural History~~, North Carolina State Museum of Natural Sciences and their recommendation for improvement of the effectiveness of the ~~said State Museum of Natural History~~ North Carolina State Museum of Natural Sciences for the purpose hereinabove set forth."

(g) G.S. 14-419 reads as rewritten:

**"§ 14-419. Investigation of suspected violations; seizure and examination of reptiles; disposition of reptiles.**

In any case in which any law-enforcement officer or animal control officer has reasonable grounds to believe that any of the provisions of this Article have been or are about to be violated, it shall be the duty of such officer and he is hereby authorized, empowered, and directed to immediately investigate such violation or impending violation and to forthwith seize the reptile or reptiles involved, and all such officers are hereby authorized and directed to deliver such reptiles to the ~~Museum of Natural History~~ North Carolina State Museum of Natural Sciences or to its designated representative for examination and test for the purpose of ascertaining whether said reptiles contain venom and are poisonous. If the ~~Museum of Natural History~~ North

Carolina State Museum of Natural Sciences or its designated representative finds that said reptiles are dangerously poisonous, the ~~Museum of Natural History~~ North Carolina State Museum of Natural Sciences or its designated representative shall be empowered to dispose of said reptiles in a manner consistent with the safety of the public; but if ~~said~~ the Museum or its designated representative find that the reptiles are not dangerously poisonous, and are not and cannot be harmful to human life, safety, health or welfare, then it shall be the duty of such officers to return the said reptiles to the person from whom they were seized within five days."

(h) G.S. 14-420 reads as rewritten:

**"§ 14-420. Arrest of persons violating provisions of Article.**

If the examination and tests made by the ~~Museum of Natural History~~ North Carolina State Museum of Natural Sciences or its designated representative as provided herein show that such reptiles are dangerously poisonous, it shall be the duty of the officers making the seizure, in addition to destroying such reptiles, also to arrest all persons violating any of the provisions of this Article."

(i) G.S. 106-202.17(b) reads as rewritten:

"(b) The Scientific Committee shall consist of the Directors of The University of North Carolina at Chapel Hill Herbarium, the North Carolina State University Herbarium, the North Carolina Botanical Garden of The University of North Carolina at Chapel Hill, the ~~North Carolina Museum of Natural History~~ North Carolina State Museum of Natural Sciences and the North Carolina Natural Heritage Program of the Department of Environment, Health, and Natural Resources or their designees, a representative of the North Carolina Association of Nurserymen, Inc., appointed by the Commissioner, and a representative of the Garden Club of North Carolina, Incorporated, the North Carolina Chapter of the Nature Conservancy or the North Carolina Wild Flower Preservation Society, Inc., appointed by the Commissioner. Members shall serve for three-year terms and may succeed themselves."

(j) G.S. 147-50 reads as rewritten:

**"§ 147-50. Publications of State officials and department heads furnished to certain institutions, agencies, etc.**

Every State official and every head of a State department, institution or agency issuing any printed report, bulletin, map, or other publication shall, on request, furnish copies of such reports, bulletins, maps or other publications to the following institutions in the number set out below:

University of North Carolina at Chapel Hill	25 copies;
University of North Carolina at Charlotte	2 copies;
University of North Carolina at Greensboro	2 copies;
North Carolina State University at Raleigh	2 copies;
East Carolina University at Greenville	2 copies;
Duke University	25 copies;
Wake Forest College	2 copies;
Davidson College	2 copies;
North Carolina Supreme Court Library	2 copies;
North Carolina Central University	5 copies;

Western Carolina University	2 copies;
Appalachian State University	2 copies;
University of North Carolina at Wilmington	2 copies;
North Carolina Agricultural and Technical State University	2 copies;
Legislative Library	2 copies;

and to governmental officials, agencies and departments and to other educational institutions, in the discretion of the issuing official and subject to the supply available, such number as may be requested: Provided that five sets of all such reports, bulletins and publications heretofore issued, insofar as the same are available and without necessitating reprinting, shall be furnished to the North Carolina Central University. The provisions in this section shall not be interpreted to include any of the appellate division reports or advance sheets distributed by the Administrative Office of the Courts. Except for reports, bulletins, and other publications issued for free distribution, this section shall not apply to the ~~Museum of Natural History~~. North Carolina State Museum of Natural Sciences."

(k) This section becomes effective August 1, 1993.

