

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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2

SENATE BILL 753
Appropriations Committee Substitute Adopted 4/25/91

Short Title: 1991 Current Operations.

(Public)

Sponsors:

Referred to:

April 22, 1991

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE BASE BUDGET APPROPRIATIONS FOR CURRENT
3 OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND
4 AGENCIES, AND FOR OTHER PURPOSES.

5 The General Assembly of North Carolina enacts:

6
7 ---INTRODUCTION

8 Section 1. The appropriations made in this act are for maximum amounts
9 necessary to provide the services and accomplish the purposes described in the budget.
10 Savings shall be effected where the total amounts appropriated are not required to
11 perform these services and accomplish these purposes and, except as allowed by the
12 Executive Budget Act, or this act, the savings shall revert to the appropriate fund at the
13 end of each fiscal year.

14
15 Requested by: Senators Basnight, Plyler
16 ---TITLE OF ACT

17 Sec. 2. This act shall be known as "The Current Operations Appropriations
18 Act of 1991."

19
20
21 PART I.—GENERAL FUND APPROPRIATIONS

22
23 ---CURRENT OPERATIONS/GENERAL FUND

1 Sec. 3. Appropriations from the General Fund of the State for the
2 maintenance of the State departments, institutions, and agencies, and for other purposes
3 as enumerated are made for the biennium ending June 30, 1993, according to the
4 following schedule:

<u>Current Operations-General Fund</u>	<u>1991-92</u>	<u>1992-93</u>
General Assembly	\$ 18,173,934	\$ 21,179,736
Judicial Department	210,606,889	212,962,555
Department of the Governor		
01. Office of the Governor	5,731,392	5,746,298
02. Office of State Budget and Management	3,874,628	4,001,206
Lieutenant Governor's Office		550,773 552,511
Department of Secretary of State		4,574,606 4,159,823
Department of State Auditor		13,074,580 13,089,743
Department of State Treasurer		4,957,366 4,969,228
Department of Public Education	3,242,278,048	3,299,854,451
Department of Justice		48,881,924 48,269,160
Department of Administration		
01. Administration	48,416,928	51,155,369
02. State Controller	5,123,929	5,131,960
Department of Agriculture		41,226,371 41,068,448
Department of Labor		8,506,435 8,515,072
Department of Insurance		12,928,411 12,948,061
Department of Transportation		
01. Aeronautics	8,200,000	8,000,000
02. Aid to Railroads	128,406	100,000
Total Department of Transportation		8,328,406 8,100,000

1			
2	Department of Environment, Health, and		
3	Natural Resources	177,981,058	178,045,685
4			
5	Office of Administrative Hearings		1,291,507 -
6			
7	Administrative Rules Review Commission	264,804	264,981
8			
9	Department of Human Resources		
10	01. Alcohol Drug Abuse Treatment Center -		
11	Black Mountain	3,885,588	3,898,416
12	02. Alcohol Drug Abuse Treatment Center -		
13	Butner	3,276,808	3,292,752
14	03. Alcohol Drug Abuse Treatment Center -		
15	Greenville	3,308,437	3,323,543
16	04. N.C. Special Care Center	707,654	749,150
17	05. Black Mountain Center	1,822,718	2,127,879
18	06. DHR - Secretary	11,006,588	11,007,196
19	07. Division of Aging	8,512,393	8,513,079
20	08. Schools for the Deaf and		
21	Hard of Hearing	19,425,130	19,557,294
22	09. Social Services	131,403,232	138,209,315
23	10. Medical Assistance	531,054,585	610,720,480
24	11. Social Services-State Aid to		
25	Non-State Agencies	5,440,669	5,440,669
26	12. Division of Services for the		
27	Blind	12,114,015	12,133,340
28	13. Division of Mental Health,		
29	Developmental Disabilities and		
30	Substance Abuse Services	186,128,759	187,029,903
31	14. Dorothea Dix Hospital	35,814,707	38,113,858
32	15. Broughton Hospital	29,898,420	31,460,212
33	16. Cherry Hospital	31,085,044	32,378,257
34	17. John Umstead Hospital	31,141,116	34,535,642
35	18. Western Carolina Center	1,963,844	2,202,944
36	19. O'Berry Center	2,428,398	2,629,689
37	20. Murdoch Center	9,622,543	9,794,616
38	21. Caswell Center	6,728,002	8,676,916
39	22. Division of Facility Services	29,537,974	30,537,974
40	23. Division of Vocational		
41	Rehabilitation Services	22,165,279	22,165,857
42	24. Division of Youth Services	46,131,082	46,177,299
43	Total Department of		
44	Human Resources	1,164,602,985	1,264,676,280

1			
2	Department of Correction		482,816,150 498,455,450
3			
4	Department of Economic and Community		
5	Development		
6	01. Economic and Community		
7	Development	25,419,965 25,444,011	
8	02. Biotechnology Reserve	7,157,547 7,157,547	
9	03. MCNC	16,525,140 16,000,000	
10	04. Rural Economic Development		
11	Center	1,530,627 1,514,766	
12			
13	Department of Revenue		54,587,880 54,558,398
14			
15	Department of Cultural Resources		39,251,887 39,968,999
16			
17	Department of Crime Control		
18	and Public Safety		27,674,793 27,852,591
19			
20	University of North Carolina - Board		
21	of Governors		
22	01. General Administration	15,468,959 16,891,790	
23	02. University Institutional		
24	Program	5,268,434 5,368,434	
25	03. Related Educational Programs	44,459,166 44,935,166	
26	04. University of North Carolina		
27	at Chapel Hill		
28	a. Academic Affairs	135,520,285 141,989,138	
29	b. Health Affairs	100,358,492 105,307,623	
30	c. Area Health Education		
31	Centers	31,321,518 31,294,282	
32	05. North Carolina State University		
33	at Raleigh		
34	a. Academic Affairs	173,620,316 176,855,148	
35	b. Agricultural Research		
36	Service	35,991,687 35,832,360	
37	c. Agricultural Extension		
38	Service	28,188,217 28,058,646	
39	06. University of North Carolina at		
40	Greensboro	55,431,875 55,752,060	
41	07. University of North Carolina at		
42	Charlotte	56,481,700 56,616,999	
43	08. University of North Carolina at		
44	Asheville	16,799,573 16,928,588	

1	09.	University of North Carolina at		
2		Wilmington	32,860,572	33,035,418
3	10.	East Carolina University		
4		a. Academic Affairs	73,660,951	74,021,275
5		b. Division of Health Affairs	51,805,884	53,804,404
6	11.	North Carolina Agricultural and		
7		Technical State University	36,456,517	36,728,111
8	12.	Western Carolina University	35,148,490	35,380,827
9	13.	Appalachian State University	53,437,177	53,654,902
10	14.	Pembroke State University	16,061,541	16,040,837
11	15.	Winston-Salem State University	15,995,859	16,108,285
12	16.	Elizabeth City State		
13		University	15,031,726	15,017,653
14	17.	Fayetteville State University	17,036,946	17,022,408
15	18.	North Carolina Central		
16		University	26,813,491	26,920,734
17	19.	North Carolina School of the		
18		Arts	8,415,496	8,427,137
19	20.	North Carolina School of		
20		Science and Mathematics	7,210,271	7,155,663
21	21.	UNC Hospitals at Chapel Hill	38,557,139	47,094,644
22	Total University of North			
23	Carolina		1,127,402,282	1,156,242,532
24				
25	Department of Community			
26	Colleges		364,036,756	364,583,295
27				
28	State Board of Elections		474,817	435,187
29				
30	Contingency and Emergency		1,125,000	1,125,000
31				
32	Reserve for Salary Adjustments		500,000	500,000
33				
34	Reserve for Lowest Paid Employees		750,000	750,000
35				
36	Debt Service		<u>76,028,270</u>	<u>73,049,578</u>
37				
38				
39	GRAND TOTAL CURRENT OPERATIONS –			
40	GENERAL FUND		\$7,246,656,088	\$7,452,327,921
41				
42				
43	PART II.—CURRENT OPERATIONS/HIGHWAY FUND			
44				

1 Sec. 4. Appropriations from the Highway Fund of the State for the
2 maintenance and operation of the Department of Transportation, and for other purposes
3 as enumerated, are made for the biennium ending June 30, 1993, according to the
4 following schedule:

		<u>1991-92</u>	<u>1992-93</u>
5			
6	<u>Current Operations-Highway Fund</u>		
7			
8	Department of Transportation		
9	01. Administration	\$ 34,627,360	\$ 34,785,517
10	02. Division of Highways		
11	a. Administration and		
12	Operations	33,084,409	33,151,051
13	b. State Construction		
14	(01) Primary Construction	-	-
15	(02) Secondary		
16	Construction		66,121,926 66,717,023
17	(03) Urban Construction	10,805,664	9,828,266
18	(04) Access and Public		
19	Service Roads		2,000,000 2,000,000
20	(05) Special Appropriation		
21	for Highways		5,000 5,000
22	(06) Spot Safety		
23	Improvements		9,100,000 9,100,000
24	c. State Funds to Match Federal		
25	Highway Aid		
26	(01) Construction	65,992,066	65,992,066
27	(02) Planning Survey and Highway		
28	Planning Research		2,959,649 2,959,649
29	d. State Maintenance		
30	(01) Primary	85,882,433	85,882,433
31	(02) Secondary	151,355,630	151,355,630
32	(03) Urban	22,714,972	22,714,972
33	(04) Contract Resurfacing	100,000,000	102,500,000
34	e. Ferry Operations	16,547,896	16,547,896
35	03. Division of Motor Vehicles	75,249,105	75,416,064
36	04. Governor's Highway Safety Program	290,279	290,617
37	05. State Aid to Municipalities		66,121,926 66,717,023
38	06. State Aid for Public		
39	Transportation	5,038,766	5,046,001
40	07. Salary Adjustments for Highway		
41	Fund Employees	200,000	200,000
42	08. Reserve to Correct Occupational		
43	Safety and Health Conditions	425,000	425,000
44	09. Reserve to Continue DOT		

1	Merit Salary Increases	4,510,383	4,510,383
2	10. Debt Service	38,227,230	38,018,250
3			
4	Appropriations for Other State Agencies		
5	01. Crime Control and Public		
6	Safety	86,129,004	88,604,722
7	02. Other Agencies		
8	a. Department of Agriculture	2,892,001	2,790,013
9	b. Department of Revenue	1,921,279	1,923,941
10	c. Department of Environment,		
11	Health, and Natural		
12	Resources:		
13	LUST Trust Fund		5,186,720 5,586,046
14	Chemical Test Program		380,176 380,176
15	d. Department of Correction	4,633,856	4,633,856
16	e. Department of Justice	240,250	240,250
17	f. Department of Public		
18	Education	<u>22,930,662</u>	<u>22,868,826</u>
19			
20	GRAND TOTAL CURRENT OPERATIONS –		
21	HIGHWAY FUND		\$ 915,573,642 \$ 921,190,671
22			

24 PART III.—HIGHWAY TRUST FUND

25			
26	Sec. 4.1.		
27	<u>1991-92</u> <u>1992-93</u>		
28	01. Intrastate System	\$ 209,895,893	\$ 212,129,190
29	02. Secondary Roads Construction	48,722,975	49,857,300
30	03. Urban Loops	84,873,157	85,776,210
31	04. State Aid - Municipalities	22,022,975	22,257,300
32	05. Program Administration	10,669,071	10,653,351
33	06. Transfer to General Fund	<u>170,000,000</u>	<u>170,000,000</u>
34			
35	GRAND TOTAL/HIGHWAY TRUST FUND		\$ 546,184,071 \$ 550,673,351
36			

38 PART IV.—BLOCK GRANT APPROPRIATIONS

39
40 Requested by: Senators Richardson, Martin of Pitt

41 —BLOCK GRANT PROVISIONS

42 Sec. 5. (a) Appropriations from federal block grant funds are made for the
43 fiscal year ending June 30, 1992, according to the following schedule:

1	TOTAL JOB TRAINING PARTNERSHIP ACT		\$
2	35,316,871		
3			
4	COMMUNITY SERVICES BLOCK GRANT		
5			
6	01. Community Action Agencies	\$ 8,906,905	
7			
8	02. Limited Purpose Agencies	494,305	
9			
10	03. Department of Human Resources		
11	to administer and monitor		
12	the activities of the		
13	Community Services Block Grant	484,890	
14			
15	TOTAL COMMUNITY SERVICES BLOCK GRANT		\$
16	9,886,100		
17			
18	COMMUNITY DEVELOPMENT BLOCK GRANT		
19			
20	01. State Administration	\$ 913,140	
21			
22	02. Urgent Needs/Contingency	1,987,193	
23			
24	03. Development Planning/Housing	1,987,193	
25			
26	04. Economic Development	7,948,772	
27			
28	05. Community Revitalization	27,820,702	
29			
30	TOTAL COMMUNITY DEVELOPMENT		
31	BLOCK GRANT		\$
32	40,657,000		
33			
34	PREVENTIVE HEALTH BLOCK GRANT		
35			
36	01. Emergency Medical Services	\$ 451,915	
37			
38	02. Basic Public Health Services	928,395	
39			
40	03. Hypertension Programs	590,230	
41			
42	04. Health Education/Risk Reduction Programs and		
43	Health Promotion/Local Health Departments	1,013,371	
44			

1	05.	Fluoridation of Water Supplies	158,134	
2				
3	06.	Rape Prevention and Rape		
4		Crisis Programs	91,269	
5				
6	07.	AIDS/HIV Education, Counseling,		
7		and Testing	290,577	
8				
9	08.	TB Control Program	61,787	
10				
11		TOTAL PREVENTIVE HEALTH BLOCK GRANT		\$
12		3,585,678		
13				
14		MATERNAL AND CHILD HEALTH SERVICES		
15				
16	01.	Healthy Mother/Healthy Children		
17		Block Grants to Local Health		
18		Departments	\$ 11,788,781	
19				
20	02.	High Risk Maternity Clinic Services,		
21		Perinatal Education, and Consultation		
22		to Local Health Departments		
23		and Other Health Care Providers	1,554,303	
24				
25	03.	Services to Disabled Children	5,367,054	
26				
27	04.	Reimbursements for Local Health		
28		Departments for Contracted		
29		Nutritional Services	120,530	
30				
31		TOTAL MATERNAL AND CHILD		
32		HEALTH SERVICES		\$
33		18,830,668		
34				
35		SOCIAL SERVICES BLOCK GRANT		
36				
37	01.	County Departments of Social Services	\$ 42,846,858	
38				
39	02.	Allocation for In-Home Services provided		
40		by County Departments of		
41		Social Services	1,184,524	
42				
43	03.	Division of Mental Health, Developmental		
44		Disabilities, and Substance Abuse	5,514,782	

1			
2	04.	Division of Services for the Blind	3,162,920
3			
4	05.	Division of Youth Services	1,037,868
5			
6	06.	Division of Facility Services	330,573
7			
8	07.	Division of Aging	333,656
9			
10	08.	Day Care Services	12,158,899
11			
12	09.	Volunteer Services	55,086
13			
14	10.	State Administration and State Level	
15		Contracts	3,392,468
16			
17	11.	Voluntary Sterilization Funds	98,710
18			
19	12.	Transfer to Maternal and Child	
20		Health Block Grant	1,670,089
21			
22	13.	Adult Day Care Services	652,889
23			
24	14.	County Departments of Social Services for	
25		Child Abuse/Prevention and	
26		Permanency Planning	394,841
27			
28	15.	Allocation to Division of Maternal and	
29		Child Health for Grants-in-Aid to Prevention	
30		Programs	439,261
31			
32	16.	Transfer to Preventive Health	
33		Block Grant for Emergency Medical Services	
34		and Basic Public Health Services	486,258
35			
36	17.	Allocation to Preventive Health Block	
37		Grant for AIDS Education	290,577
38			
39	18.	Allocation to Department of Administration	
40		for North Carolina Fund for Children	45,270
41			
42	19.	Allocation to the Division of Economic	
43		Opportunity for Head Start,	
44		Elderly and Handicapped Services	197,421

1			
2	TOTAL SOCIAL SERVICES BLOCK GRANT		\$
3	74,292,950		
4			
5	LOW INCOME ENERGY BLOCK GRANT		
6			
7	01. Energy Assistance Programs	\$ 18,407,453	
8			
9	02. Crisis Intervention	4,441,897	
10			
11	03. Administration	1,981,400	
12			
13	04. Weatherization Program	1,737,187	
14			
15	05. Indian Affairs	27,222	
16			
17	06. Transfer to Preventive Health Block Grant		
18	for Emergency Medical Services Program	209,116	
19			
20	07. Transfer to Social Services		
21	Block Grant for Adult		
22	Day Care Services	417,648	
23			
24	08. Transfer to Social Services Block		
25	Grant for State Administration		
26	& Contract Service	192,748	
27			
28	09. Transfer to Maternal and Child Health		
29	Block Grant in the Division of		
30	Maternal and Child Health		
31	for Healthy Mothers and Children	1,696,362	
32			
33	10. Transfer to SSBG for allocation to the		
34	Department of Administration for		
35	the North Carolina Fund for Children	45,270	
36			
37	TOTAL LOW INCOME ENERGY BLOCK GRANT		\$
38	29,156,303		
39			
40	ALCOHOL AND DRUG ABUSE AND MENTAL HEALTH		
41	SERVICES BLOCK GRANT		
42			
43	01. Allocate funds to the four regional		
44	offices on a per capita basis		

1		for mental health services	\$ 1,866,556
2			
3	02.	Programs for the Chronically	
4		Mentally Ill	3,336,748
5			
6	03.	Continuation of child mental health	
7		nonresidential services in	
8		accordance with the Child Mental	
9		Health Plan	315,013
10			
11	04.	Continuation of child mental health	
12		residential services including group	
13		homes, specialized foster care,	
14		therapeutic homes, professional	
15		parenting programs, and respite care,	
16		with an emphasis on children under	
17		the age of 12	359,703
18			
19	05.	Continuation and expansion of community-	
20		based alcohol and drug services	
21		including prevention, early inter-	
22		vention, treatment, rehabilitation,	
23		nonhospital medical detoxification,	
24		and training	6,121,682
25			
26	06.	Continuation and expansion of services	
27		to female substance abusers,	
28		including specialized services at	
29		the ADATCS	2,652,698
30			
31	07.	Continuation and expansion of services to	
32		IV drug abusers, including increased	
33		capacity for drug screens and IV	
34		services at the ADATCS	3,518,950
35			
36	08.	Services to adolescents, including	
37		continuation and expansion of services	
38		in accordance with the Youth Substance	
39		Abuse Plan	3,140,864
40			
41	09.	Funding to support the provision of	
42		Treatment Alternatives to Street	
43		Crimes (TASC) programs for adults	
44		and four demonstration projects with	

1	local jails	462,104	
2			
3	10.	Continuing of funding for detoxification	
4		services in the Eastern Region	1,048,110
5			
6	11.	Administration	1,085,098
7			
8	TOTAL ALCOHOL, DRUG ABUSE AND		
9	MENTAL HEALTH SERVICES		
10	BLOCK GRANT		
11			\$
12			
13	MENTAL HEALTH SERVICES FOR THE HOMELESS		
14	BLOCK GRANT		
15			
16	01.	Specialized Community Services for the	
17		Chronically Mentally Ill	\$ 420,000
18	02.	Community-Based Services for Chronically	
19		Mentally Ill Youth	97,656
20	03.	Administration	13,344
21			
22	TOTAL MENTAL HEALTH SERVICES FOR THE		
23	HOMELESS BLOCK GRANT		
24			\$
25			
26	COMMUNITY YOUTH ACTIVITY PROGRAM BLOCK GRANT		
27			
28	01.	Development of Community-Based Substance	
29		Abuse Prevention Programs	
30		for Youth	\$ 92,091
31			
32	TOTAL COMMUNITY YOUTH ACTIVITY PROGRAM		
33	BLOCK GRANT		
34			\$
35			
36	CHILD CARE AND DEVELOPMENT BLOCK GRANT		
37			
38	01.	Child Day Care Services	14,752,146
39			
40	02.	Head Start Wrap-Around	3,337,000
41			
42	03.	Revolving Loans/Grants	500,000
43			
44	04.	County Day Care Coordinators	467,167

1			
2	05.	Staff/Child Ratio Reduction	208,300
3			
4	06.	Study of Day Care Salaries	100,000
5			
6	07.	Child Care Worker Credentials	100,000
7			
8	08.	Resource and Referral Programs	650,000
9			
10	09.	Facility Services Administration	202,054

11
12 **TOTAL CHILD CARE AND DEVELOPMENT**13 **BLOCK GRANT**

\$

14 20,316,667

15
16 (b) Decreases in Federal Fund Availability

17 If federal funds are reduced below the amounts specified above after the
18 effective date of this act, then every program, in each of the federal block grants listed
19 above, shall be reduced by the same percentage as the reduction in federal funds.

20 (c) Increases in Federal Fund Availability

21 Any block grant funds appropriated by the United States Congress in addition
22 to the funds specified in this act shall be expended as follows:

- 23 (1) For the Community Development Block Grant or for the Preventive
24 Health Block Grant – each program category under the Community
25 Development Block Grant or the Preventive Health Block Grant, as
26 applicable, shall be increased by the same percentage as the increase in
27 federal funds.
- 28 (2) For the Maternal and Child Health Services Block Grant – these
29 additional funds shall be allocated to local health departments to assist
30 in the reduction of infant mortality.
- 31 (3) For other block grants – these additional funds may be budgeted by the
32 appropriate department, with the approval of the Office of State
33 Budget and Management, provided the resultant increases are in
34 accordance with federal block grant requirements and are within the
35 scope of the block grant plan approved by the General Assembly. All
36 these budgeted increases shall be reported to the Joint Legislative
37 Commission on Governmental Operations and to the Director of the
38 Fiscal Research Division.

39 This subsection shall not apply to Job Training Partnership Act funds.

40 (d) Education Setaside of JTPA Funds

41 The Department of Economic and Community Development shall certify to
42 the Joint Legislative Commission on Governmental Operations and to the Fiscal
43 Research Division of the Legislative Services Office when Job Training Partnership Act

1 funds have been distributed to each agency, the total amount distributed to each agency,
2 and the total amount of eight percent (8%) Education Setaside funds received.

3
4
5 PART V.—GENERAL PROVISIONS

6
7 Requested by: Senators Basnight, Plyler

8 —SPECIAL FUNDS, FEDERAL FUNDS, AND DEPARTMENTAL
9 RECEIPTS/AUTHORIZATION FOR EXPENDITURES

10 Sec. 6. There is appropriated out of the cash balances, federal receipts, and
11 departmental receipts available to each department, sufficient amounts to carry on
12 authorized activities included under each department's operations. All these cash
13 balances, federal receipts, and departmental receipts shall be expended and reported in
14 accordance with provisions of the Executive Budget Act, except as otherwise provided
15 by statute. The Director of the Budget shall develop necessary budget controls,
16 regulations, and systems to ensure that these funds and other State funds subject to the
17 Executive Budget Act, may not be spent in a manner which would cause a deficit in
18 expenditures.

19 Pursuant to G.S. 143-34.2, State departments, agencies, institutions, boards,
20 or commissions may make application for, receive, or disburse any form of non-State
21 aid. All non-State monies received shall be deposited with the State Treasurer unless
22 otherwise provided by State law. These funds shall be expended in accordance with the
23 terms and conditions of the fund award that are not contrary to the laws of North
24 Carolina.

25
26 Requested by: Senators Basnight, Plyler

27 —INSURANCE AND FIDELITY BONDS

28 Sec. 7. All insurance and all official fidelity and surety bonds authorized for
29 the several departments, institutions, and agencies shall be effected and placed by the
30 Insurance Department, and the cost of placement shall be paid by the affected
31 department, institution, or agency with the approval of the Insurance Commissioner.

32
33
34 Requested by: Senators Basnight, Plyler

35 —CONTINGENCY AND EMERGENCY FUND ALLOCATION

36 Sec. 8. Of the funds appropriated in this act to the Contingency and
37 Emergency Fund, \$900,000 for the 1991-92 fiscal year and \$900,000 for the 1992-93
38 fiscal year shall be designated for emergency allocations, which are for the purposes
39 outlined in G.S. 143-23(a1). \$225,000 for the 1991-92 fiscal year and \$225,000 for the
40 1992-93 fiscal year shall be designated for other allocations from the Contingency and
41 Emergency Fund.

