

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2006-248
HOUSE BILL 1723**

AN ACT TO PROVIDE FOR STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, STATUTORY OVERSIGHT COMMITTEES AND COMMISSIONS, AND OTHER AGENCIES, COMMITTEES, AND COMMISSIONS.

The General Assembly of North Carolina enacts:

PART I. TITLE

SECTION 1. This act shall be known as "The Studies Act of 2006."

PART II. LEGISLATIVE RESEARCH COMMISSION

SECTION 2.1. The Legislative Research Commission may study the topics listed below. When applicable, the bill or resolution that originally proposed the issue or study and the name of the sponsor are listed. Unless otherwise specified, the listed bill or resolution refers to the measure introduced in the 2005 Regular Session or 2006 Regular Session of the 2005 General Assembly. The Commission may consider the original bill or resolution in determining the nature, scope, and aspects of the study. The following groupings are for reference only:

- (1) Government Regulatory Issues:
 - a. Banking laws (S.B. 786 – Hoyle)
- (2) Transportation Issues:
 - a. Ban cell phone use while driving (H.B. 1104 – McAllister)
 - b. Exemptions from safety and emissions inspections (S.B. 530 – Dalton)
 - c. Environmental review, permitting, and mitigation process in the construction or expansion of State highways (H.B. 1761 – Dollar)
- (3) Consumer Issues:
 - a. Credit report identity theft (H.B. 546 – Adams)
 - b. Personal information privacy (S.B. 996 – Cowell)
 - c. Mortgage payoffs (Hunt)
 - d. Motor vehicle repair (S.B. 952 – Lucas, Bingham, Kinnaird)
- (4) Insurance Issues:
 - a. Assist small business health insurance (S.B. 478 – Dalton)
 - b. High-risk insurance (H.B. 180 – Setzer)
 - c. Additional sureties for public construction contracts (H.B. 2793 – Parmon, Womble, Michaux)
- (5) Criminal Law Issues:
 - a. Exclusionary rule/good faith exception (H.B. 1439 – Stam)
 - b. Habitual felon statutes (H.B. 1308 – Michaux)
 - c. Minority incarceration (H.B. 49)

- d. The provisions and penalties of G.S. 20-138.3, driving by a person less than 21 years old after consuming alcohol or drugs (Dickson)
- e. Racial bias and the death penalty (H.B. 2833 – Earle)
- (6) State/Local Government Employee Issues:
 - a. Beneficiary designation and dependent survivors of members of the Teachers' and State Employees' Retirement System (Dorsett)
 - b. State employee mediation and length of backlog of appeals process (Rand)
 - c. Mediation of State employee grievances (H.B. 716 – Coleman)
 - d. Severance pay changes (H.B. 703 – Crawford)
 - e. State employee demonstration projects (H.B. 730 – Crawford, Sherrill)
 - f. Prospective elimination of SPA longevity pay (H.B. 731 – Crawford)
 - g. Flexible benefits program centralized under OSP (H.B. 751 – Crawford, Holliman)
 - h. Sick leave bank and family leave (H.B. 2746 – Insko)
- (7) Labor, Employment, and Economic Development Issues:
 - a. North Carolina National Guard Pension Fund (S.B. 573 – Atwater)
 - b. Validity of statistics provided by the Industrial Commission (Berger of Franklin)
 - c. Industrial Commission's monitoring of filing of forms (Berger of Franklin)
 - d. Streamline forms required by Industrial Commission (Berger of Franklin)
 - e. UI claims/shorten employer response time (Shaw)
 - f. Loss of workers' compensation for fraud (S.B. 863 – Berger of Franklin)
 - g. Workers' compensation and injuries to extremities (S.B. 864 – Berger of Franklin)
 - h. Employee work incentives under the Workers' Compensation Act (S.B. 865 – Berger of Franklin)
 - i. Increase cap on award for loss of organ under the Workers' Compensation Act (S.B. 866 – Berger of Franklin)
 - j. Small business improvement (S.B. 664 – Dalton)
 - k. Amendments to Workers' Compensation Act (Holliman)
 - l. Salaries of nonprofit directors and executives (Owens)
- (8) Health and Human Services Issues:
 - a. Men's health
 - b. Peanut allergies/restaurant postings (H.B. 920 – Alexander)
 - c. Naturopathic registration (Kinnaird)
 - d. Cost control of medical services for persons in local confinement facilities (Wilkins, Wright)
 - e. Treatment services funding/drug treatment courts (Insko)
- (9) Other:
 - a. Trafficking of persons (H.J.R. 1461 – Alexander; Kinnaird)
 - b. Nanotechnology (H.B. 641 – Faison)
 - c. Public building contract laws (H.B. 1547 – Parmon)
 - d. Unfit dwellings (S.B. 982 – Cowell)
 - e. Exempt builders' inventories from property tax increases (S.B. 508 – Dalton)
 - f. Liabilities of general contractors to subcontractors (Rand)

- g. Construction indemnity agreement issues (Rand)
- h. System of care common identifiers (Kinnaird)
- i. Manufactured homes/good faith evictions (H.B. 1243 – Fisher)
- j. Refusal rights-forced public partition sales (H.B. 1309 – Michaux)
- k. Victim restitution (Holliman)
- l. Agency internal auditors (Tucker)
- m. Tax policy changes
- n. Video conferencing (Haire)
- o. Recovery of costs in civil cases (H.B. 2070 – Glazier)
- p. Erroneous paternity judgments (H.B. 2143 – Moore)
- q. Membership of the Wildlife Resources Commission (Williams)
- r. Annexation (Glazier)
- s. Construction cost threshold requirement for a general contractor's license (H.B. 2612 – Earle, Weiss, Glazier)
- t. Credit enhancement services (H.B. 2836 – Earle, Barnhart, Grady, Saunders)
- u. West regional facility maintenance (Church)
- v. Hepatitis C (H.B. 2832 – Earle)
- w. Impact of ethics legislation on local elected officials (Coleman)
- x. Real estate resale dealers (H.B. 725 – Ross, Howard, Goforth, Clodfelter)
- y. Tax reevaluation (Nesbitt)
- z. Homestead exemption (Nesbitt)
- aa. Equine industry (H.B. 1826 – Cole; S.B. 901 – Weinstein)

SECTION 2.1.(a) Superior Court Discovery (H.B. 1211 – Sutton, Rand) –

The Commission may study State disclosure requirements in superior court discovery. If it undertakes the study, the Commission shall consider:

- (1) The issue of identities of informants who furnished information leading to a search warrant against the defendant.
- (2) The issue of personal information of the victim.
- (3) The "work product" provision of G.S. 15A-904.
- (4) Open discovery in noncapital postconviction cases.
- (5) Any other related issues.

The Commission may make its final report to the 2007 General Assembly upon its convening.

SECTION 2.1.(b) 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.(c) 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.(d) 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 the appropriateness of consumer protection provisions and standards for providers of services, and the adequacy of enforcement tools and practices.

SECTION 2.1.(e) Impact of Undocumented Immigrants (Justice) –

The Commission may study the effects of undocumented immigrants on the State. The Commission may consider the following issues:

- (1) Impacts on the State's health care, education, and social services systems.
- (2) Impacts on the criminal justice system and corrections.
- (3) Impacts on the State's economy, including the fiscal ramifications of compliance with federal laws requiring the provision of specific services to undocumented immigrants.
- (4) Impacts on the economic and workforce development, including the provision of and the need for low-cost labor for agriculture, construction, tourism, and other industries.
- (5) Any other relevant issues.

SECTION 2.1.(f) Pharmacy Benefits Manager Regulation (H.B. 1374) – The Commission may study issues regarding the regulation of pharmacy benefit management.

