GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

H 3

HOUSE BILL 1269

Committee Substitute Favorable 8/30/05 Third Edition Engrossed 8/30/05

Short Title: T	he Studies Act of 2005.	(Public)
Sponsors:		
Referred to:		
	April 19, 2005	
COMMISSI COMMISSI	A BILL TO BE ENTITLED PROVIDE FOR STUDIES BY THE LEGISTON, STATUTORY OVERSIGHT COMMITTED SEENTING TO SEENTITLED SEENTIFE SEENTITLED SEENTIFE SEENTITLED SEENTIFE SEENTITLED SEENTIFE SEENTITLED SEENTIFE SEENTITLED SEENTIFE SEENTITLED	
PART I. TITL	Æ	
SEC	TION 1. This act shall be known as "The Studie	es Act of 2005".
PART II. LEG	SISLATIVE RESEARCH COMMISSION	
listed below. W study and the n or resolution re General Assem	TION 2.1. The Legislative Research Commission of the applicable, the bill or resolution that original name of the sponsor are listed. Unless otherwise afters to the measure introduced in the 2005 Regardly. The Commission may consider the original enature, scope, and aspects of the study. The following the control of the study.	lly proposed the issue or specified, the listed bill ular Session of the 2005 nal bill or resolution in
(1)	Government Regulatory Issues:	
(2)	a. Banking laws (S.B. 786 – Hoyle)	
(2)	Transportation Issues: a. Ban cell phone use while driving (H.B.	1104 – McAllister)
	b. Fuel efficiency of engines of State's nEast)	
	c. Exemptions from safety and emissions	inspections (S.B. 530 –

1		d.	Environmental review, permitting, and mitigation process in the
2			construction or expansion of State highways (H.B. 1761 -
3			Dollar)
4	(3)	Consumer Issues:	
5		a.	Credit report identity theft (H.B. 546 – Adams)
6		b.	Personal information privacy (S.B. 996 – Cowell)
7		c.	Mortgage payoffs (Hunt)
8		d.	Motor vehicle repair (S.B. 952 – Lucas, Bingham, Kinnaird)
9	(4)	Insura	nce Issues:
10		a.	Assist small business health insurance (S.B. 478 – Dalton)
11		b.	High-risk insurance (H.B. 180 – Setzer)
12	(5)	Criminal Law Issues:	
13	,	a.	Exclusionary rule/good faith exception (H.B. 1439 – Stam)
14		b.	Habitual felon statutes (H.B. 1308 – Michaux)
15		c.	Minority Incarceration (H.B. 49 – Miller)
16		d.	The Provisions and Penalties of G.S. 20-138.3, Driving by a
17			person less than 21 years old after consuming alcohol or drugs
18			(Dickson)
19		e.	Study Pre-1996 Sex Offenders and Alignment of Registerable
20		.	Offenses with Other States (Ray)
21	(6)	State/I	Local Government Employee Issues:
22	(0)	a.	Beneficiary designation and dependent survivors of members of
23		u.	the Teachers' and State Employees' Retirement System
24			(Dorsett)
25		b.	State employee mediation and length of backlog of appeals
26		υ.	process (Rand)
27		c.	Mediation of State employee grievances (H.B. 716 – Coleman)
28		d.	Severance Pay Changes (H.B. 703 – Crawford)
29		e.	State Employee Demonstration Projects (H.B. 730 – Crawford,
30		C.	Sherrill)
31		f.	Prospective Elimination of SPA Longevity Pay (H.B. 731 –
32		1.	Crawford)
33		œ	Flexible Benefits Program Centralized under OSP (H.B. 751 –
		g.	-
34	(7)	Labor	Crawford, Holliman) Employment, and Economic Davidonment Issues:
35	(7)		Employment, and Economic Development Issues:
36		a.	North Carolina National Guard Pension Fund (S.B. 573 – Atwater)
37		1.	Atwater)
38		b.	Validity of statistics provided by the Industrial Commission
39			(Berger of Franklin)
40		c.	Industrial Commission's monitoring of filing of forms (Berger
41		1	of Franklin)
42		d.	Streamline forms required by Industrial Commission (Berger of
43			Franklin)
44		e.	UI claims/shorten employer response time (Shaw)

- f. Exempt builders' inventories from property tax increases (S.B. 508 Dalton)
- i. Liabilities of general contractors to subcontractors (Rand)
- j. Construction indemnity agreement issues (Rand)
- k. Wind-powered generation (S.B. 441 Horton, Garwood)
- 1. Equine industry (S.B. 901 Weinstein)
- m. Strategies to protect property rights given the United States Supreme Court decision in Kelo v. City of New London, Conn. (Rand)
- n. System of care common identifiers (Kinnaird)
- o. Manufactured homes/good faith evictions (H.B. 1243 Fisher)

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Abandoned mobile homes (H.B. 1288 – Haire) 1 p. 2 Refusal rights-forced public partition sales (H.B. 1309 – q. 3 Michaux) Victim Restitution (Holliman) 4 r. 5 Agency Internal Auditors (Tucker) S. 6 Eminent Domain (Sherrill) t. 7 The Provisions of G.S. 93A-2(c)(1)u. 8 Tax Policy Changes v. 9 **SECTION 2.1.(a)** Superior Court discovery (H.B. 1211 – Sutton; Rand) – 10 The Commission may study State disclosure requirements in Superior Court discovery. If it undertakes the study, the Commission shall consider: 11 12 The issue of identities of informants who furnished information (1) 13 leading to a search warrant against the defendant. The issue of personal information of the victim. 14 (2) 15 (3) The "work product" provision of G.S. 15A-904. 16 (4) Open discovery in noncapital postconviction cases. 17 (5) Any other related issues. 18 The Commission may make an interim report to the 2006 Regular Session of 19 the 2005 General Assembly and shall make its final report to the 2007 General 20 Assembly upon its convening. 21 **SECTION 2.1.(b)** Furniture technology center (S.B. 543 – Jacumin) – The 22 Commission may conduct a comprehensive study of the need for a North Carolina 23 Center for Applied Furniture Technology. If the Commission undertakes the study, it 24 shall include the following: 25 (1) A review of the North Carolina Center for Applied Textile Technology and its role in supporting the textile industry in this State, another of 26 27 this State's traditional industries that is experiencing rapid changes due to global economic factors. 28 29 The needs of the furniture industry in developing new technologies or (2) 30 processes in order to remain competitive in the global furniture market 31 and the ways in which a North Carolina Center for Applied Furniture Technology could assist in the development and dissemination of those 32 technologies and processes. 33 A review of the furniture industry in this State that analyzes the 34 (3) strengths of the industry in this State and the strategic opportunities of 35 the industry. 36 37 A review of a proposed organizational structure of the Center, (4) specifically studying whether the Center should be established as a 38 39 freestanding institution or as a component part of an existing community college, other institution, or government entity. 40 A review of the funding needs of the proposed Center and ways to 41 (5) 42 provide for that funding through State or local appropriations,

donations and grants, or a combination thereof.

- (6) A review of existing federal, State, and local programs designed for or used to assist the furniture industry and recommendations regarding improvements to those programs or the establishment of new programs to satisfy unmet needs.
- (7) An investigation of the ways, means, and methods to ensure the furniture industry in this State remains competitive.

(8) A study of ways and means of protecting intellectual property in the domestic furniture industry.

 (9) A review of what other states may be doing to address this economic issue.

(10) An investigation of barriers to success, including a review of federal and State laws, rules, regulations, taxes, and other impediments to the success of business.

(11) A study of current business structures to determine other innovative ways a business may structure or restructure itself, including nonprofit status or employee ownership, to provide economic advantages.

(12) An investigation of the general cost of manufacturing furniture in emerging production markets such as China and India to determine overall actions needed for the domestic furniture industry to remain competitive.

(13) Any other issue the Legislative Research Commission finds relevant to this study.

In considering appointees to the committee to study this matter, the appointing authorities shall consider inclusion of representatives of the furniture industry. The Legislative Research Commission may contract with consultants to assist in this study. The Commission may make an interim report of its findings and recommendations to the 2006 Regular Session of the 2005 General Assembly and a final report to the 2007 General Assembly.

 SECTION 2.1.(c) Impact of Regulation on the Cost of Housing (Hoyle) – The Commission may study the impact of State and local government regulation on the cost of housing and recommend ways to reduce or eliminate conflicting, duplicative, outdated, or unnecessary regulations, including the consolidation or elimination of governmental agencies and programs.

SECTION 2.1.(d) Transferring the Deferred Compensation Program (Rand) – The Commission may study the feasibility of transferring the Public Employee Deferred Compensation Program established under G.S. 143B-426.24 from the Department of Administration to the Department of the State Treasurer.

 SECTION 2.1.(e) Consumer Credit Counseling (Dorsett) – The Commission may study State and federal laws, rules, and policies pertaining to consumer credit counseling and debt management, and may make recommendations for reforming relevant North Carolina civil, criminal, and administrative law, regulations, and policies. The Commission may examine appropriateness of consumer protection provisions, standards for providers of services, and adequacy of enforcement tools and practices.

SECTION 2.1.(f) Impact of Undocumented Immigrants (Justice) – The 1 2 Commission may study the effects of undocumented immigrants on the State. The 3 Commission may consider the following issues: 4 Impacts on the State's health care, education, and social services (1) 5 systems. 6 (2) Impacts on the criminal justice system and corrections. 7 (3) Impacts on the State's economy, including the fiscal ramifications of 8 compliance with federal laws requiring the provision of specific 9 services to undocumented immigrants. 10 (4) Impacts on the economic and workforce development, including the provision of and the need for low-cost labor for agriculture, 11 12 construction, tourism, and other industries. 13 (5) Any other relevant issues. 14 **SECTION 2.1.(g)** Pharmacy Benefits Manager Regulation (H.B. 1374 – 15 Culpepper) – The Commission may study issues regarding the regulation of pharmacy benefit management. 16 SECTION 2.1.(h) Local Governmental Employees Retirement System 17 18 (Culpepper) – The Commission may study issues relating to establishing a higher option 19 within the Local Governmental Employees Retirement System. The Commission may 20 consider the following issues: 21 (1) Whether the higher option should include all local governmental 22 employees. 23 (2) Whether the higher option would be voluntary and requiring each 24 individual governing body to approve it for employee participation. Whether there should be a deadline or sunset provision for a local 25 (3) government to adopt the higher option. 26 27 (4) Whether "buy back credit" provisions for the time period an employee is in the lower option are feasible. 28 29 Any other relevant issues the Commission deems necessary to the (5) 30 study. 31 **SECTION 2.1.(i)** Abandoned Cemeteries (Justus) – The Commission may 32 study issues related to abandoned cemeteries in the State. The Commission may 33 consider the following issues: 34 The approximate number of abandoned cemeteries in the State, the (1) 35 origination, status, and current condition. Historical practices in the creation and care of abandoned cemeteries 36 (2) in North Carolina in relationship to other states. 37 The rights and responsibilities as well as the potential liability of the 38 (3) 39 property owner as it pertains to the issues of ingress and egress during the maintenance and visitation of abandoned cemeteries. 40

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The feasibility of establishing a statewide Adopt a Cemetery program

with rules to be adopted by the North Carolina Historical Commission. Any other matter that the Commission deems appropriate or necessary

to provide proper information to the General Assembly on the issues.

SECTION 2.1.(j) Chapter 24 Exemptions (Brubaker) – The Commission may study issues related to authorizing the Commissioner of Banks to permit affiliates of licensees under G.S. 53-176 to be exempt from certain provisions of Chapter 24 of the General Statutes.

SECTION 2.1.(k) ABC Store Privatization (H.B. 1292 – Miller) – The Commission may study issues related to the privatization of alcoholic beverage control stores and related matters of regulation of alcoholic beverage sales in this State. If this study is undertaken, the Commission shall examine the following issues:

- (1) The forms of regulation of alcoholic beverages sales in control states (Alabama; Idaho; Iowa; Maine; Montgomery County, Maryland; Michigan; Mississippi; Montana; New Hampshire; Ohio; Oregon; Pennsylvania; Utah; Vermont; Virginia; Washington; West Virginia; and Wyoming) in addition to North Carolina and the forms of regulation of alcoholic beverage sales in the remaining states.
- (2) The feasibility of partial privatization (where the State privatizes the retail function but retains the wholesale function of liquor distribution) and full privatization (where the State privatizes both the retail and wholesale functions of liquor distribution).
- (3) The effects that either partial privatization or full privatization would have on the following:
 - a. Price.
 - b. Revenues.
 - c. Taxes.
 - d. Employment.
 - e. Facilities.
 - f. Sales and consumption.
 - g. Service.
 - h. Costs.
 - i. Safety.
 - j. Retailing.
 - k. Wholesaling.
 - 1. Licensing.
 - m. Distribution system.
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 - n. Enforcement.
 - o. Control and regulation.
- (4) Any other matter that the Commission deems appropriate or necessary to provide proper information to the General Assembly on the subject of the study.