42
43 Requested by: Senators Basnight, Plyler

44 —BUDGETING OF PILOT PROGRAMS

1 Sec. 9. (a) Any program designated by the General Assembly as experimental,
2 model, or pilot shall be shown as a separate budget item and shall be considered as an
3 expansion item until a succeeding General Assembly reapproves it.

4 Any new program funded in whole or in part through a special
5 appropriations bill shall be designated as an experimental, model, or pilot program.

6 (b) The Governor shall submit to the General Assembly with his proposed
7 budget a report of which items in the proposed budget are subject to the provisions of
8 this section.

9
10 Requested by: Senators Basnight, Plyler

11 —AUTHORIZED TRANSFERS

12 Sec. 10. The Director of the Budget may transfer to General Fund budget
13 codes from the General Fund salary adjustment appropriation, and may transfer to
14 Highway Fund budget codes from the Highway Fund salary adjustment appropriation,
15 amounts required to support approved salary adjustments made necessary by difficulties
16 in recruiting and holding qualified employees in State government. The funds may be
17 transferred only when the use of salary reserve funds in individual operating budgets is
18 not feasible.

19
20 Requested by: Senators Basnight, Plyler

21 —EXPENDITURES OF FUNDS IN RESERVES LIMITED

22 Sec. 11. All funds appropriated by this act into reserves may be expended
23 only for the purposes for which the reserves were established.

24
25 Requested by: Senator Martin of Pitt

26 —NONPROFITS MAY RELINQUISH FUNDS

27 Sec. 12. G.S. 143-6.1 reads as rewritten:

28 **"§ 143-6.1. Information from private organizations receiving State funds.**

29 Every private person, corporation, organization, and institution which receives, uses
30 or expends any State funds shall use or expend such funds only for the purposes for
31 which such State funds were appropriated by the General Assembly or collected by the
32 State.

33 Each private person, corporation, organization, and institution which uses or
34 expends State funds in the amount of twenty-five thousand dollars (\$25,000) or more
35 annually, except when the funds are compensation for goods or services, shall file
36 annually with the State Auditor and with the Joint Legislative Commission on
37 Governmental Operations a financial statement in such form and on such schedule as
38 shall be prescribed by the State Auditor, and shall furnish to the State Auditor for audit
39 all books, records and other information as shall be necessary for the State Auditor to
40 account fully for the use and expenditure of State funds. Each such private person,
41 corporation, organization, and institution shall furnish such additional financial or
42 budgetary information as shall be requested by the State Auditor or by the Joint
43 ~~Committee~~ Legislative Commission on Governmental Operations. The State shall not
44 disburse State funds appropriated by the General Assembly or collected by the State for

1 use by any private person, corporation, organization, or institution unless that person,
2 corporation, organization, or institution has provided all the reports and financial
3 information required by this section. All financial statements furnished to the State
4 Auditor or to the Joint Legislative Commission on Governmental Operations pursuant
5 to this section, and any audits or other reports prepared by the State Auditor, shall be
6 public records.

7 The receipt, use or expenditure of State funds by a private person, corporation,
8 organization, and institution shall not, in and of itself, make or constitute such person,
9 corporation, organization, or institution a State agency."

10
11 Requested by: Senator Martin of Pitt

12 ---STATE MONEY RECIPIENTS/CONFLICT OF INTEREST POLICY

13 Sec. 13. Each private, nonprofit entity eligible to receive State funds, either
14 by General Assembly appropriation, or by grant, loan, or other allocation from a State
15 agency, before funds may be disbursed to the entity, shall file with the disbursing
16 agency a notarized copy of that entity's policy addressing conflicts of interest that may
17 arise involving the entity's management employees and the members of its board of
18 directors or other governing body. The policy shall address situations where any of
19 these individuals may directly or indirectly benefit, except as the entity's employees or
20 members of the board or other governing body, from the entity's disbursing of State
21 funds, and shall include actions to be taken by the entity or the individual, or both, to
22 avoid conflicts of interest and the appearance of impropriety.

23
24
25 PART VI.—STATE BOARD OF ELECTIONS

26
27 Requested by: Senator Martin of Guilford

28 ---CHANGE THE DATE OF THE PRESIDENTIAL PRIMARY TO THE DATE OF
29 THE REGULAR STATEWIDE PRIMARY, AND ELIMINATE REIMBURSEMENT
30 TO THE COUNTIES OF THE EXPENSE OF HOLDING A SEPARATE PRIMARY

31 Sec. 14. (a) G.S. 163-213.2 reads as rewritten:

32 "**§ 163-213.2. Primary to be held; date; qualifications and registration of voters.**

33 On the ~~second Tuesday in March, 1988,~~ Tuesday after the first Monday in May,
34 1992, and every four years thereafter, the voters of this State shall be given an
35 opportunity to express their preference for the person to be the presidential candidate of
36 their political party.

37 Any person otherwise qualified who will become qualified by age to vote in the
38 general election held in the same year of the presidential preference primary shall be
39 entitled to register and vote in the presidential preference primary. Such persons may
40 register not earlier than 60 days nor later than the 21st day prior to the said primary. In
41 addition, persons who will become qualified by age to register and vote in the general
42 election for which the primary is held, who do not register during the special period may
43 register to vote after such period as if they were qualified on the basis of age, but until
44 they are qualified by age to vote, they may vote only in primary elections."

1 (b) G.S. 163-213.3 reads as rewritten:

2 **"§ 163-213.3. Conduct of election.**

3 The presidential preference primary election shall be conducted and canvassed by
4 the same authority and in the manner provided by law for the conduct and canvassing of
5 the primary election for the office of Governor and all other offices enumerated in G.S.
6 163-187 and under the same provisions stipulated in G.S. ~~163-188, 163-188.~~ ~~except that~~
7 ~~the earliest date by which absentee ballots shall be available shall be 35 days prior to the~~
8 ~~date of the primary.~~ The State Board of Elections shall have authority to promulgate
9 reasonable rules and regulations, not inconsistent with provisions contained herein,
10 pursuant to the administration of this Article."

11 (c) G.S. 163-213.4 reads as rewritten:

12 **"§ 163-213.4. Nomination by State Board of Elections.**

13 The State Board of Elections shall convene in Raleigh on the first Tuesday in
14 ~~January-February~~ preceding the presidential preference primary election. At the meeting
15 required by this section, the State Board of Elections shall nominate as presidential
16 primary candidates all candidates affiliated with a political party, recognized pursuant to
17 the provisions of Article 9 of Chapter 163 of the General Statutes, who have become
18 eligible to receive payments from the Presidential Primary Matching Payment Account,
19 as provided in section 9033 of the U.S. Internal Revenue Code of 1954, as amended.
20 Immediately upon completion of these requirements, the Board shall release to the news
21 media all such nominees selected. Provided, however, nothing shall prohibit the partial
22 selection of nominees prior to the meeting required by this section, if all provisions
23 herein have been complied with."

24 (d) G.S. 163-213.11 is repealed.

25

26

27 PART VII.—OFFICE OF STATE AUDITOR

28

29 Requested by: Senator Martin of Guilford

30 —DEPARTMENT OF REVENUE PERFORMANCE AUDIT

31 Sec. 15. The State Auditor shall conduct an operations performance audit of
32 the Department of Revenue with particular attention to auditing the efficiency of
33 information systems and the effectiveness of tax collection systems. The State Auditor
34 shall report the results of the audit to the General Assembly on or before May 1, 1992.

35

36

37 PART VIII.—DEPARTMENT OF ADMINISTRATION

38

39 Requested by: Senator Martin of Guilford

40 —BOARD OF SCIENCE AND TECHNOLOGY LIMITATION

41 Sec. 16. All funds appropriated in the 1991-92 fiscal year and the 1992-93
42 fiscal year for research grants for the Board of Science and Technology shall be used
43 only for research grants and shall not be transferred to any other objects of expenditure.

44

1 Requested by: Senator Martin of Guilford

2 ---OFFICE OF STATE PERSONNEL DECENTRALIZATION

3 Sec. 17. (a) Effective January 1, 1993, the Office of State Personnel shall
4 have decentralized the classification and salary administration functions of all State
5 departments with more than 500 permanent full-time employees.

6 The Office of State Personnel shall report annually to the General Assembly by
7 December 1 of each year, beginning on December 1, 1991, on its progress towards this
8 decentralization.

9 (b) The Office of State Personnel shall present its plan for decentralization of
10 the classification and salary administration functions to the State Personnel Study
11 Commission or its successor. The State Personnel Study Commission shall consider
12 those statutory changes as may facilitate decentralization and report its
13 recommendations to the General Assembly by April 1, 1992.

14

15 Requested by: Senator Martin of Guilford

16 ---COUNCIL OF GOVERNMENT FUNDS

17 Sec. 18. (a) Of the funds appropriated in this act to the Department of
18 Administration, \$864,270 for 1991-92 fiscal year and \$864,270 for 1992-93 fiscal year
19 shall only be used as provided by this section. Each regional council of government or
20 lead regional organization is allocated up to \$48,015 each fiscal year, with the actual
21 amount calculated as provided in subsection (b) of this section.

22 (b) The funds shall be allocated as follows: A share of the maximum \$48,015
23 each fiscal year shall be allocated to each county and smaller city based on the most
24 recent annual estimate of the Office of State Budget and Management of the population
25 of that county (less the population of any larger city within that county) or smaller city,
26 divided by the sum of the total population of the region (less the population of larger
27 cities within that region) and the total population of the region living in smaller cities.
28 Those funds shall be paid to the regional council of government for the region in which
29 that city or county is located upon receipt by the Department of Administration of a
30 resolution of the governing board of the county or city requesting release of the funds.
31 If any city or county does not so request payment of funds by June 30 of a State fiscal
32 year, that share of the allocation for that fiscal year shall revert to the General Fund.

33 (c) A regional council of government may use funds appropriated by this section
34 only to assist local governments in grant applications, economic development,
35 community development, support of local industrial development activities, and other
36 activities as deemed appropriate by the member governments.

37 (d) Funds appropriated by this section may not be used for payment of dues or
38 assessments by the member governments, and may not supplant funds appropriated by
39 the member governments.

40 (e) As used in this section "Larger City" means an incorporated city with a
41 population of 50,000 or over. "Smaller City" means any other incorporated city.

42

43 Requested by: Senator Martin of Guilford

44 ---ALLOCATION OF RAPE CRISIS CENTER FUNDS

1 Sec. 19. All funds for the Rape Crisis Centers appropriated to the
2 Department of Administration, Council of the Status of Women, for the 1991-92 fiscal
3 year and the 1992-93 fiscal year shall be available to Rape Crisis Centers providing
4 direct services to victims of sexual assault and rape prevention services. Funds shall be
5 awarded according to criteria established by the Department of Administration. In
6 reviewing grant applications, the Department shall consider the impact of discontinued
7 federal funding on those centers that received funding through Section 41 of Chapter
8 1086 of the 1987 Session Laws, Regular Session 1988. Grants shall be awarded by
9 September 1 each fiscal year and the funds disbursed on a quarterly basis.

10
11 Requested by: Senator Martin of Guilford

12 —DOMESTIC VIOLENCE CENTER FUNDS

13 Sec. 20. The funds appropriated to the Department of Administration,
14 Council on the Status of Women, for fiscal years 1991-92 and 1992-93 for domestic
15 violence centers, shall be allocated equally among all of the 61 domestic violence
16 centers in operation on July 1, 1989, that offered services including a hotline,
17 transportation services, community education programs, daytime services, and call
18 forwarding during the night. For the 1991-92 fiscal year and for the 1992-93 fiscal
19 year, each grant shall be \$17,100. Grants shall be awarded based on criteria established
20 by the Department of Administration and disbursed on a quarterly basis. The North
21 Carolina Coalition Against Domestic Violence, Incorporated, is eligible for a grant of
22 \$10,000 under this section.

23
24 Requested by: Senator Martin of Guilford

25 —APPALACHIAN REGIONAL FUNDS SUBGRANTS

26 Sec. 21. Of the federal funds received by the Department of Administration
27 for the fiscal biennium 1991-93 under the Appalachian Regional Commission
28 Consolidated Technical Assistance Grant, the Department shall subgrant no less than
29 fifty percent (50%) to eligible applicants whose service area or jurisdiction is wholly
30 located within counties of the Appalachian Region.

31
32
33 PART IX.—DEPARTMENT OF STATE TREASURER

34
35 Requested by: Senator Martin of Guilford

36 —LOCAL GOVERNMENTS FUND COST OF LOCAL GOVERNMENT
37 COMMISSION

38 Sec. 22. G.S. 105-213 reads as rewritten:

39 **"§ 105-213. Appropriation to counties and municipalities; use of appropriation.**

40 (a) There is annually appropriated from the General Fund to counties and
41 municipalities the amount of revenue collected under this Article during the preceding
42 fiscal year, plus an amount equal to forty percent (40%) of the tax collected on accounts
43 receivable during the preceding fiscal year and less an amount equal to the costs during
44 the preceding fiscal year of:

- 1 (1) Refunds made during the fiscal year of taxes levied under this Article.
- 2 (2) The Department of Revenue to collect and administer the taxes levied
- 3 under this Article.
- 4 (3) The Department of Revenue in performing the duties imposed by
- 5 Article 15 of this Chapter.
- 6 (4) The Property Tax Commission.
- 7 (5) The Institute of Government in operating a training program in
- 8 property tax appraisal and assessment.
- 9 (6) The personnel and operations provided by the Department of State
- 10 Treasurer for the Local Government Commission.

11 The appropriation shall be distributed by August 30 of each year. The appropriation
12 shall be included in the Current Operations Appropriations Act.

13 To distribute the appropriation, the Secretary of Revenue shall keep a separate
14 record by counties of the taxes collected under this Article and shall certify to the State
15 Controller and to the State Treasurer the amount to be distributed to each county and
16 municipality in the State. The State Controller shall then issue a warrant on the State
17 Treasurer to each county and municipality in the amount certified.

18 The Secretary shall allocate the amount appropriated under this Article to the
19 counties according to the county in which the taxes were collected. The Secretary shall
20 then increase the amount allocable to each county by a sum equal to forty percent (40%)
21 of the amount of tax on accounts receivable allocated to the county on the basis of
22 collections. The amounts so allocated to each county shall in turn be divided between
23 the county and the municipalities in the county in proportion to the total amount of ad
24 valorem taxes levied by each during the fiscal year preceding the distribution. For the
25 purpose of computing the distribution of the intangibles tax to any county and the
26 municipalities located in the county for any year with respect to which the property
27 valuation of a public service company is the subject of an appeal pursuant to the
28 provisions of the Machinery Act, or to applicable provisions of federal law, and the
29 Department of Revenue is restrained by operation of law or by a court of competent
30 jurisdiction from certifying such valuation to the county and municipalities therein, the
31 Department shall use the last property valuation of such public service company which
32 has been so certified in order to determine the ad valorem tax levies applicable to such
33 public service company in the county and the municipalities therein.

34 The chairman of each board of county commissioners and the mayor of each
35 municipality shall report to the Secretary of Revenue information requested by the
36 Secretary to enable the Secretary to distribute the amount appropriated by this section.
37 If a county or municipality fails to make a requested report within the time allowed, the
38 Secretary may disregard the county or municipality in distributing the amount
39 appropriated by this section. The amount distributed to each county and municipality
40 shall be used by the county or municipality in proportion to property tax levies made by
41 it for the various funds and activities of the county or municipality, unless the county or
42 municipality has pledged the amount to be distributed to it under this section in payment
43 of a loan agreement with the North Carolina Solid Waste Management Capital Projects
44 Financing Agency. A county or municipality that has pledged amounts distributed

1 under this section in payment of a loan agreement with the Agency may apply the
2 amount the loan agreement requires.

3 (b) For purposes of this section, the term 'municipality' includes any urban
4 service district defined by the governing board of a consolidated city-county, and the
5 amounts due thereby shall be distributed to the government of the consolidated city-
6 county."

7

8

9 PART X.—PUBLIC SCHOOLS

10

11 Requested by: Senator Ward

12 —CONSOLIDATE SCHOOL ADMINISTRATOR ALLOTMENTS

13 Sec. 23. The State Board of Education shall consolidate the allotment of
14 assistant and associate superintendents and supervisors and shall convert the allotment
15 from a position allotment to a dollar allotment.

16

17 Requested by: Senator Ward

18 —DRIVER TRAINING PROGRAM

19 Sec. 24. (a) G.S. 20-88.1 reads as rewritten:

20 "**§ 20-88.1. Driver training and safety education.**

21 (a) In accordance with criteria and standards approved by the State Board of
22 Education, the State Superintendent of Public Instruction shall organize and administer
23 a program of driver education to be offered at the public high schools of this State for
24 all ~~persons of provisional license age. This program shall be made available to all~~
25 ~~physically and mentally qualified persons of provisional license age, including public~~
26 ~~school students, nonpublic school students and out-of-school youths under 18 years of~~
27 ~~age who (i) are older than 14 years and six months, (ii) are approved by the principal of~~
28 ~~the school, pursuant to rules adopted by the State Board of Education, (iii) are enrolled~~
29 ~~in a public or private high school within the State, and (iv) have not previously enrolled~~
30 ~~in the program.~~ The State Board of Education shall use for such purpose all funds
31 appropriated to it for said purpose, and may use all other funds that become available
32 for its use for said purpose. The ~~drivers'-driver~~ driver education program established pursuant
33 to this section shall include instructions on the rights and privileges of the handicapped
34 and the signs and symbols used to assist the handicapped relative to motor vehicles,
35 including the 'international symbol of accessibility' and other symbols and devices as
36 provided in Article 2A of this Chapter. In addition, this program shall include at least
37 six hours of instruction on the offense of driving while impaired and related subjects.

38 (b) The State Board of Education shall adopt a salary ~~schedule range for Driver's~~
39 ~~Education Training Instructors.~~ driver education instructors who are public school
40 employees and who do not hold teacher certificates.

41 Driver education instructors who are public school employees and who hold teacher
42 certificates shall be paid on the teacher salary schedule. The workday for driver
43 education instructors who hold teacher certificates shall be the same as for other
44 teachers who hold teacher certificates. No educational degree requirement may be a

1 ~~riterion used in setting salaries. The State Board of Education shall report the salary~~
2 ~~schedule and criteria developed for a drivers' education program to the 1983 General~~
3 ~~Assembly, Second Session 1984.~~

4 (b1) The State Board of Education shall adopt rules to permit local boards of
5 education to enter contracts with public or private entities to provide a program of driver
6 education at public high schools. All driver education instructors shall meet the
7 requirements established by the State Board of Education; provided, however, driver
8 education instructors shall not be required to hold teacher certificates.

9 (c) All expenses incurred by the State in carrying out the provisions of this
10 section shall be paid out of the Highway Fund."

11 (b) G.S. 115C-215 reads as rewritten:

12 **"§ 115C-215. Instruction in driver training and safety education.**

13 There shall be organized and administered under the general supervision of the
14 Superintendent of Public Instruction a program of driver training and safety education in
15 the public schools of this State, said courses to be noncredit courses taught by
16 instructors ~~approved by the Department of Public Instruction. who meet the~~
17 requirements established by the State Board of Education. Instructors shall not be
18 required to hold teacher certificates."

19 (c) G.S. 115C-216 reads as rewritten:

20 **"§ 115C-216. Boards of education required to provide courses in operation of**
21 **motor vehicles.**

22 (a) ~~Course of Training and Instruction Required in Public High Schools. – The~~
23 ~~State Board of Education and local boards of education are hereby required to provide~~
24 ~~as a part of the program of the public high schools in this State a course of training and~~
25 ~~instruction in the operation of motor vehicles and to make such courses available for all~~
26 ~~persons of provisional license age, including public school students, nonpublic school~~
27 ~~students and out of school youths under 18 years of age whose physical and mental~~
28 ~~qualifications meet license requirements, in conformance with course requirements and~~
29 ~~funds made available under the provisions of G.S. 20-88.1 or as hereinafter provided or~~
30 ~~both vehicles, in accordance with G.S. 20-88.1.~~

31 (b) ~~Inclusion of Expense in Budget. – The local boards of education of every~~
32 ~~local school administrative unit are hereby authorized to include as an item of~~
33 ~~instructional service and as a part of the current expense fund of the budget of the~~
34 ~~several high schools under their supervision, the expense necessary to install and~~
35 ~~maintain such a course of training and instructing eligible persons in such schools in the~~
36 ~~operation of motor vehicles.~~

37 (c) ~~Appropriations.—The boards of county commissioners in the several counties~~
38 ~~of the State and the governing bodies of all municipalities having power to appropriate~~
39 ~~and raise money by taxation and otherwise are hereby authorized to appropriate funds~~
40 ~~necessary to pay the expenses necessary to install and maintain in any public high~~
41 ~~school under their supervision a course of training and instruction for eligible students~~
42 ~~in such schools in the operation of motor vehicles, whether or not the county board of~~
43 ~~education or administrative unit shall have included the cost of the same in its budget~~
44 ~~request when submitted for approval.~~

~~(d) How Moneys Appropriated May Be Provided.—The board of county commissioners and the governing bodies of all municipalities having power to appropriate money and to levy taxes and raise money are hereby authorized to allocate and expend the moneys appropriated pursuant to this section or other acts of the General Assembly and the moneys provided by taxation, by sale or rental of any real or personal property owned by such county or other taxing unit, or by use of any surplus funds on hand or acquired from any source, for the purpose of funding any such course of instruction and training in any public high school. The special approval of the General Assembly is hereby given for the levying of taxes for such purpose and for providing funds for such purpose by the other means herein mentioned.~~

~~(e) Content of Course; What Persons Eligible.—The words "a course of training and instruction for eligible persons in the operation of motor vehicles" as applied to this section means such course of instruction in the operation of motor vehicles prescribed or approved by the Department of Public Instruction, provided that every such course shall include actual operation of motor vehicles by the persons eligible for same, under the supervision of a qualified instructor. Only such persons older than 14 years and six months, who are approved by the principal of the school, shall be eligible for such course of instruction, subject to rules and regulations prescribed by the Department of Public Instruction.~~

~~(f) Acts Ratified and Confirmed.—The acts of all boards of county commissioners and the governing bodies of all municipalities, the acts of all local boards of education, and the acts of the State Board of Education heretofore done in connection with providing courses of training and instruction in the operation of motor vehicles in this State, including the appropriation and expenditure of funds for such purpose, are hereby ratified and confirmed."~~

(d) The State Board of Education shall convert the allotments of funds for months of employment for driver education instructors and for loan car fees to dollar allotments.

Requested by: Senator Ward

—COMMUNITY SCHOOLS FUNDS

Sec. 25. The State Board of Education shall allocate community schools funds on a per county school administrative unit basis.

Requested by: Senator Ward

—DROPOUT PREVENTION/IN-SCHOOL SUSPENSION

Sec. 26. Of the funds appropriated to the Department of Public Education for aid to local school administrative units for the Dropout Prevention/In-School Suspension Program, the sum of \$200,000 for each fiscal year of the 1991-93 fiscal biennium may be used to fund eight pilot public/private educational compacts to bring together on an ongoing basis representatives from public education, community colleges, higher education, and business and industry to determine how to improve attendance, prevent dropping out of school, increase academic performance, and increase participation in higher education and the work force by at-risk students. The

1 funds may also be used to fund eight parental involvement pilot programs, and to
2 provide for operating costs, workshops, and committee meetings for the State
3 Department of Public Instruction's dropout prevention staff.

4 The State Board of Education may adopt rules governing the use of these
5 funds. These funds are to be part of the continuation budget in the next fiscal biennium.

6
7 Requested by: Senator Ward

8 ---DROPOUT PREVENTION COORDINATORS

9 Sec. 27. Of the funds appropriated to the Department of Public Education for
10 aid to local school administrative units for dropout prevention, the State Board of
11 Education shall allocate to the Department of Public Instruction up to \$225,000 for the
12 1991-92 fiscal year and up to \$225,000 for the 1992-93 fiscal year for the three dropout
13 prevention coordinators. The State Superintendent shall assign the dropout prevention
14 coordinators to designated areas within the State and shall develop job descriptions for
15 them. These funds are to be part of the continuation budget in the next biennium.

16
17 Requested by: Senator Ward

18 ---PROJECT TEACH FUNDS

19 Sec. 28. Of the funds appropriated to the Department of Public Education for
20 the 1991-93 fiscal biennium for aid to local school administrative units, the State Board
21 of Education shall allocate to the Department of Public Instruction \$73,000 for the
22 1991-92 fiscal year and \$73,000 for the 1992-93 fiscal year to be used to:

23 (1) Maintain the Project Teach Initiative in the Robeson, Pitt,
24 Cumberland, Warren, Halifax, Guilford, Vance, Northampton, Anson
25 and Bertie County Schools, and the Durham, High Point, and
26 Greensboro City Schools.