SECTION 2.1.(g) Local Governmental Employees Retirement System – The Commission may study issues related to establishing a higher option within the Local Governmental Employees Retirement System. The Commission may consider the following issues:

- (1) Whether the higher option should include all local governmental employees.
- (2) Whether the higher option would be voluntary and require each individual governing body to approve it for employee participation.
- (3) Whether there should be a deadline or sunset provision for a local government to adopt the higher option.
- (4) Whether "buy back credit" provisions for the time period an employee is in the lower option are feasible.
- (5) Any other relevant issues the Commission deems necessary to the study.

SECTION 2.1.(h) 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.(i) Effectiveness of the State Purchasing and Contract System – The Commission may study the effectiveness of the State purchasing and contract system including its accessibility and impact on the State's small businesses and the participation of minority contractors.

SECTION 2.1.(j) Red Light Camera Clear Proceeds (Goodwin) – The Commission may study the impact of the various decisions of the North Carolina courts on the definition of clear proceeds as it relates to the funding and operation of traffic control photographic systems by cities and towns in the State. The Commission may recommend to the General Assembly statutory changes that define clear proceeds in a manner that allows their use for the continued operation of these traffic control systems.

SECTION 2.1.(k) Adequate Public Facilities Ordinances (Rand) – The Commission may study issues related to the adoption of adequate public facilities ordinances by local governments. For the purposes of the study, an adequate public facilities ordinance is any ordinance, policy, guideline, or procedure adopted by a local government that ties or conditions development approval to the availability and adequacy of public facilities and services. In particular, the Commission shall study the extent to which such ordinances increase the cost of housing and affect State and local tax revenues, employment, and economic development.

SECTION 2.1.(l) For-Profit Recycling Businesses (Rand) – The Commission may study issues related to developing strategies to protect the State's citizens from being misled into unknowingly donating goods to for-profit recycling businesses when they are attempting to aid charitable nonprofit organizations.

SECTION 2.1.(m) Post-Adoption Contact (S.B. 209 – Kinnaird) – The Commission may study the topic of post-adoption contacts and communication between

an adopted child and a birth relative. In conducting the study, the Commission may consider the following:

- (1) The need to establish laws for post-adoption contacts or communication between an adopted child and a birth relative.
- (2) What constitutes post-adoption contacts and communication.
- (3) Any effect post-adoption contacts and communication would have on existing adoption laws.
- (4) The criteria for establishing post-adoption contacts and communication and the contents of any such agreement.
- (5) Any other information the Commission deems relevant.

SECTION 2.1.(n) Sick Leave Bank and Family Leave (S.B. 2007 – Atwater) – The Commission may study the feasibility of the State providing family leave for employees and State policies relating to the voluntary sick leave bank for public school employees. In conducting the study, the Commission may consider the following:

- (1) Evaluate the status of the State's voluntary sick leave bank for public school employees.
- (2) Consider the efficacy of changes in policy designed to make the current sick leave bank more "employee friendly."
- (3) Study sick leave banks and other shared leave programs in other states.
- (4) Evaluate the need for a sick leave bank for teachers and State employees beyond the current voluntary program.
- (5) Study the feasibility of the State providing family leave for employees including paid leave to care for a newborn, newly adopted, or foster child and paid leave due to a serious personal or family member's health problem. In the course of the study, the Commission shall consider laws from other states regarding (i) family leave, (ii) temporary disability insurance programs that provide family leave, (iii) family leave insurance programs, and (iv) consider additional sources of sick days for the sick leave bank.
- (6) Review any other matter that the Commission finds relevant to its charge.

SECTION 2.1.(o) Effectiveness of the State Purchasing and Contract System (Rand) – The Commission may study the effectiveness of the State purchasing and contract system including its accessibility and impact on the State's small businesses and the participation of minority contractors.

SECTION 2.1.(p) Requirements for Issuance of Building Permits for On-Site Business Installation or Repair of Electrical Equipment – The Commission may study the requirements of current law, G.S. 153A-357 and G.S. 160A-417, concerning issuance of building permits for on-site business installation or repair of electrical equipment. The Commission shall examine whether permits should be waived for installation and repair of electrical equipment by businesses on their own property, if the property is not intended for lease or sale, and if the business employs electricians or mechanics for the purpose of installing or repairing its own electrical equipment.

SECTION 2.1.(q) Legislative Efficiency and Operations (Graham) – The Commission may study the issues surrounding legislative efficiency and operations. The study shall include the feasibility of organizational sessions, session limits, term limits, and legislative pay.

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

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 2007 General Assembly upon its convening.

SECTION 3.2. 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 3.3. 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 3.4. Regulation of Nurse Practitioner Practice (Nesbitt) – The Committee may study the following:

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

SECTION 3.5. 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:

- (1) Increasing access to preventative and primary care services by uninsured or medically indigent patients in existing or new health center locations.
- (2) Establishing community health center services in counties where no 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, and behavioral health.
- (4) Increasing capacity necessary to serve the uninsured by enhancing or replacing facilities, equipment, or technologies.

SECTION 3.6. 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.
- (5) The implications of government paid medical services.

SECTION 3.7. 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) 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.

SECTION 3.8. Occupational Therapy Licensure Revisions (H.B. 287 – Nye, England, Barnhart, Womble) – The Committee may study the amendment of certain laws relating to the North Carolina Occupational Therapy Act.

SECTION 3.9. Alternatives to State Health Plan for The University of North Carolina (H.B. 775 – Earle, Insko; Kinnaird) – The Committee may study the alternatives to the State Health Plan for The University of North Carolina.

SECTION 3.10. Smoking in Public Places (Holliman) – The Committee may study the issue of smoking in public places. As a part of its study, the Committee may:

- (1) Consider a proposal to ban smoking in all State controlled buildings, and granting local governments the authority to do the same in their buildings.
- (2) Consider a proposal to ban smoking in the workplace.
- (3) Consider repeal of State law that does not allow counties and cities to enact smoking ordinances more restrictive than State law.
- (4) Examine the health factors associated with secondhand smoke and its effect on persons exposed to it.
- (5) Examine whether the practice of separate areas for smoking and nonsmoking is adequate to protect nonsmokers from secondhand smoke.
- (6) Consider whether that should be any exceptions to new smoking restrictions.
- (7) Examine the effects on health and to the economy similar legislation has had in other states.
- (8) Consult with interested parties, such as doctors, the American Lung Association, the Cancer Society, and similar organizations, and invite their participation in the Committee's work as experts.

SECTION 3.11. Rural Health Care Access and Needs (H.B. 797 –Pierce) – The Committee may study, in consultation with the Department of Health and Human Services, Office of Research, Demonstrations, and Rural Health Development, the

health care needs in rural areas of the State and other health professional shortage areas of the State without inpatient services and with a high percentage of uninsured residents.

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 2007 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 2007 General Assembly upon its convening.

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. Child Nutrition Services (H.B. 696 – Inkso) – The Committee may study the impact of indirect costs associated with the child nutrition services program.

SECTION 5.5. 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 5.6. Track Students Throughout Education (H.B. 640) – The Committee may study the feasibility of tracking students throughout their education.

SECTION 5.7. 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 5.8. 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 5.9. Corporal Punishment Policies (H.B. 1462 – Alexander) – The Committee may study policies related to corporal punishment.

SECTION 5.10. Strategies for Targeting Educational Programs and Resources (Swindell, Lucas, Garrou) – 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 that 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.

- (2) Review existing initiatives and curricula, for early childhood through high school, and recommend ways to reduce duplicative efforts and make better use of finite resources.
- (3) Explore local actions and efforts to supplement State educational resources.
- (4) Examine how other states work with local governments to ensure adequate resources are available for the operational and capital needs of the public schools.