SECTION 2.1.(1) Stem Cell Research (H.B. 1293 – Miller) – The Commission may study the State's role in stem cell research, including enacting laws limiting or expanding current research efforts and providing State funds to scientists doing research in this area.

SECTION 2.1.(m) North Carolina Investments (H.B. 1294 – Miller) – The Commission may study the State's use of public funds for investments. While

conducting the study, the Commission may develop criteria for divesting in companies that have holdings or relationships with governments responsible for human rights violations using the following guidelines:

- (1) The government engages in arbitrary arrest, prolonged detention, extra judicial killings, and torture of its people.
- (2) The government has failed to protect its people's basic human rights by impeding the efforts of foreign aid workers.
- (3) The government is aware of and permits systematic rape and torture of women.
- (4) The government has failed to comply with requests to disarm those perpetrating crimes against humanity.
- (5) Recent history of genocide practices according to the United Nations.

SECTION 2.2. For each Legislative Research Commission committee created during the 2005-2007 biennium, the cochairs of the Legislative Research Commission shall appoint the committee membership.

SECTION 2.3. For each of the topics the Legislative Research Commission decides to study under this Part or pursuant to G.S. 120-30.17(1), the Commission may report its findings, together with any recommended legislation, to the 2007 General Assembly upon its convening.

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

PART III. JOINT LEGISLATIVE HEALTH CARE OVERSIGHT COMMITTEE STUDIES

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SECTION 3.1. The Joint Legislative Health Care Oversight Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2006 Regular Session of the 2005 General Assembly upon its convening.

SECTION 3.2. Mental Health Parity (H.B. 893 – Alexander) – The Committee may study issues related to mental health parity.

SECTION 3.3. Statewide Stroke Care System (H.B. 1396 – Faison, Wright, B. Allen, England) – The Committee may study the feasibility of a statewide stroke care system.

SECTION 3.4. Geriatric Care Providers (H.B. 183 – Nye, Clary) – The Committee may study methods to increase the number of geriatric care providers in the State.

SECTION 3.5. Medical Cost Savings (S.B. 581 – Forrester) – The Committee may study a variety of approaches to find medical cost savings and to ensure quality of medical care provided to the citizens of the State.

SECTION 3.6. Regulation of Nurse Practitioner Practice (Nesbitt) – The Committee may study the following:

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- (1) Issues surrounding the practice parameters of advanced practice 1 2 registered nurses (APRNs). 3
 - (2) Relationship between APRNs and physicians.
 - Whether APRNs should be regulated through the North Carolina (3) Board of Nursing or the North Carolina Medical Board.
 - (4) Any other issue the Commission considers relevant.

SECTION 3.7. Community Health Centers (Kerr) – The Committee may study the need for community health centers, including federally qualified health centers, health centers that meet the criteria for federally qualified health centers, and State-designated rural health centers and public health departments. The Committee shall also study the need for and funding of free clinics, such as W.A.T.C.H. in North Carolina. In conducting the study, the Committee shall examine a range of approaches in depth, including, but not limited to, the following:

- Increasing access to preventative and primary care services by uninsured or medically indigent patients in existing or new health center locations.
- Establishing community health center services in counties where no (2) such services exist.
- (3) Creating new services or augmenting existing services provided to uninsured or medically indigent patients, including primary care and preventative medical services, dental services, pharmacy, behavioral health.
- (4) Increasing capacity necessary to serve the uninsured by enhancing or replacing facilities, equipment, or technologies.

SECTION 3.8. Hospital Systems (Rand) – The Committee may study issues related to the conversion of county-owned hospitals to private not-for-profit hospitals and the merger and acquisition of health care systems. The Committee shall consider the following issues:

- (1) Long-term financial implications.
- (2) Quality of care.
- (3) An analysis of the effects of preferred provider organizations.
- **(4)** The implications of government regulations.
- The implications of government paid medical services. (5)

SECTION 3.9. Prescription Drug Cost Management Office (S.B. 424 – Boseman, Atwater) – The Committee may study the feasibility of establishing an Office for Prescription Drug Cost Management ("Office") in the Department of Administration or other appropriate State agency to manage the cost of prescription drugs incurred by State agencies and programs that cover or provide prescription drugs. The responsibilities of the Office shall include negotiating prescription drug price discounts with participating pharmaceutical manufacturers and pharmacists for prescription drugs paid for, in whole or in part, with State funds. As used in this section, "State agency" includes the Teachers' and State Employees' Comprehensive Major Medical Plan. In conducting the study, the Committee shall consider the following:

- 1 (1) The estimated amount that each State agency pays annually for prescription drugs, including any discounts or rebates currently in effect.
 - (2) Current contractual obligations of State agencies to pay for prescription drug coverage or purchase.
 - (3) Incentives for prescription drug manufacturers and pharmacists to participate in the State prescription drug cost management program.
 - (4) Formularies or other methods of containing prescription drug costs currently in effect for State agencies and programs.
 - (5) Necessity for and feasibility of interfacing the implementation of the prescription drug cost management program with information management systems currently used by State agencies.
 - (6) Experiences of other states in attempting to control prescription drug costs through multistate compacts, bulk purchasing, or negotiated discounts.
 - (7) Timeline and funds needed for the establishment of the Office for Prescription Drug Cost Management and implementation of a prescription drug management program.
 - (8) Other matters the Committee deems necessary for its study.

PART IV. JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE STUDIES

SECTION 4.1. The Joint Legislative Transportation Oversight Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2006 Regular Session of the 2005 General Assembly upon its convening.

SECTION 4.2. Utility Relocation (H.B. 667 – Cole) – The Committee may study the use of incentives, disincentives, and other contractual measures by the Department of Transportation to expedite relocation of public utilities for highway construction projects.

SECTION 4.3. Nonbetterments (Almond, McComas) – The Committee may study issues related to nonbetterments.

SECTION 4.4. Dedicated Funding Sources For Public Transit (Coates) – The Committee may study the feasibility of a dedicated funding source for public transit and alternative forms of transportation.

PART V. JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE STUDIES

 SECTION 5.1. The Joint Legislative Education Oversight Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2006 Regular Session of the 2005 General Assembly upon its convening.

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- **SECTION 5.2.** Changes in Education Districts (H.B. 1505 Yongue, Preston, Johnson, Carney) – The Committee may study issues related to population changes in education districts.
- **SECTION 5.3.** Raising the Compulsory School Attendance Age (H.B. 1079 - Parmon, Glazer, Womble, McLawhorn; S.B. 878 - Garrou) - The Committee may study issues related to raising the compulsory school attendance age.
- **SECTION 5.4.** School Counselors and Dropout Prevention (H.B. 793 Farmer-Butterfield; S.B. 571 - Swindell) - The Committee may study the roles of school counselors in providing dropout prevention and intervention services to middle and high school students.
- SECTION 5.5. Child Nutrition Services (H.B. 696 - Inkso) - The Committee may study the impact of indirect costs associated with the child nutrition services program.
- **SECTION 5.6.** Class Size Funding Formula for Children With Special Needs (H.B. 693 – Glazier, Parmon) – The Committee may study the need to weight the class-size funding formula to accommodate the learning needs of special populations of children.
- **SECTION 5.7.** Track Students Throughout Education (H.B. 640 Miller) The Committee may study the feasibility of tracking students throughout their education.
- **SECTION 5.8.** Impact of Student Mobility on Academic Performance (H.B. 388 – Folwell; S.B. 171 – Dalton) – The Committee may study the impact of student mobility on academic performance.
- **SECTION 5.9.** Appropriate Education for Suspended Students (H.B. 1747 Preston, Bell, Parmon, Stam) - The Committee may study the issues concerning appropriate education for suspended students.
- **SECTION 5.10.** Corporal Punishment Policies (H.B. 1462 Alexander) The Committee may study policies related to corporal punishment.
- **SECTION 5.11.** Physical Activity in Grades K-8 (H.B. 865 Bell) The Committee may study issues regarding requiring physical activity in grades K-8.
- Strategies for Targeting Educational Programs and SECTION 5.12. Resources (Swindell, Lucas) - The Committee shall study strategies for targeting educational programs and resources to improve K-12 education for all students. In the course of the study, the Committee shall do all of the following:
 - (1) Review existing funding formulas to ensure resources are targeted where they are most needed and, if necessary, propose modifications to these formulas. This review shall include an analysis of local ability to pay based on measures of local wealth and local willingness to pay for K-12 education.
 - Review existing initiatives and curricula, for early childhood through (2) high school, and recommend ways to reduce duplicative efforts and make better use of finite resources.
 - Explore local actions and efforts to supplement State educational (3) resources.

1	(4)	Examine how other states work with local governments to ensure	
2		adequate resources are available for the operational and capital needs	
3		of the public schools.	
4	SEC	FION 5.13. Charter Schools (Swindell, Lucas) – The Committee may	
5	study issues rela	ated to charter schools.	
6	SEC'	FION 5.14. Global Education (S.B. 333 – Swindell) – The Committee	
7	may study all of	f the following:	
8	(1)	What new skills or knowledge may be needed, particularly in the areas	
9		of literature, social sciences, technology, and foreign languages, in	
10		view of the economic needs of the State and in order to maximize our	
11		economic competitiveness;	
12	(2)	Whether the minimum standards for admission to a constituent	
13		institution of The University of North Carolina should be revised to	
14		reflect these new skills and knowledge;	
15	(3)	Whether the courses required for a high school diploma should be	
16		changed or whether the content of existing courses and curricula at all	
17		grade levels should be modified to reflect these new skills and	
18		knowledge;	
19	(4)	Whether the schools of education at the constituent institutions of The	
20		University of North Carolina are preparing competent teachers in	
21		sufficient numbers to teach these new skills and knowledge;	
22	(5)	Whether foreign language courses other than European languages are	
23		available in the public schools. If so, the languages that are available	
24		and where they are taught; and	
25	(6)	Whether the ABCs accountability program should be modified to	
26		emphasize these new skills and knowledge.	
27		FION 5.15. Workforce Preparation in the Public Schools (S.B. 898 –	
28		Committee may study workforce preparation in the public schools.	
29		FION 5.16. Salary Increases for Math and Science Teachers (S.B. 1010	
30	-	Committee may study the need to increase salaries for math and science	
31	teachers.	NONFIE C ' CIL TI' D ' ' (CD 770 C)	
32		FION 5.17. Community College Tuition Reciprocity (S.B. 779 – Snow)	
33		tee may study issues relating to community college tuition reciprocity	
34	with other states		
35		FION 5.18. Study Reduction in Number of Local School	
36		Units (Rand, Hagan, Dalton, Garrou) – The Committee may study	
37	•	mber of local school administrative units.	
38	SECTION 5.19. Information Requirements for School		
39	Admission/Assignment (H.B. 1480 – Folwell) – The Committee may study information		
40	requirements for school admission and assignment. SECTION 5.20. Joint Education Leadership Team for Disadvantaged		
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44	Students (Carne	ey, Yongue; Clodfelter) – The Committee may study establishing a Joint	

Education Leadership Team for Disadvantaged Students.

SECTION 5.21. Education Facility Financing (H.B. 1272 – Yongue) – The Committee may study issues related to education facility financing.

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SECTION 5.22. School Employee Salary Study (Yongue) – The Committee may study school employee salary schedules.

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SECTION 5.23. School Psychologists (Swindell) – The Committee may study issues related to the compensation of school psychologists, including annual salary supplements for licensed school psychologists who are employed by local school administrative units and certified by the National School Psychology Certification Board or other equivalent national certifying organization. SECTION 5.24.

North Carolina School of Science and Mathematics (Hagan) – The Committee may study whether the North Carolina School of Science and Mathematics should be included in the definition of "constituent institution" under G.S. 116-2.

PART VI. JOINT LEGISLATIVE UTILITY REVIEW COMMITTEE

SECTION 6.1. The Joint Legislative Utility Review Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2006 Regular Session of the 2005 General Assembly upon its convening.

SECTION 6.2. Article 1 of Chapter 62A (H.B. 1638 – Saunders, Brubaker) - The Committee may study the following issues related to Article 1 of Chapter 62A of the General Statutes:

- Mechanisms for increased accountability for the collection and (1) spending of 911 charges by local governments.
- Modification of what constitutes an authorized expenditure from a (2) local Emergency Telephone System Fund.
- Whether to adopt a statewide, uniform 911 charge. (3)
- Whether to create a State Emergency Telephone Fund and a formula **(4)** for distributing those moneys to local governments.
- Whether to designate the Community College System as the preferred (5) provider of training for public safety answering point staff.
- Any other issues related to the Article the Committee determines are (6) relevant.

SECTION 6.3. Municipalities Providing Electric Service (Albertson) – The Committee may study issues related to municipalities providing electric service to customers who live outside the city limits of the municipality. The study may include:

- The resolution of disputes between customers outside the city limits (1) and the municipality.
- The disparity in rates that may exist between customers outside the (2) city limits and those within the city limits.
- The lack of representation of customers living outside the city limits. (3)
- **(4)** Other issues the Committee determines are related to the provision of electric service by municipalities to customers outside their city limits.