27 (2) Expand the project in at least two school systems to focus on parents
28 of students in the seventh grade so as to involve parents in the
29 coaching and support of promising minority young people. These
30 funds are to be part of the continuation budget in the next fiscal
31 biennium.

32
33 Requested by: Senator Ward

34 ---ADVANCED TRAINING FOR FOREIGN LANGUAGE TEACHERS

35 Sec. 29. Of the funds appropriated to the Department of Public Education for
36 aid to local school administrative units, the State Board of Education may allocate to the
37 Department of Public Instruction \$300,000 each year of the 1991-93 biennium for two
38 positions, support expenses, and workshops to provide intensive advanced training for
39 teachers who teach foreign languages.

40
41 Requested by: Senator Ward

42 ---FUNDING FOR CITY SCHOOL SYSTEMS

43 Sec. 30. (a) Funds appropriated to the Department of Public Education in
44 Section 3 of this act reflect a permanent reduction in the State funding for city school

1 administrative units. State funds shall not be used for the positions of (i)
2 superintendents, (ii) associate and assistant superintendents, (iii) directors, supervisors,
3 and coordinators, and (iv) maintenance supervisors, for city school administrative units.
4 The county or counties in which any city school administrative unit is located shall be
5 responsible for the funding of these positions for the city unit. The county may use any
6 funds lawfully available, whether from county funds or funds from any supplemental
7 school tax, to fund these positions.

8 (b) Notwithstanding subsection (a) of this section, the allotments of State
9 funds for the positions of (i) superintendents, (ii) associate and assistant
10 superintendents, (iii) directors, supervisors, and coordinators, and (iv) maintenance
11 supervisors shall not be reduced for a particular city school administrative unit for two
12 full fiscal years, retroactive to the first day of the fiscal year in which, prior to
13 December 31:

14 (1) In the case of any county in which there is more than one local school
15 administrative unit, but none of them is located in more than one
16 county, the State Board of Education approves in accordance with G.S.
17 115C-67 a plan of consolidation and merger of all local school
18 administrative units located in that county, if:

19 a. In the case a referendum is required on the plan, it is approved
20 by the voters; and

21 b. The effective date of the consolidation and merger is on or
22 before the first day of the next school year;

23 (1a) In the case of a county in which there is more than one city school
24 administrative unit, the State Board of Education approves in
25 accordance with G.S. 115C-67 a plan of consolidation and merger of
26 one city school administrative unit with the county unit, if the effective
27 date of that merger is on or before July 1, 1991;

28 (2) In the case of any pair of counties in which there are more than two
29 local school administrative units and one of them is located partly in
30 each county, the State Board of Education approves in accordance with
31 G.S. 115C-67 or G.S. 115C-68 a plan of consolidation and merger of
32 all local school administrative units located in those counties, if:

33 a. The result is there will be not more than two local school
34 administrative units in the total of the two counties;

35 b. In the case a referendum is required on the plan, it is approved
36 by the voters; and

37 c. The effective date of the consolidation and merger is on or
38 before the first day of the next school year;

39 (3) In the case of any county in which there is more than one local school
40 administrative unit, but none of them is located in more than one
41 county, a plan of consolidation and merger under a local act of all the
42 local school administrative units located in that county is approved as
43 provided under the act and the effective date of the consolidation and
44 merger is on or before the first day of the next school year;

- 1 (4) In the case of any pair of counties in which there are more than two
2 local school administrative units and one of them is located partly in
3 each county, a plan of consolidation and merger under a local act or
4 local acts is approved as provided under the act or acts where:
5 a. The result is there will be not more than two local school
6 administrative units in the total of the two counties; and
7 b. The effective date of the consolidation and merger is on or
8 before the first day of the next school year;
- 9 (5) In the case of any county in which there is more than one local school
10 administrative unit, but none of them is located in more than one
11 county, the board of county commissioners approves in accordance
12 with G.S. 115C-68.1 a plan of consolidation and merger of all local
13 school administrative units located in the county, if the effective date
14 of the consolidation and merger is on or before the first day of the next
15 school year;
- 16 (6) In the case of any pair of counties in which there are more than two
17 local school administrative units and one of them is located partly in
18 each county, the boards of county commissioners approve in
19 accordance with G.S. 115C-68.1 a plan of consolidation and merger of
20 local school administrative units located in whole or in part within the
21 two counties, such that the resulting total number in the two counties is
22 not more than two, if the effective date of the consolidation and merger
23 is on or before the first day of the next school year;
- 24 (7) In the case of any county in which there is more than one local school
25 administrative unit, but none of them is located in more than one
26 county, the local board or boards of education of all city school
27 administrative units located in that county notify the State Board of
28 Education that they are dissolving themselves in accordance with G.S.
29 115C-68.2, if the effective date of the resulting consolidation and
30 merger is on or before the first day of the next school year; and
- 31 (8) In the case of any pair of counties in which there are more than two
32 local school administrative units and one of them is located partly in
33 each county, the local board or boards of education of all city school
34 administrative units located in those counties notify the State Board of
35 Education that they are dissolving themselves in accordance with G.S.
36 115C-68.2, if the effective date of the resulting consolidation and
37 merger is on or before the first day of the next school year.
- 38 (c) Chapter 115C of the General Statutes is amended by adding a new section to
39 read:
40 **"§ 115C-68.1. Merger of units by the board of county commissioners.**
41 **(a) The board of county commissioners of a county in which two or more local**
42 **school administrative units are located, but all are located wholly within the county,**
43 **may adopt a plan for the consolidation and merger of the units into a single countywide**
44 **unit.**

1 The board of county commissioners shall forward a copy of the plan it adopts to the
2 boards of education of all local school administrative units located within the county,
3 immediately upon adoption.

4 (b) The boards of county commissioners of two counties in which one of the
5 local school administrative units is located in both counties may jointly adopt plans for
6 each of their counties, including a plan of consolidation and merger for such unit which
7 is located in more than one county. The results of such consolidation and merger shall
8 be that there is only one countywide local school administrative unit in each county, or
9 that the entirety of the unit located within two counties is merged and consolidated with
10 the county unit of one of the two counties. Such plans shall also merge and consolidate
11 any other city school administrative unit located wholly within one of the two counties.
12 Within the two county area, all the plans shall take effect on the same day.

13 The boards of county commissioners of the two counties shall forward copies of the
14 plans they adopt to the boards of education of all local school administrative units
15 located within the counties, immediately upon adoption.

16 (c) The plans under this section shall be prepared and approved in accordance
17 with G.S. 115C-67 or G.S. 115C-68, as applicable, except that the county and city
18 boards of education shall not participate by preparing, entering into, submitting, or
19 agreeing to a plan and except that no supplemental school tax shall be continued under
20 the plan.

21 (d) If the State Board of Education fails to approve a plan submitted to it under
22 this section, such failure to approve does not preclude the approval of the plan by the
23 General Assembly by local act."

24 (d) Chapter 115C of the General Statutes is amended by adding a new section
25 to read:

26 **"§ 115C-68.2. Merger of units by the local boards of education.**

27 If all of the city boards of education in a county notify the State Board of Education
28 that they are dissolving themselves, the State Board of Education shall adopt a plan of
29 consolidation and merger of all local school administrative units in the county into a
30 single countywide unit; provided, however, if one or more of the local school
31 administrative units is located in more than one county, all of the city school
32 administrative units in both counties shall notify the State Board of Education, the State
33 Board shall adopt a plan that results in a single countywide unit for each county, and the
34 plans shall take effect on the same day. The plans shall be prepared and approved in
35 accordance with G.S. 115C-67 and G.S. 115C-68, as applicable, except that the county
36 and city boards of education and the boards of commissioners shall not participate by
37 preparing, entering into, submitting, or agreeing to a plan and except that no
38 supplemental school tax shall be continued under the plan."

39 (e) G.S. 115C-430 reads as rewritten:

40 **"§ 115C-430. Apportionment of county appropriations among local school**
41 **administrative units.**

42 If there is more than one local school administrative unit in a county, all
43 appropriations by the county to the local current expense funds of the units, except
44 appropriations funded by supplemental taxes levied less than countywide pursuant to a

1 local act ~~of~~ or G.S. 115C-501 to 115C-511, and except appropriations for
2 superintendents, associate and assistant superintendents, directors, supervisors, and
3 coordinators, and maintenance supervisors, for city school administrative units, must be
4 apportioned according to the membership of each unit. County appropriations are
5 properly apportioned when the dollar amount obtained by dividing the amount so
6 appropriated to each unit by the total membership of the unit is the same for each unit.
7 The total membership of the local school administrative unit is the unit's average daily
8 membership for the budget year to be determined by and certified to the unit and the
9 board of county commissioners by the State Board of Education."

10 (f) No liability for any supplemental school tax levied under local act or G.S.
11 115C-501 to G.S. 115C-511 that attached prior to the date on which a levy is
12 discontinued pursuant to a plan for merger for local school administrative units under
13 G.S. 115C-68.1 or G.S. 115C-68.2 is discharged as a result of the repeal, and no right to
14 a refund of tax that accrued prior to the effective date on which a levy is discontinued
15 may be denied as a result of the repeal.

16
17 Requested by: Senator Ward

18 ---ALLOCATION OF FUNDS FOR MERGED CAREER LADDER PILOT
19 PROJECTS

20 Sec. 31. Any career ladder pilot project in a school unit that has resulted
21 from a merger of school units, subsequent to July 1, 1991, may be modified by the local
22 school board, upon the recommendation of the State Superintendent of Public
23 Instruction and with the approval of the State Board of Education. For the fiscal year of
24 the merger through the 1993-94 fiscal year, the merged unit shall receive (i) the amount
25 of funds that was previously allocated to the particular pilot project by the State Board
26 of Education and (ii) the amount of funds it is entitled to receive pursuant to G.S. 115C-
27 238.4(c)(1), for the portion of the merged unit that did not participate in the pilot
28 project.

29
30 Requested by: Senators Ward, Johnson

31 ---ADDITIONAL FUNDS FOR TEACHERS

32 Sec. 32. If additional funds become available for the 1991-93 fiscal
33 biennium, the General Assembly may use these funds to restore funds cut from the base
34 budget for teachers for the 1991-93 fiscal biennium.

35
36 Requested by: Senators Ward, Martin of Guilford

37 ---ADDITIONAL FUNDS FOR COUNSELORS

38 Sec. 33. If additional funds become available for the 1991-93 fiscal
39 biennium, the General Assembly may use these funds to restore funds cut from the base
40 budget for counselors for the 1991-93 fiscal biennium.

41
42
43 PART XI.—COMMUNITY COLLEGES
44

1 Requested by: Senator Ward

2 ---MAINTENANCE OF PLANT

3 Sec. 34. (a) Notwithstanding any provision of law to the contrary, any
4 community college that has an out-of-county student head count served on the main
5 campus of the college in excess of fifty percent (50%) of the total student head count as
6 defined by the State Board of Community Colleges shall be provided funds for the
7 purpose of "operations of plant". These funds shall not exceed eighty-five percent
8 (85%) of the funds allocated to these colleges during the 1990-91 fiscal year for this
9 purpose.

10 (b) This section becomes effective July 1, 1992.

11

12 Requested by: Senator Ward

13 ---BUDGET FLEXIBILITY

14 Sec. 35. The State Board of Community Colleges shall establish budget
15 guidelines that grant to the individual institutions maximum budget flexibility to
16 accomplish the budget reductions assigned to them by the State Board for the 1991-93
17 fiscal biennium. These guidelines shall allow transfers of all operating funds, except
18 from literacy funds and the Human Resources Development Program, between line
19 items and program areas. These guidelines shall also require that, to the extent possible,
20 reductions shall be taken in administrative costs rather than from instructional costs.

21 The State Board is not required to make budget reduction allocations on a pro
22 rata basis and may specify various programs for reduction.

23 The State Board shall require each college to submit a plan assuring a
24 balanced educational program that meets statewide priorities.

25 The State Board shall report to the Regular 1992 Session of the 1991 General
26 Assembly on these guidelines and on the implementation of these guidelines by each
27 institution.

28

29 Requested by: Senator Ward

30 ---OPERATING APPROPRIATIONS/NOT USED FOR RECREATION
31 EXTENSION

32 Sec. 36. Funds appropriated in this act to the Department of Community
33 Colleges as operating expenses for allocation to the institutions comprising the
34 Community College System shall not be used to support recreation extension courses.
35 The financing of these courses by any institution shall be on a self-supporting basis, and
36 membership hours produced from these activities shall not be counted when computing
37 full-time equivalent students for use in budget-funding formulas at the State level.

38

39 Requested by: Senator Ward

40 ---FULL-TIME EQUIVALENT TEACHING POSITIONS/COMMUNITY
41 COLLEGES

42 Sec. 37. For the purpose of determining the community college system-wide
43 number of full-time equivalent (FTE) teaching positions each year, the total curriculum
44 full-time equivalent student enrollment shall be divided by 21.63 for the 1991-92 fiscal

1 year and by 21.44 for the 1992-93 fiscal year; the occupational extension full-time
2 equivalent student enrollment shall be divided by 23 for the 1991-92 fiscal year and by
3 23 for the 1992-93 fiscal year.

4
5 Requested by: Senator Ward

6 ---TUITION/PUBLIC SCHOOL STUDENTS TAKING COMMUNITY COLLEGE
7 COURSES

8 Sec. 38. G.S. 115D-5(b) reads as rewritten:

9 "(b) In order to make instruction as accessible as possible to all citizens, the
10 teaching of curricular courses and of noncurricular extension courses at convenient
11 locations away from institution campuses as well as on campuses is authorized and shall
12 be encouraged. A pro rata portion of the established regular tuition rate charged a full-
13 time student shall be charged a part-time student taking any curriculum course. In lieu
14 of any tuition charge, the State Board of Community Colleges shall establish a uniform
15 registration fee, or a schedule of uniform registration fees, to be charged students
16 enrolling in extension courses for which instruction is financed primarily from State
17 funds; provided, however, that the State Board of Community Colleges may provide by
18 general and uniform regulations for waiver of tuition and registration fees for persons
19 not enrolled in elementary or secondary schools taking courses leading to a high school
20 diploma or equivalent certificate, for training courses for volunteer firemen, local fire
21 department personnel, volunteer rescue and lifesaving department personnel, local
22 rescue and lifesaving department personnel, Radio Emergency Associated Citizens
23 Team (REACT) members when the REACT team is under contract to a county as an
24 emergency response agency, local law-enforcement officers, patients in State alcoholic
25 rehabilitation centers, all full-time custodial employees of the Department of Correction,
26 employees of the Department of Correction's Division of Adult Probation and Parole
27 and employees of the Division of Youth Services of the Department of Human
28 Resources required to be certified pursuant to Chapter 17C of the General Statutes and
29 the rules of the Criminal Justice and Training Standards Commission, trainees enrolled
30 in courses conducted under the New and Expanding Industry Program, clients of
31 sheltered workshops, clients of adult developmental activity programs, students in
32 Human Resources Development Programs, juveniles of any age committed to the
33 Division of Youth Services of the Department of Human Resources by a court of
34 competent jurisdiction, and prison inmates. Provided further, tuition shall be waived for
35 senior citizens attending institutions operating pursuant to this Chapter as set forth in
36 Chapter 115B of the General Statutes, Tuition Waiver for Senior Citizens. Provided
37 further, tuition shall also be waived for all courses taken by high school students at
38 community colleges in accordance with G.S. 115D-20(4) and this section."

39
40 Requested by: Senator Ward

41 ---BOOKS AND EQUIPMENT APPROPRIATIONS/REVERT AFTER ONE YEAR

42 Sec. 39. Appropriations to the Department of Community Colleges for
43 equipment and library books are made for each year of the fiscal biennium. All
44 unencumbered appropriations shall revert to the General Fund 12 months after the close

1 of each fiscal year for which they were appropriated. Encumbered balances outstanding
2 at the end of each period shall be handled in accordance with existing State Budget
3 policies. The Department shall be able to identify to the Office of State Budget and
4 Management which appropriations will revert at the end of the 12 months after the close
5 of each fiscal year.

6

7 Requested by: Senator Ward

8 ---" TECH PREP"IMPLEMENTATION

9 Sec. 40. Of the funds available to the Department of Public Education for
10 vocational education, \$50,000 for the 1991-92 fiscal year and \$50,000 for the 1992-93
11 fiscal year, shall be allocated to the North Carolina Tech Prep Leadership Development
12 Center at Richmond Community College for assistance to local education agencies and
13 community colleges in planning and implementing "Tech Prep" across the State. The
14 Department of Community Colleges shall allocate \$50,000 each year from funds
15 available to it for the 1991-92 fiscal year and for the 1992-93 fiscal year for the North
16 Carolina "Tech Prep" Leadership Development Center at Richmond Community
17 College.

18

19 Requested by: Senator Ward

20 ---ASSISTANCE TO HOSPITAL NURSING/FUND DISTRIBUTION

21 Sec. 41. Funds appropriated in this act to the Department of Community
22 Colleges to provide financial assistance to hospital programs of nursing education
23 leading to diplomas in nursing that are fully accredited by the North Carolina Board of
24 Nursing and operated under the authority of a public or nonprofit hospital licensed by
25 the North Carolina Medical Care Commission shall be distributed, upon application for
26 financial assistance, for each full-time student duly enrolled in the program as of
27 December 1 of the preceding year and on condition that accreditation is maintained.
28 The amount per student shall not exceed \$850. The State Board of Community Colleges
29 shall adopt rules to ensure that this financial assistance is used directly for faculty and
30 instructional needs of diploma nursing programs.

31

32

33 PART XII.—COLLEGES AND UNIVERSITIES

34

35 Requested by: Senator Ward

36 ---TEACHING HOSPITAL REIMBURSEMENT

37 Sec. 42. Reimbursement to Pitt County Memorial Hospital for
38 uncompensated care provided to non-Pitt County residents admitted by East Carolina
39 Medical School faculty shall be limited to the unreimbursed portion of actual costs as
40 determined in the Medicare Cost Report.

41

42 Requested by: Senator Ward

43 ---SMALL BUSINESS PROGRAMS

1 Sec. 43. The Board of Governors of The University of North Carolina shall
2 make whatever changes are necessary in the administrative structures of the economic
3 development programs in The University of North Carolina to ensure that adequate
4 State appropriations from these programs can be used to match federal funding for small
5 business development programs.

6 The Board of Governors of The University of North Carolina and the State
7 Board of Community Colleges shall develop, to the extent necessary, a consolidated
8 administrative structure for their Small Business Assistance Programs to increase the
9 State funds available to match federal funding for small business development
10 programs.

11
12 Requested by: Senator Ward

13 ---AID TO PRIVATE COLLEGES/LEGISLATIVE TUITION GRANT
14 LIMITATIONS

15 Sec. 44. (a) The amount of a tuition grant awarded to a student enrolled in a
16 degree program at a site away from the main campus of the approved private institution,
17 as defined in G.S. 116-22(1), may be no more than the result of the ratio of the cost per
18 credit hour for off-campus instruction at that site to the cost per credit hour for regular,
19 full-time on-campus instruction, multiplied by the maximum grant award, or the
20 maximum grant award allowable under Section 45(b) of this act, whichever is less.

21 (b) No Legislative Tuition Grant funds may be expended for a program at an off-
22 campus site of a private institution, as defined in G.S. 116-22(1), established after May
23 15, 1987, unless (i) the private institution offering the program has previously notified
24 and secured agreement from other private institutions operating degree programs in the
25 county in which the off-campus program is located or operating in the counties adjacent
26 to that county or (ii) the degree program is neither available nor planned in the county
27 with the off-campus site or in the counties adjacent to that county.

28 An "off-campus program" is any program offered for degree credit away from
29 the institution's main, permanent campus.

30 (c) Any member of the armed services as defined in G.S. 116-143.3(a), abiding
31 in this State incident to active military duty, who does not qualify as a resident for
32 tuition purposes as defined under G.S. 116-143.1, is eligible for a Legislative Tuition
33 Grant pursuant to this section if the member is enrolled as a full-time student. The
34 member's Legislative Tuition Grant may not exceed the cost of tuition less any tuition
35 assistance paid by the member's employer.

36
37 Requested by: Senator Ward

38 ---AID TO PRIVATE COLLEGES/PROCEDURE

39 Sec. 45. (a) Funds appropriated in this act to the Board of Governors of The
40 University of North Carolina for aid to private colleges shall be disbursed in accordance
41 with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up
42 to \$450.00 per full-time equivalent North Carolina undergraduate student enrolled at a
43 private institution as of October 1 each year.

1 These funds shall be placed in a separate, identifiable account in each eligible
2 institution's budget or chart of accounts. All funds in this account shall be provided as
3 scholarship funds for needy North Carolina students during the fiscal year. Each
4 student awarded a scholarship from this account shall be notified of the source of the
5 funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be
6 made available for the tuition grant program as defined in subsection (b) of this section.

7 (b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition
8 to all other financial assistance made available to private educational institutions located
9 within the State, or to students attending these institutions, there is granted to each full-
10 time North Carolina undergraduate student attending an approved institution as defined
11 in G.S. 116-22, a sum, not to exceed \$1,150 per academic year, which shall be
12 distributed to the student as hereinafter provided.

13 The tuition grants provided for in this section shall be administered by the
14 State Education Assistance Authority pursuant to rules adopted by the State Education
15 Assistance Authority not inconsistent with this section. The State Education Assistance
16 Authority may not approve any grant until it receives proper certification from an
17 approved institution that the student applying for the grant is an eligible student. Upon
18 receipt of the certification, the State Education Assistance Authority shall remit at such
19 times as it shall prescribe the grant to the approved institution on behalf, and to the
20 credit, of the student.

21 In the event a student on whose behalf a grant has been paid is not enrolled
22 and carrying a minimum academic load as of October 1 of the first academic term or on
23 the tenth classroom day following the beginning of the second school term for which the
24 grant was paid, the institution shall refund the full amount of the grant to the State
25 Education Assistance Authority. Each approved institution shall be subject to
26 examination by the State Auditor for the purpose of determining whether the institution
27 has properly certified eligibility and enrollment of students and credited grants paid on
28 the behalf of the students.

29 In the event there are not sufficient funds to provide each eligible student
30 with a full grant:

- 31 (1) The Board of Governors of The University of North Carolina, with the
32 approval of the Office of State Budget and Management, may transfer
33 available funds to meet the needs of the programs provided by
34 subsections (a) and (b) of this section; and
- 35 (2) Each eligible student shall receive a pro rata share of funds then
36 available for the remainder of the academic year within the fiscal
37 period covered by the current appropriation.

38 Any remaining funds shall revert to the General Fund.

39 (c) Expenditures made pursuant to this section may be used only for secular
40 educational purposes at nonprofit institutions of higher learning.

41
42 Requested by: Senator Ward

43 —WAKE FOREST AND DUKE MEDICAL SCHOOL ASSISTANCE/FUNDING
44 FORMULAE

1 Sec. 46. Funds appropriated in this act to the Board of Governors of The
2 University of North Carolina for continuation of financial assistance to the medical
3 schools of Duke University and Wake Forest University shall be disbursed on
4 certifications of the respective schools of medicine that show the number of North
5 Carolina residents as first-year, second-year, third-year, and fourth-year students in the
6 medical school as of November 1, 1991, and November 1, 1992. Disbursement to
7 Wake Forest University shall be made in the amount of \$8,000 for each medical student
8 who is a North Carolina resident, \$1,000 of which shall be placed by the school in a
9 fund to be used to provide financial aid to needy North Carolina students who are
10 enrolled in the medical school. The maximum aid given to any student from this fund
11 in a given year may not exceed the amount of the difference in tuition and academic
12 fees charged by the school and those charged at the School of Medicine at the
13 University of North Carolina at Chapel Hill.

14 Disbursement to Duke University shall be made in the amount of \$5,000 for
15 each medical student who is a North Carolina resident, \$500.00 of which shall be placed
16 by the school in a fund to be used to provide student financial aid to financially needy
17 North Carolina students who are enrolled in the medical school. No individual student
18 may be awarded assistance from this fund in excess of \$2,000 each year. In addition to
19 this basic disbursement for each year of the biennium, a disbursement of \$1,000 shall be
20 made for each medical student who is a North Carolina resident in the first-year,
21 second-year, third-year, and fourth-year classes to the extent that enrollment of each of
22 those classes exceeds 30 North Carolina students.