SECTION 5.11. Workforce Preparation in the Public Schools (S.B. 898 – Brown) – The Committee may study workforce preparation in the public schools.

SECTION 5.12. Community College Tuition Reciprocity (S.B. 779 – Snow) – The Committee may study issues relating to community college tuition reciprocity with other states.

SECTION 5.13. Information Requirements for School Admission/Assignment (H.B. 1480 – Folwell) – The Committee may study information requirements for school admission and assignment.

SECTION 5.14. Joint Education Leadership Team for Disadvantaged Students (Carney, Yongue; Clodfelter) – The Committee may study establishing a Joint Education Leadership Team for Disadvantaged Students.

SECTION 5.15. Education Facility Financing (H.B. 1272 – Yongue) – The Committee may study issues related to education facility financing.

SECTION 5.16. 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 5.17. Civics Education (H.B. 2469 – Glazier) The Committee may study issues related to civics education.

SECTION 5.18. Local School Construction Financing (H.B. 2189 –Yongue) The Committee may study issues related to local school construction financing.

SECTION 5.19. Teacher Assistant Salary Schedule (H.B. 2842 – McLawhorn) The Committee may study issues related to the teacher assistant salary schedule.

SECTION 5.20. Tax on Lottery Winnings/Community College Equipment (H. B. 1991 – Yongue, Tolson, Jeffus) – The Committee may study issues related to earmarking the tax collected on lottery winnings for community college equipment.

SECTION 5.21. Sales Tax Exemption for Local School Units (H.B. 2460 – Yongue, Carney, England, and Gibson) – The Committee may study issues related to providing for an exemption from the sales and use tax for local school administrative units.

SECTION 5.22. High School Graduation/Drop out Rate (Parmon, Weiss) – The Committee may study issues related to high school graduation and drop out rates.

SECTION 5.23. Sound Basic Education (Lucas) – The Committee may study strategies and resources that contribute to the opportunity for North Carolina students to obtain a sound basic education.

PART VI. JOINT LEGISLATIVE UTILITY REVIEW COMMITTEE STUDIES

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 2007 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:

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

PART VII. REVENUE LAWS STUDY COMMITTEE STUDIES

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 2007 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.

SECTION 7.9. Income Tax Refund Contribution Election (Coleman) – The Committee may study the feasibility of creating additional income tax refund contribution elections, also known as tax "check-offs". The study shall specifically address:

- (1) The amount of funds raised by any proposed refund contribution election.

- (2) Experience of other states in creating similar refund contribution elections.
- (3) Practical issues in creating new refund contribution elections.
- (4) Pros and cons of any proposed refund contribution election.
- (5) Any related issue.

SECTION 7.10 Intermodal Rail Facility (Clodfelter, Gibson) – The Committee may study the issue of creation of an intermodal rail facility in the State. As a part of its study, the Committee shall examine all of the following:

- (1) The multiple logistical benefits of the project, as a way to utilize and enhance the current intermodal port, highways, and rail transportation system of the State and region.
- (2) Improvements to traffic flow, transportation, safety, and air quality that the project will provide.
- (3) Economic benefits of the project, including increased State tax revenue and job creation resulting from the facility.
- (4) The funding contributions of private and public entities for the facility, and the current gap in needed funding for the project.
- (5) Solutions to the funding gap in order to expedite construction of the facility and insure the many benefits of the project to the citizens of the State are realized.

The Committee shall complete its study, propose a funding solution for this project, and report its findings to the General Assembly by January 1, 2007.

SECTION 7.11 Sales and Income Taxes. (H.B. 1649 –LaRoque) – The Committee may study issues related to comprehensive reform and simplification of the existing State tax structure.

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 2007 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.(a) Abandoned Mobile Home (Haire) The Commission may study issues related to abandoned manufactured homes. The Commission may specifically study: the impacts that abandoned manufactured homes have with regard to public health and safety, the environment, and the State's scenic resources; removal and transportation issues related to abandoned manufactured homes; solid waste disposal issues related to abandoned manufactured homes, including costs of disposal, removal of hazardous substances, and opportunities for reuse and recyclability of components of deconstructed homes; design of local government programs and regional approaches for the proper disposal of abandoned manufactured homes; and the feasibility and advisability of imposing an advance disposal tax on the sale of new and used manufactured homes to fund deconstruction of abandoned manufactured homes.

SECTION 8.3.(b) Subcommittee. – In order to facilitate the conduct of this study, the Cochairs of the Environmental Review Commission may establish a subcommittee of the Commission. The subcommittee of the Commission may include nonlegislative members who have special knowledge, interest, or expertise in various aspects of manufactured homes, solid waste management, local government, affordable housing issues, and tax collection matters, appointed in consultation with the President Pro Tempore of the Senate and the Speaker of the House of Representatives. At a minimum, the Cochairs shall appoint four members at large, who may be members of the Commission, in addition to the following members:

- (1) The Executive Director of the North Carolina Association of County Commissioners, or the Director's designee.
- (2) The Executive Director of the North Carolina League of Municipalities, or the Director's designee.
- (3) The President of the North Carolina Tax Collector's Association, or the President's designee.
- (4) The Director of the Division of Waste Management of the Department of Environment and Natural Resources, or the Director's designee.
- (5) The Director of the Division of Pollution Prevention and Environmental Assistance of the Department of Environment and Natural Resources, or the Director's designee.
- (6) The Executive Director of the North Carolina Manufactured Housing Institute, or the Director's designee.
- (7) The Executive Director of the Community Reinvestment Association of North Carolina, or the Director's designee.
- (8) Secretary of the Department of Revenue, or the Secretary's designee.
- (9) A manufacturer designated by the North Carolina Manufactured Housing Institute.
- (10) A retail representative designated by the North Carolina Manufactured Housing Institute.

PART IX. JOINT LEGISLATIVE GROWTH STRATEGIES OVERSIGHT COMMITTEE STUDIES

SECTION 9.1. The Joint Legislative Growth Strategies Oversight Committee may study the issues of 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 2007 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. DEPARTMENT OF TRANSPORTATION STUDY OF VOLUNTARY DISABILITY DESIGNATION ON DRIVERS LICENSES.

SECTION 11. The Division of Motor Vehicles of the Department of Transportation shall study a method to implement a voluntary disability designation on drivers licenses, State-issued identification cards, and vehicle registration. The method should allow persons with developmental disabilities or their families, or both, to request the placement of a designation indicating the disability or the possible presence in their vehicle of a person with a disability. The Division shall report to the General Assembly, no later than June 1, 2007, on the method developed and the schedule for implementation of the designation.

PART XII. HOUSE TASK FORCE TO REVIEW AND RESOLVE CONFLICT IN NORTH CAROLINA LAW OVER THE RECOVERY OF COSTS IN CIVIL CASES. (H.B. 2070 – Glazier)

SECTION 12.1. A House of Representatives Task Force on the Recovery of Costs in Civil Cases is established to review and recommend a resolution to the conflict in North Carolina law regarding the recovery of costs in a civil case. Specifically, the Task Force on the Recovery of Costs in Civil Cases shall study the conflict that exists

between G.S. 6-20 and G.S. 7A-305, and the appellate cases interpreting those statutes, and recommend revisions to one or both statutes to resolve that conflict.

SECTION 12.2. The Speaker of the House of Representatives shall appoint to serve on the Task Force six members of the House of Representatives and three public members: one member of the North Carolina Academy of Trial Lawyers, one member of the North Carolina Association of Defense Attorneys, and one member of the North Carolina Bar Association. The Speaker shall appoint a chair from the Task Force membership. The Task Force shall meet upon the call of its chair. A quorum of the Committee shall be a majority of its members.