PART VII. REVENUE LAWS STUDY COMMITTEE

SECTION 7.1. The Revenue Laws Study Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2006 Regular Session of the 2005 General Assembly upon its convening.

SECTION 7.2. Property Taxes (S.B. 623 – Jacumin) – The Committee may study the valuation of partially improved, undeveloped lots in subdivisions.

SECTION 7.3. Administrative and Judicial Review of Tax Cases (S.B. 840 – Kerr) – The Committee may study the administrative and judicial review of tax cases.

SECTION 7.4. State Business Taxation (S.B. 916 – Clodfelter) – The Committee may study reforming and simplifying State taxation of business enterprises.

SECTION 7.5. Sound Management Program for Forestland (S.B. 790 – Berger of Rockingham) – The Committee may study the need for providing owners of forestland more flexibility in demonstrating that their forestland is operated under a sound management program in order to qualify for present-use value property tax status.

SECTION 7.6. Tax Refund Donation for Prostate Cancer (S.B. 643 – Hoyle) – The Committee may study allowing taxpayers to contribute income tax refunds for prostate cancer research.

SECTION 7.7. Housing Authority Tax Exemptions (Ross; Malone, Cowell) – The Committee may study housing authority tax exemption issues.

SECTION 7.8. Tax Refund Contributions to Charitable Causes (Atwater) – The Committee may study the issue of providing space on individual income tax forms for taxpayers to make a contribution of all or part of their refunds to support various charitable causes. The study shall specifically include the following issues:

- (1) A method for determining which causes shall be eligible to receive contributions of refunds and an efficient mechanism for distributing funds collected from contributions of refunds.
- (2) A consideration of whether taxpayers should be able to contribute their refunds to specific charitable causes or to a fund from which contributions are distributed equally among all eligible causes.
- (3) The administrative or fiscal burdens placed on the State for serving as a collection agent for contributions of refunds.
- (4) The effect on rates of compliance with tax laws of expanding the tax forms to accommodate contributions of refunds.

PART VIII. ENVIRONMENTAL REVIEW COMMISSION STUDIES

SECTION 8.1. The Environmental Review Commission may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2006 Regular Session of the 2005 General Assembly upon its convening.

SECTION 8.2. Mercury Reduction and Education (H.B. 1531 – Harrison, Bordsen, Martin, Fisher) – The Commission may study measures to reduce the quantity

of mercury that is released into the environment, that impacts natural resources, and that harms the public health of the citizens of the State, including prohibitions on the sale of certain mercury-containing products, prohibitions on the use of mercury in primary and secondary education, labeling of certain mercury-containing products, State purchase of products that contain no mercury, and public education on the hazards of mercury release and proper methods of mercury disposal. If the Environmental Review Commission undertakes this study, it may refer to the mercury reduction and education measures set out in the First Edition of House Bill 1531, as introduced to the 2005 General Assembly, and mercury reduction and education measures adopted by other states.

SECTION 8.3. The Commission, with the assistance of the Division of Waste Management of the Department of Environment and Natural Resources, shall study issues related to solid waste. The Commission shall specifically study measures to reduce the amount of solid waste disposed of within North Carolina landfills, including statewide tipping fees, bans on the disposal of certain types of waste in landfills, more aggressive recycling requirements, and enhanced regulatory requirements for landfills and other solid waste management facilities.

SECTION 8.4. Private Drinking Water Wells (H.B. 1701 – B. Allen) – The Commission may study the safety and quality of potable water delivered from private drinking water wells in the State.

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PART IX. JOINT LEGISLATIVE GROWTH STRATEGIES OVERSIGHT COMMITTEE

- **SECTION 9.1.** The Joint Legislative Growth Strategies Oversight Committee may study the issues of:
 - (1) Extraterritorial Operations of Municipal Public Enterprises (S.B. 858 Clodfelter)

SECTION 9.2. Section 3.3 of S.L. 2001-491 reads as rewritten:

"SECTION 3.3. This Part becomes effective January 15, 2002, and expires January 16, 2005. 2007. Prior to its expiration on January 16, 2005, 2007, the Committee shall report to the General Assembly on its activities conducted pursuant to this Part."

PART X. HOUSE SELECT STUDY COMMISSION ON A MANDATORY COST-OF-LIVING INCREASE FOR RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM (H.B. 1653 – B. Allen, Coleman, Farmer-Butterfield, Faison)

 SECTION 10.1. There is established the House Select Study Commission on a Mandatory Cost-of-Living Increase for Retirees of the Teachers' and State Employees' Retirement System.

SECTION 10.2. The Speaker of the House of Representatives shall appoint 10 members of the House of Representatives to serve as members of the House Select Study Commission on a Mandatory Cost-of-Living Increase for Retirees of the

Teachers' and State Employees' Retirement System. All 10 members of the Commission shall be members of the House of Representatives at the time of appointment. One member shall have served within the last two years as a chair, cochair, or vice-chair of the House of Representatives Committee on Pensions and Retirement. The Speaker of the House of Representatives shall designate a chair of the Commission.

SECTION 10.3. The Commission shall study the cost and feasibility of an automatic annual retirement allowance increase that equals the prior year ratio of the unadjusted 12-month (December to December) Consumer Price Index for All Urban Consumers. The Commission shall consider the benefit to retirees, the cost and actuarial soundness of a mandatory increase, and shall determine whether a mandatory increase adheres to sound retirement and pension policy. In conducting the study, the Commission shall obtain an actuarial analysis and appropriate input from the Retirement Systems Division of the Department of State Treasurer.

SECTION 10.4. The Commission may contract for consultant services as provided by G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of the House of Representatives. The Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1. The appointing authority shall fill vacancies.

The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19, and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 10.5. The Commission shall submit a final written report of its findings and recommendations on or before the convening of the 2006 Regular Session of the 2005 General Assembly. All reports shall be filed with the Speaker of the House of Representatives and the Legislative Librarian. Upon filing its final report, the Commission shall terminate.

SECTION 10.6. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XI. HOUSE SELECT STUDY COMMISSION ON STATE GUARDIANSHIP LAWS (H.B. 1550 – Farmer-Butterfield; Weiss)

SECTION 11.1. There is created the House Select Study Commission on State Guardianship Laws. The purpose of the Commission is to review State law pertaining to guardianship and its relationship to other pertinent State laws such as the

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health care power of attorney, the right to a natural death, and durable power of attorney.

SECTION 11.2. The Commission shall consist of 16 members as follows:

- (1) Eight members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (2) The Director of the Administrative Office of the Courts, or the Director's designee.
- (3) The Director of the Division of Aging in the Department of Health and Human Services, or the Director's designee.
- (4) A county director of social services appointed by the Speaker of the House of Representatives.
- (5) A clerk of superior court appointed by the Speaker of the House of Representatives.
- (6) A physician who specializes in geriatrics appointed by the Speaker of the House of Representatives.
- (7) An attorney who has experience in guardianship matters appointed by the Speaker of the House of Representatives.
- (8) A representative of the Governor's Advocacy Council for Persons with Disabilities.
- (9) An area authority or county program director for mental health, developmental disabilities, and substance abuse services, appointed by the Speaker of the House of Representatives.

In addition, representatives designated by the following organizations shall serve as ex officio, nonvoting members of the Commission:

- (1) The North Carolina Bar Association.
- (2) The Arc of North Carolina.
- (3) North Carolina Guardianship Association.
- (4) Alzheimer's Association Western Chapter.
- (5) Alzheimer's Association Eastern Chapter.
- (6) Carolina Legal Assistance.
- (7) The Area Agencies on Aging.
- (8) County Departments of Aging.
- (9) Friends of Residents in Long Term Care.

The Speaker of the House of Representatives shall designate one Representative as chair. Vacancies on the Commission shall be filled by the same appointing authority as made the initial appointment. The Commission shall expire upon delivering its final report.

The Commission, while in the discharge of its official duties, may exercise all powers provided for under 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 call of the chair. The Commission may meet in the Legislative Building or the Legislative Office Building. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

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

SECTION 11.3. In conducting the study, the Commission shall consider the following:

- (1) Whether guardianship should be a remedy of last resort used only if less restrictive alternatives are insufficient.
- (2) The definition of incompetency.
- (3) Whether courts should be required to make express findings regarding the extent of a person's incapacity and limit the scope of the guardianship accordingly.
- (4) Legal rights retained or lost as a result of being adjudicated incompetent.
- (5) The proper role of attorneys and guardians ad litem in guardianship proceedings.
- (6) The role of public human services agencies in providing guardianship services.
- (7) Legal procedures and protections in guardianship proceedings.
- (8) Public monitoring of guardianship.
- (9) Funding for guardianship services provided by public and nonprofit agencies.
- (10) Educating citizens with respect to guardianship and alternatives to guardianship.
- (11) Prudent investor rules.
- (12) Powers, duties, and liabilities of guardians.
- (13) Review of the State's adult protective services law.
- (14) Enactment of the Uniform Guardianship and Protective Proceedings Act (UGPPA).
- (15) Whether guardianship statutes need revision to provide greater protection of the health and welfare of incapacitated adults.
- (16) Whether the State should track the number of people under private guardianship and, if so, proposed methods for the tracking.

SECTION 11.4. The House Select Study Commission on State Guardianship Laws may make an interim report to the 2005 General Assembly not later than the convening of the 2005 General Assembly, and shall make its final report to the 2006 Regular Session of the 2005 General Assembly upon its convening.

SECTION 11.5. 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.

SECTION 11.6. Of the funds appropriated to the General Assembly, the 1 2 Legislative Services Commission shall allocate funds for the expenses of the 3 Commission established by this Part. 4 5 PART XII. STATE GOVERNMENT FAIR PAY STUDY (S.B. 908 – Dorsett) 6 7 **SECTION 12.1.** There is established the State Government Fair Pay Study 8 Commission. The Commission shall consist of 15 members appointed as follows: 9 (1) Five members appointed by the Governor. In making the 10 appointments, the Governor shall consider representatives of higher education institutions familiar with business practices and statistical 11 12 analysis, active and retired State employees, and a representative from 13 the Office of State Personnel. 14 (2) Five members appointed by the Speaker of the House of 15 Representatives, to include: Four members of the House of Representatives. 16 17 b. One person with human resources background and experience 18 from a private business or firm employing fewer than 200 employees in this State. 19 20 Five members appointed by the President Pro Tempore of the Senate. (3) 21 to include: 22 a. Four members of the Senate. 23 One person with human resources background and management b. 24 experience from a private business or firm employing more than 200 employees in this State. 25 **SECTION 12.2.** The Commission shall study those matters that impact fair 26 27 pay for employees and may include the following: Whether the minimum annual salary for State employees is a livable 28 (1) 29 salary and the impact of inflationary forces on that salary. 30 Whether there is fair pay for equivalent jobs in State government, (2) including the extent of wage and job classification inequities and 31 32 disparities in State government employment with respect to race and 33 gender and factors that may tend to cause these inequities and 34 disparities and their consequences. 35 (3) The relationship between in-range adjustments and pay disparities and how in-range adjustments could be used to alleviate gender-related pay 36 disparities. 37 Actions, including proposed legislation, that are likely to lead to the 38 (4) 39 elimination and prevention of compensation disparities in State government employment. 40 Whether the pay and benefits, including family leave policies, are 41 (5) 42 competitive for State employees as compared to the private sector. Actions that would attract and retain employees of all ages with special 43 (6)

skill sets, specialized certificates, and licenses.

(7) Any other matters relating to pay disparities in State government employment.

The Commission may consider any other matter that it finds relevant to its charge. The Commission may conduct public hearings around the State to solicit firsthand testimony regarding pay equity issues.

SECTION 12.3. The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each appoint a cochair for the Commission. The Commission may contract for consultant services as provided by G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of the House of Representatives' and the Senate's Supervisors of Clerks. The Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, and 138-6, as appropriate. The appointing authority shall fill vacancies.

The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

The State Personnel Director shall designate appropriate staff to serve as liaison to the Commission.

SECTION 12.4. The Commission's interim and final reports shall include the results of the Commission's study as well as recommendations and legislative proposals. The Commission shall submit an interim report to the 2006 Regular Session of the 2005 General Assembly. The Commission shall make a final report to the 2007 General Assembly upon its convening and shall terminate upon filing its final report.

SECTION 12.5. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XIII. WILDLIFE RESOURCES COMMISSION (H.B. 505 – Sherrill, McComas, Gibson, Preston)

SECTION 13.1. The Wildlife Resources Commission shall study the issue of allowing hunting on Sundays at a limited number of State game lands. In conducting its study, the Commission shall consider, but is not limited to, the following issues:

- (1) Individual game land suitability for Sunday hunting, including the status of resident wildlife species, proximity to population centers, and range of recreational opportunities available.
- (2) Allowable hunting activities, including methods of taking and the use of dogs.

 (3) Limiting hunting privileges to avoid conflict with religious services.
 (4) The needs of persons pursuing nonhunting outdoor recreational

activities, including private landowners, family picnics, hiking, canoeing, birding, horseback riding, climbing, and biking.