23 The Board of Governors shall establish the criteria for determining the
24 eligibility for financial aid of needy North Carolina students who are enrolled in the
25 medical schools and shall review the grants or awards to eligible students. The Board of
26 Governors shall adopt rules for determining which students are residents of North
27 Carolina for the purposes of these programs. The Board of Governors shall also make
28 any regulations as necessary to ensure that these funds are used directly for instruction
29 in the medical programs of the schools and not for religious or other nonpublic
30 purposes. The Board of Governors shall encourage the two schools to orient students
31 towards personal health care in North Carolina giving special emphasis to family and
32 community medicine.

33
34 Requested by: Senator Ward

35 —UNIVERSITY OF NORTH CAROLINA HOSPITALS AT CHAPEL
36 HILL/NURSING

37 Sec. 47. Notwithstanding the provisions of G.S. 126-4(1), G.S. 126-4(2),
38 and Section 9 of Chapter 738 of the 1987 Session Laws, as amended by Section 100(a)
39 of the 1987 Session Laws, and as further amended by Section 54 of Chapter 500 of the
40 1989 Session Laws, the Current Operations Appropriations Act of 1989, the Board of
41 Directors of the University of North Carolina Hospitals at Chapel Hill shall establish
42 policies and rules governing the study and implementation of competitive position
43 classification and compensation plans for registered and licensed practical nurse
44 positions that have been approved by the Board of Directors. These plans shall provide

1 for minimum, maximum, and intermediate rates of pay, and may include provisions for
2 range revisions and shift premium pay and for salary adjustments to address internal
3 inequities, job performance, and market conditions. The Office of State Personnel shall
4 review the classification and compensation plans on an annual basis, and all changes in
5 compensation plans for these registered and licensed practical nursing positions shall be
6 submitted to the Office of State Personnel upon implementation.

7
8 Requested by: Senators Ward, Conder

9 —COMMUNITY SERVICES REDUCTIONS LIMITATION/SMALL BUSINESS
10 AND TECHNOLOGY DEVELOPMENT CENTERS

11 Sec. 48. None of the reductions made by this act in the community services
12 budgets for economic development activities of The University of North Carolina shall
13 be taken in the Small Business and Technology Development Centers programs.

14
15 Requested by: Senators Ward, Conder

16 —COMMUNITY SERVICES REDUCTIONS LIMITATION/INSTITUTE OF
17 GOVERNMENT PROGRAMS

18 Sec. 49. None of the reductions made by this act in the community services
19 budgets of The University of North Carolina shall be taken in the programs of the
20 Institute of Government at Chapel Hill.

21
22
23 PART XIII.—DEPARTMENT OF TRANSPORTATION

24
25 Requested by: Senator Goldston

26 —MOWING ROAD SHOULDERS

27 Sec. 50. The Board of Transportation shall review its policy of requiring
28 private contractors to mow the State highway system. The Board shall look at the
29 comparative costs between mowing with State forces versus private contractors. The
30 Board shall explore the costs of returning mowing work, especially of secondary roads,
31 to the 14 Highway Divisions. This study shall also consider the savings derived from
32 reducing the width of the shoulder to be mowed. A report of the Board's findings shall
33 be submitted to the House Appropriations Subcommittee on Transportation, the Senate
34 Appropriations Committee on Natural and Economic Resources, and to the Fiscal
35 Research Division 30 days prior to the scheduled convening date of the 1992 Session of
36 the General Assembly.

37
38 Requested by: Senator Goldston

39 —DOT PERSONNEL ACTIONS REPORTED

40 Sec. 51. The Department of Transportation shall submit a list of personnel
41 actions every six months to the Joint Legislative Highway Oversight Committee and to
42 the Fiscal Research Division. This list shall include positions reallocated, reclassified,
43 abolished, and created. The report shall give the status of the Department's salary
44 reserves and how they were used during the reporting period.

1

2 Requested by: Senator Goldston

3 —PLAN TO REDUCE LABOR VARIANCE

4 Sec. 52. The Department of Transportation shall submit to the House
5 Appropriations Subcommittee on Transportation and the Senate Appropriations
6 Committee on Natural and Economic Resources during the 1992 Session of the General
7 Assembly, a plan to reduce labor variance in highway planning and design from the
8 current nineteen and two-tenths percent (19.2%) to the pre-Trust Fund 1985 level of ten
9 and six-tenths percent (10.6%). The Plan shall list all activities that are charged to labor
10 variance and the reasons why the work has not been assigned to job orders.

11

12 Requested by: Senator Goldston

13 —PERFORMANCE AUDIT COMPARING COST OF ENGINEERING SERVICES
14 BETWEEN DEPARTMENT OF TRANSPORTATION AND PRIVATE
15 ENGINEERING FIRMS

16 Sec. 53. The State Auditor shall conduct a performance audit comparing the
17 cost, quality, and timeliness of engineering services provided by outside consultants
18 versus Department of Transportation personnel. This audit shall include an analysis of
19 overhead costs, labor variance, the impact of newly hired employees on Department of
20 Transportation efficiency and the cost of supervising consultants. The State Auditor
21 shall report his findings, by April 1, 1992, to the Chairmen of the Senate and House
22 Appropriations Committees, the Chairmen of the House Appropriations Subcommittee
23 on Transportation, and the Chairman of the Senate Appropriations Committee on
24 Natural and Economic Resources.

25

26 Requested by: Senator Goldston

27 —REDUCTION OF HIGHWAY TRUST FUND REVENUE USED FOR
28 ADMINISTRATIVE EXPENSES

29 Sec. 54. G.S. 136-176(b) reads as rewritten:

30 "(b) Funds in the Trust Fund are annually appropriated to the Department of
31 Transportation to be allocated and used as provided in this subsection. A sum, not to
32 exceed ~~five percent (5%)~~ four and one-half percent (4.5%) of the amount of revenue
33 deposited in the Trust Fund under subdivisions (a)(1), (2), and (3) of this section, may
34 be used each fiscal year by the Department for expenses to administer the Trust Fund.
35 The rest of the funds in the Trust Fund shall be allocated and used as follows:

- 36 (1) Sixty-one and ninety-five hundredths percent (61.95%) to plan, design,
37 and construct the projects of the Intrastate System described in G.S.
38 136-179.
- 39 (2) Twenty-five and five hundredths percent (25.05%) to plan, design, and
40 construct the urban loops described in G.S. 136-180.
- 41 (3) Six and one-half percent (6.5%) to supplement the appropriation to
42 cities for city streets under G.S. 136-181.
- 43 (4) Six and one-half percent (6.5%) for secondary road construction as
44 provided in G.S. 136-182."

1

2 Requested by: Senator Goldston

3 —BRANCH AGENT TRANSACTION RATE

4

5 Sec. 55. The Division of Motor Vehicles of the Department of Transportation
6 shall compensate a contractor with whom it has a contract under G.S. 20-63(h) at the
7 rate of ninety-two cents (92¢) for each transaction performed in accordance with the
8 requirements set by the Division. A transaction is any of the following activities:

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Requested by: Senator Goldston

—BIDS FOR COMPUTER SERVICES

32 Sec. 56. In requests for bids, requests for quotes, requests for proposals, or
33 other procurement actions issued through the Department of Administration, Division of
34 Purchase and Contract, or through any other State agency, for vendors to develop a
35 strategic plan, conduct a feasibility study, or prepare a needs assessment for a computer
36 system, information system, data communications network, data processing application,
37 or other information technology application, there shall be a provision that reads as
38 follows:" Eligibility for Future Requirements: The successful offeror on this project
39 will not be considered for an award on subsequent hardware, software, software
40 support, and related procurements which are based on specifications or
41 recommendations resulting from this procurement."The Division of Purchase and
42 Contract and the State agency or agencies involved in the procurement may delete this
43 provision in a procurement request by jointly (i) filing a written request with the
44 Director of the Office of State Budget for authorization to delete this provision from the

1 procurement effort, (ii) sending a copy of this written request for authorization to the
 2 Director of the Fiscal Research Division at the time it is filed with the Office of State
 3 Budget, (iii) receiving written authorization to delete the provision from the Director of
 4 the Office of State Budget, and (iv) reporting the authorization, if it is granted, to the
 5 Director of the Fiscal Research Division and to the next meeting of the Joint Legislative
 6 Commission on Governmental Operations.

7
 8 Requested by: Senator Goldston

9 —NORTH CAROLINA RAILROAD DIVIDENDS APPROPRIATED TO THE
 10 HIGHWAY FUND FOR RAILROAD PURPOSES

11 Sec. 57. G.S. 136-16.6 reads as rewritten:

12 **"§ 136-16.6. Continuing rail appropriations.**

13 There is annually ~~appropriated, beginning with the 1987-88 fiscal year, from the~~
 14 ~~General Fund to the Department of Transportation for rail purposes the greater of one~~
 15 ~~hundred thousand dollars (\$100,000) or appropriated~~ one hundred percent (100%) of the
 16 annual dividends received in the prior fiscal year (less any amounts that are required by
 17 Section 13.18 of Chapter 792, Session Laws of 1985 to be paid for the expenses of the
 18 Railroad Negotiating Commission) by the State from its ownership of stock in the North
 19 Carolina Railroad Company and the Atlantic and North Carolina Railroad ~~Company.~~
 20 Company to the Highway Fund for use by the Department of Transportation for railroad
 21 purposes."

22
 23 Requested by: Senator Goldston

24 —HIGHWAY FUND ALLOCATIONS BY CONTROLLER

25 Sec. 58. The Controller of the Department of Transportation shall allocate at
 26 the beginning of each fiscal year from the various appropriations made to the
 27 Department of Transportation in this act, Titles:

28 State Construction

29 State Funds to Match Federal Highway Aid

30 State Maintenance

31 Ferry Operations,

32 sufficient funds to eliminate all overdrafts on State maintenance and construction
 33 projects, and these allocations may not be diverted to other purposes.

34
 35 Requested by: Senator Goldston

36 —CASH FLOW HIGHWAY FUND AND HIGHWAY TRUST FUND
 37 APPROPRIATIONS

38 Sec. 59. The General Assembly authorizes and certifies anticipated revenues
 39 of the Highway Fund as follows:

40 For Fiscal Year 1993-94 \$971,000,000

41 For Fiscal Year 1994-95 \$990,000,000.

42 Sec. 60. The General Assembly authorizes and certifies anticipated revenues
 43 of the Highway Trust Fund as follows:

44 For Fiscal Year 1993-94 \$394,900,000

1 For Fiscal Year 1994-95 \$402,800,000.

2

3 Requested by: Senator Goldston

4 ---HIGHWAY FUND LIMITATIONS ON OVEREXPENDITURES

5 Sec. 61. (a) Overexpenditures from Section 4 of this act may be made by
6 authorization of the Director of the Budget, Titles:

7 State Construction Primary Construction

8 State Construction Urban Construction

9 State Construction Access and Public Service Roads

10 State Funds to Match Federal Highway Aid

11 State Maintenance

12 Ferry Operations,

13 provided that there are corresponding underexpenditures from these same titles.

14 Overexpenditures or underexpenditures in any titles may not vary by more than ten
15 percent (10%) without prior consultation with the Advisory Budget Commission.

16 Written reports covering overexpenditures or underexpenditures of more than ten
17 percent (10%) shall be made to the Joint Legislative Highway Oversight Committee.

18 The reports shall be delivered to the Director of the Fiscal Research Division not less
19 than 96 hours prior to the beginning of the Committee's full meeting.

20 (b) Overexpenditures from Section 4 of this act, Titles:

21 State Construction Primary Construction

22 State Construction Urban Construction

23 State Construction Access and Public Service Roads

24 State Funds to Match Federal Highway Aid

25 State Maintenance

26 Ferry Operations,

27 for the purpose of providing additional positions shall be approved by the Director of
28 the Budget and shall be reported on a quarterly basis to the Joint Legislative Highway
29 Oversight Committee and to the Fiscal Research Division.

30

31 Requested by: Senator Goldston

32 ---RESURFACED ROADS MAY BE WIDENED

33 Sec. 62. Of the contract maintenance resurfacing program funds appropriated
34 in this act to the Department of Transportation, an amount not to exceed fifteen percent
35 (15%) of the Board of Transportation's allocation of these funds may be used for
36 widening existing narrow pavements that are scheduled for resurfacing. The
37 Department of Transportation shall report on the use of these funds to the Joint
38 Legislative Highway Oversight Committee and the Fiscal Research Division by May
39 15, 1992.

40

41 Requested by: Senator Goldston

42 ---SMALL URBAN CONSTRUCTION PROGRAM FUNDS

43 Sec. 63. Of the funds appropriated in this act to the Department of
44 Transportation for fiscal years 1991-92 and 1992-93, \$20,000,000 shall be allocated for

1 small urban construction projects. \$14,000,000 of these funds shall be allocated equally
2 among the 14 Highway Divisions for the Small Urban Construction Program for small
3 urban construction projects that are located within the area covered by a one-mile radius
4 of the municipal corporate limits. The remaining \$6,000,000 of these funds shall be
5 used statewide for rural or small urban highway improvements as approved by the
6 Secretary of the Department of Transportation.

7 None of these funds used for rural secondary road construction are subject to
8 the county allocation formula as provided in G.S. 136-44.5.

9 The Department of Transportation shall report to the members of the General
10 Assembly on projects funded pursuant to this section in each member's district prior to
11 the Board of Transportation's action. The Department shall make a quarterly
12 comprehensive report on the use of these funds to the Joint Legislative Highway
13 Oversight Committee and the Fiscal Research Division.

14
15 Requested by: Senator Goldston

16 ---HIGHWAY FUND ADJUSTMENTS TO REFLECT ACTUAL REVENUE

17 Sec. 64. Any unreserved credit balance in the Highway Fund on June 30 of
18 each of the fiscal years shall support appropriations in the succeeding fiscal year. If all
19 of the balance is not needed for these appropriations, the Director of the Budget may use
20 the remaining excess to establish a reserve for access and public roads, a reserve for
21 unforeseen happening of a state of affairs requiring prompt action as provided by G.S.
22 136-44.1, and other required reserves. Actual revenue in excess of estimated revenue
23 shall be placed in the reserve for highway maintenance. If all of the remaining excess is
24 not used to establish these reserves, the remainder shall be allocated to the State-funded
25 maintenance appropriations in the manner approved by the Board of Transportation.
26 The Board of Transportation shall report monthly to the Joint Legislative Highway
27 Oversight Committee and the Fiscal Research Division about the use of the reserve for
28 highway maintenance.

29
30 Requested by: Senator Plyler

31 ---SIGNING OF STATE-MAINTAINED COUNTY ROADS

32 Sec. 64.1. \$500,000 of the funds to be allocated pursuant to G.S. 136-44.2A
33 for secondary road construction during the 1991-92 fiscal year shall be exempt from the
34 county formula allocation in G.S. 136-44.5. The Department of Transportation shall
35 utilize the funds so excluded for the county road name-signing program in the 30
36 counties where signing has not already been funded.

37
38 PART XIV.—DEPARTMENT OF CORRECTION

39
40 Requested by: Senator Marvin

41 ---PRIVATE CONFINEMENT FACILITIES

42 Sec. 65. No for-profit, privately owned or operated confinement facilities
43 may be added to the State prison system unless approved by the General Assembly.

1 The State may contract with private, nonprofit firms to provide or operate work and
2 study release centers for women.

3

4 Requested by: Senator Marvin

5 ---NEGOTIATED RATES FOR MEDICAL SERVICES

6 Sec. 66. The Department of Correction shall negotiate for rates as close to
7 Medicaid rates as possible for all medical services rendered to that Department by
8 providers who are not State employees. The Department shall report the results of its
9 negotiations to the Chairmen of the Senate Appropriations Committee and the Senate
10 Base Budget Appropriations Committee, the Chairmen of the House Appropriations
11 Committee, and the Chairmen of the Senate and the House Appropriations Committees
12 on Justice and Public Safety prior to March 15, 1992.

13

14 Requested by: Senator Marvin

15 ---LIMIT USE OF OPERATIONAL FUNDS

16 Sec. 67. Funds appropriated in this act to the Department of Correction for
17 operational costs for additional facilities shall be used for the personnel and operating
18 expenses set forth in the budget approved by the General Assembly in this act. These
19 funds may not be expended for any other purpose, and may not be expended for
20 additional prison personnel positions until the new facilities are within 90 days of
21 completion, except as authorized for the facilities at Nash, Pender, South Mountain, and
22 Brown Creek.

23

24

25 PART XV.—DEPARTMENT OF CRIME CONTROL AND PUBLIC SAFETY

26

27 Requested by: Senator Marvin

28 ---REPORT ON COMMUNITY SERVICE WORKERS

29 Sec. 68. The Department of Crime Control and Public Safety shall report
30 quarterly in the 1991-92 fiscal year and the 1992-93 fiscal year to the Joint Legislative
31 Commission on Governmental Operations and the Fiscal Research Division on the
32 number of community service workers who were available during each month of the
33 time period preceding that report to perform repairs and maintenance of the parks and
34 when and where they were available.

35

36 Requested by: Senator Marvin

37 ---REPORTS ON THE COMMUNITY PENALTIES PROGRAM AND THE CRIME
38 VICTIMS COMPENSATION FUND

39 Sec. 69. The Department of Crime Control and Public Safety shall report
40 annually to the Senate and House Appropriations Base Budget Committees on Justice
41 and Public Safety and the Fiscal Research Division on the administrative expenditures
42 of the Community Penalties Program and the North Carolina Crime Victims
43 Compensation Fund.

44

1 Requested by: Senator Marvin

2 ---LEGISLATIVE REVIEW OF DRUG LAW ENFORCEMENT AND OTHER
3 GRANTS

4 Sec. 70. (a) Section 1303(4) of the Omnibus Crime Control and Safe Streets
5 Act of 1968 provides that State applications for drug law enforcement grants are subject
6 to review by the State legislature or its designated body.

7 (b) The North Carolina General Assembly hereby provides that State applications
8 for grants under the State and Local Law Enforcement Assistance Act of 1986, Part M
9 of the Omnibus Crime Control and Safe Streets Act of 1968 as enacted by Subtitle K of
10 P.L. 99-570, the Anti-Drug Abuse Act of 1986, are subject to review by the Joint
11 Legislative Commission on Governmental Operations if at the time of review the
12 General Assembly is not in session.

13 (c) Unless a State statute provides a different forum for review where a federal
14 law or regulation provides that a State application for a grant must be reviewed by the
15 State legislature or its designated body and at the time of the review the General
16 Assembly is not in session, that application shall be reviewed by the Joint Legislative
17 Commission on Governmental Operations.

18

19 Requested by: Senator Marvin

20 ---REPORT ON MOTOR VEHICLE REPLACEMENT COST

21 Sec. 71. The Department of Crime Control and Public Safety shall report to
22 the 1991 General Assembly, 1992 Regular Session, regarding the reduction in the
23 number of motor vehicles replaced by the Highway Patrol for the 1991-92 fiscal year
24 and the effect, if any, of that reduction on the Highway Patrol, and shall also review and
25 report on the projected cost of replacing motor vehicles for the 1992-93 fiscal year. The
26 Department of Justice shall report to the 1991 General Assembly, 1992 Regular Session,
27 regarding the reduction in the number of motor vehicles replaced by the State Bureau of
28 Investigation for the 1991-92 fiscal year and the effect, if any, of that reduction on the
29 State Bureau of Investigation, and shall also review and report on the projected cost of
30 replacing motor vehicles for the 1992-93 fiscal year.

31

32 Requested by: Senator Marvin

33 ---REPORT ON HIGHWAY PATROL FURNITURE AND EQUIPMENT
34 REPLACEMENT SCHEDULE

35 Sec. 72. The Highway Patrol, Department of Crime Control and Public
36 Safety, shall report to the 1991 General Assembly, 1992 Regular Session, regarding the
37 reductions in the replacement schedule for furniture and equipment for the Highway
38 Patrol for the 1991-92 fiscal year and the effect, if any, of those reductions. The
39 Highway Patrol shall also report on the projected cost of the replacement schedule for
40 equipment and furniture for the 1992-93 fiscal year.

41

42

43 PART XVI.—JUDICIAL DEPARTMENT

44

1 Requested by: Senator Marvin

2 ---COMMISSIONERS ON UNIFORM STATE LAWS

3 Sec. 73. From funds appropriated to the Judicial Department in the certified
4 budget for the 1991-93 biennium, the Administrative Office of the Courts may transfer
5 within its budget up to \$19,000 for the 1991-92 fiscal year and up to \$19,000 for the
6 1992-93 fiscal year to reimburse the expenses of travel of the North Carolina delegation
7 of the National Conference of Commissioners on Uniform State Laws.

8

9 Requested by: Senator Marvin

10 ---INDIGENT PERSONS' ATTORNEY FEE FUND

11 Sec. 74. (a) Effective July 1, 1991, the Administrative Office of the Courts
12 shall each year of the biennium place the sum of \$3,249,236 from the Indigent Persons'
13 Attorney Fee Fund in a reserve for capital cases and for transcripts, professional
14 examinations, and expert witness fees. The Administrative Office of the Courts shall
15 allot these funds as needed for these purposes and for unanticipated demands on the
16 fund.

17 (b) Effective July 1, 1991, the Administrative Office of the Courts shall, for
18 each year of the biennium, allot the sum of \$11,500,000 from the Indigent Persons'
19 Attorney Fee Fund for adult, juvenile, and guardian **ad litem** cases for the 1991-92 and
20 1992-93 fiscal years to each judicial district where the superior and district court
21 districts are coterminous, and otherwise by county, according to the caseload of indigent
22 persons who were not represented by the public defender in the districts or counties
23 during 1990-91 and 1991-92, respectively.

24 The Administrative Office of the Courts shall notify all senior resident
25 superior court judges, all chief district court judges, and the clerk of superior court
26 within the district or county immediately after the allotment is made and shall regularly
27 notify them how much remains for the district or county.

28 The senior resident superior court judge and the chief district court judge of
29 each district or county shall ask all judges holding court within the district or county: (i)
30 to take into consideration the amount of money allotted at the beginning of the fiscal
31 year and the amount of money remaining in the allotment when they award counsel fees
32 to attorneys of indigent persons, and (ii) to make an effort to award fees equally and
33 justly for legal services provided. The clerk of superior court for each county shall
34 assure that all judges holding court within the county receive this request from the
35 senior resident superior court judge and the chief district court judge.

36 (c) If the funds allotted pursuant to subsection (b) of this section are depleted
37 in a district or county prior to the end of the fiscal year, the Administrative Office of the
38 Courts shall allot the remaining funds from the Indigent Persons' Attorney Fee Fund in
39 the same manner as provided in subsection (b) of this section, provided, however, if
40 necessary and appropriate due to unusual and unanticipated circumstances occurring in
41 the current year, the Administrative Office of the Courts may allocate funds to a district
42 or county in a manner calculated to result in the reasonably fair distribution of the
43 remaining funds. Such funds shall be subject to the limitations and directions set out in
44 subsection (b) of this section.

1 (d) If the funds allotted pursuant to subsection (c) of this section are depleted
2 in a district or county prior to the end of the fiscal year, the Administrative Office of the
3 Courts is authorized to resume payments in such districts or counties only if and when it
4 is reasonably determined that the total projected expenditures will be less than the total
5 approved budget for the Indigent Persons' Attorney Fee Fund for the fiscal year.

6
7 Requested by: Senator Marvin

8 ---CURRENT OPERATING EXPENSES

9 Sec. 75. From funds appropriated to the Judicial Department in the certified
10 budget for the 1991-92 fiscal year, the Administrative Office of the Courts may transfer
11 within its budget up to \$2,500,000 to meet additional current operating expenses for
12 supplies and materials, current obligations, fixed charges, other expenses, equipment
13 and books, and indigent persons' attorney fees. The Administrative Office of the Courts
14 shall make quarterly reports on transfers made pursuant to this section to the Joint
15 Legislative Commission on Governmental Operations and the Chairmen of the Senate
16 and the House Appropriations Committees on Justice and Public Safety.

17
18 Requested by: Senator Marvin

19 ---RAPE VICTIM WITNESS COUNSELLOR PROGRAM

20 Sec. 76. From funds appropriated to the Judicial Department in the certified
21 budget for the 1991-93 biennium, the Administrative Office of the Courts may transfer
22 within its budget up to \$25,000 for the 1991-92 fiscal year and up to \$25,000 for the
23 1992-93 fiscal year to support the existing Rape Victim Witness Counsellor Program.