## **PART 26. MISCELLANEOUS PROVISIONS**

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

### **RESERVE FOR ADVANCE PLANNING**

Sec. 117. The Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division on how it intends to spend funds from the Reserve for Advance Planning at least 45 days before it spends the funds.

The Office of State Budget and Management shall also report the results of any project on which it uses funds from the Reserve for Advance Planning to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

### **ENCUMBERED APPROPRIATIONS AND PROJECT RESERVE FUND**

Sec. 118. When each capital improvement project appropriated by the 1993 General Assembly, other than those projects under the Board of Governors of The University of North Carolina, is placed under construction contract, direct appropriations shall be encumbered to include all costs for construction, design, investigation, administration, movable equipment, and a reasonable contingency. Unencumbered direct appropriations remaining in the project budget shall be placed in a project reserve fund credited to the Office of State Budget and Management. Funds in the project reserve may be used for emergency repair and renovation projects at State facilities with the approval of the Director of the Budget. The project reserve fund may be used, at the discretion of the Director of the Budget, to allow for award of contracts where bids exceed appropriated funds, if those projects supplemented were designed

within the scope intended by the applicable appropriation or any authorized change in it, and if, in the opinion of the Director of the Budget, all means to award contracts within the appropriation were reasonably attempted. At the discretion of the Director of the Budget, any balances in the project reserve fund shall revert to the original source.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**PROJECT COST INCREASE**

Sec. 119. Upon the request of the administration of a State department or institution, the Director of the Budget may, when in the Director's opinion it is in the best interest of the State to do so, increase the cost of a capital improvement project. Provided, however, that if the Director of the Budget increases the cost of a project, the Director shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting. The increase may be funded from gifts, federal or private grants, special fund receipts, excess patient receipts above those budgeted at University of North Carolina Hospitals at Chapel Hill, or direct capital improvement appropriations to that department or institution.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**NEW PROJECT AUTHORIZATION**

Sec. 120. Upon the request of the administration of any State department or institution, the Governor may authorize the construction of a capital improvement project not specifically authorized by the General Assembly if such project is to be funded by gifts, federal or private grants, special fund receipts, excess patient receipts above those budgeted at University of North Carolina Hospitals at Chapel Hill, or self-liquidating indebtedness. Provided, however, that if the Director of the Budget authorizes the construction of such a capital improvement project, the Director shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**ADVANCE PLANNING OF CAPITAL IMPROVEMENT PROJECTS**

Sec. 121. Funds which become available by gifts, excess patient receipts above those budgeted at University of North Carolina Hospitals at Chapel Hill, federal or private grants, receipts becoming a part of special funds by act of the General Assembly or any other funds available to a State department or institution may be utilized for advance planning through the working drawing phase of capital improvement projects, upon approval of the Director of the Budget. The Director of the Budget may make allocations from the Advance Planning Fund for advance planning through the working drawing phase of capital improvement projects, except that this revolving fund may not be utilized by the Board of Governors of The University of North Carolina or the State Board of Community Colleges.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont

**APPROPRIATIONS LIMITS/REVERSION OR LAPSE**

Sec. 122. Except as permitted in previous sections of this act, the appropriations for capital improvements made by the 1993 General Assembly may be expended only for specific projects set out by the 1993 General Assembly and for no other purpose. Construction of all capital improvement projects enumerated by the 1993 General Assembly shall be commenced, or self-liquidating indebtedness with respect to them shall be incurred, within 12 months following the first day of the fiscal year in which the funds are available. If construction contracts on those projects have not been awarded or self-liquidating indebtedness has not been incurred within that period, the direct appropriation for those projects shall revert to the original source, and the self-liquidating appropriation shall lapse; except that direct appropriations may be placed in a reserve fund as authorized in this act. This deadline with respect to both direct and self-liquidating appropriations may be extended with the approval of the Director of the Budget up to an additional 12 months if circumstances and conditions warrant such extension.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**1993-94 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY**

Sec. 123. Except where expressly repealed or amended by this act, the provisions of Chapter 321 of the 1993 Session Laws remain in effect.

Requested by: Senators Daniel, Plyler, Kaplan, Representatives Nesbitt, Diamont  
**EFFECTIVE DATE**

Sec. 124. Except as otherwise provided, this act becomes effective July 1, 1993.

In the General Assembly read three times and ratified this the 24th day of July, 1993.

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Marc Basnight  
President Pro Tempore of the Senate

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Daniel Blue, Jr.  
Speaker of the House of Representatives