SECTION 13.2. In conducting the study, the Commission shall obtain input from representatives of interested parties, including landowners, the North Carolina Wildlife Federation, the Sierra Club and other conservation organizations, the North Carolina Farm Bureau and other agricultural organizations, the North Carolina Horse Council, hunting clubs and organizations, controlled hunting preserve operators, religious organizations, and other outdoor recreational clubs and organizations.

SECTION 13.3. As a part of the study, the Commission shall conduct at least one public hearing in each of its nine regions on the issue of allowing Sunday hunting on selected game lands.

SECTION 13.4. The Wildlife Resources Commission shall report its findings and recommendations, including a recommendation whether to amend, repeal, or leave intact the existing ban on Sunday hunting, to the Joint Legislative Commission on Governmental Operations no later than March 15, 2006.

PART XIV. STUDY COMMISSION ON ALTERNATIVES TO STATE HEALTH PLAN FOR THE UNIVERSITY OF NORTH CAROLINA (H.B. 775 – Earle, Insko; Kinnaird)

 SECTION 14.1. There is created a Study Commission on Alternatives to the State Health Plan for The University of North Carolina. The Commission shall consist of 14 members appointed as follows:

- (1) Three members of the Senate appointed by the President Pro Tempore of the Senate.
- (2) Three members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (3) Two citizens who are familiar with employee benefits or health care delivery appointed by the President Pro Tempore of the Senate.
- (4) Two citizens who are familiar with employee benefits or health care delivery appointed by the Speaker of the House of Representatives.
- (5) Three representatives from The University of North Carolina appointed by The University of North Carolina.
- (6) One representative from the State Employees Health Plan.

The Speaker of the House of Representatives shall appoint a cochair and the President Pro Tempore of the Senate shall appoint a cochair for the Commission. Vacancies on the Commission shall be filled by the appointing authority. The Commission shall meet upon the call of the cochairs. A majority of the members of the Commission shall constitute a quorum.

SECTION 14.2. The Commission shall study the alternatives to the State Health Plan for The University of North Carolina. The Commission shall report its findings and any recommendations to the 2006 Regular Session of the 2005 General

Assembly, upon its convening. The Commission shall terminate upon the filing of its final report.

SECTION 14.3. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 14.4. Subject to the approval of the Legislative Services Commission, the Commission may meet in the State Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist in the work of the Commission. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 14.5. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

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PART XV. STUDY COMMISSION ON STATE CONSTRUCTION INSPECTIONS (Owens)

SECTION 15.1. There is created the Legislative Study Commission on State Construction Inspections. The Commission shall consist of 14 members appointed as follows:

- (1) Five voting members appointed by the Speaker of the House of Representatives.
- (2) Five voting members appointed by the President Pro Tempore of the Senate.
- (3) Four nonvoting ex officio members as follows, or their designees: the Commissioner of Labor, the Commissioner of Insurance, the Secretary of Administration, and the Secretary of Health and Human Services.

The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each appoint a cochair for the Commission. The appointing authority shall fill vacancies.

SECTION 15.2. The Commission shall study the following:

- (1) The scope and nature of each type of inspection of private and public construction projects performed or required by State agencies.
- (2) The extent to which State inspections overlap with inspections performed by local governments.
- (3) The total cost of the State's inspection of public and private construction projects.

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- (4) The comparative efficiencies and efficacies of each type of inspection of private and public construction projects performed or required by State agencies to determine whether:

a. The inspections can be combined to save the costs of administration and to limit any hardships on public and private entities engaged in construction projects.

b. Any inspections should be otherwise modified in scope or eliminated.

 (5) The level of training of the various inspectors in the State agencies and whether the training is satisfactory for the types of inspections performed.

(6) Any other matter related to increasing the efficiency and efficacy of the State's inspection of public and private construction projects.

SECTION 15.3. The Commission may contract for consultant services as provided by G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Commission. Clerical staff shall be furnished to the Commission through the offices of the House of Representatives' and the Senate's Supervisors of Clerks. The Commission may meet in the Legislative Building or the Legislative Office Building upon the approval of the Legislative Services Commission. Members of the Commission shall receive per diem, subsistence, and travel allowances at the rate established in accordance with G.S. 120-3.1, 138-5, and 138-6, as appropriate.

SECTION 15.4. The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them, and the power to subpoena witnesses.

SECTION 15.5. The Commission shall report its findings, conclusions, and recommendations, including any legislative proposals by May 1, 2006, to the 2006 Regular Session of the 2005 General Assembly. The Commission shall expire upon filing its final report.

 SECTION 15.6. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XVI. MERGER OF ECOLOGICAL ENHANCEMENT PROGRAM AND THE CLEAN WATER MANAGEMENT TRUST FUND (Jenkins)

SECTION 16. The Environmental Review Commission and the Joint Legislative Transportation Oversight Committee shall jointly study the merger of the organization and functions of the Ecological Enhancement Program with the Clean Water Management Trust Fund. The Commission and the Committee may hire

consultants to assist with the study. The final report shall be made to the 2006 Regular Session of the 2005 General Assembly.

PART XVII. STUDY COMMISSION ON STATE DISABILITY INCOME PLAN AND OTHER RELATED PLANS

SECTION 17.1. There is established a Study Commission on the State Disability Income Plan and Other Related Plans.

SECTION 17.2. The Commission shall be comprised of 13 members as follows:

- (1) Four persons appointed by the President Pro Tempore of the Senate, one of whom shall be familiar with disability issues relating to State employees, one of whom shall be familiar with disability issues relating to school employees, one of whom shall be familiar with workers' compensation issues relating to State employees or school employees, and one at-large.
- (2) Four persons appointed by the Speaker of the House of Representatives, one of whom shall be familiar with disability issues relating to State employees, one of whom shall be familiar with disability issues relating to school employees, one of whom shall be familiar with workers' compensation issues relating to State employees or school employees, and one at-large.
- (3) The State Treasurer or the Treasurer's designee.
- (4) The Executive Administrator of the Teachers' and State Employees' Comprehensive Major Medical Plan.
- (5) The Chair of the North Carolina Industrial Commission or the Chair's designee.
- (6) One person appointed by the President of The University of North Carolina who is familiar with disability issues relating to university employees.
- (7) One person appointed by the President of the North Carolina Community Colleges System who is familiar with disability issues relating to community college employees.

Any vacancy shall be filled by the officer who made the original appointment.

SECTION 17.3. The Commission shall study the plan design, funding, and administration of the Disability Income Plan of North Carolina established pursuant to Article 6 of Chapter 135 of the General Statutes, the Death Benefit Plan established pursuant to G.S. 135-5(l), and the Separate Insurance Benefits Plan for State and Local Governmental Law Enforcement Officers established pursuant to G.S. 143-166.60 to determine what changes, if any, should be made to those Plans. The Commission shall consider what changes could be made to the Plans that would enhance the efficiency of and reduce the cost of the Plans to the State and its employees.

SECTION 17.4. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall designate cochairs of the Commission from among their respective appointees. The Commission shall meet upon the call of the cochairs. Members of the Commission shall receive per diem, subsistence, and travel allowance in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate. The Commission, while in the discharge of official duties, may exercise all powers provided for under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.

SECTION 17.5. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the Legislative Office Building.

SECTION 17.6. The Commission shall employ an actuary with expertise in the areas of disability income insurance and group life insurance to assist the Commission in its work pursuant to the procedure set forth in G.S. 120-32.02. This actuary shall not be a State employee or a person currently under contract with the State to provide services. If necessary, the Commission may hire other employees as provided in G.S. 120-32.02.

SECTION 17.7. The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the President Pro Tempore of the Senate and the Speaker of the House of Representatives.

SECTION 17.8. The Commission shall submit a report of the results of its study, including any legislative recommendations, to the General Assembly not later than January 1, 2007.

SECTION 17.9. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds to implement the provisions of this Part.

PART XVIII. STUDY NO-FAULT COMPENSATION FOR INJURIES TO ELDERLY AND DISABLED PERSONS (S.B. 1041 – Clodfelter)

SECTION 18. The Commissioner of Insurance, the North Carolina Industrial Commission, and the Department of Health and Human Services shall jointly study the utility, efficacy, and advisability of creating a system of no-fault compensation, with such compensation based on scheduled amounts and subject to limits on total compensation paid, for injuries resulting from regular and ordinary course of care provided at nursing homes, homes for the elderly, other long-term care facilities, and assisted living facilities. The results of this study, including findings and recommendations for suggested legislation, shall be reported to the 2007 General Assembly upon its convening.

PART XIX. CONTINUE UNC BOARD OF GOVERNORS STUDY COMMISSION

SECTION 19.1. There is created to continue the UNC Board of Governors Study Commission. The Commission shall consist of 10 members appointed as follows: five by the President Pro Tempore of the Senate and five by the Speaker of the House of Representatives. The Speaker of the House of Representatives shall appoint a cochair, and the President Pro Tempore of the Senate shall appoint a cochair for the Commission. Vacancies on the Commission shall be filled by the appointing authority. The Commission shall meet upon the call of the cochairs. A majority of the members of the Commission shall constitute a quorum.

SECTION 19.2. The Commission shall continue the work of prior UNC Board of Governors Study Commissions and study the method of election or appointment of members of the Board of Governors, the length of members' terms, the number of terms a member may serve, and the size of the Board of Governors. As part of the study, the Commission may examine the governing boards of other states' institutions of higher education. The Commission shall report its findings and any recommendations to the 2006 Regular Session of the 2005 General Assembly. The Commission shall terminate upon the filing of its final report.

SECTION 19.3. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 19.4. Subject to the approval of the Legislative Services Commission, the Commission may meet in the State Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist in the work of the Commission. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 19.5. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds to implement the provisions of this Part.

PART XX. JOINT LEGISLATIVE COMMISSION ON HEALTH INSURANCE ACCESSIBILITY (Kerr)

SECTION 20.1. There is established in the General Assembly a Joint Legislative Commission on Health Insurance Accessibility.

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SECTION 20.2. Membership. – The Commission shall be composed of 16 members as follows:

(1) Eight members of the House of Representatives appointed by the Speaker of the House of Representatives.

(2) Eight members of the Senate appointed by the President Pro Tempore of the Senate.

 Vacancies on the Commission shall be filled by the appointing authority. Cochairs of the Commission shall be designated by the Speaker of the House of Representatives and the President Pro Tempore of the Senate from among their respective appointees. The Commission shall meet upon the call of the chairs.

SECTION 20.3. The Commission shall study the legal, fiscal, and policy implications of various means of increasing accessibility to health insurance. The study shall specifically address strategies for increasing accessibility to health insurance by small employer groups, self-employed individuals, and individuals who are employed but uninsured. The study of small employer access shall include the following:

(1) A review of the number of small employers (50 or fewer employees) in this State, grouped by industry and volume of business; the number of small employers that offer comprehensive health insurance coverage to their employees; the average premium charged for comprehensive health insurance coverage available to small employer groups in this State, as compared to premiums for comparable coverage in the Southeast region and other areas of the United States.

(2) A review of the participation rates, premiums and cost-sharing, and coverage options offered under the North Carolina Small Employer Group Health Coverage Reform Act, Part 5, Article 50 of Chapter 58 of the General Statutes.

(3) An analysis of the Healthy New York Program administered by the State of New York, or similar program, that combines the provision of a standardized, streamlined benefit package with state-funded reinsurance in the form of a stop-loss fund that would reimburse insurers for the costs of claims within a defined claims corridor. In conducting the analysis the Commission shall review and consider the proposed committee substitute for Senate Bill 255, 2005 General Assembly. The analysis shall also review the amount in state funds appropriated for the Healthy New York Program since its inception, and corresponding participation rates by employers and eligible individuals.

(4) An analysis of providing additional tax benefits for small businesses that provide health insurance coverage for their employees.

 SECTION 20.4. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate. The Legislative Services Office shall provide adequate staff for the Commission. The Commission may hire consultants to assist with the study as provided in G.S. 120-32.02(b). The Commission, while in the discharge of its official duties, may

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exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses. The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

SECTION 20.5. The Commission shall make an interim report of its findings and recommendations to the 2006 Regular Session of the 2005 General Assembly and shall make a final report of its findings and recommendations to the 2007 General Assembly. The interim report may and the final report shall include findings and recommendations on:

- (1) Whether the State should provide for the implementation of a small employer health insurance program that is supported with State funds to ensure comprehensive coverage and affordability for small employer groups, self-employed individuals, and employed but uninsured individuals. If the Commission recommends implementation, the recommendation should specifically address strategies for avoiding adverse selection and crowd-out, eligibility factors such as family income, limitations on claims thresholds and corridors for stop-loss coverage, benefit levels and limitations, and the feasibility and advisability of establishing a State high-risk pool.
- (2) An estimate of the cost to the State to support stop-loss coverage, high-risk coverage, or other approaches to ensuring small employer health insurance access and affordability.
- (3) Other findings and recommendations relevant to the purposes of the study.

The Commission shall terminate upon the filing of its final report or the adjournment of the 2007 General Assembly.