24
25 Requested by: Senator Marvin

26 ---ASSIGNED COUNSEL/PUBLIC DEFENDER COST COMPARISON REPORTS
27 FOR DISTRICTS 4A, 5, AND 10; INTENT TO ESTABLISH PUBLIC DEFENDER
28 OFFICES WHERE ASSIGNED COUNSEL COSTS EXCESSIVE

29 Sec. 77. (a) Before the 1992 Regular Session of the General Assembly
30 convenes, the Administrative Office of the Courts shall submit to the House and Senate
31 Appropriations Committees on Justice and Public Safety and to the Joint Legislative
32 Commission on Governmental Operations two reports which compare the amount
33 actually spent on private assigned counsel for indigent persons in Superior Court
34 District or Set of Districts 4A (Sampson, Duplin, and Jones Counties), 5 (New Hanover
35 and Pender Counties), and 10 (Wake County), with the estimated amount which would
36 have been incurred had there been a public defender in each of those districts. The first
37 report shall be submitted on or before January 1, 1992, and shall cover the period May
38 1, 1991, through October 31, 1991; the second report shall be submitted on or before
39 May 20, 1992, and shall cover the period May 1, 1991, through April 30, 1992. Each
40 report shall be based on methods and shall be presented in a format substantially similar
41 to those of the "Comparative Cost Estimates for Establishing Additional Public
42 Defender Offices in Certain Judicial Districts" which are prepared annually by the
43 Administrative Office of the Courts.

1 (b) It is the intent of the General Assembly to establish, effective July 1, 1992, a
2 public defender office for a defender district coterminous with any of the three superior
3 court districts or set of districts designated in subsection (a) of this section in which the
4 amount actually spent on private assigned counsel between May 1, 1991, and April 30,
5 1992, exceeds the estimated amount which would have been incurred in the same period
6 had there been a public defender office in that district or set of districts, as shown in the
7 reports submitted pursuant to subsection (a) of this section.

8

9 Requested by: Senator Marvin

10 —JUDICIAL DEPARTMENT PURCHASES OF SUPPLIES, MATERIALS, AND
11 EQUIPMENT

12 Sec. 78. During the 1991-93 biennium, the Administrative Office of the
13 Courts is authorized to make direct purchases of supplies, materials, and equipment for
14 the Judicial Department without complying with Article 3 of Chapter 143 of the General
15 Statutes (Purchases and Contracts) provided that (1) all purchases shall be made
16 pursuant to an open competitive bidding process substantially similar to that provided
17 for in that Article, and (2) no purchases may be made under the authority of this section
18 except at a price which is less than that for the same item or items under any State
19 contract in effect at the time of the purchase.

20 The Administrative Office of the Courts shall report to the Joint Legislative
21 Commission on Governmental Operations and the Fiscal Research Division regarding
22 these purchases by December 31, 1991, for the 1991-92 fiscal year and by May 1, 1992,
23 for the 1992-93 fiscal year.

24

25 Requested by: Senator Marvin

26 —APPELLATE DEFENDER – DEATH PENALTY CASES

27 Sec. 79. (a) Report on Appellate Defender's Office. The Judicial Department
28 shall submit reports on March 15 of each year of the 1991-93 biennium to the House
29 and Senate Appropriation Committees on Justice and Public Safety and to the Joint
30 Legislative Commission on Governmental Operations on:

- 31 (1) The purpose and activities of that part of the Appellate Defender's
32 Office devoted to death penalty cases, and
33 (2) An accounting of General Fund expenditures on assistance provided to
34 paid counsel, State-appointed counsel, and **pro bono** attorneys.

35 (b) No Lobbying by Appellate Defender's Office. The Appellate Defender's
36 Office shall not lobby any entity, organization, or legislative body to urge either
37 abolition or retention of the death penalty. If the Appellate Defender's Office or any of
38 its employees fail to comply with this section or any of the duties of the Appellate
39 Defender's Office related to death penalty cases, the Director of the Administrative
40 Office of the Courts may refuse to seek continued State funding for that part of the
41 Appellate Defender's Office devoted to death penalty cases, or take such other actions as
42 the Director considers appropriate.

43 (c) Clarify Responsibilities of Appellate Defender. G.S. 7A-486.3 reads as
44 rewritten:

1 "§ 7A-486.3. Duties.

2 The appellate defender shall:

- 3 (1) Represent indigent persons subsequent to conviction in trial courts
4 pursuant to assignment by trial court judges under the general
5 supervision of the Chief Justice of the Supreme Court. The Chief
6 Justice may, following consultation with the appellate defender and
7 consistent with the resources available to the appellate defender to
8 ensure quality criminal defense services by the appellate defender's
9 office, authorize the appellate defender not to accept assignments of
10 certain appeals but instead to cause those appeals to be assigned either
11 to a local public defender's office or to private assigned counsel.
- 12 (2) Maintain a clearinghouse of materials and a repository of briefs
13 prepared by the appellate defender to be made available to private
14 counsel representing indigents in criminal cases.
- 15 (3) Provide continuing legal education training to assistant appellate
16 defenders and to private counsel representing indigents in criminal
17 cases, including capital cases, as resources are available.
- 18 (4) Provide consulting services to attorneys representing defendants in
19 capital cases.
- 20 (5) Recruit qualified members of the private bar who are willing to
21 provide representation in State and federal death penalty
22 postconviction proceedings.
- 23 (6) In his discretion, serve as counsel of record for indigent defendants in
24 capital cases in State court.
- 25 (7) Undertake direct representation and consultation in capital cases
26 pending in federal court only to the extent that such work is fully
27 federally funded."
- 28
29

30 PART XVII.—DEPARTMENT OF JUSTICE

31
32 Requested by: Senator Marvin

33 —USE OF SEIZED AND FORFEITED PROPERTY TRANSFERRED TO STATE
34 LAW ENFORCEMENT AGENCIES BY THE FEDERAL GOVERNMENT

35 Sec. 80. (a) Assets transferred to the Department of Justice during the 1991-93
36 biennium pursuant to 19 U.S.C. § 1616a shall be credited to the budget of that
37 Department and shall result in an increase of law enforcement resources for the
38 Department. Assets transferred to the Department of Crime Control and Public Safety
39 during the 1991-93 biennium pursuant to 19 U.S.C. § 1616a shall be credited to the
40 budget of that Department and shall result in an increase of law enforcement resources
41 for the Department. The departments shall report to the Joint Legislative Commission
42 on Governmental Operations upon the receipt of these assets and before using these
43 assets shall report the intended use of these assets and the departmental priorities on
44 which the assets may be expended.

1 The General Assembly finds that the use of these assets for new projects,
2 the acquisition of real property, repair of buildings where such repair includes structural
3 change, and construction of or additions to buildings may result in additional expenses
4 for the State in future fiscal periods; therefore, the Department of Justice and the
5 Department of Crime Control and Public Safety are prohibited from using these assets
6 for such purposes without the prior approval of the General Assembly.

7 (b) This section does not apply to the extent that it prevents North Carolina law
8 enforcement agencies from receiving funds from the U.S. Department of Justice
9 pursuant to 19 U.S.C. § 1616a.

10
11 Requested by: Senator Marvin

12 ---DEPARTMENT OF JUSTICE STUDY/CHARGES FOR LEGAL SERVICES TO
13 LOCAL GOVERNMENTS AND STATE AGENCIES

14 Sec. 81. (a) The Department of Justice shall study the feasibility of charging
15 local governments for legal services rendered to those governments by the Office of the
16 Attorney General. The Department of Justice shall consider the number of requests for
17 legal assistance received from local governments, the type of legal assistance requested,
18 the time required to respond to the requests, and any other matters related to the issue of
19 charging local governments for legal assistance. The Department of Justice shall also
20 consider what fee, if any, is appropriate to charge local governments for such legal
21 services. The Department of Justice shall report its findings and recommendations to
22 the 1991 General Assembly, 1992 Regular Session.

23 (b) The Department of Justice shall study the feasibility of an increase in the fees
24 currently charged other State departments and agencies for its legal services, such fee
25 increase to be effective for the 1993-94 fiscal year. The Department of Justice shall also
26 study the feasibility of requiring all State departments and agencies that have attorneys
27 assigned to them by the Attorney General to pay the compensation, including salaries
28 and benefits, for those legal positions. The Department of Justice shall report its finding
29 and recommendations to the 1991 General Assembly, 1992 Regular Session.

30
31 Requested by: Senator Marvin

32 ---DEPARTMENT OF TRANSPORTATION TO PAY COMPENSATION OF
33 ATTORNEYS ASSIGNED TO MOTOR VEHICLES DIVISION BY THE
34 ATTORNEY GENERAL

35 Sec. 82. The Department of Transportation shall pay the compensation,
36 including salaries and benefits, of the attorneys assigned to the Division of Motor
37 Vehicles by the Attorney General. The funds to pay the compensation for those legal
38 positions shall be taken from the Highway Fund.

39
40 Requested by: Senator Marvin

41 ---JUSTICE ACADEMY STUDY/STUDENT REGISTRATION FEE

42 Sec. 83. The North Carolina Justice Academy shall study the possibility of
43 requiring a student registration fee. The study shall include consideration of the actual
44 cost for a student to attend the Justice Academy, the merits of charging a registration

1 fee, and the amount, if any, that should be charged as a registration fee. The North
2 Carolina Justice Academy shall report its findings and recommendations to the 1991
3 General Assembly, 1992 Regular Session.

4
5 Requested by: Senator Marvin

6 —SBI USE OF COURT-ORDERED RESTITUTION FUNDS

7 Sec. 84. The State Bureau of Investigation (SBI) may use funds available
8 from court-ordered restitution in undercover drug operations.

9
10 Requested by: Senator Marvin

11 —PRIVATE PROTECTIVE SERVICES AND ALARM SYSTEMS LICENSING
12 BOARDS PAY FOR USE OF STATE FACILITIES AND SERVICES

13 Sec. 85. The Private Protective Services and Alarm Systems Licensing
14 Boards shall pay the appropriate State agency for the use of physical facilities and
15 services provided to those boards by the State.

16
17
18 PART XVIII.—DEPARTMENT OF HUMAN RESOURCES

19
20 Requested by: Senator Richardson

21 —MEDICAID

22 Sec. 86. (a) Funds appropriated in this act for services provided in accordance
23 with Title XIX of the Social Security Act (Medicaid) are for both the categorically
24 needy and the medically needy. Funds appropriated for these services shall be
25 expended in accordance with the following schedule of services and payment bases. All
26 services and payments are subject to the language at the end of this subsection.

27 Services and payment bases:

- 28 (1) Hospital-Inpatient - Payment for hospital inpatient services will be
29 prescribed in the State Plan as established by the Department of
30 Human Resources. Administrative days for any period of
31 hospitalization shall be limited to a maximum of three days.
- 32 (2) Hospital-Outpatient - Eighty percent (80%) of allowable costs or a
33 prospective reimbursement plan as established by the Department of
34 Human Resources.
- 35 (3) Nursing Facilities - As prescribed under the reimbursement plan for
36 Nursing Facilities. Nursing facilities providing services to Medicaid
37 recipients who also qualify for Medicare, must be enrolled in the
38 Medicare program as a condition of participation in the Medicaid
39 program, subject to phase-in certification for those nursing facilities
40 not already enrolled in Medicare. State facilities are not subject to the
41 requirement to enroll in the Medicare Program.
- 42 (4) Intermediate Care Facilities for the Mentally Retarded - As prescribed
43 under the State Plan for reimbursing intermediate care facilities for the
44 mentally retarded.

- 1 (5) Drugs - Drug costs as allowed by federal regulations plus a
2 professional services fee per month excluding refills for the same drug
3 or generic equivalent during the same month. Reimbursement shall be
4 available for up to six prescriptions per recipient, per month, including
5 refills. Payments for drugs are subject to the provisions of subsection
6 (h) of this section and to the provisions at the end of subsection (a) of
7 this section, or in accordance with a plan adopted by the Department of
8 Human Resources consistent with federal reimbursement regulations.
9 Payment of the professional services fee shall be made in accordance
10 with the plan adopted by the Department of Human Resources,
11 consistent with federal reimbursement regulations. Adjustments to the
12 professional services fee shall be increased by the lower of the Gross
13 National Price (GNP) deflator or the percentage increase approved by
14 the General Assembly.
- 15 (6) Physicians, Chiropractors, Podiatrists, Optometrists, Dentists, Certified
16 Nurse Midwife Services - Fee schedules as developed by the
17 Department of Human Resources. Payments for dental services are
18 subject to the provisions of subsection (g) of this section.
- 19 (7) Community Alternative Program, EPSDT Screens - Payment to be
20 made in accordance with rate schedule developed by the Department
21 of Human Resources.
- 22 (8) Home Health, Private Duty Nursing, Clinic Services, Prepaid Health
23 Plans - Payment to be made according to reimbursement plans
24 developed by the Department of Human Resources.
- 25 (9) Medicare Buy-In - Social Security Administration premium.
- 26 (10) Ambulance Services - Uniform fee schedules as developed by the
27 Department of Human Resources.
- 28 (11) Hearing Aids - Actual cost plus a dispensing fee.
- 29 (12) Rural Health Clinic Services - Provider based - reasonable cost;
30 nonprovider based - single cost reimbursement rate per clinic visit.
- 31 (13) Family Planning - Negotiated rate for local health departments. For
32 other providers - see specific services, for instance, hospitals,
33 physicians.
- 34 (14) Independent Laboratory and X-Ray services - Uniform fee schedules
35 as developed by the Department of Human Resources.
- 36 (15) Optical Supplies - One hundred percent (100%) of reasonable
37 wholesale cost of materials.
- 38 (16) Ambulatory Surgical Centers - Payment as prescribed in the
39 reimbursement plan established by the Department of Human
40 Resources.
- 41 (17) Medicare Crossover Claims - An amount up to the actual coinsurance
42 or deductible or both, in accordance with the plan, as approved by the
43 Department of Human Resources.

- 1 (18) Physical Therapy and Speech Therapy - Services limited to EPSDT
- 2 eligible children. Payments are to be made only to the Children's
- 3 Special Health Services program at rates negotiated by the Department
- 4 of Human Resources.
- 5 (19) Personal Care Services - Payment in accordance with plan approved
- 6 by the Department of Human Resources.
- 7 (20) Case Management Services - Reimbursement in accordance with the
- 8 availability of funds to be transferred within the Department of Human
- 9 Resources.
- 10 (21) Hospice - Services may be provided in accordance with plan
- 11 developed by the Department of Human Resources.
- 12 (22) Other Mental Health Services - Unless otherwise covered by this
- 13 section, coverage is limited to agencies meeting the requirements of
- 14 the rules established by the Commission for Mental Health,
- 15 Developmental Disabilities, and Substance Abuse Services, and
- 16 reimbursement is made in accordance with a plan developed by the
- 17 Department of Human Resources not to exceed the upper limits
- 18 established in federal regulations.
- 19 (23) Medically Necessary Prosthetics or Orthotics for EPSDT Eligible
- 20 Children - Reimbursement in accordance with plan approved by the
- 21 Department of Human Resources.
- 22 (24) Health Insurance Premiums - Payments to be made in accordance with
- 23 the plan adopted by the Department of Human Resources consistent
- 24 with federal regulations.

25 Reimbursement is available for up to 24 visits per recipient per year to any
 26 one or combinations of the following: physicians, clinics, hospital outpatients,
 27 optometrists, chiropractors, and podiatrists. Prenatal services, all ESPDT children, and
 28 emergency rooms are exempt from the visit limitations contained in this paragraph.
 29 Exceptions may be authorized by the Department of Human Resources where the life of
 30 the patient would be threatened without such additional care. Any person who is
 31 determined by the Department to be exempt from the 24-visit limitation may also be
 32 exempt from the six-prescription limitation.

33 (b) Allocation of Nonfederal Cost of Medicaid. The State shall pay eight-five
 34 percent (85%); the county shall pay fifteen percent (15%) of the nonfederal costs of all
 35 applicable services listed in this section.

36 (c) Copayment for Medicaid Services. The Department of Human Resources
 37 may establish copayment up to the maximum permitted by federal law and regulation.

38 (d) Medicaid and Aid to Families with Dependent Children Income Eligibility
 39 Standards. Effective January 1, 1990, the maximum net family annual income
 40 eligibility standards for Medicaid and Aid to Families with Dependent Children, and the
 41 Standard of Need for Aid to Families with Dependent Children shall be as follows.

42	<u>Categorically Needy</u>		<u>Medically Needy</u>	
43	Family	Standard	AFDC Payment	
44	<u>Size</u>	<u>Of Need</u>	<u>Level*</u>	<u>AA,AB,AD*</u>

1				
2	1	\$ 4,344	\$ 2,172	\$ 2,900
3	2	5,664	2,832	3,800
4	3	6,528	3,264	4,400
5	4	7,128	3,564	4,800
6	5	7,776	3,888	5,200
7	6	8,376	4,188	5,600
8	7	8,952	4,476	6,000
9	8	9,256	4,680	6,300

10

11 *Aid to Families with Dependent Children (AFDC); Aid to the Aged (AA); Aid to the
 12 Blind (AB); and Aid to the Disabled (AD).

13 The payment level for Aid to Families with Dependent Children shall be fifty percent
 14 (50%) of the standard of need.

15 These standards may be changed with the approval of the Director of the
 16 Budget with the advice of the Advisory Budget Commission.

17 (e) Spouse Responsibility. The Department of Human Resources, Division
 18 of Medical Assistance, may not consider the income or assets of the spouse of a person
 19 who is admitted as a long-term care patient in a certified public or private intermediate
 20 care or skilled nursing facility to be available to the institutionalized person. This
 21 provision will remain in effect until superseded by federal law under the Medicare
 22 Catastrophic Coverage Act of 1988, on September 1, 1989.

23 (f) Dental Coverage Limits. Dental services will be provided on a restricted
 24 basis in accordance with regulations developed by the Department. Funds for dental
 25 services shall be disbursed only with prior approval by the Department of Human
 26 Resources, Division of Medical Assistance, as required by this subsection. No prior
 27 approval shall be required for emergency services or routine services. Routine services
 28 are defined as examinations, X rays, prophylaxes, nonsurgical tooth extractions,
 29 amalgam fillings, and fluoride treatments. Prior approval shall be required for all other
 30 services and for routine services performed more than two times during a consecutive
 31 12-month period. The Department of Human Resources shall adopt rules, as provided
 32 by the Administrative Procedure Act, to implement this subsection.

33 (g) Dispensing of Generic Drugs. Notwithstanding G.S. 90-85.27 through
 34 G.S. 90-85.31, under the Medical Assistance Program (Title XIX of the Social Security
 35 Act) a prescription order for a drug designated by a trade or brand name shall be
 36 considered to be an order for the drug by its established or generic name, except when
 37 the prescriber personally indicates, either orally or in his own handwriting on the
 38 prescription order, "dispense as written" or words of similar meaning. Generic drugs,
 39 when available in the pharmacy, shall be dispensed at a lower cost to the Medical
 40 Assistance Program rather than trade or brand name drugs, subject to the prescriber's
 41 "dispense as written" order as noted above.

42 As used in this subsection "brand name" means the proprietary name the
 43 manufacturer places upon a drug product or on its container, label or wrapping at the

1 time of packaging; and "established name" has the same meaning as in section 502(e)(3)
2 of the Federal Food, Drug and Cosmetic Act as amended, 21 U.S.C. § 352(e)(3).

3 (h) Exceptions to Service Limitations, Eligibility Requirements, and
4 Payments. Service limitations, eligibility requirements, and payments, and payments
5 bases in this section may be waived by the Department of Human Resources, with the
6 approval of the Director of the Budget, to allow the Department to carry out pilot
7 programs for prepaid health plans or community based services programs in accordance
8 with plans approved by the U.S. Department of Health and Human Services, or when
9 the Department determines that such a waiver will result in a reduction in the total
10 Medicaid costs for the recipient.

11 (i) Volume Purchase Plans and Single Source Procurement. The Department
12 of Human Resources, Division of Medical Assistance, may, subject to the approval of a
13 change in the State Medicaid Plan, contract for services, medical equipment, supplies,
14 and appliances by implementation of volume purchase plans, single source procurement
15 or other similar processes in order to improve cost containment.

16 (j) Cost Containment Programs. The Department of Human Resources,
17 Division of Medical Assistance, may undertake cost containment programs including
18 preadmissions to hospitals and prior approval for certain outpatient surgeries before
19 they may be performed in an inpatient setting.

20 (k) For all Medicaid eligibility classifications for which the federal poverty
21 level is used as an income limit for eligibility determination, the income limits will be
22 updated each July 1 immediately following publication of federal poverty guidelines.

23 (l) Effective January 1, 1988, the Department of Human Resources shall
24 provide Medicaid to 19-, 20-, and 21-year-olds in accordance with federal rules and
25 regulations.

26 (m) The Department of Human Resources shall provide coverage to pregnant
27 women and children according to the following schedule:

28 (1) Pregnant women with incomes equal to or less than one hundred
29 eighty-five percent (85%) of the federal poverty guidelines as revised
30 each July shall be covered for Medicaid benefits;

31 (2) Infants under the age of 1 with family incomes equal to or less than
32 one hundred eighty-five percent (85%) of the federal poverty
33 guidelines as revised each July 1, shall be covered for Medicaid
34 benefits;

35 (3) Children aged 1 through 5 with family incomes equal to or less than
36 one hundred thirty-three percent (133%) of the federal poverty
37 guidelines as revised each July 1 shall be covered for Medicaid
38 benefits; and

39 (4) Children aged 6 through 18 who were born after September 30, 1983,
40 with family incomes equal to the federal poverty guidelines as revised
41 each July 1, shall be covered for Medicaid benefits.

42 Services to pregnant women eligible under this section continue throughout the
43 pregnancy but include only those related to pregnancy and to those other conditions
44 determined by the Department as conditions that may complicate pregnancy. In order to

1 reduce county administrative costs and to expedite the provision of medical services to
2 pregnant women, to infants, and to children eligible under this section, no resources test
3 shall be applied.

4 (n) The Department of Human Resources may use Medicaid funds budgeted
5 from program services to support the cost of administrative activities to the extent that
6 these administrative activities produce a net savings in services requirements.
7 Administrative initiatives funded by this section shall be first approved by the Office of
8 State Budget and Management.

9

10 Requested by: Senator Richardson

11 ---REDUCTIONS FROM INFLATIONARY INCREASES

12 Sec. 87. The Department of Human Resources, Division of Medical
13 Assistance, shall effect the reductions of \$10,700,000 for the 1991-92 fiscal year and
14 \$10,700,000 for the 1992-93 fiscal year from inflationary increases in the following
15 categories of services:

- 16 (1) Inpatient Hospital;
- 17 (2) Specialty Hospital Inpatient;
- 18 (3) Mental Hospital Inpatient - Private;
- 19 (4) Skilled Nursing;
- 20 (5) Intermediate Nursing;
- 21 (6) Intermediate Care Facilities for the Mentally Retarded - Private;
- 22 (7) Physician, Dental, Chiropractor, Optometrist, and Podiatrist;
- 23 (8) Drugs - Profession Services Fee;
- 24 (9) Home Health;
- 25 (10) Personal Care Service;
- 26 (11) Community Alternative Program (CAP).

27 The Division of Medical Assistance shall implement these reductions and
28 shall adopt rules necessary to reflect these reductions and accomplish these savings at
29 the earliest appropriate date for each service type.

30

31 Requested by: Senator Richardson

32 ---GENERAL REDUCTIONS

33 Sec. 88. The Department of Human Resources, Division of Medical
34 Assistance, shall effect the reduction of \$3,200,000 for the 1991-92 fiscal year and of
35 \$3,200,000 for the 1992-93 fiscal year and shall adopt rules necessary to reflect these
36 reductions and accomplish these savings at the earliest appropriate date.

37

38 Requested by: Senator Richardson

39 ---FAMILY SUPPORT ACT

40 Sec. 89. (a) Section 229 of Chapter 1014 of the 1985 Session Laws is amended
41 by adding a new subsection to read:

42 "(d) If any provision of this section is held invalid by a court of competent
43 jurisdiction, the invalidity shall not affect the remaining provisions of this section that
44 can be given effect."

1 (b) The General Assembly finds that it is in the best interest of the State and of
2 all its citizens to encourage recipients of Aid to Families with Dependent Children to
3 obtain jobs and become self-sufficient. It further finds that, by continuing medical
4 assistance and providing limited wage assistance to those recipients who are working,
5 the State will make it possible to help many recipients to be able to keep their jobs,
6 support their families, and become self-sufficient.