SECTION 12.3. Members of the Task Force 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 and clerical staff to the Task Force to aid in its work. The Task Force may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. The Task Force may meet at various locations around the State to promote greater public participation in its deliberations. Subject to the approval of the Legislative Services Commission, the Task Force may meet in the Legislative Building or the Legislative Office Building. The Task Force, 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 12.4. The Task Force shall report the results of its review and its recommended resolution to the conflict to the Speaker of the House of Representatives by December 31, 2006.

SECTION 12.5. 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 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, 2007.

PART XIV. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES STUDIES

SECTION 14.1. The Joint Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance Abuse Services may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2007 General Assembly upon its convening.

SECTION 14.2. Mental Health Parity (H.B. 893 – Alexander) – The Committee may study issues related to mental health parity.

SECTION 14.3. Funding for Area and County Program Administration (Holloman) – The Committee may, in consultation with the Department of Health and Human Services, conduct an analysis of funding for administration for area and county mental health, developmental disabilities, and substance abuse services programs.

PART XV. STUDY COMMISSION ON STATE CONSTRUCTION INSPECTIONS (Owens; S.B. 192 – Hagan)

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, one of whom is also a member of the Higher Education Bond Oversight Committee.
- (2) Five voting members appointed by the President Pro Tempore of the Senate, one of whom is also a member of the Higher Education Bond Oversight Committee.
- (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. The Commission shall meet upon the call of the cochairs.

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.
- (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) Whether changes in the process to review plans submitted to and approved by the Commissioner of Insurance and the Department of Administration could enhance cost savings and promotion of one-time completion of projects.
- (7) 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 Directors of Legislative Assistants. 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. 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 15.4. The Commission may report its findings, conclusions, and recommendations, including any legislative proposals by the convening of the 2007 General Assembly. The Commission shall expire on that date, or upon filing its final report, whichever occurs earlier.

SECTION 15.5. 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 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 2007 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. The President Pro Tempore of the Senate and the Speaker of the House shall each appoint a co-chair. The Commission shall meet at the call of the co-chairs.

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(1), 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 Directors of Legislative Assistants 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 may 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. If the study is conducted, 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. UNC BOARD OF GOVERNORS STUDY COMMISSION

SECTION 19.1. There is created the UNC Board of Governors Study Commission. The Commission shall consist of 10 members appointed as follows: five by the President Pro Tempore of the Senate and five by the Speaker of the House of Representatives. The 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 2007 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 Directors of Legislative Assistants 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.

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 cochairs.

SECTION 20.3. The Commission shall study the legal, fiscal, and policy implications of various means of increasing accessibility to health insurance. The Commission may study the creation of a North Carolina Health Insurance Risk Pool (H.B. 1535 – Insko, Holliman) and a North Carolina Fair Share Health Insurance Access Program (H.B. 2860 – Holliman).

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; and 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 Regular Session of the 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 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 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. STATE FACILITIES MASTER PLAN/DIX COMPLEMENTARY USES

SECTION 21. The Dorothea Dix Hospital Property Study Commission shall study and make recommendations regarding the following:

- (1) Balancing complementary public uses of open space, the adaptive re-use of existing facilities, and continued support for mental health services.
- (2) The financial feasibility of the various uses.
- (3) An assessment of financial mechanisms for the implementation and maintenance of the various uses.
- (4) Administrative or governance structures to implement the uses.

The Commission shall report its findings and recommendations to the 2007 General Assembly by January 31, 2007.

PART XXII. COMPENSATION OF STATE ELECTED AND APPOINTED OFFICIALS STUDY COMMISSION (Rand)

SECTION 22.1. There is established the Compensation of State Elected and Appointed Officials Study Commission.

SECTION 22.2. The Commission shall consist of 15 members appointed as follows:

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

- (3) Three members appointed by the President Pro Tempore of the Senate who are representatives of private business with experience in evaluating and establishing compensation for management and executives.
- (4) Three members appointed by the Speaker of the House of Representatives who are representatives of private business with experience in evaluating and establishing compensation for management and executives.
- (5) Five members appointed by the Governor. In making the appointments, the Governor shall consider representatives of private business with experience in evaluating and establishing compensation for management and executives.

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

SECTION 22.3. The following State elected and appointed officials shall be included in the study by the Commission: the Governor and Lieutenant Governor; the Council of State; the Governors Cabinet; Members of the General Assembly; Justices of the Supreme Court, Judges of the Court of Appeals, Judges of the Superior Court, and Judges of the District Court.

SECTION 22.4. The Commission shall study the matters that impact compensation and benefits for State elected and appointed officials and may include the following:

- (1) Whether the annual compensation for State elected and appointed officials is equivalent to the compensation paid to comparable members of private businesses in the State.
- (2) Whether the annual compensation for State elected and appointed officials is at a sufficient level to continue to attract highly qualified individuals to commit to public service to the State without requiring those individuals to experience direct financial hardships.
- (3) The impact of inflationary forces on that compensation.
- (4) The effect, where appropriate, of comparable positions in the United States Government and the inclusion of established adjustments and increases in the compensation of comparable federal positions.
- (5) Whether the compensation and benefits, including family leave policies, are competitive for State elected and appointed officials as compared to comparable positions in the private sector.
- (6) Actions that would attract and retain State elected and appointed officials with special experience, management and leadership positions in the private sector for comparable State elected and appointed positions.
- (7) Any other matters relating to the compensation of State elected and appointed officials.

SECTION 22.5. 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 and clerical 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. 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 22.6. The Commission shall make its findings and recommendations in a final report to the 2007 General Assembly upon its convening. The Commission shall terminate upon the filing of its final report.

SECTION 22.7. 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 part.

PART XXIII. DEPARTMENT OF CULTURAL RESOURCES STUDY GRAVEYARD OF THE ATLANTIC MUSEUM

SECTION 23. The Department of Cultural Resources shall study the feasibility of designating the Graveyard of the Atlantic Museum as a State Historic Site or a Grassroots Science Museum. The Department shall submit the results of its study to the 2007 General Assembly upon its convening.

PART XXIV. JOINT LEGISLATIVE OVERSIGHT COMMISSION ON INFORMATION TECHNOLOGY STUDIES (Tolson, 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.

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 review the newly revised North Carolina Education Technology Plan developed by the North Carolina State Board of Education. The Commission's review shall also include best practices for using technology to enhance teaching and learning in North Carolina schools. The Commission shall review existing research-based best practices such as the IMPACT model, NC Wise Owl, and successful 1:1 (computer to student) initiatives across the State and nation. The Commission shall receive recommendations from the Business and Education Technology Alliance, the E-Learning Commission, the business community, and the North Carolina Center for 21st Century Skills.

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 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 Directors of Legislative Assistants 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 February 1, 2007. 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 part.

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:

- (1) One member appointed by the North Carolina League of Municipalities.
- (2) One member appointed by the North Carolina Association of County Commissioners.
- (3) One member appointed by the North Carolina School Boards Association.
- (4) One member appointed by the North Carolina Institute for Minority Economic Development.
- (5) Three members appointed by the North Carolina Minority and Women's Business Enterprise Coordinator's Network.
- (6) Eight members appointed by the Office of Historically Underutilized 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, 2007, 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 private not-for-profit day care appointed by the Speaker of the House of Representatives.

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 2007 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 part.

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 Directors of Legislative Assistants 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 2007 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.