SECTION 20.6. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XXI. STUDY COMMISSION ON ELIMINATION OF COUNTY FINANCIAL PARTICIPATION IN MEDICAID SERVICES (Rand)

SECTION 21.1. There is established the Legislative Study Commission on the Elimination of County Financial Participation in Medicaid Services.

SECTION 21.2. The Commission shall consist of 14 members appointed as follows:

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

- One county commissioner and one county manager appointed by the President Pro Tempore of the Senate upon the recommendation of the North Carolina Association of County Commissioners.
 - (4) One county commissioner and one county finance officer appointed by the Speaker of the House of Representatives upon the recommendation of the North Carolina Association of County Commissioners.
 - (5) One school board representative appointed by the President Pro Tempore of the Senate upon the recommendation of the North Carolina School Boards Association.
 - (6) One municipal representative appointed by the Speaker of the House of Representatives upon the recommendation of the North Carolina League of Municipalities.
 - (7) One business representative with public finance experience appointed by the Governor upon the recommendation of the North Carolina Citizens for Business and Industry.
 - (8) One representative from the executive branch appointed by the Governor.

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

SECTION 21.3. The Commission shall study and recommend a permanent financing strategy leading to the elimination of county financial participation in Medicaid services. In conducting the study, the Commission shall consult with the North Carolina Local Government Commission and with the School of Government at the University of North Carolina at Chapel Hill.

SECTION 21.4. Members of the Commission shall receive subsistence and travel allowances at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate. With the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Commission. With the prior approval of the Legislative Services Commission, the Commission may hold its meetings in the State Legislative Building or the Legislative Office Building. The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 21.5. The Commission shall submit a final written report of its findings and recommendations by April 1, 2006. All reports shall be filed with the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Legislative Librarian. Upon filing its final report, the Commission shall terminate.

SECTION 21.6. From funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established in this Part.

PART XXII. LEGISLATIVE STUDY COMMISSION ON DEFERRED DEPOSIT TRANSACTIONS (S.B. 947 – Holloman; Culpepper)

SECTION 22.1. There is created the Legislative Study Commission on Deferred Deposit Transactions. The Commission shall consist of 10 members, appointed as follows:

- (1) Four members of the Senate appointed by the President Pro Tempore of the Senate.
- (2) Four members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (3) One member of the public who is or was engaged in the business of deferred deposit transactions appointed by the President Pro Tempore of the Senate.
- (4) One member of the public who is concerned with consumer protection appointed by the Speaker of the House of Representatives.

Vacancies in membership shall be filled by the original appointing authority. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Commission from their appointees.

SECTION 22.2. The Commission shall study issues related to the regulation of deferred deposit transactions by the State of North Carolina and consumer protection. The purpose of the study shall be to examine the role of the State of North Carolina in the regulation of deferred deposit transactions and to establish statutory protections and safeguards for the protection of consumers. The Commission shall consider the following:

- (1) How other states regulate deferred deposit transactions.
- (2) The advisability of establishing maximum fees, cooling-off periods between transactions, and mandatory payment plans.
- (3) Special rules concerning members of the military.
- (4) How best to regulate the service in North Carolina and the role, if any, of the Commissioner of Banks.
- (5) Consumer protections and best practices for providers.
- (6) Other short-term credit alternatives currently available to consumers.

SECTION 22.3. In conducting the study, the Commission shall actively solicit and consider information received from representatives of deferred deposit companies, banks, the North Carolina Attorney General, the State Banking Commission, the Commissioner of Banks, other interested parties, and the general public.

SECTION 22.4. The Commission, while in discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Committee may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in

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

SECTION 22.5. The Commission shall submit a final written report of its findings and recommendations by April 1, 2006. All reports shall be filed with the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Legislative Librarian. Upon filing its final report, the Commission shall terminate.

SECTION 22.6. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this act.

PART XXIII. COMMISSION FOR A SOUND BASIC EDUCATION (Lucas)

 SECTION 23.1. The North Carolina Commission for a Sound Basic Education is hereby established. The Commission shall (i) investigate strategies and resources which contribute to the opportunity for North Carolina students to obtain a sound basic education, (ii) analyze all current plans for implementing the strategies developed to enhance every child's ability to fulfill his or her potential, and (iii) if necessary, provide a cost analysis for implementing those plans.

SECTION 23.2. The Commission shall consist of six members appointed by the President Pro Tempore of the Senate, six members appointed by the Speaker of the House of Representatives, one member designated by the Chairman of the State Board of Education, and one member designated by the Superintendent of the Department of Public Instruction. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Commission from their appointees. The Commission shall appoint advisory members to assist it in its work. The advisory members shall include at least two parents of children in the public schools and representatives of State agencies, the Community College System, The University of North Carolina, education organizations, child health organizations, and child advocacy organizations.

SECTION 23.3. The full Commission shall meet on a monthly basis. The Commission shall develop the necessary and appropriate committees and subcommittees to facilitate completion of its work. The committees and subcommittees shall meet as necessary to effectively conduct the work with which they are charged. Only members of the Commission may vote on any matter before the Commission.

SECTION 23.4. Members of the Commission and advisory members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate. The Commission, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the joint call of the cochairs. The Commission may meet in the Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the

Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. If the Commission hires a consultant, the consultant shall not be a State employee or a person currently under contract with the State to provide services. 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.

SECTION 23.5. The Commission shall provide opportunities for substantive and meaningful input into and development and review of the comprehensive plan by all stakeholders in the public education system. These stakeholders include, but are not limited to, students, parents, guardians, educators, school board members, education advocates, and child health professionals. Opportunities for input and review shall include (i) regional public forums, (ii) regular distribution to local newspapers statewide of details of its work and posting of the information on the Internet, (iii) providing stakeholders with the opportunity to identify representative members of stakeholder groups to be included as full participants in the Commission's deliberations, and (iv) open meetings of the Commission and any committees it may create.

SECTION 23.6. The Commission shall make a final report to the General Assembly by January 15, 2006. The report shall include the details of the plans, the results of the cost analysis and a proposed budget, and any statutory changes necessary to implement the plans on a statewide basis. The Commission shall terminate upon filing its final report or upon the convening of the 2006 Regular Session of the 2005 General Assembly, whichever is earlier.

SECTION 23.7. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XXIV. LEGISLATIVE STUDY COMMISSION ON INFORMATION TECHNOLOGY (Malone)

SECTION 24.1. There is established the Legislative Study Commission on Information Technology. The Commission shall consist of 14 members, appointed as follows:

- (1) Five members of the Senate appointed by the President Pro Tempore of the Senate.
- (2) Five members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (3) Two members of the general public with experience in information technology appointed by the President Pro Tempore of the Senate.
- (4) Two members of the general public with experience in information technology appointed by the Speaker of the House of Representatives.

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Vacancies in membership shall be filled by the original appointing authority. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Commission from their appointees.

SECTION 24.2. The Commission shall study issues related to information technology in State government and the public schools of the State.

SECTION 24.3. The Commission, while in discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the The Legislative Services Commission, through the Legislative Office Building. Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff to the Commission, and the expenses relating to clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 24.4. The Commission shall submit a final written report of its findings and recommendations by April 1, 2006. All reports shall be filed with the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Legislative Librarian. Upon filing its final report, the Commission shall terminate.

SECTION 24.5. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this act.

PART XXV. HISTORICALLY UNDERUTILIZED **BUSINESS CERTIFICATION TASK FORCE (Dorsett)**

SECTION 25.1. Task Force Established; Membership. – The Department of Administration shall establish a Historically Underutilized Business Task Force. The Task Force shall consist of 15 members as follows:

- One member appointed by the North Carolina League of (1) Municipalities.
- One member appointed by the North Carolina Association of County (2) Commissioners.
- One member appointed by the North Carolina School Boards (3) Association.
- One member appointed by the North Carolina Institute for Minority (4) Economic Development.
- Three members appointed by the North Carolina Minority and (5) Women's Business Enterprise Coordinator's Network.
- Eight members appointed by the Office of Historically Underutilized (6) Business, two of whom shall be representatives of the Office, one of whom shall be a minority business owner, one of whom shall be a

female business owner, one of whom shall be a disabled business owner, and three of whom shall be public members.

Vacancies in membership shall be filled as provided in this section.

SECTION 25.2. Cochairs; Meetings. – The Task Force shall have two cochairs appointed by the Secretary of Administration from among the members of the Task Force. The Task Force shall meet at least quarterly upon the call of the cochairs.

SECTION 25.3. Quorum; Voting. – A quorum of the Task Force shall consist of five members. All action shall be taken by a majority vote.

SECTION 25.4. Duties. – The Task Force shall propose criteria and procedures for: (i) the certification of businesses under G.S. 143-48 and G.S. 143-128.2 as Historically Underutilized Businesses; (ii) the creation and maintenance of a database of the businesses certified; and (iii) any other matters related to the certification of businesses as authorized in this section. In determining ownership of a business for purposes of certification, the Task Force shall use the definitions provided in G.S. 143-48 and G.S. 143-128.2.

SECTION 25.5. Support. – The Department of Administration shall provide meeting facilities and staff support for the Task Force. The Task Force may also seek other assistance, including technical, business, and managerial assistance.

SECTION 25.6. Report. – The Task Force shall report its proposed criteria and procedures to the Secretary of Administration on or before November 1, 2006, at which time the Task Force shall terminate.

PART XXVI. SMART START AND CHILD CARE FUNDING STUDY (Hagan)

SECTION 26.1. There is established a Smart Start and Child Care Funding Study Commission.

SECTION 26.2. The Commission shall be composed of 15 members as follows:

- (1) Four members of the Senate appointed by the President Pro Tempore of the Senate.
- (2) Four members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (3) A representative of the North Carolina Partnership for Children appointed by the President Pro Tempore of the Senate.
- (4) The Secretary of the Department of Health and Human Services or the Secretary's designee.
- (5) A Department of Social Services County Director appointed by the Speaker of the House of Representatives.
- (6) A Department of Public Health County Director appointed by the President Pro Tempore of the Senate.
- (7) A representative of a Local Partnership for Children appointed by the Speaker of the House of Representatives.
- (8) One representative from a private for-profit day care appointed by the President Pro Tempore of the Senate and one representative from a

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Any vacancy on the Commission shall be filled by the appointing authority. Cochairs of the Commission shall be designated by the President Pro Tempore of the Senate and the Speaker of the House of Representatives from among their respective appointees. The Commission shall meet upon the call of the cochairs.

SECTION 26.3. The Commission shall invite the Secretary of Health and Human Services to attend each meeting of the Commission and encourage the Secretary's participation in the Commission's deliberations.

SECTION 26.4. The Commission shall study the funding of the North Carolina Partnership for Children. In conducting the study, the Commission shall consider the following:

- (1) The current funding system of the North Carolina Partnership for Children.
- (2) Any strategies for achieving full funding and full service for North Carolina's young children and families.
- (3) Funding equity among all counties and local partnerships.
- (4) Any other information the Commission deems relevant in providing services to young children and families including child care services.

SECTION 26.5. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S.120-3.1, 138-5, or 138-6, as appropriate. Upon the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional staff to the Commission to aid in its work. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The Commission shall meet at various locations around the State in order to promote greater public participation in its deliberations. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the Legislative Office Building. The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 26.6. The Commission shall make its findings and recommendations in a final report to the 2006 Regular Session of the 2005 General Assembly. Upon the earlier of the filing of its final report or the convening of the 2007 General Assembly, the Commission shall terminate.

SECTION 26.7. From funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the purpose of conducting the study provided for in this section.

PART XXVII. STUDY COMMISSION ON ECONOMIC DEVELOPMENT INFRASTRUCTURE

SECTION 27.1. There is created the Study Commission on Economic Development Infrastructure. The Commission shall consist of 32 members as follows:

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

SECTION 27.2. At least half of the members appointed to the Commission by the President Pro Tempore of the Senate, and at least half of the members appointed to the Commission by the Speaker of the House of Representatives shall be persons who are not members of the General Assembly and who are either actively engaged in economic development or C-Level Executives of private corporations.

SECTION 27.3. The President Pro Tempore of the Senate shall appoint two cochairs of the Commission, and the Speaker of the House of Representatives shall appoint two cochairs of the Commission. The Commission may meet at any time upon the joint call of the cochairs. Vacancies on the Commission shall be filled by the same appointing authority as made the initial appointment.

SECTION 27.4. The Commission shall examine the existing infrastructure for the delivery of economic development, including the many entities involved in economic development. The Commission shall develop a plan to restructure and consolidate the infrastructure for the delivery of economic development to improve its organization and effectiveness. The Commission shall specifically examine the role of the following in the delivery of economic development:

- (1) The Department of Commerce.
- (2) The regional councils of government created pursuant to G.S. 160A-470.
- (3) The Economic Development Board created pursuant to G.S. 143B-434. The Commission shall consider whether the Economic Development Board, which is currently advisory in nature, should be reconstituted and given responsibility for policy development or regulatory authority.
- (4) The regional planning and economic development commissions created pursuant to Article 2 of Chapter 158 of the General Statutes. The Commission shall consider whether regional planning and economic development commissions should be given greater responsibility for marketing and business recruitment.