7 (c) The Social Services Commission shall adopt rules to change the way it
8 budgets Aid to Families with Dependent Children payments that will result in more
9 recipients being able to find work and keep working. These rules shall include
10 subtracting countable income from the State standard of need, and paying a percentage
11 of the difference. The percentage that shall be applied to determine the amount of
12 assistance shall be the same percentage set in the Current Operations Appropriations
13 Act that determines the Aid to Families of Dependent Children payment level from the
14 standard of need.

15
16 Requested by: Senator Richardson

17 ---RETROSPECTIVE ACCOUNTING ADJUSTMENT

18 Sec. 90. The Department of Human Resources shall use funds appropriated
19 to it by this act to provide a State supplementary payment to Aid to Families with
20 Dependent Children households adversely affected by the retrospective accounting
21 procedure as allowed under section 403(a) of the Social Security Act as amended by
22 section 157(a) of the Tax Equity and Fiscal Responsibility Act of 1982. The amount of
23 the State supplement shall not exceed the maximum payment standard for the Aid to
24 Families with Dependent Children Program.

25
26 Requested by: Senator Richardson

27 ---AFDC/WOMEN IN THIRD TRIMESTER OF PREGNANCY ADJUSTMENT

28 Sec. 91. The Division of Social Services, Department of Human Resources,
29 shall provide Aid to Families with Dependent Children to women in their third trimester
30 of pregnancy regardless of whether these women have children, if they otherwise
31 qualify for these payments.

32
33 Requested by: Senator Richardson

34 ---ADOPTION SUBSIDY

35 Sec. 92. The adoption subsidy paid monthly by the Division of Social
36 Services, Department of Human Resources, to eligible families who adopt hard-to-place
37 children shall be established at \$150.00 per child per month.

38
39 Requested by: Senator Richardson

40 ---FOSTER CARE

41 Sec. 93. Funds appropriated to the Department of Human Resources by this
42 act for foster care assistance rates shall be used to set the rates at \$265.00 per child per
43 month.

1 Requested by: Senator Richardson

2 ---EMERGENCY ASSISTANCE

3 Sec. 94. The Division of Social Services, Department of Human Resources,
4 shall not expend more State funds than are appropriated for Emergency Assistance by
5 this act. Within this limit, Emergency Assistance benefits shall not exceed \$300.00 per
6 year per family, payable over a 30-day period. After this 30-day period, Emergency
7 Assistance benefits are not available to that family until 12 months have elapsed from
8 the initial authorization date. The family may have no more than a total of \$300.00 in
9 liquid assets in order to qualify for any Emergency Assistance pursuant to this section.

10 It is the intent of the General Assembly that these Emergency Assistance
11 funds shall only be used to provide assistance to persons to alleviate an emergency. In
12 evaluating whether an emergency exists, the county departments of social services shall
13 apply prudent judgment to evaluate each emergency on its own merits. Prudent
14 judgment will permit departments of social services to consider whether the client
15 created the emergency and whether the assistance will resolve the emergency.

16

17 Requested by: Senator Richardson

18 ---FOOD STAMP OUTREACH

19 Sec. 95. The Department of Human Resources shall continue a Food Stamp
20 Outreach Program. Under the Program, the Department shall inform public and private
21 agencies, community groups, potentially eligible persons, and the general public
22 regarding the eligibility requirements of the Food Stamp Program. The Department
23 shall maintain a referral list of public and private agencies, community groups, and
24 interested persons and organizations who serve low-income persons. The Department
25 shall inform these agencies and persons regarding the Food Stamp Program and changes
26 in the law that affect client eligibility or the extent of benefits. The Department shall
27 develop and distribute informational materials, such as public service announcements,
28 brochures, pamphlets, posters, and correspondence.

29

30 Requested by: Senator Richardson

31 ---CHILD PROTECTIVE SERVICES

32 Sec. 96. (a) Of the funds appropriated to the Department of Human Resources,
33 Division of Social Services for Child Protective Services, the Division shall use up to
34 \$175,900 in each fiscal year of the 1991-93 biennium to provide consultation and
35 technical assistance to county departments of social services to strengthen and support
36 local child protective services. The remaining funds shall be allocated to the county
37 departments of social services as follows:

38 (1) \$10,000 for the 1991-92 fiscal year and \$10,000 for the 1992-93 fiscal
39 year shall be allocated to each of the 15 county departments that did
40 not receive an allocation of the 1985 State appropriation for child
41 protective services;

42 (2) In addition, each of the 100 county departments shall receive an
43 allocation of \$10,000 for the 1991-92 fiscal year and \$10,000 for the
44 1992-93 fiscal year;

1 (3) The balance of available funds shall be allocated to each county
2 department based upon the percentage that the total number of abuse
3 and neglect reports within that county represents to the statewide total
4 number of abuse and neglect reports. These percentages shall be
5 computed from the reports received by the Central Registry of Abuse
6 and Neglect cases for the next two prior fiscal years.

7 (b) Funds allocated to county departments of social services pursuant to this
8 section shall be used for staff carrying out investigations of reports of child abuse or
9 neglect or providing protective or preventive services in cases in which the department
10 confirms neglect, abuse, or dependency. If a county department demonstrates that it has
11 adequate protective services staff, these funds may be used to purchase or provide
12 treatment and other support services to children and their families in confirmed cases.
13 All expenditures shall be directly in support of the department's program of protective
14 services for children. These funds shall not be used to supplant any Social Services
15 Block Grant funds or county appropriations previously budgeted for protective services
16 for children.

17 (c) The Department of Human Resources, Division of Social Services, shall
18 establish criteria and guidelines to assure that the allocations to county departments of
19 social services are used in accordance with the intent and purposes of this section.
20

21 Requested by: Senator Richardson

22 —CHILD CARING INSTITUTION REIMBURSEMENT

23 Sec. 97. (a) Funds appropriated to the Department of Human Resources,
24 Division of Social Services, in this act for the 1992-93 fiscal year for the monthly
25 payment of State funds to private residential child care agencies for the provision of
26 foster care shall be disbursed in accordance with rules established by the Social Services
27 Commission pursuant to G.S. 143B-153(2)d., and in accordance with the following
28 requirements:

29 (1) Only those child caring agencies that have been receiving funds from
30 the Division of Social Services that have been appropriated as grants-
31 in-aid to non-State agencies shall be included in the disbursement
32 unless additional State or federal funds are made available to permit
33 disbursement to new child caring agencies. A new child caring agency
34 may receive funds pursuant to this section only if the additional State
35 or federal funds made available are sufficient to allow disbursements
36 to the new agency without reducing the disbursement to the agencies
37 already receiving funds;

38 (2) The formula for the disbursement of these funds shall be based on the
39 assumption that the State is committed to paying allowable foster care
40 maintenance costs and shall do so, to the extent that State and federal
41 funds are available; and

42 (3) In any year that State and federal funds are not sufficient to pay each
43 agency's allowable foster care maintenance costs, each participating

1 agency's rate shall be reduced by the same percentage, so that each
2 agency receives the same percentage of its allowable costs.

3 (b) This section becomes effective July 1, 1992.
4

5 Requested by: Senators Richardson, Walker

6 ---CHILD-PLACING AGENCIES CHANGE

7 Sec. 98. G.S. 143B-153(2) reads as rewritten:

8 "(2) The Social Services Commission shall have the power and duty to
9 establish standards and adopt rules and regulations:

10 a. For the programs of public assistance established by federal
11 legislation and by Article 2 of Chapter 108A of the General
12 Statutes of the State of North Carolina with the exception of the
13 program of medical assistance established by G.S. 108A-25(b);

14 b. To achieve maximum cooperation with other agencies of the
15 State and with agencies of other states and of the federal
16 government in rendering services to strengthen and maintain
17 family life and to help recipients of public assistance obtain
18 self-support and self-care;

19 c. For the placement and supervision of dependent and delinquent
20 children and payment of necessary costs of foster home care for
21 needy and homeless children as provided by G.S. 108A-48; and

22 d. For the payment of ~~grants in aid and other~~ State funds to
23 private ~~child-caring institutions. The payment and distribution of~~
24 ~~grants in aid funds to private child-caring institutions shall be~~
25 ~~regulated by the grant in aid (GIA) formula. This formula and~~
26 ~~any modifications of this formula shall be approved by the~~
27 ~~Advisory Budget Commission prior to its implementation.~~
28 child-placing agencies as defined in G.S. 131D-10.2(4) and
29 residential child care facilities as defined in G.S. 131D-10.2(13)
30 for care and services provided to children who are in the
31 custody or placement responsibility of a county department of
32 social services."
33

34 Requested by: Senator Richardson

35 ---LIMITATIONS ON STATE ABORTION FUND

36 Sec. 99. Section 93 of Chapter 479 of the 1985 Session Laws, as amended
37 by Section 75 of Chapter 738 of the 1987 Session Laws, as amended by Section 72 of
38 Chapter 500 of the 1989 Session Laws, as amended by Section 79 of Chapter 1066 of
39 the 1989 Session Laws, Regular Session 1990, shall remain in effect on and after July 1,
40 1991, with the following exception:

41 Any reference in Section 93 of Chapter 479 of the 1985 Session Laws, as
42 amended, to the 1985-86 fiscal year or the 1986-87 fiscal year applies to the 1991-92
43 fiscal year and the 1992-93 fiscal year.
44

1 Requested by: Senator Richardson

2 —WILLIE M.

3 Sec. 100. (a) Legislative Findings. The General Assembly finds:

4 (1) That there is a need in North Carolina to provide appropriate treatment
5 and education programs to children under the age of 18 who suffer
6 from emotional, mental, or neurological handicaps accompanied by
7 violent or assaultive behavior;

8 (2) That children meeting these criteria have been identified as a class in
9 the case of Willie M., et al. vs. Martin, et al., formerly Willie M., et al.
10 vs. Hunt, et al.; and

11 (3) That these children have a need for a variety of services, in addition to
12 those normally provided, that may include but are not limited to
13 residential treatment services, educational services, and independent
14 living arrangements.

15 (b) Funds appropriated by the General Assembly to the Department of Human
16 Resources for serving members of the Willie M. Class shall be expended only for
17 programs serving members of the Willie M. Class identified in Willie M., et al. vs.
18 Martin, et al., formerly Willie M., et al. vs. Hunt, et al., including evaluations of
19 potential class members. The Department shall reallocate these funds among services to
20 Willie M. Class members during the year as it deems advisable in order to use the funds
21 efficiently in providing appropriate services to Willie M. Class children.

22 (c) Funds for Department of Public Education. Funds appropriated to the
23 Department of Public Education in this act for members of the Willie M. Class, are to
24 establish a supplemental reserve fund to serve only members of the class identified in
25 Willie M., et al. vs. Martin, et al., formerly Willie M., et al. vs. Hunt, et al. These funds
26 shall be allocated by the State Board of Education to the local education agencies to
27 serve those class members who were not included in the regular average daily
28 membership and the census of children with special needs, and to provide the additional
29 program costs which exceed the per pupil allocation from the State Public School Fund
30 and other State and federal funds for children with special needs.

31 (d) The Department of Human Resources shall continue to implement its
32 prospective unit cost reimbursement system and shall ensure that unit cost rates reflect
33 reasonable costs by conducting cost center service type rate comparisons and cost center
34 line item budget reviews as may be necessary, and based upon these reviews and
35 comparisons, the Department shall reduce and/or cap rates to programs which are
36 significantly higher than those rates paid to other programs for the same service.

37 Any exception to this requirement shall be approved by the Director of the
38 Division of Mental Health, Developmental Disabilities, and Substance Abuse Services,
39 and shall be reported in the Department's annual joint report to the Governor and the
40 General Assembly and in any periodic report the Department may make to the Joint
41 Legislative Commission on Governmental Operations.

42 (d1) The Department of Human Resources shall implement a process to
43 review those cases for whom treatment has been recommended whose annual cost is
44 anticipated to be in excess of one hundred fifty percent (150%) of the average annual

1 per client expenditure of the previous fiscal year and shall take actions to reduce these
2 treatment costs where appropriate.

3 (e) Reporting Requirements. The Department of Human Resources and the
4 Department of Public Education shall submit, by May 1 of each fiscal year, a joint
5 report to the Governor and the General Assembly on the progress achieved in serving
6 members of the Willie M. Class. The report shall include the following unduplicated
7 data for each county: (i) the number of children nominated for the Willie M. Class; (ii)
8 the number of children actually identified as members of the Class in each county; (iii)
9 the number of children served as members of the Class in each county; (iv) the number
10 of children who remain unserved or for whom additional services are needed in order to
11 be determined to be appropriately served; (v) the types and locations of treatment and
12 education services provided to Class members; (vi) the cost of services, by type, to
13 members of the Class and the maximum and minimum rates paid to providers for each
14 service; (vii) the number of cases whose treatment costs were in excess of one hundred
15 fifty percent (150%) of the average annual per client expenditure; (viii) information on
16 the impact of treatment and education services on members of the Class; (ix) an
17 explanation of, and justification for, any waiver of departmental rules that affect the
18 Willie M. program; and (x) the total State funds expended, by program, on Willie M.
19 class members, other than those funds specifically appropriated for the Willie M.
20 programs and services.

21 (e1) From existing funds available to it, the Department of Human Resources
22 shall begin a process to document and assess individual class members' progress
23 through the continuum of services. Standardized measures of functioning shall be
24 administered periodically:

25 (1) In the 1991-92 fiscal year, to a representative sample of class
26 members;

27 (2) In the 1992-93 fiscal year and thereafter, to each member of the class,
28 and the information generated from these measures shall be used to
29 assess client progress and program effectiveness,

30 (f) The Departments of Human Resources and Public Education shall
31 provide periodic reports of expenditures and program effectiveness on behalf of the
32 Willie M. Class to the Joint Legislative Commission on Governmental Operations and
33 to the Fiscal Research Division. As part of these reports, the Departments shall explain
34 measures they have taken to control and reduce program expenditures.

35 (g) In fulfilling the responsibilities vested in it by the Constitution of North
36 Carolina, the General Assembly finds:

37 (1) That the General Assembly has evaluated the known needs of the
38 State and has endeavored to satisfy those needs in comparison to their
39 social and economic priorities; and

40 (2) That the funds appropriated will enable the development and
41 implementation of placement and services for the class members in
42 Willie M., et al. vs. Martin, et al., formerly Willie M., et al. vs. Hunt,
43 et al., within a reasonable period of time considered within the context

1 of the needs of the class members, the other needs of the State and the
2 resources available to the State.

3 (h) The General Assembly supports the efforts of the responsible officials
4 and agencies of the State to meet the requirements of the court order in Willie M., et al.
5 vs. Martin, et al., formerly Willie M., et al. vs. Hunt, et al. To ensure that Willie M.
6 class members are appropriately served, no State funds shall be expended on placement
7 and services for Willie M. class members except:

8 (1) Funds specifically appropriated by the General Assembly for the
9 placement and services of Willie M. class members; and

10 (2) Funds for placement and services for which Willie M. class members
11 are otherwise eligible.

12 This limitation shall not preclude the use of unexpended Willie M. funds from prior
13 fiscal years to cover current or future needs of the Willie M. program subject to
14 approval by the Director of the Budget. These Willie M. expenditures shall not be
15 subject to the requirements of G.S. 143-18.

16 (i) Notwithstanding any other provision of law, if the Department of Human
17 Resources determines that a local program is not providing appropriate services to
18 members of the class identified in Willie M., et al. vs. Martin, et al., formerly Willie M.,
19 et al. vs. Hunt, et al., the Department may ensure the provision of these services through
20 contracts with public or private agencies or by direct operation by the Department of
21 such programs.

22 (j) The Department of Human Resources and the Department of Public
23 Instruction shall submit a plan to the General Assembly by April 1, 1992, which
24 outlines specific steps which are to be taken, within a specified time period, and within
25 existing resources, to meet its obligation of providing appropriate services to class
26 members. As part of this plan, the Department shall propose when and how the Willie
27 M. program shall become fully self-regulating and self-monitoring.

28
29 Requested by: Senators Richardson, Block

30 ---WILLIE M. AUDIT CONTINUED

31 Sec. 101. The Office of State Auditor shall conduct a follow-up study of its
32 1990 performance audit of the Willie M. program to determine, along with other issues
33 the Auditor considers appropriate, the following:

34 (1) To what extent the range of reimbursement rates paid to area programs
35 for similar types of services has been reduced;

36 (2) To what extent the process implemented by the Department of Human
37 Resources to review high-cost Willie M. clients has been effective in
38 reducing the number of these clients and the costs of providing these
39 clients services; and

40 (3) To what extent a client evaluation process has been implemented by
41 the Department of Human Resources and with what results.

42 The Auditor may also conduct an analysis of costs associated with providing services to
43 a sample of clients, including high-cost clients, to determine the justification of the costs

1 incurred. The Auditor shall submit the findings of this follow-up study of the Willie M.
2 program to the General Assembly by February 15, 1993.

3
4 Requested by: Senator Richardson

5 —THOMAS S.

6 Sec. 102. (a) Funds appropriated to the Department of Human Resources in this
7 act for the 1991-92 fiscal year and the 1992-93 fiscal year for members of the Thomas
8 S. Class as identified in Thomas S., et al. vs. Flaherty, shall be placed in a reserve in the
9 Division of Mental Health, Developmental Disabilities, and Substance Abuse Services,
10 and shall be expended only for programs serving Thomas S. Class members or for
11 services for those clients who are likely to become class members.

12 (b) The Department of Human Resources shall provide periodic reports of funds
13 expended and services performed on behalf of members of the Thomas S. Class and on
14 behalf of those clients who are likely to become class members to the Joint Legislative
15 Commission on Governmental Operations and to the Fiscal Research Division of the
16 Legislative Services Office.

17 (c) Notwithstanding any other provision of law, if the Department of Human
18 Resources determines that a local program is not providing minimally adequate services
19 to members of the class identified in Thomas S., et al. vs. Flaherty, the Department may
20 ensure the provision of these services through contracts with public or private agencies
21 or by direct operation by the Department of such programs.

22
23 Requested by: Senator Richardson

24 —TRANSFERS OF CERTAIN FUNDS AUTHORIZED

25 Sec. 103. In order to assure maximum utilization of funds in county
26 departments of social services, county or district health agencies, and area mental
27 health, mental retardation, and substance abuse authorities, the Director of the Budget is
28 authorized to transfer excess funds appropriated to a specific service or program or
29 fund, whether specified in a block grant plan or General Fund appropriation, into
30 another service or program or fund for local services within the budget of the respective
31 State agency.

32 The Office of State Budget and Management shall report quarterly to the
33 Joint Legislative Commission on Governmental Operations on each transfer authorized
34 by this section.

35
36 Requested by: Senator Richardson

37 —MIXED BEVERAGE TAX FOR AREA MENTAL HEALTH PROGRAMS

38 Sec. 104. Funds received by the Department of Human Resources for the tax
39 levied on mixed beverages under G.S. 18B-804(b)(8) shall be expended by the
40 Department of Human Resources as prescribed by G.S. 18B-805(h). These funds shall
41 be matched by local funds in accordance with the State/local ratio established by the
42 current area mental health matching formula. These funds shall be allocated to the area
43 mental health programs for substance abuse services on a per capita basis as determined

1 by the Office of State Budget and Management's most recent estimates of county
2 populations.

3

4 Requested by: Senator Richardson

5 ---ADAP TRANSPORTATION FUNDS

6 Sec. 105. (a) Reimbursement of Adult Developmental Activity Programs for
7 transportation of clients shall be based on a cost per client basis. There shall be
8 different levels of reimbursement based on documented cost levels.

9 (b) In reimbursing Adult Developmental Activity Programs, the Department of
10 Human Resources shall base the reimbursement on the distribution by cost range
11 developed by the Division of Mental Health, Developmental Disabilities and Substance
12 Abuse Services, in accordance with its most recently conducted cost study.

13

14 Requested by: Senator Richardson

15 ---SPECIALIZED RESIDENTIAL CENTERS' BED CONVERSION

16 Sec. 106. Funds made available as a result of the conversion of State
17 supported beds in specialized residential centers to ICF/MR beds shall be used to
18 increase the State subsidy provided to centers. Funds made available to centers by this
19 section shall be used, as they become available, to increase the subsidy rate to sixty-five
20 percent (65%) of the statewide average cost of providing this service based on the most
21 recent Specialized Community Residential Cost Study.

22 Funds made available in addition to those needed to increase the subsidy rate
23 may be transferred to the Department of Human Resources, Division of Medical
24 Assistance, as needed to be used as a State match for the converted ICF/MR beds.

25

26 Requested by: Senator Richardson

27 ---LIABILITY INSURANCE

28 Sec. 107. The Secretary of the Department of Human Resources, the
29 Secretary of the Department of Environment, Health, and Natural Resources, and the
30 Secretary of the Department of Correction may provide medical liability coverage not to
31 exceed \$1,000,000 on behalf of employees of the Departments licensed to practice
32 medicine or dentistry. This coverage may include commercial insurance or self-
33 insurance and shall cover these employees for their acts or omissions only while they
34 are engaged in providing medical and dental services pursuant to their State
35 employment.

36 The coverage provided under this section shall not cover any employee for
37 any act or omission that the employee knows or reasonably should know constitutes a
38 violation of the applicable criminal laws of any state or the United States, or that arises
39 out of any sexual, fraudulent, criminal or malicious act, or out of any act amounting to
40 willful or wanton negligence.

41 The coverage provided pursuant to this section shall not require any
42 additional appropriations and shall not apply to any individual providing contractual
43 service to the Department of Human Resources, the Department of Environment,
44 Health, and Natural Resources, or the Department of Correction.

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Requested by: Senator Richardson

—NON-MEDICAID REIMBURSEMENT

Sec. 108. Providers of medical services under the various State programs, other than Medicaid, offering medical care to citizens of the State shall be reimbursed at rates no more than those under the North Carolina Medical Assistance Program.

The Department of Human Resources may reimburse hospitals at the full prospective per diem rates without regard to the Medical Assistance Program's annual limits on hospital days. When the Medical Assistance Program's per diem rates for inpatient services and its interim rates for outpatient services are used to reimburse providers in non-Medicaid medical service programs, retroactive adjustments to claims already paid shall not be required.

Notwithstanding the provisions of paragraph one of this section, the Department of Human Resources may negotiate with providers of medical services under the various Department of Human Resources programs, other than Medicaid, for rates as close as possible to Medicaid rates for the following purposes: contracts or agreements for medical services and purchases of medical equipment and other medical supplies. These negotiated rates are allowable only to meet the medical needs of its non-Medicaid eligible patients, residents, and clients, who require these services that cannot be provided when limited to the Medicaid rate.

Maximum net family annual income eligibility standards for services in these programs shall be as follows:

<u>Family</u>	<u>Medical Eye</u>	<u>All</u>	<u>Other</u>
<u>Size</u>	<u>Care Adults</u>	<u>Rehabilitation</u>	
1			\$4,860\$
			8,364
			\$4,200
2			5,940
			10,944
			5,300
3			6,204
			13,500
			6,400
4			7,284
			16,092
			7,500
5			7,824
			18,648
			7,900
6			8,220
			21,228
			8,300

1	7	8,772
2		21,708
3		8,800
4	8	9,312
5		22,220
6		9,300

7 The eligibility level for children in the Medical Eye Care Program in the
8 Division of Services for the Blind shall be one hundred percent (100%) of the federal
9 poverty guidelines, as revised annually by the United States Department of Health and
10 Human Services and in effect on July 1 of each fiscal year.

11 The Department of Human Resources shall contract at, or as close as possible
12 to, Medicaid rates for medical services provided to residents of State facilities of the
13 Department.

14
15 Requested by: Senator Richardson

16 ---JOHN UMSTEAD HOSPITAL - PLANNING

17 Sec. 109. The Department of Human Resources may use funds that become
18 available to it through gifts, federal or private grants, receipts from federal programs, or
19 any other source in the 1991-92 fiscal year, for advance planning through the working
20 drawings phase for a psychiatric facility at John Umstead Hospital.