PART XXVIII. TRAINING NEEDS OF THE MOTORSPORTS INDUSTRY

SECTION 28. The State Board of Community Colleges (State Board) shall study the issues surrounding the creation of a modern multiuse motorsports specialized training program and the training needs of the motorsports industry. In conducting the study, the State Board shall create a consortium of community colleges to address the training needs of industry members and to direct training programs to meet those needs. The consortium members shall consist of Catawba Valley Community College, Central Piedmont Community College, Davidson Community College, Forsyth Technical Community College, Halifax Community College, Rowan-Cabarrus Community College, and Wilkes Community College. Forsyth Technical Community College shall be the lead community college in the consortium for management and operations purposes. The consortium of community colleges shall focus its training efforts to provide specialized motorsports workforce training and to help create new jobs at the Advanced Vehicle Research Center located in Northampton County. If the motorsports industry finds that additional training at the university level would be beneficial to the industry, the State Board may work with the Board of Governors of The University of North Carolina and motorsports industry to determine how to best meet those needs. The State Board shall report its findings and recommendations, including any legislative proposals, to the Joint Legislative Education Oversight Committee on or before February 1, 2007.

PART XXIX. INLAND PORT (Dalton)

SECTION 29. The Institute for the Economy and the Future of Western North Carolina University, in cooperation with the North Carolina Regional Economic Development Commission, known as AdvantageWest, shall study the feasibility of establishing an inland port within the twenty three county region of the Commission. The Commission shall complete the report and submit it to the General Assembly on or before May 1, 2007.

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

SECTION 30. 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 2007 General Assembly.

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

SECTION 31. 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 2007 General Assembly.

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

SECTION 32.1. 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 also protecting the welfare of inherently dangerous animals. 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 32.2. The Department shall report its findings to the General Assembly no later than the convening of the 2007 General Assembly.

SECTION 32.3. 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 XXXIII. STATE FAIR HOUSING ACT STUDY (Kinnaird)

SECTION 33. 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 2007 General Assembly upon its convening.

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

SECTION 34.1. 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 34.2. The Commission shall submit a final report, along with any recommended legislation, by March 1, 2007, to the 2007 General Assembly.

PART XXXV. ADMINISTRATIVE OFFICE OF THE COURTS STUDY SELF-SERVE CENTERS (Rand)

SECTION 35. The Administrative Office of the Courts, in consultation with the North Carolina Bar Association, the North Carolina Legal Services Planning Council, Legal Aid of North Carolina, Inc., the North Carolina Justice Center, and Pisgah Legal Services shall study the most effective way to address the increasing numbers of persons who either cannot afford representation or choose to represent themselves in family law matters and in some civil litigation. The Administrative Office of the Courts shall report the results of this study to the House and Senate Appropriations Subcommittees on Justice and Public Safety no later than December 31, 2007.

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

SECTION 36. The Department of Health and Human Services may 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. If the study is conducted, the Department shall report its findings to the House of Representatives Appropriations Committee and the Senate Appropriations Committee by May 1, 2007.

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

SECTION 37. The Joint Legislative Commission on Seafood and Aquaculture may 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. If the study is conducted, the Commission shall report its findings and recommendations, including any legislative proposals, to the 2007 General Assembly.

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

SECTION 38. 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 Assembly upon its convening. The Commission shall terminate the earlier of the filing of its final report or upon the convening of the ~~2006 Regular Session of the 2005 2007~~ General Assembly."

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

SECTION 39.1. There is created the Study Commission on State Boards, Commissions, and Councils. The Commission shall consist of 28 members as follows:

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

SECTION 39.2. 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 39.3. The Commission shall examine the organization, powers, duties, functions, and funding of State boards, commissions, and councils. The Commission shall specifically consider the following:

- (1) Whether the boards, commissions, or councils should be eliminated or 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 39.4. 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 39.5. 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 Directors of Legislative Assistants 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 39.6. 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 39.7. 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 XL. STUDY COMMISSION ON WORKER RETRAINING (Harrell)

SECTION 40.1. 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 40.2. 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 40.3. 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 40.4. 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 40.5. 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 40.6. 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 Directors of Legislative Assistants 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 40.7. 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 40.8. 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 XLI. LOCAL SCHOOL CONSTRUCTION FINANCING STUDY (Yongue)

SECTION 41.1. 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:

- (1) ~~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. The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each appoint a cochair of the Commission."

SECTION 41.2. 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 XLII. LEGISLATIVE STUDY COMMISSION ON STATE PERSONNEL STATUTES

SECTION 42. 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 XLIII. DIVISION OF AIR QUALITY STUDY OF COSTS AND BENEFITS OF REDUCING EMISSIONS OF OXIDES OF NITROGEN, PARTICULATE MATTER, AND GREENHOUSE GASES FROM MOTOR VEHICLES. (S.B. 1006 – Clodfelter)

SECTION 43. The Division of Air Quality of the Department of Environment and Natural Resources shall study the costs and benefits of reducing emissions of oxides of nitrogen, particulate matter, and greenhouse gases from motor vehicles in this State. In particular, the Division shall evaluate the desirability and air quality benefits of adopting motor vehicle emissions standards adopted in other states. The Division of Air Quality shall submit an interim report on its findings and recommendations, including any legislative proposals, no later than January 15, 2007 and shall submit a final report no later than April 1, 2007 to the Environmental Review Commission and the Legislative Commission on Global Climate Change.

PART XLIV. DEPARTMENT OF HEALTH AND HUMAN SERVICES SURVEY OF PHARMACY PROVIDERS PARTICIPATING IN THE MEDICAID PROGRAM TO DETERMINE THE COST OF DISPENSING A MEDICAID PRESCRIPTION (H.B. 2853 – England; Faison)

SECTION 44. Not later than January 1, 2007, the Department of Health and Human Services shall conduct a survey of pharmacy providers participating in the Medicaid program to determine the cost of dispensing a Medicaid prescription in North Carolina. In place of the survey, the Department of Health and Human Services may use a recently conducted national survey of a statistically relevant sample of pharmacies. The Department shall report its findings to the Senate Appropriations subcommittee on Health and Human Services, the House of Representatives Appropriations Subcommittee on Health and Human Services, and the Fiscal Research Division not later than March 1, 2007.

PART XLV. WATERFRONT ACCESS STUDY COMMITTEE (H.B. 1922 – Wainwright, Justice; S.B. 1352 – Albertson)

SECTION 45.1. There is created the Waterfront Access Study Committee.

SECTION 45.2. The Committee shall be comprised of 21 members as follows:

- (1) The Director of the Sea Grant College Program of The University of North Carolina or the Director's designee.
- (2) The Senate Cochair of the Joint Legislative Commission on Seafood and Aquaculture or the Cochair's designee.
- (3) The House Cochair of the Joint Legislative Commission on Seafood and Aquaculture or the Cochair's designee.
- (4) The Chair of the Marine Fisheries Commission or the Chair's designee.
- (5) The Chair of the Coastal Resources Commission or the Chair's designee.
- (6) The Chair of the Wildlife Resources Commission or the Chair's designee.
- (7) The Director of the Division of Marine Fisheries or the Director's designee.
- (8) The Director of the Division of Coastal Management or the Director's designee.
- (9) The President of the North Carolina Recreation and Parks Association or the President's designee. The individual who serves in this position must also be a director of a public parks and recreation agency located in a coastal region as described in G.S. 143B-289.54(b).
- (10) A representative of a local government located in the Northeast Coastal Region, as described by G.S. 143B-289.54(b), appointed by the President Pro Tempore of the Senate.
- (11) A representative of a local government located in the Central Coastal Region, as described by G.S. 143B-289.54(b), appointed by the Speaker of the House of Representatives.
- (12) A representative of a local government located in the Southeast Coastal Region, as described by G.S. 143B-289.54(b), appointed by the President Pro Tempore of the Senate.
- (13) An economist appointed by the Speaker of the House of Representatives.
- (14) A representative of the residential building industry who builds in a coastal region as described in G.S. 143B-289.54(b), appointed by the President Pro Tempore of the Senate.
- (15) A realtor licensed under Chapter 93A of the General Statutes, appointed by the Speaker of the House of Representatives.
- (16) An individual involved in economic development in a coastal region as described in G.S. 143B-289.54(b), appointed by the President Pro Tempore of the Senate.
- (17) A representative of the marine trades industry appointed by the Speaker of the House of Representatives.
- (18) A representative of the commercial fishing industry appointed by the President Pro Tempore of the Senate.
- (19) A representative of the recreational fishing industry appointed by the Speaker of the House of Representatives.
- (20) A social scientist appointed by the President Pro Tempore of the Senate.
- (21) A representative of the environmental community appointed by the Speaker of the House of Representatives.