SECTION 27.5. The Commission may also examine the feasibility of establishing a North Carolina Economic Disaster Task Force.

SECTION 27.6. The Commission, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

SECTION 27.7. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 27.8. The Commission shall submit a final report of its findings and recommendations, including any legislative recommendations, to the 2006 Regular Session of the 2005 General Assembly upon its convening. The Commission shall terminate upon the convening of the 2007 General Assembly.

SECTION 27.9. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

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PART XXVIII. DEPARTMENTAL ANALYSIS ON FUNDING FOR AREA AND COUNTY PROGRAM ADMINISTRATION (Holloman)

SECTION 28. The Department of Health and Human Services shall conduct an analysis of funding for administration for area and county mental health, developmental disabilities, and substance abuse services programs and shall report the results of its analysis to the Senate Appropriations Committee on Health and Human Services, the House of Representatives Appropriations Subcommittee on Health and Human Services, the Fiscal Research Division, and the Joint Legislative Study Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services not later than May 1, 2006.

PART XXIX. LEGISLATIVE STUDY COMMISSION ON STATE GOVERNMENT EFFICIENCY

 SECTION 29.1. Commission Established. – There is established a Legislative Study Commission on State Government Efficiency.

SECTION 29.2. Membership. – The Commission shall be composed of 12 members as follows:

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

SECTION 29.3. Duties of the Commission. – The Commission shall conduct a comprehensive review of programs and services provided by the State. As part of its review the Commission shall work with the Office of the Governor, the Office of the State Auditor, and the Office of the State Controller, and shall utilize the resources of those offices and other State agencies as appropriate.

 The Commission shall contract for a performance audit of the executive branch of State government, including The University of North Carolina System. The goals of the audit are to evaluate the efficiency and effectiveness of State government and The University of North Carolina System and to identify specific ways to make improvements. The audit may examine entire departments, agencies, or institutions, or similar programs in several departments. The results of the audit shall be reported on or before February 1, 2007.

The performance audit shall include an examination of the efficiency and effectiveness of major management policies, practices, and functions, including the following areas:

- (1) Planning, budgeting, and program evaluation policies and practices, including an analysis of the compliance of the executive branch and The University of North Carolina System with existing planning requirements, such as the Capital Improvement Planning Act, Article 1B of Chapter 143 of the General Statutes.
- (2) Personnel systems operations and management.
- (3) State purchasing operations and management.
- (4) Information technology and telecommunications systems policy, organization, and management.
- (5) Review of duplications and related or overlapping services or activities for the purpose of coordinating and streamlining programs to achieve consistent and clear objectives.

In conducting its study the Commission shall review and evaluate the results of the audit.

SECTION 29.4. Vacancies. – A vacancy shall be filled by the officer who made the original appointment.

SECTION 29.5. Cochairs. – The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall designate cochairs of the Commission from among their respective appointees. The Commission shall meet upon the call of the cochairs. A quorum of the Commission shall be seven members.

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

SECTION 29.7. Staff. – The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission, and the expenses related to the clerical employees shall be borne by the Commission.

SECTION 29.8. Consultants. – The Commission may employ consultants to assist with the study as provided in G.S. 120-32.02.

SECTION 29.9. Meetings During Legislative Session. – The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

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SECTION 29.10. Meeting Location. – The Commission may meet at various locations around the State in order to promote greater public participation in its deliberations. Subject to the approval of the Legislative Services Commission, the Commission may meet in the State Legislative Building or the Legislative Office Building.

SECTION 29.11. Report. – The Commission shall submit a final report of its findings and recommendations, together with any recommended legislation and necessary fiscal notes, to the General Assembly. The Commission shall terminate upon the filing of its final report.

SECTION 29.12. Funds. – Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XXX. RAIL SERVICES COMMISSION (H.B. 89 – Pate, Rapp; S.B. 674 – Nesbitt)

- **SECTION 30.1.** Commission Established. There is established in the General Assembly a Joint Legislative Commission on Expanding Rail Service. The Commission shall be composed of 16 members as follows:
 - Eight members of the House of Representatives appointed by the (1) Speaker of the House of Representatives.
 - Eight members of the Senate appointed by the President Pro Tempore (2) of the Senate.

SECTION 30.2. Duties of Commission. – The Commission shall study the following matters related to expanding rail service in North Carolina:

- The cost and benefits of expanding and upgrading rail service in the (1) State, including the effect the expanded service would have on economic development.
- The feasibility, cost, and benefits of establishing commuter rail service (2) in the State to transport workers to cities from outlying areas, including the effect the commuter service would have on increasing the economic opportunities of those who live in the outlying areas.
- The cost and benefits of expanding passenger rail service to the (3) western and eastern areas of the State, including the effect the expanded service would have on tourism.
- Ways to preserve unused or abandoned rail corridors for future rail (4) needs.
- Spurring economic development and tourism through further (5) development of short-line railroads.

Any vacancy on the Commission shall be filled by the appointing authority. Cochairs of the Commission shall be designated by the Speaker of the House of Representatives and the President Pro Tempore of the Senate from among their respective appointees. The Commission shall meet upon the call of the cochairs. A quorum of the Commission shall be nine members.

SECTION 30.3. Expenses of Members. – Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

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SECTION 30.4. Staff. – Adequate staff shall be provided to the Commission by the Legislative Services Office.

 SECTION 30.5. Consultants. – The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

SECTION 30.6. Cooperation. – The Commission may call upon any department, agency, institution, or officer of the State or any political subdivision thereof for facilities, data, or other assistance.

 SECTION 30.7. Meetings During Legislative Session. – The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

SECTION 30.8. Meeting Location. – The Commission shall meet at various locations around the State in order to promote greater public participation in its deliberations. The Legislative Services Commission shall grant adequate meeting space to the Commission in the State Legislative Building or the Legislative Office Building.

SECTION 30.9. Report. – The Commission shall make an interim report of its findings and recommendations to the 2006 Regular Session of the 2005 General Assembly and shall make a final report of its findings and recommendations to the 2007 General Assembly. Upon the filing of its final report, the Commission shall terminate.

SECTION 30.10. Appropriation. – Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission.

PART XXXI. STUDY MITIGATION OF POTENTIAL FLOODING IN CERTAIN AREAS (H.B. 24 – Gillespie; Goforth, Rapp)

SECTION 31. The Department of Environment and Natural Resources shall study the causes of the flooding in Canton, Biltmore Village, Blue Ridge Paper Company, and the City of Newland to determine what measures can be taken to prevent or mitigate the flooding potential in those areas. The Department may request the assistance of the United States Army Corps of Engineers in this study. The Department of Environment and Natural Resources shall report its findings to the 2006 Regular Session of the 2005 General Assembly.

PART XXXII. STUDY THE ORGANIZATION OF THE GENERAL COURT OF JUSTICE INTO DISTRICTS AND DIVISIONS (S.B. 173 – Bingham)

 SECTION 32. The North Carolina Courts Commission shall study the current state of the General Court of Justice, focusing on workloads, case backlogs, and other issues relevant to the efficient administration of justice and determine whether the current organization of the State into judicial divisions, superior court districts, district

court districts, and prosecutorial districts is in need of revision or adjustment in order to better serve the interests of justice. The Commission shall report its findings and recommendations to the 2006 Regular Session of the 2005 General Assembly.

PART XXXIII. STUDY INHERENTLY DANGEROUS ANIMALS (S.B. 1032 – Garwood)

 SECTION 33.1. The Department of Environment and Natural Resources, in consultation with the North Carolina Zoological Park and the Wildlife Resources Commission, shall study the need to protect the public against the health and safety risks posed by inherently dangerous animals and propose a means of best providing that protection to the public while protecting the welfare of inherently dangerous animals as well. In developing recommendations, the Department shall consult with the following entities or groups, or appropriate representatives of those entities or groups:

- (1) The Department of Agriculture and Consumer Services.
- (2) The Division of Public Health of the Department of Health and Human Services.
- (3) The North Carolina State University College of Veterinary Medicine.
- (4) The State Animal Response Team.
- (5) Local law enforcement officials.
- (6) Local animal control officials.
- (7) Wild animal breeders.
- (8) Exotic pet hobbyists.
- (9) Commercial pet retailers.
- (10) Small zoo owners.
- (11) Humane organizations.
- (12) Any other entities or groups whose interests may be affected by proposed regulations.

SECTION 33.2. The Department shall report its findings to the General Assembly no later than the convening of the 2006 Regular Session of the 2005 General Assembly. Any legislation recommended in the report may be considered during the 2006 Regular Session of the 2005 General Assembly.

SECTION 33.3. The report made by the Department of Environment and Natural Resources shall include:

- (1) A list of the types of animals that possess such inherently dangerous characteristics that they should not be owned or possessed by persons who do not have special expertise or training, and a determination as to whether these animals should be grouped into classes for differential treatment based upon the nature and extent of the threat they pose to the public. This list should also include information about the nature of the dangers posed by each type of animal.
- (2) A suggested means for regulating ownership of certain animals, including a means of enforcing any proposed restrictions on the ownership or possession of those animals. This portion of the report

- may include an evaluation of regulations in place in other jurisdictions that have proven to be effective in protecting the public from inherently dangerous animals.
- (3) A plan for addressing inherently dangerous animals that are indigenous species within the jurisdiction of the Wildlife Resources Commission under Article 22 of Chapter 113 of the General Statutes and a consideration as to whether any potential legislation should broadly address the keeping of any wildlife as pets, whether indigenous or not and whether inherently dangerous or not. This portion of the report should result from extensive consultation with the Wildlife Resources Commission.
- (4) A recommendation as to whether persons owning or possessing animals covered by any proposed restrictions should be grandfathered in under a regulatory scheme and the appropriate means of grandfathering those persons in, including consideration of whether certain animals are so threatening to the public safety that the grandfathering of untrained owners or possessors should not be allowed under any circumstances.
- (5) A recommended list, as comprehensive as possible, of persons and entities that should be exempted from the proposed restrictions on ownership or possession of the animals covered by any proposed restrictions, such as zoos, veterinary hospitals, wildlife sanctuaries, research institutions, and the like.

PART XXXIV. STATE FAIR HOUSING ACT STUDY (Kinnaird)

SECTION 34. The North Carolina Human Relations Commission shall study whether the State Fair Housing Act should be amended to make it an unlawful discriminatory housing practice to refuse to enter into a residential real estate transaction with a person based upon the fact that the person receives public assistance due to age or physical or mental disability. In studying this issue, the Commission shall review the laws of other states related to housing discrimination and determine the extent to which certain forms of public assistance are protected under those laws. While conducting the study, the Commission shall consult with representatives from the residential real estate and residential rental community. The Commission shall report its findings and any recommendations to the 2006 Regular Session of the 2005 General Assembly.

PART XXXV. STUDY YOUTHFUL OFFENDERS (H.B. 1298 – Bordsen)

SECTION 35.1. The North Carolina Sentencing and Policy Advisory Commission may study issues related to the conviction and sentencing of youthful offenders aged 16 to 21 years, to determine whether the State should amend the laws concerning these offenders, including, but not limited to, revisions of the Juvenile Code

and/or the Criminal Procedure Act that would provide appropriate sanctions, services, and treatment for such offenders. In conducting the study, the Commission may review the laws concerning juveniles and youthful offenders from the federal government, other states, and the relevant North Carolina laws and programs. The Commission shall consult with the Department of Correction, the Department of Health and Human Services, the Department of Juvenile Justice and Delinquency Prevention, and the Department of Public Instruction in conducting the study.

SECTION 35.2. The Commission shall submit a preliminary report to the 2006 Regular Session of the 2005 General Assembly by June 1, 2006, and shall submit a final report, along with any recommended legislation, by March 1, 2007, to the 2007 General Assembly.

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PART XXXVI. WILMINGTON RACE RIOT COMMISSION (Wright)

SECTION 36.1. Section 17.1(c) of S.L. 2000-138, as amended by Section 3.1 of S.L. 2002-180 and Section 41.1 of S.L. 2004-161, reads as rewritten:

"Section 17.1.(c) The Commission shall consist of 13 members, each of whom shall serve a <u>five year six-year</u> term. Commission members shall be appointed on or before September 1, 2000, as follows:

- (1) The President Pro Tempore of the Senate shall appoint three members.
- (2) The Speaker of the House of Representatives shall appoint three members.
- (3) The Governor shall appoint three public members, one of whom shall be a historian.
- (4) The Mayor and City Council of the City of Wilmington shall appoint two members.
- (5) The New Hanover County Commissioners shall appoint two members. The Commission shall terminate on December 31, 2005. June 30, 2006."

SECTION 36.2. Section 17.1(g) of S.L. 2000-138, as amended by Section 3.2 of S.L. 2002-180 and Section 41.4 of S.L. 2004-161, reads as rewritten:

"**Section 17.1.(g)** The Commission's officers shall consist of two cochairs, a vice-chair, and other officers deemed necessary by the Commission to carry out the purposes of this Article. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall appoint the cochairs of the Commission. All other officers shall be elected by the Commission. All officers shall serve for <u>five year six-year terms</u> and shall serve until their successors are elected and qualified."