21
22 Requested by: Senator Richardson

23 ---DIVISION OF MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND
24 SUBSTANCE ABUSE SERVICES BUDGET CODE CONSOLIDATION

25 Sec. 110. Subject to the approval of the Office of State Budget and
26 Management, in order to operate more efficiently, the Department of Human Resources
27 may consolidate the appropriate budget codes of the Division of Mental Health,
28 Developmental Disabilities, and Substance Abuse Services and the institutions operated
29 by the Division. Any consolidation shall ensure that each institution budget is clearly
30 identifiable as a separate fund within the consolidated budget code or codes. To
31 implement this change, the General Assembly approves current budget code structure of
32 the Division's and institutions' budgets for the 1991-93 fiscal biennium and authorizes
33 the Department to proceed with appropriate consolidation of these budget codes during
34 the 1991-93 fiscal biennium.

35
36 Requested by: Senator Richardson

37 ---DEVELOPMENTAL DAY CENTERS GRANT-IN-AID

38 Sec. 111. Of the funds appropriated in this act, to the Department of Human
39 Resources, Division of Mental Health, Developmental Disabilities, and Substance
40 Abuse Services, the sum of \$2,260,470 for the 1991-92 fiscal year is transferred to the
41 Department of Public Instruction for handicapped children aged 3 through 4 years who
42 have been identified through Division of Mental Health, Developmental Disabilities,
43 and Substance Abuse Services statewide services and who are served in developmental
44 day centers. These funds shall be used to contract with area mental health,

1 developmental disabilities, and substance abuse authorities or with private nonprofit
2 developmental day centers to continue to serve handicapped children aged 3 through 4
3 years who are identified as needing developmental day services.

4 The Department of Public Instruction shall report to the General Assembly
5 and to the Fiscal Research Division by May 1, 1992, regarding the use of the funds
6 transferred to it by this section.

7
8 Requested by: Senator Richardson

9 —CAREGIVER SUPPORT SHARING

10 Sec. 112. (a) Of the funds appropriated to the Division of Aging, Department of
11 Human Resources, by this act for the 1991-93 fiscal biennium, the sum of \$1,008,000
12 for the 1991-92 fiscal year and the sum of \$1,008,000 for the 1992-93 fiscal year shall
13 be used for services that support family caregivers of elderly persons with functional
14 disabilities, whether physical or mental, who want to stay in their homes rather than be
15 institutionalized but who need assistance with the activities of daily living in order to
16 remain at home. The services that may be purchased from funds received under this
17 section include:

- 18 (1) Respite Care;
- 19 (2) Adult Day Care;
- 20 (3) Stipends and other related costs for senior companions, modeled after
21 the federal Senior Companion Program; and
- 22 (4) Other related services that meet needs not now adequately addressed
23 by the services described in subdivisions (1) through (3) of this
24 subsection.

25 (b) The Division of Aging shall expend funds for these services according to
26 the population of persons 70 years of age or older in each region. The Division of
27 Aging shall use a maximum of ninety-five percent (95%) of the funds it receives under
28 this section for the services described in subdivisions (1) through (4) of subsection (a) of
29 this section and may only use a maximum of five percent (5%) for technical assistance
30 as described in subsection (c) of this section. The Division of Aging shall choose
31 providers in accordance with procedures under the Older Americans Act. Funds
32 allocated by the Division pursuant to this section shall be allocated by October 1 of each
33 fiscal year. Effective July 1, 1992, local matching requirements shall be no less than ten
34 percent (10%). State funding shall not exceed ninety percent (90%) of the reimbursable
35 costs.

36 (c) The Division of Aging may contract for technical assistance. The
37 technical assistance shall include training assistance, coordination of various service
38 delivery and funding sources, and ideas for innovative ways to build a lasting system of
39 services for family caregivers.

40

41 Requested by: Senator Richardson

42 —IN-HOME AGING SERVICES

43 Sec. 113. Of the funds appropriated to the Division of Aging, Department of
44 Human Resources, by this act for the 1991-93 fiscal biennium, the sum of \$720,000 for

1 the 1991-92 fiscal year and the sum of \$720,000 for the 1992-93 fiscal year shall be
2 used to provide funds for additional in-home aide services that enable the frail elderly to
3 remain in their homes and avoid institutionalization.

4 The Division shall administer the in-home aide services and activities funded
5 by this section. The Division of Aging shall choose in-home service providers in
6 accordance with procedures under the Older Americans Act and shall include the
7 following criteria: documented capacity to provide care, adequacy of quality assurance,
8 training, supervision, abuse prevention complaint mechanisms, and costs. All funds
9 allocated by the Division pursuant to this section shall be allocated by October 1 of each
10 fiscal year on the same basis as funding under the Older Americans Act. Effective July
11 1, 1992, local matching requirements shall be no less than ten percent (10%). State
12 funding shall not exceed ninety percent (90%) of the reimbursable costs.

13
14 Requested by: Senator Richardson

15 —SENIOR CENTER OUTREACH

16 Sec. 114. (a) Of the funds appropriated to the Department of Human
17 Resources, Division of Aging, by this act for the 1991-93 fiscal biennium, \$403,800 for
18 the 1991-92 fiscal year and \$403,800 for the 1992-93 fiscal year shall be used by the
19 Division of Aging to enhance senior center programs as follows:

20 (1) To test "satellite" services provided by existing senior centers to
21 unserved or underserved areas; or

22 (2) To provide start-up funds for new senior centers.

23 All of these funds shall be allocated by October 1 of each fiscal year.

24 (b) Prior to funds being allocated pursuant to this section for start-up funds
25 for a new senior center, the county commissioners of the county in which the new center
26 will be located shall:

27 (1) Formally endorse the need for such a center;

28 (2) Formally agree on the sponsoring agency for the center; and

29 (3) Make a formal commitment to use local funds to support the ongoing
30 operation of the center.

31 (c) Effective July 1, 1992, local matching requirements shall be no less than
32 ten percent (10%). State funding shall not exceed ninety percent (90%) of reimbursable
33 costs.

34
35 Requested by: Senator Richardson

36 —FUNDS TO MATCH FEDERAL FUNDS FOR AGING

37 Sec. 115. The Division of Aging, Department of Human Resources, may use
38 funds appropriated in this act to provide the State matching requirement necessary to
39 draw down federal money available through Title III-D of the Older Americans Act for
40 in-home services for the frail elderly, including those with Alzheimer's Disease.

41
42 Requested by: Senator Richardson

43 —DAY CARE FUNDS MATCHING REQUIREMENT

1 Sec. 116. No local matching funds may be required by the Department of
2 Human Resources as a condition of any locality's receiving any State day care funds
3 appropriated by this act unless federal law requires such a match.

4
5 Requested by: Senator Richardson

6 ---DAY CARE

7 Sec. 117. The Department of Human Resources shall distribute the funds
8 appropriated and otherwise available to it for the purchase of slots in day care for minor
9 children of needy families so as to serve the greatest number of children possible.

10
11 Requested by: Senator Richardson

12 ---DAY CARE RATES

13 Sec. 118. (a) Rules for the monthly schedule of payments for the purchase of day
14 care services for low-income children shall be established by the Social Services
15 Commission pursuant to G.S. 143B-153(8)a., in accordance with the following
16 requirements:

- 17 (1) For day care facilities, as defined in G.S. 110-86(3), in which fewer
18 than fifty percent (50%) of the enrollees are subsidized by State or
19 federal funds, the State shall continue to pay the same fee paid by
20 private paying parents for a child in the same age group in the same
21 facility.
- 22 (2) Facilities in which fifty percent (50%) or more of the enrollees are
23 subsidized by State or federal funds may choose annually one of the
24 following payment options:
- 25 a. The facility's payment rate for fiscal year 1985-86; or
26 b. The market rate, as calculated annually by the Division of
27 Facility Services' Child Day Care Section in the Department of
28 Human Resources.
- 29 (3) A market rate shall be calculated for each county and for each age
30 group or age category of enrollees and shall be representative of fees
31 charged to unsubsidized private paying parents for each age group of
32 enrollees within the county. The county market rates shall be
33 calculated from facility fee schedules collected by the Child Day Care
34 Section on a routine basis. The Section shall also calculate a statewide
35 market rate for each age category. The Social Services Commission
36 shall adopt rules to establish minimum county rates that use the
37 statewide market rates as a reference point.
- 38 (4) Child day care homes as defined in G.S. 110-86(4) and individual
39 child care arrangements may be paid the market rate for day care
40 homes which shall be calculated at least biennially by the Child Day
41 Care Section according to the method described in subsection (a)(3) of
42 this section.

43 (b) Facilities licensed pursuant to Article 7 of Chapter 110 of the General
44 Statutes may participate in the program that provides for the purchase of care in day

1 care facilities for minor children of needy families. No separate licensing requirements
2 may be used to select facilities to participate.

3 Day care homes from which the State purchases day care services shall meet
4 the standards established by the Child Day Care Commission pursuant to G.S. 110-101
5 and G.S. 110-105.1. Individual child care arrangements shall meet the requirements
6 established by the Social Services Commission.

7 (c) County departments of social services shall continue to negotiate with day
8 care providers for day care services below those rates prescribed by subsection (a) of
9 this section. County departments are directed to purchase day care services so as to
10 serve the greatest number of children possible with existing resources.

11 (d) To simplify current day care allocation methodology and more equitably
12 distribute State day care funds, the Department of Human Resources shall apply the
13 following allocation formula to all noncategorical federal and State day care funds used
14 to pay the costs of necessary day care for minor children of needy families:

15 (1) One-third of budgeted funds shall be distributed according to the
16 county's population in relation to the total population of the State;

17 (2) One-third of the budgeted funds shall be distributed according to the
18 number of children under 6 years of age in a county who are living in
19 families whose income is below the State poverty level in relation to
20 the total number of children under 6 in the State in families whose
21 income is below the poverty level; and

22 (3) One-third of budgeted funds shall be distributed according to the
23 number of working mothers with children under 6 years of age in a
24 county in relation to the total number of working mothers with
25 children under 6 in the State.

26 (e) Counties whose allocation, if based on previously used formulas, exceeds
27 the allocation produced by the formula prescribed by this section may not have their
28 allocations reduced to the level that results from application of the new formula.
29 Counties whose allocation, if based on previously used formulas, is less than the
30 allocation produced by the formula prescribed by this section shall continue to receive
31 the proportional share of those funds that they received pursuant to appropriations for
32 this purpose by the 1985 General Assembly. The formula prescribed by this section
33 shall not be implemented unless additional State or federal funds are made available.
34 The additional funds must be sufficient to apply the new formula without reducing any
35 county's allocation below the previous year's initial allocation for child day care.

36
37 Requested by: Senator Richardson

38 —COMMUNITY ACTION PROGRAM FUNDS

39 Sec. 119. For the 1991-92 fiscal year and the 1992-93 fiscal year, all
40 agencies designated as eligible agencies pursuant to G.S. 108A-24 that receive
41 Community Service Block Grant Funds may use those funds for the administration of
42 agency programs. The amount of those funds used for administration of agency
43 programs shall be limited to ten percent (10%) of the total annual budget of the agency
44 as certified in the prior year's audit of the agency. The Department of Human Resources

1 shall report annually to the Joint Legislative Commission on Governmental Operations
2 and the Appropriations Committee on Human Resources beginning October 1, 1991, on
3 the use of Community Service Block Grant Funds for administration of agency
4 programs. The report shall show:

- 5 (1) The total budget for each community action agency or limited purpose
6 agency by program-funding source;
- 7 (2) The amount of funds for administration provided by each program;
- 8 (3) The criteria for determining the amount of funds used for
9 administrative expenses; and
- 10 (4) The number of persons served by each program.

11
12 Requested by: Senator Richardson

13 ---DOMICILIARY RATE INCREASE

14 Sec. 120. Effective July 1, 1991, the maximum monthly rate for ambulatory
15 residents in domiciliary care facilities shall be \$766.00 and the maximum monthly rate
16 for semiambulatory residents shall be \$803.00. Effective July 1, 1992, the maximum
17 monthly rates for ambulatory residents shall be increased to \$777.00 and for
18 semiambulatory residents to \$814.00.

19
20 Requested by: Senator Richardson

21 ---DOMICILIARY STATE/COUNTY SHARE OF COSTS

22 Sec. 121. Article 3 of Chapter 143B of the General Statutes is amended by
23 adding a new section to read:

24 **"§ 143B-139.5. Department of Human Resources; domiciliary State/county share**
25 **of costs.**

26 State funds available to the Department of Human Resources shall pay fifty percent
27 (50%), and the counties shall pay fifty percent (50%) of the authorized rates for
28 domiciliary care in homes for the aged and for family care homes including area mental
29 health agency-operated or contracted-group homes."

30
31 Requested by: Senator Richardson

32 ---DHR EMPLOYEES/IN-KIND MATCH

33 Sec. 122. Notwithstanding the limitations of G.S. 143B-139.4, the Secretary
34 of the Department of Human Resources may assign employees of the Office of Rural
35 Health and Resource Development to serve as in-kind match to nonprofit corporations
36 working to establish health care programs that will improve health care access while
37 controlling costs.

38
39 Requested by: Senator Richardson

40 ---NO EYE CLINICS IN CERTAIN COUNTIES

41 Sec. 123. No funds may be expended by the Division of Services for the
42 Blind, Department of Human Resources, to hold eye clinics in any county in which an
43 optometrist or ophthalmologist is willing to perform the services that would otherwise
44 be performed by the clinic.

1

2 Requested by: Senator Richardson

3 —COMMUNITY-BASED ALTERNATIVES PARTICIPATION

4 Sec. 124. County governments participating in the Community-Based
5 Alternatives Program shall certify annually to the Division of Youth Services,
6 Department of Human Resources, that Community-Based Alternatives Aid to Counties
7 shall not be used to duplicate or supplant other programs within the county.

8

9 Requested by: Senator Richardson

10 —DEPARTMENT OF HUMAN RESOURCES PROGRAM FUNDS

11 Sec. 125. Notwithstanding the provisions of G.S. 143-23, the Secretary of the
12 Department of Human Resources, with the approval of the Office of State Budget and
13 Management, may use, to the extent possible, any funds appropriated or otherwise
14 available to the Department in the 1991-92 fiscal year for the Mental Health Accounts
15 Receivable/Billing System.

16

17 Requested by: Senator Richardson

18 —CONVERSION OF MURDOCH CENTER BEDS TO INTERMEDIATE CARE
19 FACILITY/MENTAL RETARDATION UNITS

20 Sec. 126. The Division of Mental Health, Developmental Disabilities, and
21 Substance Abuse Services may use State funds made available from the conversion of
22 units at Murdoch Center to Intermediate Care Facility/Mental Retardation units in order
23 to expand community-based services as specified in the Mental Health Study
24 Commission plans adopted by the General Assembly.

25

26 Requested by: Senator Richardson

27 —SHORT-TERM LOAN FUND FOR INTERMEDIATE CARE
28 FACILITIES/MENTAL RETARDATION FACILITIES

29 Sec. 127. The Department of Human Resources may use funds that become
30 available to it through gifts, federal, or private grants, receipts from federal programs or
31 any other resource to develop a revolving short-term loan fund to assist area mental
32 health, developmental disabilities, and substance abuse programs and their nonprofit
33 contract agencies in establishing community ICF/MR facilities.

34

35 Requested by: Senator Richardson

36 —EXPANSION OF THE TARGET POPULATION FOR TASC SERVICES

37 Sec. 128. Treatment Alternatives to Street Crimes (TASC) services may
38 include mentally ill offenders as well as substance abusing offenders.

39

40

41 PART XIX.—DEPARTMENT OF AGRICULTURE

42

43 Requested by: Senator Martin of Pitt

44 —AGRICULTURE TO MARKET FOREST PRODUCTS

1 Sec. 129. The Department of Agriculture shall market forest products
2 through the Department's marketing programs.

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4
5 PART XX.—DEPARTMENT OF ECONOMIC AND COMMUNITY
6 DEVELOPMENT

7
8 Requested by: Senator Martin of Pitt

9 —MAIN STREET PROGRAM RESTRICTIONS

10 Sec. 130. (a) G.S. 143B-472.35(e) reads as rewritten:

11 "(e) A Main Street City that is selected may not receive a grant plus any loans
12 pursuant to this act totaling less than ~~one hundred thousand dollars (\$100,000)~~ twenty
13 thousand dollars (\$20,000) or more than three hundred thousand dollars (\$300,000)."

14 (b) Notwithstanding G.S. 143B-472.35(b), the Department of Economic and
15 Community Development may transfer not more than \$40,000 of interest earnings
16 credited to the Main Street Financial Incentive Fund pursuant to G.S. 143B-472.35(a),
17 from the Fund to the North Carolina Main Street Center Program operating budget for
18 fiscal year 1991-92.

19 (c) Notwithstanding G.S. 143B-472.35, the Department of Economic and
20 Community Development shall transfer \$100,000 of interest earnings in the Main Street
21 Financial Incentive Fund from the Fund to the General Fund for fiscal year 1991-92.
22 The Department shall transfer funds pursuant to this subsection on July 1, 1991.

23
24 Requested by: Senator Martin of Pitt

25 —WORKER TRAINING TRUST FUND

26 Sec. 131. (a) There is appropriated from the Worker Training Trust Fund to the
27 Employment Security Commission of North Carolina the sum of \$6,459,673 for the
28 1991-92 fiscal year and the sum of \$6,459,673 for the 1992-93 fiscal year for the
29 operation of local offices at the 1986-87 level of service.

30 (b) Notwithstanding G.S. 96-5(c), there is appropriated from the Special
31 Employment Security Administration Fund to the Employment Security Commission of
32 North Carolina, the sum of \$2,000,000 for the 1991-92 fiscal year and the sum of
33 \$2,000,000 for the 1992-93 fiscal year for administration of the Veterans Employment
34 Program, Employment Services Program, and Unemployment Insurance Program.

35 (c) Supplemental federal funds or other additional funds received by the
36 Employment Security Commission for similar purposes shall be expended prior to the
37 expenditure of funds appropriated by this section.

38 (d) Notwithstanding the provisions of G.S. 96-5(f), there is appropriated from the
39 Worker Training Trust Fund to the following agencies the following sums for the 1991-
40 92 and the 1992-93 fiscal years for the following purposes:

- 41 (1) \$2,000,000 for the 1991-92 fiscal year and \$2,000,000 for the 1992-93
42 fiscal year to the North Carolina Department of Economic and
43 Community Development for the State job training program to be

1 administered through the Job Training Partnership Act system aimed at
2 the unemployed and the working poor.

3 (2) \$500,000 for the 1991-92 fiscal year and \$500,000 for the 1992-93
4 fiscal year to the North Carolina Department of Labor for customized
5 training of the unemployed and the working poor for specific jobs
6 needed by employers through the Department's Preapprenticeship
7 Division.

8 (3) \$2,000,000 for the 1991-92 fiscal year and \$2,000,000 for the 1992-93
9 fiscal year to the North Carolina Department of Human Resources to
10 assist welfare recipients in gaining employment through the federally
11 funded Job Opportunities and Basic Skills Program in such a way as to
12 gain the maximum match of federal funds for the State dollars
13 appropriated.

14 (4) \$1,250,000 for the 1991-92 fiscal year and \$1,250,000 for the 1992-93
15 fiscal year to the North Carolina Department of Community Colleges
16 to continue the Focused Industrial Training Program.

17
18 Requested by: Senator Martin of Pitt

19 —WORKER TRAINING TRUST FUND/REVERSION OF FUNDS

20 Sec. 132. G.S. 96-5(f) reads as rewritten:

21 "(f) Employment Security Commission Reserve Fund. – There is created in the
22 State treasury a special trust fund, separate and apart from all other public moneys or
23 funds of this State, to be known as the Employment Security Commission Reserve
24 Fund, hereinafter 'Reserve Fund'. Except as provided herein and in G.S. 96-9(b)(3)j, all
25 proceeds from the tax as defined in G.S. 96-9(b)(3)j and collected pursuant to G.S. 96-
26 10 shall be paid into the Reserve Fund. The moneys in the Reserve Fund may be used
27 by the Commission for loans to the Unemployment Insurance Fund, as security for
28 loans from the federal Unemployment Insurance Trust Fund, and to pay any interest
29 required on advances under Title XII of the Social Security Act as required by G.S. 96-
30 6(f), and shall be continuously available to the Commission for expenditure in
31 accordance with the provisions of this section. The State Treasurer shall be ex officio
32 the treasurer and custodian and shall invest said moneys in accordance with existing law
33 as well as rules and regulations promulgated pursuant thereto. Furthermore, the State
34 Treasurer shall disburse the moneys in accordance with the directions of the
35 Commission and in accordance with such regulations as the Commission may prescribe.

36 Administrative costs for the collection of the tax and interest payable to the Reserve
37 Fund shall be borne by the Special Employment Administration Fund. Refunds of
38 interest and tax allowable under G.S. 96-9(b)(3)j shall be made from the Reserve Fund.
39 No taxes shall be collected or paid into this fund during a calendar year when, as of the
40 computation date (August 1) of the preceding calendar year, the balance of the fund
41 equals to or exceeds one percent (1%) of the taxable wages.

42 The interest earned from investment of the Reserve Fund moneys shall be deposited
43 in a fund hereby established in the State Treasurer's Office, to be known as the 'Worker
44 Training Trust Fund'. These moneys shall be used to:

- 1 (1) Fund programs, specifically for the benefit of unemployed workers or
2 workers who have received notice of long-term layoff or permanent
3 unemployment, which will enhance the employability of workers,
4 including, but not limited to, adult basic education, adult high school
5 or equivalency programs, occupational skills training programs,
6 assessment, job counseling and placement programs;
7 (2) Continue operation of local Employment Security Commission offices
8 throughout the State; or
9 (3) Provide refunds to employers.

10 The use of funds from the Worker Training Trust Fund, for the purposes set out in
11 the above paragraph, shall be pursuant to appropriations in the Current Operations
12 Appropriations Act. Funds deposited in the Worker Training Trust Fund prior to July 1,
13 1987, shall be used as provided in the Current Operations Appropriations Act for 1987-
14 89. Funds appropriated from the Worker Training Trust Fund that are unexpended and
15 unencumbered at the end of the fiscal year for which they are appropriated shall revert
16 to the State treasury to the credit of the Worker Training Trust Fund in accordance with
17 G.S. 143-18."
18

19 Requested by: Senator Martin of Pitt

20 ---UTILITIES REGULATORY FEE

21 Sec. 133. The percentage rate for the Utilities regulatory fee is set at nine
22 hundredths percent (0.09%) effective July 1, 1991.

23
24 Requested by: Senator Martin of Pitt

25 ---TOURISM PROMOTION FUNDS

26 Sec. 134. Funds appropriated in this act to the Department of Economic and
27 Community Development for tourism promotion grants shall be allocated according to
28 per capita income, unemployment, and population growth in an effort to direct funds to
29 counties most in need in terms of lowest per capita income, highest unemployment, and
30 slowest population growth, in the following manner:

- 31 (1) Counties 1 through 20 are each eligible to receive a maximum grant of
32 \$7,500 for each fiscal year, provided these funds are matched on the
33 basis of one non-State dollar for every four State dollars.
34 (2) Counties 21 through 50 are each eligible to receive a maximum grant
35 of \$3,500 for two of the next three fiscal years, provided these funds
36 are matched on the basis of one non-State dollar for every three State
37 dollars.
38 (3) Counties 51 through 100 are each eligible to receive a maximum grant
39 of \$3,500 for alternating fiscal years, beginning with the 1991-92
40 fiscal year, provided these funds are matched on the basis of four non-
41 State dollars for every State dollar.
42

43 Requested by: Senator Martin of Pitt

44 ---PETROLEUM OVERCHARGE ATTORNEY FEES

1 Sec. 135. (a) Unless prohibited by federal law, rule, or regulation or
2 preexisting settlement agreement, no later than October 1, 1989, the North Carolina
3 Attorney General shall direct the withdrawal of all funds received in the cases of United
4 States v. Exxon and Stripper Well that are held in accounts or reserves located out-of-
5 State for payment of attorney fees and reasonable expenses incurred in connection with
6 oil overcharge litigation authorized by the Attorney General. The Attorney General
7 shall deposit these funds, and all funds to be received from petroleum overcharge funds
8 in the future for attorney fees and reasonable expenses, into the Special Reserve for Oil
9 Overcharge Funds.

10 (b) All attorney fees and reasonable expenses incurred in connection with oil
11 overcharge litigation shall be paid by the State Treasurer from petroleum overcharge
12 funds that have been received by this State and deposited into the Special Reserve for
13 Oil Overcharge Funds.

14 (c) Notwithstanding any other provision of law, the Attorney General may
15 authorize the payment of attorney fees and reasonable expenses from the Special
16 Reserve for Oil Overcharge Funds without further action of the General Assembly and
17 funds are hereby appropriated from the Special Reserve for Oil Overcharge Funds for
18 the 1991-92 fiscal year and for the 1992-93 fiscal year for that purpose.