The Director of the Sea Grant College Program of The University of North Carolina or the Director's designee shall be the Chair of the Committee. Any vacancy

shall be filled by the original appointing authority. A quorum of the Committee shall be a majority of its members. The Committee shall meet upon the call of the Chair.

SECTION 45.3. The Committee, with the assistance of the Sea Grant College Program of The University of North Carolina and the North Carolina Coastal Resources Law, Planning, and Policy Center, shall study the degree of loss and potential loss of the diversity of uses along the coastal shoreline of North Carolina and how these losses impact access to the public trust waters of the State. Specifically, the Committee shall:

- (1) Gather information about local land-use management and zoning, current shoreline development trends, and local tax rates, including tax assessment trends for shoreline properties.
- (2) Collect research and information from North Carolina and other states and jurisdictions regarding incentive-based techniques and management tools used to preserve waterfront diversity.
- (3) Assess the applicability of such tools and techniques to the coastal shorelines of North Carolina.
- (4) Prepare a draft report with a statement of the issues, a summary of the research, and recommendations to address issues of diversity of waterfront use and access in North Carolina.
- (5) Hold three public meetings to present the draft report and recommendations to the public and user groups. One public meeting shall be held in each of the three coastal regions described by G.S. 143B-289.54(b).

SECTION 45.4. 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. Upon the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical 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. 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 45.5. The Committee may submit an interim report of its study to the Joint Legislative Commission on Seafood and Aquaculture, the Marine Fisheries Commission, and the Coastal Resources Commission no later than January 15, 2007. The Committee shall submit a final report of the results of its study, including any legislative recommendations, to the Joint Legislative Commission on Seafood and Aquaculture, the Marine Fisheries Commission, and the Coastal Resources Commission no later than April 15, 2007. The Committee shall terminate on April 15, 2007, or upon the filing of its final report, whichever occurs first.

SECTION 45.6. 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 act.

PART XLVI. GOVERNMENT PERFORMANCE AUDIT

SECTION 46.1. The Government Performance Audit Committee is established. The Committee shall be located administratively in the General Assembly. The Committee shall consist of 10 members appointed as follows: (i) five members of

the House of Representatives shall be appointed by the Speaker of the House of Representatives, and (ii) five members of the Senate shall be appointed by the President Pro Tempore of the Senate.

Terms on the Committee begin on August 1, 2006. A member continues to serve until a successor is appointed. A vacancy shall be filled within 30 days by the officer who made the original appointment. The Committee and the terms of the members shall expire when the Committee submits a final report to the General Assembly.

The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate a cochair of the Committee. The Committee shall meet at least once a quarter upon the joint call of the cochairs. A quorum of the Committee is six members. No action may be taken except by a majority vote at a meeting at which a quorum is present.

From funds available to the General Assembly, the Legislative Services Commission shall allocate monies to fund the meetings of the Committee. Members of the Committee shall receive subsistence and travel expenses as provided in G.S. 120-3.1.

The Legislative Services Commission, through the Legislative Services Officer, shall assign professional staff to assist the Committee in its work. Upon the direction of the Legislative Services Commission, the Directors of Legislative Assistants of the Senate and of the House of Representatives shall assign clerical staff to the Committee. The expenses for clerical employees shall be borne by the Committee.

SECTION 46.2. The Committee shall contract for a performance audit of the executive branch of State government. The goals of the audit are to evaluate the efficiency and effectiveness of State government 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, 2008.

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 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.

SECTION 46.3. The Committee shall issue a Request for Proposal (RFP) for a government performance audit to be conducted in accordance with this act. The Committee may award a contract pursuant to the RFP.

PART XLVII. STATE AND LOCAL FISCAL MODERNIZATION STUDY COMMISSION.

SECTION 47.1. Establishment of the Commission. – The State and Local Fiscal Modernization Study Commission is established.

SECTION 47.2. Membership. – The Commission shall be composed of 30 members, as follows:

- (1) Ten members appointed by the Governor as follows:
 - a. Four persons with substantial business experience.

- b. Two persons who hold county or municipal elected office or are county or city managers.
- c. One person with experience in economic analysis.
- d. Three members of the public at large.
- (2) Ten members appointed by the Speaker of the House of Representatives as follows:
 - a. Three persons with substantial business experience.
 - b. Four persons who are members of the House of Representatives at the time of appointment.
 - c. One person who hold county or municipal elected office or are county or city managers.
 - d. One person with experience in economic analysis.
 - e. One member of the public at large.
- (3) Ten members appointed by the President Pro Tempore of the Senate as follows:
 - a. Three persons with substantial business experience.
 - b. Four persons who are members of the Senate at the time of appointment.
 - c. One persons who hold county or municipal elected office or are county or city managers.
 - d. One person with experience in economic analysis.
 - e. One members of the public at large.

The Commission shall have three cochairs, one designated by the Governor, one designated by the President Pro Tempore and one designated by the Speaker of the House of Representatives from among their appointees. The Commission shall meet upon the call of the cochairs. Vacancies shall be filled by the appointing authority.

SECTION 47.3. Duties of the Commission. – The Commission shall:

- (1) Examine State and local revenue-sharing and taxing authority, and the division of responsibility for providing for infrastructure, public education, Medicaid and other needs.
- (2) Examine North Carolina’s revenue- and responsibility- sharing between State and local governments compared to those in other states.
- (3) Review the existing State tax code and recommend ways to modernize it.
- (4) Examine the current authority of local government to levy taxes and fees and recommend any changes in such authority.
- (5) Examine local governments’ ability to pay for services required by their citizens.
- (6) Recommend to the Governor and the General Assembly needed changes in State and local tax structure and sharing of revenues and responsibilities.
- (7) Study and recommend a permanent financing strategy leading to the elimination of county financial participation in Medicaid services.

SECTION 47.4. 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. The University of North Carolina shall provide advice and staffing to the Commission. Provision of such advice and staffing shall be coordinated through the President of The University of North Carolina, utilizing appropriate resources of the various constituent institutions. 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 may also meet at various locations around the State in order to promote greater public participation in its deliberations. 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 Commission may meet during a regular or extra session of the General Assembly.

SECTION 47.5. The Commission shall report its finding and recommendation to the 2007 Regular Session of the General Assembly no later than May 1, 2007. The Commission shall terminate upon the filing of its final report

SECTION 47.6. 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. Such allocation may be accomplished by transfer of funds to the University of North Carolina. Funds appropriated to The University of North Carolina may also be used to provide professional and clerical assistance as provided by this Part.

PART XLVIII. CHRONIC KIDNEY DISEASE TASK FORCE (Wright)

SECTION 48.1. The North Carolina Institute of Medicine is requested to convene a Task Force to study chronic kidney disease.