SECTION 36.3. Section 17.1(j) of S.L. 2000-138, as amended by Section 3.3 of S.L. 2002-180 and Section 41.5 of S.L. 2004-161, reads as rewritten:

"**Section 17.1.(j)** The Commission may submit to the General Assembly an interim report of its findings and recommendations. The Commission shall submit to the General Assembly a final report of its findings and recommendations no later than December 31, 2005. June 30, 2006. The final report may include suggestions for a permanent marker or memorial of the riot and whether to designate the event with a historic site."

PART XXXVII. HEALTH CARE NEEDS HOKE COUNTY (H.B. 797 – Pierce)

SECTION 37. The Department of Health and Human Services, Office of Research, Demonstrations, and Rural Health Development, may evaluate the health care needs in Hoke County and other health professional shortage areas of the State without inpatient services and with a high percentage of uninsured residents. The Department shall report on its evaluation to the Joint Legislative Health Care Oversight Committee not later than January 1, 2006, and shall submit a final report not later than April 1, 2006.

PART XXXVIII. LEGISLATIVE COMMISSION ON AUTISM, LAW ENFORCEMENT, PUBLIC SAFETY, AND FIRST RESPONDERS (Culpepper)

SECTION 38.1. Commission Established. – There is established in the General Assembly a Joint Legislative Study Commission on Autism Spectrum Disorder (ASD), Law Enforcement, Public Safety, and First Responders.

SECTION 38.2. Membership. – The Commission shall be composed of 20 members as follows:

- (1) Three members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (2) Three members of the Senate appointed by the President Pro Tempore of the Senate.
- (3) Fourteen members from the Independent Task Force on Autism, Law Enforcement, and First Responders.

SECTION 38.3. Duties of Commission. – The Commission shall study and make recommendations to pertinent State departments and agencies regarding the following matters related to autism-specific training and education of law enforcement personnel, judges, magistrates, district attorneys, public safety personnel, and first responders:

- (1) Promote the inclusion of autism-specific training and education in public safety training as well as in-service training in the N.C. Criminal Justice Education and Training Standards Commission Basic Law Enforcement Training (BLET) and the North Carolina Community College System Public Safety and First Responder Continuing Education.
- (2) Track the distribution of autism-specific training and educational materials through the North Carolina Community College System collaborating efforts with the Criminal Justice Standards Division of the Department of Justice to help ensure statewide continuity of autism-specific education and training.
- (3) Members may be available to make presentations regarding the importance of appropriate autism-specific education and training to law enforcement personnel, community colleges, public safety

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personnel, first responder units, judges, district attorneys, magistrates, and related organizations and associations in North Carolina.

Any vacancy on the Commission shall be filled by the appointing authority. Cochairs of the Commission shall be designated by the Speaker of the House of Representatives and the President Pro Tempore of the Senate from among their respective appointees. The Commission shall meet upon the call of the chairs. A quorum of the Commission shall be nine members.

SECTION 38.4. Expenses of Members. – Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 38.5. Staff. – Adequate staff shall be provided to the Commission by the Legislative Services Office.

SECTION 38.6. Consultants. – The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

SECTION 38.7. Cooperation. – The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 38.8. Meetings During Legislative Session. – The Commission may meet during a regular or extra session of the General Assembly, subject to approval of the Speaker of the House of Representatives and the President Pro Tempore of the Senate.

SECTION 38.9. Meeting Location. – The Commission shall meet at various locations around the State in order to promote greater public participation in its deliberations. The Legislative Services Commission shall grant adequate meeting space to the Commission in the State Legislative Building or the Legislative Office Building.

SECTION 38.10. Report. – The Commission shall make an interim report of its findings and recommendations to the 2006 Regular Session of the 2005 General Assembly and shall make a final report of its findings and recommendations to the 2007 General Assembly. Upon the filing of its final report, the Commission shall terminate.

SECTION 38.11. Appropriation. – Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate sufficient funds for the expenses of the Commission.

PART XXXIX. LEGISLATIVE COMMISSION ON PATIENT SAFETY (H.B. 1334 – L. Allen, England, Rapp)

SECTION 39.1. Commission Established. – There is established the Joint Legislative Study Commission on Promoting Patient Safety in the Provision of Health Care. The mission of the Commission is to bring representatives from all aspects of health care together to hold open and comprehensive discussions about issues affecting patient safety in the delivery of health care.

1	SECTION	39.2. Membership. – The Commission shall consist of 27
2	members as follows:	
3	(1) The	President Pro Tempore of the Senate shall appoint 12 members:
4	four	from the Senate and one representative from each of the
5	follo	wing:
6	a.	The North Carolina Medical Society;
7	b.	The North Carolina Hospital Association;
8	c.	The North Carolina Nurses Association;
9	d.	Health insurers;
10	e.	The North Carolina Association of Pharmacists;
11	f.	A retired superior court judge who is not currently a sitting
12		judge but who has experience presiding over civil litigation in
13		this State, recommended by the North Carolina Bar
14		Association;
15	g.	The North Carolina Health Care Facilities Association; and
16	h.	The Duke Endowment.
17	(2) The	Speaker of the House of Representatives shall appoint 12
18	mem	bers: four from the House of Representatives and one
19	repre	esentative from each of the following:
20	a.	The North Carolina Medical Society;
21	b.	The North Carolina Hospital Association;
22	c.	Pharmaceutical Research and Manufacturers of America, Inc.,
23		its local affiliates or a comparable professional association
24		located in this State;
25	d.	Managed care organizations;
26	e.	Association of Community Pharmacists, Inc.;
27	f.	A retired superior court judge who is not currently a sitting
28		judge but who has experience presiding over civil litigation in
29		this State, recommended by the North Carolina Academy of
30		Trial Lawyers;
31	g.	The North Carolina Association, Long Term Care Facilities;
32		and
33	h.	The Institute for Public Health, University of North Carolina at
34		Chapel Hill School of Public Health.
35		Governor shall appoint three members who represent patient
36		cacy and consumer organizations and are not practicing attorneys.
37		39.3. Duties. – The Commission shall study current activities
38		ospitals and other health care providers to address patient safety in
39	_	h care in this State and shall determine the actions that should be
40		islative actions and collaboration among agencies and other
41		s, to substantially enhance and promote patient safety.
42	SECTION	39.4. Reports. – The Commission shall submit a final written

report of its findings and recommendations to the General Assembly not later than the

convening of the 2007 General Assembly. The Commission may submit a progress

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 report to the 2006 Regular Session of the 2005 General Assembly upon its convening. The reports shall also include legislative proposals necessary to implement the Commission's recommendations and an analysis of the fiscal impact of each recommendation. Upon the filing of its final report, the Commission shall terminate.

SECTION 39.5. Expenses of Members. – Members of the Commission shall be paid per diem, subsistence, and travel expenses as follows:

- (1) Commission members who are members of the General Assembly shall be paid in accordance with G.S. 120-3.1.
- (2) Commission members who are officials or employees of the State or local government agencies shall be paid in accordance with G.S. 138-6.
- (3) All other Commission members shall be paid in accordance with G.S. 138-5.

SECTION 39.6. Cochairs; Meetings. – The Speaker of the House of Representatives shall appoint a cochair, and the President Pro Tempore of the Senate shall appoint a cochair for the Commission from their respective appointees. The Commission shall meet upon the call of the chairs. A majority of the Commission members shall constitute a quorum. The Commission may meet during a regular or special session of the General Assembly, subject to the approval of the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The Legislative Services Commission may provide meeting space to the Commission in the State Legislative Building or in the Legislative Office Building.

SECTION 39.7. Staff. – With the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional staff to assist in the work of the Commission.

SECTION 39.8. Cooperation by Government Agencies. – The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 39.9. Appropriation. – Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate sufficient funds for the expenses of the Commission.

PART XL. STUDY OF RATE-SETTING METHODOLOGY FOR STATE-FUNDED KIDNEY DIALYSIS (H.B. 1725 – Earle)

SECTION 40. The Department of Health and Human Services shall study its rate setting methodology for State-funded kidney dialysis services to determine the feasibility of inflationary increases that correspond to rate and inflationary increases provided for equivalent Medicaid services. The Department shall report its findings to the House of Representatives Appropriations Committee and the Senate Appropriations Committee by May 1, 2006.

PART XLI. MENHADEN STUDY (H.B. 955 – Stiller)

SECTION 41. The Joint Legislative Commission on Seafood and Aquaculture shall study the management of menhaden and Atlantic thread herring, including whether it should be unlawful to take menhaden or Atlantic thread herring with a purse seine off the shore of Brunswick and New Hanover Counties during all or part of each year. The Commission shall report its findings and recommendations, including any legislative proposals, to the 2006 Regular Session of the 2005 General Assembly.

PART XLII. STUDY OF A RENEWABLE ENERGY PORTFOLIO STANDARD FOR NORTH CAROLINA (Albertson, Kinnaird)

(1)

SECTION 42.1. The North Carolina Utilities Commission shall engage a United States Department of Energy-sponsored national energy laboratory, and if necessary, a qualified consulting firm, to study the costs and benefits of a renewable energy portfolio standard (RPS) requiring North Carolina's investor-owned utilities to provide varying percentage scenarios up to fifteen percent (15%) of their retail electric sales from renewable energy and energy efficient resources by 2017. In conducting the study, the Utilities Commission shall consider how an RPS will complement the voluntary North Carolina Green Power program and foster the development of a renewable electricity market in the State. This study shall consider and quantify the potential impacts of an RPS on the State's economy, electric service provision, and environmental quality, including:

potentially available in-State renewable energy resources, including solar photovoltaic; metered solar thermal; run-of-the-river hydropower not to exceed 20 megawatts in electric generation capacity per site; landfill gas; nonutility combined heat and power; wind power; ocean current and wave energy; biomass from agricultural wastes, animal wastes, hog wastes using innovative waste management systems that do not employ a lagoon as defined in G.S. 143-215.10(a), wood wastes from industrial processes, nonwoody energy crops, urban wood wastes and mill residues; and energy efficiency measures that provide substantial, long-term energy savings to the retail customer as compared with currently used technology.

Evaluation of in-State renewable energy resources. – An evaluation of

 (2) Estimation of potential benefits. – An estimation of the potential benefits that will contribute to the total cost of implementing an RPS and indirectly provide economic, social, and environmental benefits to the State, including employment, additions to Gross State Product and income; the hedge value to investor-owned utilities, electric membership cooperatives and municipalities of reduction in natural gas prices and wholesale electric prices resulting from displacement of

natural gas-fired electric generation by renewable energy generation and energy efficiency measures; benefits from reduction in energy losses in transmission and distribution lines, deferral of substation upgrades, reduction in reactive power loss, and increased reliability of electric supply; and impacts on CO2 emissions, criteria air pollutant emissions regulated by the Federal Clean Air Act Amendments of 1990, and water use.

- (3) Estimation of potential costs. An estimation of potential costs that will contribute to the total cost of implementing an RPS policy, including the current and future cost and performance of renewable energy technologies; electric transmission costs; time differentiation of renewable energy generation based on potential in-State renewable energy resources; capacity value, integration and administration and transaction costs of renewable energy resources; and avoided costs using a conventional plant proxy, integrated energy model or a dispatch simulation model based on mix of potential in-State renewable energy resources.
- (4) Inclusion of incentives and model parameters. Use of quantified parameters in economic models for fossil fuel price uncertainty; renewable energy technology costs; federal and State tax credit availability for renewable energy resources; presence of interconnection and net metering standards; varying RPS percentage scenarios ranging up to fifteen percent (15%) of investor-owned utility retail electric sales; financing and contracting assumptions; availability of imports; wholesale market uncertainty; resource eligibility; and growth in energy load.

SECTION 42.2. In studying the items listed in Section 45.1 of this Part, the North Carolina Utilities Commission shall, with assistance from the Department of Commerce, Department of Agriculture, Department of Environment and Natural Resources, and the State Energy Office, consider the impact of the estimated costs and benefits of a renewable energy portfolio standard on residential, commercial, and industrial retail consumers of electricity in the State.

SECTION 42.3. The Utilities Commission shall submit a final report on its findings and recommendations pursuant to this study, including any legislative proposals, to the Environmental Review Commission and the Joint Legislative Utility Review Committee on or before April 1, 2006.

PART XLIII. CONTINUE TWENTY-FIRST CENTURY REVENUE SYSTEM STUDY COMMISSION (Daughtridge, McGee)

SECTION 43. Section 46.7 of S.L. 2004-161 reads as rewritten:

"SECTION 46.7. Report. – The Commission may make an interim report to the 2005 2006 Regular Session of the 2005 General Assembly not later than its convening, and must make its final report to the 2006 Regular Session of the 2005 2007 General

1 2 3		rt or u	onvening. The Commission shall terminate the earlier of the filing upon the convening of the 2006 Regular Session of the 2005 2007
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5	PART XLIV.	EDU	CATION OF STUDENTS WITH DISABILITIES STUDY
6	COMMISSION	I.H) <i>V</i>	3. 1317 – Glazier, Parmon, Preston, Wiley)
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8			44.1. Commission established. – There is established the Study
9			ducation of Students with Disabilities.
10			44.2. Membership. – The Commission shall consist of 21
11	members, as fol		
12	(1)		General Assembly shall appoint nine members upon the
13			mmendation of the President Pro Tempore of the Senate, as
14		follo	
15		a.	Five members of the Senate;
16		b.	One member recommended by the North Carolina School
17			Boards Association;
18		c.	One member recommended by the North Carolina Association
19			of Educators;
20		d.	One member recommended by the North Carolina Council of
21			Administrators of Special Education; and
22		e.	One member who is a parent of an exceptional child attending a
23	(2)	TT1	North Carolina public school.
24	(2)		General Assembly, upon the recommendation of the Speaker of
25			House of Representatives, shall appoint nine members, as follows:
26		a. b	Five members of the House of Representatives;
27		b.	One member recommended by the North Carolina Association
28		0	of School Administrators;
29		c.	One member recommended by the North Carolina Council for
30		d.	Exceptional Children; One member from a School of Education of The University of
31 32		u.	One member from a School of Education of The University of North Carolina whose area of expertise is exceptional children;
33			and
34		e.	One member recommended by The Covenant with North
35		C.	Carolina's Children.
36	(3)	The	Governor shall appoint three members, as follows:
37	(3)	a.	A representative of the Department of Public Instruction;
38		b.	The Superintendent of Residential Schools, Department of
39		٠.	Health and Human Services; and
40		c.	A representative of the Department of Health and Human
41			Services' birth to three-year-old programs for exceptional
42			children.

SECTION 44.3. Duties. – The Commission shall study and recommend revisions to the General Statutes governing the education of students with disabilities for the following purposes:

- 4 5 6
- To update definitions and requirements to ensure that the public (1) schools and education programs for students with disabilities are meeting these students' special needs.

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To provide a consistent statutory maximum age for students with (2) disabilities entitled to a free appropriate public education.

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(3) To reflect higher education expectations for children with disabilities and the requirements of the State's school accountability program.

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To ensure that schools and school systems are held accountable for the (4) educational progress of students with disabilities.

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(5) To determine whether the Department of Public Instruction has adopted guidelines that have had an unfunded fiscal impact on local school systems, and if so, how to address this in the future.

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To ensure that the General Statutes are consistent with federal law (6) governing the education of all children, including exceptional children.

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SECTION 44.4. Reports. – The Commission shall submit an interim report of its findings and recommendations to the General Assembly not later than the convening of the 2006 Regular Session of the 2005 General Assembly. The reports shall also include legislative proposals necessary to implement the Commission's recommendations and an analysis of the fiscal impact of each recommendation. The Commission shall submit its final report to the 2007 General Assembly upon its convening. The Commission shall terminate upon the earlier of the filing of its final report or upon the convening of the 2007 General Assembly.

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SECTION 44.5. Expenses of members. – Members of the Commission shall be paid per diem, subsistence, and travel expenses, as follows:

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Commission members who are members of the General Assembly (1) shall be paid in accordance with G.S. 120-3.1.

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Commission members who are officials or employees of the State or (2) local government agencies shall be paid in accordance with G.S. 138-6.

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All other Commission members shall be paid in accordance with (3) G.S. 138-5.

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SECTION 44.6. Cochairs; meetings. – The Speaker of the House of Representatives shall appoint a cochair, and the President Pro Tempore of the Senate shall appoint a cochair for the Commission from their respective appointees. The Commission shall meet upon the call of the chairs. A majority of the Commission members shall constitute a quorum. The Commission may meet during a regular or special session of the General Assembly, subject to the approval of the President Pro Tempore of the Senate and the Speaker of the House of Representatives. The

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Legislative Services Commission may provide meeting space to the Commission in the

State Legislative Building or in the Legislative Office Building. 43

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SECTION 44.7. Staff. – With the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional staff to assist in the work of the Commission.

SECTION 44.8. Cooperation by government agencies. – The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to subpoena witnesses.

SECTION 44.9. From funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XLV. STUDY COMMISSION ON HEALTH CARE WORKFORCE DEVELOPMENT (Tolson, Goforth, Allred, Bell)

SECTION 45. Section 34.4 of S.L. 2004-161 reads as rewritten:

"SECTION 34.4. The Commission shall submit an interim report to the 2005–2006 Regular Session of the 2005 General Assembly that contains its recommendations, legislative proposals, and cost analyses. The Commission shall make a final report to the 2006-2007 Regular Session of the 2005 General Assembly and shall terminate upon the earlier of the filing of its final report or April 30, 2006.report."

PART XLVI. STUDY COMMISSION ON THE ORGANIZATION, POWERS, DUTIES, FUNCTIONS, FUNDING, AND POTENTIAL CONSOLIDATION OR ELIMINATION OF STATE BOARDS, COMMISSIONS, AND COUNCILS (Harrell)

SECTION 46.1. There is created the Study Commission on State Boards, Commissions, and Councils. The Commission shall consist of 28 members as follows:

- 14 members appointed by the President Pro Tempore of the Senate. (1)
- (2) 14 members appointed by the Speaker of the House of Representatives.

SECTION 46.2. The President Pro Tempore of the Senate shall appoint two cochairs of the Commission and the Speaker of the House of Representatives shall appoint two cochairs of the Commission. The Commission may meet at any time upon the joint call of the cochairs. Vacancies on the Commission shall be filled by the same appointing authority as made the initial appointment.

SECTION 46.3. The Commission shall examine the organization, powers, duties, functions, and funding of State boards, commissions, and councils. Commission shall specifically consider the following:

> Whether the boards, commissions, or councils should be eliminated or (1) consolidated with one or more other boards, commissions, or councils.

- (2) Whether the number of members serving on boards, commissions, and councils or the manner in which members are selected should be altered.
- (3) Whether the number and frequency of meetings of boards, commissions, and councils should be altered.

(4) The cost of supporting each board, commission, or council, including salaries, per diem, travel, clerical and administrative support, and other expenses.

(5) The productivity and effectiveness of the boards, commissions, and councils.

 SECTION 46.4. The Commission, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

SECTION 46.5. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 46.6. The Commission shall submit a final report of its findings and recommendations, including any legislative recommendations, to the 2007 General Assembly upon its convening. The Commission shall terminate upon the convening of the 2007 General Assembly.

SECTION 46.7. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XLVII. STUDY COMMISSION ON WORKER RETRAINING (Harrell)

SECTION 47.1. There is created the Study Commission on Worker Retraining. The Commission shall consist of 32 members as follows:

 (1) 16 members appointed by the President Pro Tempore of the Senate.

(2) 16 members appointed by the Speaker of the House of Representatives.

SECTION 47.2. At least half of the members appointed to the Commission by the President Pro Tempore of the Senate and at least half of the members appointed to the Commission by the Speaker of the House of Representatives shall be persons who are not members of the General Assembly and who are actively engaged in worker retraining or welfare reform as either private citizens, administrators of State agencies, or administrators or faculty at community colleges in the State.

SECTION 47.3. The President Pro Tempore of the Senate shall appoint two cochairs of the Commission and the Speaker of the House of Representatives shall appoint two cochairs of the Commission. The Commission may meet at any time upon the joint call of the cochairs. Vacancies on the Commission shall be filled by the same appointing authority as made the initial appointment.

SECTION 47.4. The Commission shall examine:

- (1) Business incentives that encourage employers to support efforts by employees to retrain in order to qualify for higher paying or nonexportable jobs by allowing employees time off, reimbursing employees for education expenses, or providing other support.
- (2) Successful retraining incentive programs in this and other states.

SECTION 47.5. The Commission, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

SECTION 47.6. Subject to the approval of the Legislative Services Commission, the Commission may meet in the Legislative Building or the Legislative Office Building. The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Commission in its work. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission. Members of the Commission shall receive subsistence and travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 47.7. The Commission shall submit a final report of its findings and recommendations, including any legislative recommendations, to the 2007 General Assembly upon its convening. The Commission shall terminate upon the convening of the 2007 General Assembly.

SECTION 47.8. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this Part.

PART XLVIII. LOCAL SCHOOL CONSTRUCTION FINANCING STUDY (Yongue)

 SECTION 48.1. Section 7.32.(b) of S.L. 2004-124 reads as rewritten: "**SECTION 7.32.(b)** Membership. – The Commission shall be composed of 2019 members, as follows:

- One member appointed by the Governor, after consultation with the President Pro Tempore of the Senate and the Speaker of the House of Representatives, who shall serve as chair;
- (2) Eight members appointed by the President Pro Tempore of the Senate: two members of the Senate from urban areas, two members of the Senate from rural areas, one member representing a large, fast-growing, urban school administrative unit that is a plaintiff in the

- Leandro school-financing litigation, one member from the financial services industry, one county commissioner, and one educator;
 - (3) Eight members appointed by the Speaker of the House of Representatives: two members of the House of Representatives from urban areas, two members of the House of Representatives from rural areas, one member representing a rural school administrative unit that is a plaintiff in the Leandro school-financing litigation, one member who is knowledgeable about municipal and school finance, one school board member, and one educator;
 - (4) The State Treasurer or a designee;
 - (5) The State Superintendent of Public Instruction or a designee; and
 - (6) The chair of the State Board of Education.

Vacancies shall be filled by the appointing authority. <u>The President Pro</u> <u>Tempore of the Senate and the Speaker of the House of Representatives shall each appoint a cochair of the Commission."</u>

SECTION 48.2. Section 7.32.(i) of S.L. 2004-124 reads as rewritten:

"SECTION 7.32.(i) Reports. – The Commission shall make an interim report to the 2005 General Assembly no later than January 31, 2005, and a final report to the 2006 2007 Regular Session of the 2005 General Assembly no later than March 31, 2006. Assembly. The final report shall contain recommendations for legislation to implement recommendations made by the Commission. The interim report may also contain recommendations for legislation. The Commission shall terminate on March 31, 2006. upon the filing of its final report."

PART XLIX. LEGISLATIVE STUDY COMMISSION ON STATE PERSONNEL STATUTES

SECTION 49. Section 5.1 of S.L. 2004-161 reads as rewritten:

"SECTION 5.1. The General Assembly may study issues related to the State Personnel Act. The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall designate an appropriate committee to conduct the study. The Committee may make an interim report to the 2005–2006 General Assembly and shall make its final report to the 2006 Regular Session of the 2005–2007 General Assembly."

PART L. HOUSE STUDY COMMISSION ON CAPITAL PUNISHMENT (H.B. 529 – Hackney, Luebke, Cunningham, Earle)

SECTION 50.1. There is created a House Study Commission on Capital Punishment. The Commission shall consist of 15 members appointed by the Speaker of the House of Representatives.

In the course of its study, the Commission shall consult with representatives of victims, law enforcement, or other interested parties.

SECTION 50.2. The Commission shall consider and report on:

- 1 (1) The adequacy of counsel in all stages of capital cases and the sufficiency of guidelines for the appointment and performance of such counsel appointed prior to the enactment of current guidelines and qualifications.
 - (2) The process for judicial review of the merits of constitutional claims in State postconviction and federal habeas corpus proceedings.
 - (3) Any disproportionate racial impact from any aspect of capital case processing.
 - (4) Whether there is discrimination in capital sentencing on the basis of the victim's or the defendant's race.
 - (5) Prosecutorial misconduct as a factor in the imposition of the death penalty.
 - (6) The presence of innocent persons on death row.
 - (7) Whether the felony murder rule should be applied in capital cases.
 - (8) Any other appropriate or relevant subject.

SECTION 50.3. The Speaker of the House of Representatives shall appoint a chair for the Commission. The Commission may meet at any time upon the call of the chair. Vacancies on the Commission shall be filled by the same appointing authority as made the initial appointment. Members shall serve at the pleasure of the Speaker of the House of Representatives.

The Commission, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

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

SECTION 50.4. The Commission shall submit an interim report to the 2007 Regular Session of the General Assembly on the Commission's findings and recommendations, which may include any statutory changes necessary to implement the recommendations. The Commission shall make a final report to the 2008 Regular Session of the 2007 General Assembly and shall terminate upon the earlier of the filing of its final report or the convening of the 2008 Regular Session of the 2007 General Assembly.

SECTION 50.5. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission established by this section.

PART LI. BILL AND RESOLUTION REFERENCES

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 Appropriations Act of 2005 as ratified.

SECTION 51. The listing of the original bill or resolution in this act is for

SECTION 52. Except as otherwise specifically provided, this act is effective

reference purposes only and shall not be deemed to have incorporated by reference any

when it becomes law. If a study is authorized both in this act and in the Current

Operations and Capital Improvements Appropriations Act of 2005, the study shall be

implemented in accordance with the Current Operations and Capital Improvements

of the substantive provisions contained in the original bill or resolution.

PART LII. EFFECTIVE DATE AND APPLICABILITY

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