SECTION 48.2. If the Task Force is convened, the Secretary of Health and Human Services or a designee shall serve as a Co-Chair of the Task Force. The other Co-Chair shall be selected from the Task Force members. The Task Force shall include, but not be limited, to the following members:

- (1) Two members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (2) Two members of the Senate appointed by the President Pro Tempore of the Senate.
- (3) Three physicians appointed from lists submitted by the North Carolina Medical Society.
- (4) One physician appointed from lists submitted by the Old North State Medical Society.
- (5) One member who represents the State affiliate of the National Kidney Foundation.
- (6) One member who is a representative of the Department of Nephrology at each of the following medical schools: The University of North Carolina at Chapel Hill School of Medicine, Duke University School of Medicine, Bowman Gray School of Medicine at Wake Forest University, and the Brody School of Medicine at East Carolina University.
- (7) One member who represents owners/operators of clinical laboratories in the State.
- (8) One member who represents a private renal care provider
- (9) One member who is a dietitian licensed by the State of North Carolina.
- (10) One member who is a registered nurse practicing in the renal field.
- (11) One member who is a social worker practicing in the renal field.
- (12) One member who has chronic kidney disease.
- (13) Four representatives from the Department of Health and Human Services, including one representative from Community Care of North Carolina, one representative from the Division of Public Health, Chronic Disease Branch, one representative from the Division of Facility Services, Certificate of Need section, and one representative from the Office of Minority Health and Health Disparities.

If the Task Force is convened, the North Carolina Institute of Medicine shall provide staff and arrange for meeting facilities for the Task Force.

SECTION 48.3. If the Task Force is convened, it shall develop a plan to:

- (1) Reduce the occurrence of chronic kidney disease by controlling the most common risk factors, diabetes and hypertension, through preventive efforts at the community level and disease management efforts in the primary care setting.
- (2) Educate the public and health care professionals about the advantages and methods of early screening, diagnosis, and treatment of chronic kidney disease and its complications based on Kidney Disease Outcomes Quality Initiative Clinical Practice Guidelines for chronic kidney disease or other medically recognized clinical practice guidelines.
- (3) Educate health care professionals about early renal replacement therapy education for patients (including in-center dialysis, home hemodialysis, peritoneal dialysis as well as vascular access options and transplantation) prior to the onset of ESRD when kidney function is declining.
- (4) Make recommendations on the implementation of a cost-effective plan for prevention, early screening, diagnosis, and treatment of chronic kidney disease and its complications for the State's population.
- (5) Identify current barriers to adoption of best practices and potential policy options to address these barriers.

SECTION 48.4. If the North Carolina Institute of Medicine Chronic Kidney Disease Task Force is convened, it shall submit its interim report and recommendations to the 2007 General Assembly upon its convening, and to the chairs of the Senate Health Committee, the House of Representatives Health Committee, the House Aging Committee, and the Governor. The final report shall be submitted no later than the convening of the 2008 General Assembly. Upon submission of this report, the Task Force shall terminate.

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

SECTION 49.1. 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:

- (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.

SECTION 49.2. Duties of Commission. – The Commission shall study the following matters related to expanding rail service in North Carolina:

- (1) The cost and benefits of expanding and upgrading rail service in the State, including the effect the expanded service would have on economic development.
- (2) The feasibility, cost, and benefits of establishing commuter rail service 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.
- (3) The cost and benefits of expanding passenger rail service to the western and eastern areas of the State, including the effect the expanded service would have on tourism.
- (4) Ways to preserve unused or abandoned rail corridors for future rail needs.
- (5) Spurring economic development and tourism through further 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 49.3. 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.

SECTION 49.4. Staff. – Adequate staff shall be provided to the Commission by the Legislative Services Office.

SECTION 49.5. Consultants. – The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02.

SECTION 49.6. 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 49.7. 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 49.8. 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 49.9. Report. – The Commission 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 49.10. Appropriation. – Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Commission.

PART L. LEGISLATIVE STUDY COMMISSION ON THE BUDGET OF THE DEPARTMENT OF PUBLIC INSTRUCTION

SECTION 50.1. There is created the Legislative Study Commission on the Budget of the Department of Public Instruction. The purpose of the Commission is to perform a zero-based budget review of the Department of Public Instruction.

SECTION 50.2. The Commission shall consist of five members of the House of Representatives appointed by the Speaker of the House of Representatives and five members of the Senate appointed by the President Pro Tempore of the Senate.

The Speaker of the House of Representatives shall designate one Representative as cochair, and the President Pro Tempore shall designate one Senator as cochair. Vacancies on the Commission shall be filled by the same appointing authority as made the initial appointment.

SECTION 50.3. In performing a zero-based budget review of the Department of Public Instruction, the Commission shall include all of the following:

- (1) Consider the mission and goals of the Department, as set out in statutes and in the rules, policies, and practices of the Department.
- (2) Evaluate the mission and goals of the Department in view of the Leandro decision, the No Child Left Behind Act of 2001, the academic performance of students in the public schools, and the needs of the State and its citizens, and propose any necessary revisions.
- (3) Evaluate the efficiency and effectiveness of the Department of Public Instruction in furthering the missions and goals of the Department, including any proposed revisions. This evaluation shall include (i) the role of the Department of Public Instruction, its administrative

- structure, organization, and its statutory powers and duties; (ii) the role of the State Board of Education as the head of the Department of Public Instruction, its composition, organization, and constitutional and statutory powers and duties; and (iii) the role of the State Superintendent as secretary and chief administrative officer of the State Board, the State Superintendent's selection, and the State Superintendent's constitutional and statutory powers and duties.
- (4) Evaluate each program within the Department to determine (i) whether and to what extent it is required by State or federal law; (ii) what extent it achieves the mission and goals of the Department; and (iii) whether there are alternative ways to achieve the mission and goals of the Department, including proposed revisions, in a more efficient and effective manner.
 - (5) Assess the activities performed in each program, the major benefits provided by the program, the current cost and staffing levels for the program, the rationale for the cost and staffing levels, and the administrative and other overhead costs of the program.
 - (6) Determine the level of funding and staff necessary to accomplish the goals and missions of the Department, including proposed revisions, without regard to past levels of funding.

SECTION 50.4. 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 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 Directors of Legislative Assistants 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. 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 Director of Legislative Assistants shall assign clerical staff to the Commission, and the expenses relating to the clerical employees shall be borne by the Commission.

SECTION 50.5. The Commission shall report the results of its study and its recommendations to the 2007 General Assembly upon its convening. The Commission shall terminate upon filing its final report or upon the convening of the 2007 General Assembly, whichever is earlier.

SECTION 50.6. 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 LI. STATE BOARD OF EDUCATION STUDY OF PUBLIC SCHOOL PERSONNEL COMMUNICATION CONCERNING DISABILITIES

SECTION 51. The State Board of Education, in cooperation with Division TEACCH and the North Carolina Justice Academy, shall study training for public school personnel designed to facilitate, when needed, effective communication and transfer of information about students with autism and other disabilities between school personnel and school resource officers. The State Board shall report its findings and recommendations to the 2007 General Assembly on or before March 31, 2007.

PART LII. DOROTHEA DIX HOSPITAL PROPERTY STUDY COMMISSION EXPANDED

SECTION 52. Section 3.4.(b) of S.L. 2003-314 reads as rewritten:

"SECTION 3.4.(b) Creation and Membership. – The Dorothea Dix Hospital Property Study Commission is created. The Commission shall consist of ~~nine~~ 11 members, ~~four~~five appointed by the President Pro Tempore of the Senate and ~~four~~five appointed by the Speaker of the House of Representatives. The Secretary of Health and Human Services shall serve as an ex officio member of the Commission."

PART LIII. JOINT LEGISLATIVE STUDY COMMITTEE ON SEX OFFENDER REGISTRATION AND INTERNET CRIMES AGAINST CHILDREN

SECTION 53.1. There is established a Joint Legislative Study Committee on Sex Offender Registration and Internet Crimes Against Children.

SECTION 53.2. The Study Committee shall consist of 18 members, nine members appointed by the Speaker of the House of Representatives and nine members appointed by the President Pro Tempore of the Senate.

SECTION 53.3. The Study Committee shall study sex offender registration laws and internet crimes against children. In connection with this study, the Committee shall:

- (1) Review the list of offenses for which registration is required in North Carolina and determine whether offenses should be added or deleted from the registration requirement.
- (2) Consider increasing or decreasing the amount of time a person should remain on the registry.
- (3) Examine the procedures for termination of the registration requirement.
- (4) Consider the ways to improve the verification of the registration requirement.
- (5) Evaluate whether law enforcement should have an affirmative duty to notify residents, schools, or other interested parties that a sex offender lives in the neighborhood.
- (6) Identify methods that can be used to track sex offender locations, including the use of GPS devices to monitor sex offenders, even after they have served their sentences.
- (7) Study the use of registration fees.
- (8) Consider prohibiting sex offenders from working in jobs that involve direct contact with children.
- (9) Evaluate proposals that require sex offenders to stay a certain distance from schools and day care centers.
- (10) Compare sex offender laws in North Carolina with the laws of other states.
- (11) Review the criminal statutes and sentencing guidelines in North Carolina relating to the production, distribution, and possession of child pornography and determine how they can be strengthened and improved.
- (12) Review the criminal statutes and sentencing guidelines in North Carolina relating to enticement of children through the use of computers or the Internet.
- (13) Examine the current prosecution and sentencing of child pornography and other Internet crimes against children.

- (14) Evaluate law enforcement practices, capacity, training, and workload for combating child pornography and other Internet crimes against children.
- (15) Investigate ways to increase the use of asset forfeiture in child pornography distribution and production cases.
- (16) Review best practices federally and in other states regarding Internet crimes against children.

SECTION 53.4. Members of the Committee shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

SECTION 53.5. Subject to the approval of the Legislative Services Commission, the Committee 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 Directors of Legislative Assistants shall assign clerical staff to the Committee, and the expenses relating to the clerical employees shall be borne by the Committee. The Committee, 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 appointing authority shall fill vacancies.

SECTION 53.6. Of the funds appropriated to the General Assembly, the Legislative Services Commission shall allocate funds for the expenses of the Committee established by this Part.

SECTION 53.7. The Committee shall make a final report to the 2007 General Assembly upon its convening, and shall terminate upon the earlier of the filing of its final report or the convening of the 2007 General Assembly.

PART LVIV. JOINT LEGISLATIVE CORRECTIONS, CRIME CONTROL, AND JUVENILE JUSTICE OVERSIGHT COMMITTEE

SECTION 54.1. The Joint Legislative Corrections, Crime Control, and Juvenile Justice Oversight Committee may study the topics listed in this Part and report its findings, together with any recommended legislation, to the 2007 General Assembly upon its convening.

SECTION 54.2. Expungement for Non-Violent Felons (H.B. 1084 – Bordsen) – The Committee may study issues related to expungement for non-violent felons.

PART LV. BENEFICIAL USES OF INDUSTRIAL HEMP (S.B. 1572 – Bingham and Kinnaird)

SECTION 55.1. There is established a Study Commission on the Beneficial Uses of Industrial Hemp.

SECTION 55.2. The Commission shall be composed of 15 members as follows:

- (1) Two members of the Senate appointed by the President Pro Tempore of the Senate.
- (2) Two members of the House of Representatives appointed by the Speaker of the House of Representatives.
- (3) Two members appointed by the Governor.
- (4) The Chair of the Agriculture Committee of the House of Representatives.

- (5) The Chair of the Agriculture, Environment, and Natural Resources Committee of the Senate.
- (6) The Commissioner of Agriculture or the Commissioner's designee.
- (7) The Secretary of Commerce or the Secretary's designee.
- (8) The President of the North Carolina Farm Bureau Federation, Inc., or the President's designee.
- (9) The Dean of the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill or the Dean's designee.
- (10) The Dean of The Fuqua School of Business at Duke University or the Dean's designee.
- (11) The Dean of the College of Agriculture and Life Sciences at North Carolina State University or the Dean's designee.
- (12) The Dean of the School of Agriculture and Environmental Sciences at North Carolina Agricultural and Technical State University or the Dean's designee.

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. A quorum of the Commission shall consist of eight members.

SECTION 55.3. The Commission shall study the many beneficial industrial uses of industrial hemp, including the use of industrial hemp oil as an alternative fuel and the use of industrial hemp fiber in construction and paper products. The Commission shall examine the economic opportunities industrial hemp provides to the State and consider the desirability and feasibility of authorizing industrial hemp cultivation and production as a farm product in North Carolina. In addition, the study shall include the following:

- (1) A review of current scientific and business literature on the many uses of industrial hemp, including the uses of industrial hemp oil as an alternative fuel and motor oil; the uses of omega-3 rich industrial hemp seed and industrial hemp oil in snack foods, body care products, and food supplements; the uses of industrial hemp fibers as raw materials for construction and paper products and for fabric; and the uses of industrial hemp in the manufacture of recyclable car parts.
- (2) A review of scientific literature on the different types of hemp and how industrial hemp differs from hemp that is the illegal substance marijuana.
- (3) A review of current economic literature on the economic benefits of, and the economic markets for, the products made using industrial hemp.
- (4) A review of actions taken by the federal government and actions by other states to produce industrial hemp for industrial uses.
- (5) An evaluation of the economic opportunities for the State that may result from producing industrial hemp as a farm product and manufacturing industrial hemp products.
- (6) Any other issues the Commission deems relevant.

SECTION 55.4. 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. 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. 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 55.5. The Commission shall make its findings and recommendations in a final report to the 2007 General Assembly and the Environmental Review Commission by December 1, 2006. The Commission shall terminate upon the filing of its final report.

SECTION 55.6. 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 Part.

PART LVI. STUDY COMMISSION ON DAY CARE AND RELATED PROGRAMS (S.B. 1827 – Jenkins)

SECTION 56.1. There is created the Legislative Study Commission on Day Care and Related Programs.

SECTION 56.2. The Commission shall consist of 12 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) Two members of the general public appointed by the President Pro Tempore of the Senate.
- (4) Two members of the general public appointed by the Speaker of the House of Representatives.

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 cochair.

SECTION 56.3. The Commission shall study all of the following:

- (1) Assess the shortfalls and benefits of the various day care and related programs.
- (2) Consider needed adjustments, and possible program consolidations, and the necessary reprioritization of funds to realize the maximum benefit to the State's children and families.
- (3) Consider how day care and related programs affect economic development today and in the future.
- (4) Review any other matter that the Commission finds relevant to its charge.

SECTION 56.4. 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. Upon the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical 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. 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 56.5. The Commission shall make its findings and recommendations in a final report to the 2007 General Assembly by December 31, 2006. The Commission shall terminate upon the filing of its final report.

SECTION 56.6. 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 Part.

PART LVII. BILL AND RESOLUTION REFERENCES

SECTION 57. The listing of the original bill or resolution in this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the substantive provisions contained in the original bill or resolution.

PART LVIII. EFFECTIVE DATE AND APPLICABILITY

SECTION 58. Except as otherwise specifically provided, this act is effective when it becomes law. If a study is authorized both in this act and in the Current Operations and Capital Improvements Appropriations Act of 2006, the study shall be implemented in accordance with the Current Operations and Capital Improvements Appropriations Act of 2006 as ratified.

In the General Assembly read three times and ratified this the 27th day of July, 2006.

s/ Beverly E. Perdue
President of the Senate

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

s/ Michael F. Easley
Governor

Approved 11:51 a.m. this 16th day of August, 2006