19
20 Requested by: Senator Martin of Pitt

21 ---NORTH CAROLINA MANUFACTURING DIRECTORY PROCEEDS

22 Sec. 136. (a) The Department of Economic and Community Development
23 may expend for industrial promotional advertising any amount collected from the sales
24 of the North Carolina Manufacturing Directory above the sum of \$155,000 already
25 budgeted for the 1991-92 and 1992-93 fiscal years.

26 (b) Beginning October 1, 1991, the Department shall submit quarterly reports to
27 the Joint Legislative Commission on Governmental Operations and the Fiscal Research
28 Division. These reports shall include the amount of proceeds collected from the sales of
29 the Directory and the amount spent on advertising pursuant to the provisions of this
30 section.

31
32 Requested by: Senator Martin of Pitt

33 ---INDUSTRIAL DEVELOPMENT FUND/LOCAL MATCH

34 Sec. 137. Local governments requesting financial assistance from the
35 Industrial Development Fund shall demonstrate to the satisfaction of the Department of
36 Economic and Community Development that it would be an economic hardship for the
37 local government to match State assistance from the Fund with local funds. The
38 Department shall develop guidelines for determining hardship.

39
40 Requested by: Senator Martin of Pitt

41 ---BIOTECHNOLOGY CENTER

42 Sec. 138. (a) The North Carolina Biotechnology Center may recapture funds
43 spent in support of successful research efforts in the nonacademic private sector.

1 (b) The North Carolina Biotechnology Center shall provide funding for
2 biotechnology and related bioscience applications under its Economic and Corporate
3 Development Program.

4 (c) Beginning October 1, 1991, the North Carolina Biotechnology Center shall
5 provide quarterly reports on all of the Center's programs to the Joint Legislative
6 Commission on Governmental Operations. The initial report shall include information
7 on the activities and accomplishments during the past fiscal year, itemized expenditures
8 during the past fiscal year with sources of funding, planned activities and
9 accomplishments for at least the next 12 months, and itemized anticipated expenditures
10 with sources of funding for the next 12 months. Subsequent reports shall include
11 quarterly updates of the initial report.

12 (d) The North Carolina Biotechnology Center shall provide a report containing
13 detailed budget, personnel, and salary information to the Office of State Budget and
14 Management and to the Fiscal Research Division in the same manner as State
15 Departments and agencies in preparation for biennium budget requests.

16
17 Requested by: Senator Martin of Pitt

18 —MCNC

19 Sec. 139. (a) MCNC shall present a written report on the progress of the
20 supercomputer program on a quarterly basis to the Joint Legislative Commission on
21 Governmental Operations through fiscal years 1991-92 and 1992-93. The written
22 reports shall contain at least the following information: the major accomplishments
23 since the last report; the major activities expected for the project for the next 12 months
24 after the date of the report; the major applications and uses on the supercomputer in the
25 time since the last report; and, the major projected applications and uses on the
26 supercomputer in the next six months after the date of the report. The report shall
27 constitute a full management and status report on the supercomputer project.

28 (b) The Board of Directors of MCNC shall be the governing body for the
29 supercomputer program.

30 (c) If MCNC specifies a Technical Advisory Council to provide to the
31 supercomputer project, among other things:

32 (1) Technical policy and operating procedure advice,

33 (2) Advice concerning use of the supercomputing facilities by educational
34 institutions and other groups and individuals,

35 (3) Advice and policy suggestions concerning the structures and
36 operations of the supercomputing center and any adjunct institutes,
37 conferences, or consultative committees, and

38 (4) Advice and counsel to MCNC or anyone it employs or enters into
39 contract with related to the operation of the supercomputer project,

40 that Technical Advisory Council shall have an equal number of members appointed
41 from (i) public sector, academic, not-for-profit organizations and (ii) for-profit, private
42 companies by July 31, 1991. The intent of the General Assembly is for one-half of the
43 members of this Technical Advisory Council, or any group directly affiliated with the
44 supercomputer project management group that performs the functions of the technical

1 advisory council as listed in this section, to be current employees of private sector, for-
2 profit corporations by July 31, 1991.

3 (d) It is the intent of the General Assembly that all appropriations to MCNC
4 for all years after the 1990-91 fiscal year for the MCNC basic research program contain
5 the proviso that the appropriated funds are matched on the basis of two non-State dollars
6 (\$2.00) for every three State dollars (\$3.00).

7 (e) Beginning October 1, 1991, MCNC shall provide quarterly reports on all
8 of its programs to the the Joint Legislative Commission on Governmental Operations,
9 and the Fiscal Research Division. These reports shall include information on the
10 activities and accomplishments during the past fiscal year, itemized expenditures during
11 the past fiscal year with sources of funding, planned activities and accomplishments for
12 at least the next 12 months, and itemized anticipated expenditures with sources of
13 funding for the next 12 months.

14 (f) MCNC shall provide a report containing detailed budget information to
15 the Office of State Budget and Management in the same manner as State departments
16 and agencies in preparation for biennium budget requests. Specific salary information
17 will be provided upon written request by the Chairmen of the Joint Legislative
18 Commission on Governmental Operations or the Chairmen of the House Appropriations
19 Committee on Environment, Health, and Natural Resources and the Chairman of the
20 Senate Appropriations Committee on Natural and Economic Resources.

21
22 Requested by: Senator Martin of Pitt

23 —MCNC BUDGET LIMITS

24 Sec. 140. (a) The funds appropriated in this act to MCNC shall be used as
25 follows:

	<u>FY 1991-92</u>	<u>FY 1992-93</u>
26 Microelectronics Program	\$ 6,194,302	\$ 6,000,000
27 Grants Program	-0-	-0-
28 Administration & Support	2,204,804	2,000,000
29 Supercomputer	5,298,063	5,224,705
30 Telecommunications	2,827,971	2,775,295

31
32 (b) Of the funds appropriated to MCNC for the Microelectronics Program,
33 \$2,000,000 of the total appropriation in each fiscal year is contingent upon a dollar-for-
34 dollar match in non-State funds.

35 (c) If MCNC finds it necessary to make changes in the program allocations
36 specified in subsection (a) of this Section, MCNC shall report such changes to the Joint
37 Legislative Commission on Governmental Operations within 30 days of the
38 reallocation.

39
40 Requested by: Senator Martin of Pitt

41 —RURAL ECONOMIC DEVELOPMENT CENTER

42 Sec. 141. (a) Of the funds appropriated in this act to the Department of
43 Economic and Community Development, \$1,530,627 for fiscal year 1991-92 and
44 \$1,514,766 for fiscal year 1992-93 shall be used for a grant-in-aid to the Rural

1 Economic Development Center, Inc., for the administrative costs of the Center and for
2 its pilot projects and research. No more than \$300,000 of the funds appropriated for
3 each fiscal year may be used for the administrative costs of the Rural Economic
4 Development Center, Inc.

5 (b) Beginning October 1, 1991, the Rural Economic Development Center, Inc.,
6 shall provide quarterly reports on the Center's programs to the Joint Legislative
7 Commission on Governmental Operations. The initial report shall include information
8 on the activities and accomplishments during the past fiscal year, itemized expenditures
9 during the past fiscal year with sources of funding, planned activities and
10 accomplishments for at least the next 12 months, and itemized anticipated expenditures
11 with sources of funding for the next 12 months. Subsequent reports shall include
12 quarterly updates of the information in the initial report.

13 (c) The Rural Economic Development Center, Inc., shall provide a report
14 containing detailed budget, personnel, and salary information to the Office of State
15 Budget and Management in the same manner as State departments and agencies in
16 preparation for biennium budget requests.

17

18 Requested by: Senator Martin of Pitt

19 ---RURAL ECONOMIC DEVELOPMENT CENTER FUND LIMITATIONS

20 Sec. 142. Not more than fifty percent (50%) of the interest earned on State
21 funds appropriated to the Rural Economic Development Center, Inc., may be used by
22 the Rural Economic Development Center, Inc., for administrative purposes, including
23 salaries and fringe benefits.

24

25

26 PART XXI.—DEPARTMENT OF LABOR

27

28 Requested by: Senator Martin of Pitt

29 ---FUNDING FOR OSHA ENFORCEMENT POSITIONS

30 Sec. 143. The Department of Labor may use funds appropriated to the
31 Department of Labor for the Occupational Safety and Health Act of North Carolina
32 (OSHANC) program to fully fund enforcement personnel in the Compliance Bureau of
33 the OSHANC program, provided the Department of Labor certifies to the Office of
34 State Budget and Management that no federal match is available for the 1991-92 fiscal
35 year and for the 1992-93 fiscal year.

36

37

38 PART XXII.—DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL
39 RESOURCES

40

41 Requested by: Senator Martin of Pitt

42 ---REDUCTION IN ADMINISTRATIVE SERVICES

1 Sec. 144. The Department of Environment, Health, and Natural Resources
2 shall consider abolishing positions in each of the following administrative services
3 areas:

- 4 (1) Computer Systems,
- 5 (2) Fiscal Management,
- 6 (3) Office of the General Counsel,
- 7 (4) General Services,
- 8 (5) Personnel, and
- 9 (6) Planning & Assessment

10 in order to reduce the budget of administrative services by the sum of \$200,000 for the
11 1991-92 fiscal year and by the sum of \$400,000 for the 1992-93 fiscal year.

12
13 Requested by: Senator Martin of Pitt

14 ---SEPTAGE MANAGEMENT FEES

15 Sec. 145. Receipts collected by the Department of Environment, Health, and
16 Natural Resources pursuant to G.S. 130A-291.1 are appropriated to the Department to
17 establish and operate the North Carolina Septage Management Program.

18
19 Requested by: Senator Martin of Pitt

20 ---AUTHORIZE USE OF WATER QUALITY FEES

21 Sec. 146. There is appropriated from the nonreverting account established in
22 G.S. 143-215.3A to the Department of Environment, Health, and Natural Resources a
23 sum not to exceed \$2,124,142 for the 1991-92 fiscal year and a sum not to exceed
24 \$2,148,017 for the 1992-93 fiscal year for the salaries and the necessary support for up
25 to 49 positions for the 1991-92 fiscal year and the 1992-93 fiscal year in the water
26 quality program. Water quality fees shall be the only source of funds for these positions
27 and all necessary support. These positions shall be used to reduce the backlog of permit
28 applications and to improve the rate of compliance of facilities with environmental
29 standards for toxic substances.

30
31 Requested by: Senator Martin of Pitt

32 ---AUTHORIZE USE OF AIR QUALITY FEES

33 Sec. 147. There is appropriated from the nonreverting account established in
34 G.S. 143-215.3A to the Department of Environment, Health, and Natural Resources a
35 sum not to exceed \$1,193,340 for the 1991-92 fiscal year and a sum not to exceed
36 \$1,487,506 for the 1992-93 fiscal year for the salaries and the necessary support:

- 37 (1) For up to 24 positions for the 1991-92 fiscal year; and
- 38 (2) For up to 29 positions for the 1992-93 fiscal year

39 in the air quality program. Air quality fees shall be the only source of funds for these
40 positions and all necessary support. These positions shall be used to conduct air quality
41 permitting, compliance, and monitoring activities.

42
43 Requested by: Senator Martin of Pitt

44 ---SUPERFUND PROGRAM

1 Sec. 148. (a) The Department of Environment, Health, and Natural Resources
2 may use available funds, with the approval of the Office of State Budget and
3 Management, in order to provide the ten percent (10%) cost share required for
4 Superfund cleanups on National Priority List sites. These funds may be in addition to
5 those appropriated for this purpose.

6 (b) The Department of Environment, Health, and Natural Resources and the
7 Office of State Budget and Management shall report to the Joint Legislative
8 Commission on Governmental Operations the amount and the source of the funds used
9 pursuant to subsection (a) of this section within 30 days of the expenditure of these
10 funds.

11
12 Requested by: Senator Martin of Pitt

13 ~~—FOREST DEVELOPMENT ACT FUNDS~~

14 Sec. 149. Notwithstanding the provisions of G.S. 113A-192, the assessment
15 from the primary forest product processors shall be collected for the 1991-92 fiscal year
16 and the 1992-93 fiscal year. Notwithstanding the provisions of G.S. 113A-180 and G.S.
17 113A-183(c), all funds accrued to the Forest Development Fund, from whatever source,
18 may be expended pursuant to the provisions of G.S. 113A-193(c) and Article 11 of
19 Chapter 113A of the General Statutes for the 1991-92 fiscal year and the 1992-93 fiscal
20 year.

21
22 Requested by: Senator Martin of Pitt

23 ~~—STUDY TERMINATING LEASE WITH FEDERAL GOVERNMENT~~

24 Sec. 150. The Parks and Recreation Division, Department of Environment,
25 Health, and Natural Resources, shall study the desirability and the feasibility of
26 terminating any longterm lease that the State entered into, whereby the State leases
27 federal reservoirs. The Department shall report its findings and recommendations to the
28 1991 General Assembly (1992 Regular Session) no later than April 1, 1992.

29
30 Requested by: Senator Martin of Pitt

31 ~~—REVISION OF PARKS FEE SCHEDULE~~

32 Sec. 151. (a) The Parks and Recreation Division, Department of Environment,
33 Health, and Natural Resources may amend its fee schedule such that an additional sum
34 of \$392,300 is raised by such fees.

35 (b) Notwithstanding the provisions of G.S. 150B-13, the Department may adopt
36 temporary rules to implement subsection (a) of this section.

37 (c) If the Division amends its fee schedule under subsection (a) of this section,
38 the amended fee schedule becomes effective July 1, 1991.

39
40 Requested by: Senator Martin of Pitt

41 ~~—TECHNICAL REVIEW COMMITTEE APPOINTMENTS~~

42 Sec. 152. The Soil and Water Conservation Commission shall include the
43 Executive Director of the Wildlife Resources Commission, or his designee, and the
44 Director of the Marine Fisheries Division of the Department of Environment, Health,

1 and Natural Resources, or his designee, among its appointments to the Technical
2 Review Committee, which reviews the technical specifications for the best management
3 practices specified for the Agricultural Cost Share Program for Nonpoint Source
4 Pollution Control.

5
6 Requested by: Senator Martin of Pitt

7 ---AGRICULTURE COST SHARE PROGRAM

8 Sec. 153. Of the funds appropriated in this act to the Department of
9 Environment, Health, and Natural Resources for the Agriculture Cost Share Program for
10 Nonpoint Source Pollution Control, a sum not to exceed \$40,000 for the 1991-92 fiscal
11 year and a sum not to exceed \$40,000 for the 1992-93 fiscal year shall be used to fund
12 tide gates in Hyde County in accordance with the match requirements specified in G.S.
13 143-215.74(b)(6).

14
15 Requested by: Senator Martin of Pitt

16 ---AUDITS OF SOIL AND WATER DISTRICT BOARDS

17 Sec. 154. G.S. 139-7 reads as rewritten:

18 **"§ 139-7. District board of supervisors – appointive members; organization of**
19 **board; certain powers and duties.**

20 The governing body of a soil and water conservation district shall consist of the
21 three elective supervisors from the county or counties in the district, together with the
22 appointive members appointed by the Soil and Water Conservation Commission
23 pursuant to this section, and shall be known as the district board of supervisors. When a
24 district is composed of less than four counties, the board of supervisors of each county
25 shall on or before October 31, 1978, and on or before October 31 as the terms of the
26 appointive supervisors expire, recommend in writing two persons from the district to the
27 Commission to be appointed to serve with the elective supervisors. If the names are not
28 submitted to the Commission as required, the office shall be deemed vacant on the date
29 the term is set to expire and the Commission shall appoint two persons of the district to
30 the district board of supervisors to serve with the elected supervisors. The Commission
31 shall make its appointments prior to or at the November meeting of the Commission.
32 Appointive supervisors shall take office on the first Monday in December following
33 their appointment. Such appointive supervisors shall serve for a term of four years, and
34 thereafter, as their terms expire, their successors shall serve for a term of four years. The
35 terms of office of all appointive supervisors who have heretofore been lawfully
36 appointed for terms the final year of which presently extends beyond the first Monday
37 in December are hereby terminated on the first Monday in December of the final year of
38 appointment. Vacancies for any reason in the appointive supervisors shall be filled for
39 the unexpired term by the appointment of a person by the Commission from the district
40 in which the vacancy occurs. Vacancies for any reason in the elected supervisors shall
41 be filled for the unexpired term by appointment by the Commission of a person from the
42 county in the district in which the vacancy occurs.

43 In those districts composed of four or more counties, the Commission may, but is
44 not ~~required, to~~ required to, appoint two persons from the district without

1 recommendation from the board of supervisors, to serve as district supervisors along
2 with the elected members of the board of supervisors. Such appointments shall be made
3 at the same time other appointments are made under this section, and the persons
4 appointed shall serve for a term of four years.

5 The supervisors shall designate a chairman and may, from time to time, change such
6 designation. A simple majority of the board shall constitute a quorum for the purpose of
7 transacting the business of the board, and approval by a majority of those present shall
8 be adequate for a determination of any matter before the board, provided at least a
9 quorum is present. Supervisors of soil and water conservation districts shall be
10 compensated for their services at the per diem rate and allowed travel, subsistence and
11 other expenses, as provided for State boards, commissions and committees generally,
12 under the provisions of G.S. 138-5; provided, that when per diem compensation and
13 travel, subsistence, or other expense is claimed by any supervisor for services performed
14 outside the district for which such supervisor ordinarily may be appointed or elected to
15 serve, the same may not be paid unless prior written approval is obtained from the
16 Department of Environment, Health, and Natural Resources.

17 The supervisors may employ a secretary, technical experts, whose qualifications
18 shall be approved by the Department, and such other employees as they may require,
19 and shall determine their qualifications, duties and compensation. The supervisors may
20 call upon the Attorney General of the State for such legal services as they may require.
21 The supervisors may delegate to their chairman, to one or more supervisors, or to one or
22 more agents, or employees such powers and duties as they may deem proper. The
23 supervisors shall furnish to the Soil and Water Conservation Commission, upon request,
24 copies of such ordinances, rules, regulations, orders, contracts, forms, and other
25 documents as they shall adopt or employ, and such other information concerning their
26 activities as it may require in the performance of its duties under this Chapter.

27 The supervisors shall provide for the execution of surety bonds for all employees
28 and officers who shall be entrusted with funds or property; shall provide for the keeping
29 of a full and accurate record of all proceedings and of all resolutions, regulations, and
30 orders issued or adopted; and shall provide for an annual audit of the accounts of
31 receipts and disbursements. In any given year, if the supervisors provide for an internal
32 audit, the supervisor serving as chairman shall certify, under oath, that this internal audit
33 is a true and accurate reflection of the accounts of receipts and disbursements, then the
34 supervisors shall not be required, notwithstanding the provisions of G.S. 159-34, to
35 provide for an audit of the accounts of receipts and disbursements by a certified public
36 accountant or by an accountant certified by the Local Government Commission. Any
37 supervisor may be removed by the Soil and Water Conservation Commission upon
38 notice and hearing, for neglect of duty, incompetence or malfeasance in office, but for
39 no other reason.

40 The supervisors may invite the legislative body of any municipality or county
41 located near the territory comprised within the district to designate a representative to
42 advise and consult with the supervisors of the district on all questions of program and
43 policy which may affect the property, water supply, or other interests of such
44 municipality or county.

1 All district supervisors whose terms of office expire prior to the first Monday in
2 January, 1948, shall hold over and remain in office until supervisors are elected or
3 appointed and qualify as provided in this Chapter, as amended. The terms of office of
4 all district supervisors, who have heretofore been elected or appointed for terms
5 extending beyond the first Monday in January, 1948, are hereby terminated on the first
6 Monday in January, 1948."

7
8 Requested by: Senator Martin of Pitt

9 ---ABOLISH PERINATAL COUNCIL

10 Sec. 155. G.S. 130A-128 is repealed.

11
12 Requested by: Senator Martin of Pitt

13 ---CONTINUE PUBLIC DENTAL HEALTH PROGRAM EMPHASIS

14 Sec. 156. From the funds available to the Department of Environment,
15 Health, and Natural Resources, the Department shall administer the public dental health
16 program the primary emphasis of which shall continue to be the delivery of preventive,
17 educational, and dental care services to preschool children and school-age children.

18
19 Requested by: Senator Martin of Pitt

20 ---MATERNAL AND CHILD HEALTH CARE

21 Sec. 157. (a) The Department of Environment, Health, and Natural Resources
22 shall ensure that local health departments do not reduce county appropriations for
23 maternal and child health services provided by the local health departments because
24 they have received State appropriations pursuant to this act.

25 (b) All income earned by local health departments for Maternal and Child
26 Health programs supported in whole or in part from State or federal funds, received
27 from the Department of Environment, Health, and Natural Resources, shall be budgeted
28 and expended by local health departments to further the objectives of the program that
29 generated the income.

30
31 Requested by: Senator Martin of Pitt

32 ---HEALTH PROMOTION FUNDS

33 Sec. 158. The Department of Environment, Health, and Natural Resources
34 shall ensure that local health departments do not reduce county appropriations for health
35 promotion services provided by local health departments if they have received State
36 appropriations for this purpose pursuant to this act.

37
38 Requested by: Senator Martin of Pitt

39 ---NON-MEDICAID REIMBURSEMENT

40 Sec. 159. Providers of medical services under the various State programs
41 other than Medicaid offering medical care to citizens of the State shall be reimbursed at
42 rates no more than those under the North Carolina Medical Assistance Program.

43 The Department of Environment, Health, and Natural Resources may
44 reimburse hospitals at the full prospective per diem rates without regard to the Medical

1 Assistance Program's annual limits on hospital days. When the Medical Assistance
 2 Program's per diem rates for inpatient services and its interim rates for outpatient
 3 services are used to reimburse providers in non-Medicaid medical service programs,
 4 retroactive adjustments to claims already paid shall not be required.

5 Notwithstanding the provisions of paragraph one of this section, the
 6 Department of Environment, Health, and Natural Resources may negotiate with
 7 providers of medical services under the various Environment, Health, and Natural
 8 Resources programs, other than Medicaid, for rates as close as possible to Medicaid
 9 rates for the following purposes: contracts or agreements for medical services and
 10 purchases of medical equipment and other medical supplies. These negotiated rates are
 11 allowable only to meet the medical needs of its non-Medicaid eligible patients, residents
 12 and clients who require such services which cannot be provided when limited to the
 13 Medicaid rate.

14 Maximum net family annual income eligibility standards for services in these
 15 programs with the exception of Migrant Health, School Health, AIDS Drug
 16 Reimbursement Program, diagnostic assessment for infants with sickle cell syndrome,
 17 and Home Health shall be as follows:

Family	<u>Kidney</u>	All
<u>Size</u>	<u>Other</u>	<u>Other</u>
1	\$ 6,400	\$ 4,200
2	8,000	5,300
3	9,600	6,400
4	11,000	7,500
5	12,000	7,900
6	12,800	8,300
7	13,600	8,800
8	14,400	9,300

28 The eligibility level each fiscal year for outpatient services for all clients and
 29 for inpatient services for children under the age of 5, in the Children's Special Health
 30 Services Program shall be one hundred percent (100%) of the federal poverty guidelines
 31 as revised annually by the United States Department of Health and Human Services, in
 32 effect on July 1 of each fiscal year.

34 Requested by: Senator Martin of Pitt

35 **---ASBESTOS HAZARD MANAGEMENT FUNDS**

36 Sec. 160. The fees established and collected pursuant to Article 19 of
 37 Chapter 130A of the General Statutes are appropriated to the Department of
 38 Environment, Health, and Natural Resources to support the Asbestos Hazard
 39 Management Program.

41 Requested by: Senator Martin of Pitt

42 **---ADOLESCENT PREGNANCY PREVENTION PROJECTS**

43 Sec. 161. (a) Of the funds appropriated in Section 3 of this act to the Division of
 44 Maternal and Child Health, Department of Environment, Health, and Natural Resources,

1 \$982,768 for the 1991-92 fiscal year and \$982,768 for the 1992-93 fiscal year shall be
2 used to fund adolescent pregnancy prevention projects.

3 (b) Beginning in fiscal year 1991-92, the Division shall evaluate all of the
4 adolescent pregnancy projects funded as a result of this program at least yearly and shall
5 report its findings to the Commission for Health Services, the Joint Legislative
6 Commission on Governmental Operations, and the Chairmen of the House
7 Appropriations Committee on Environment, Health, and Natural Resources, and the
8 Senate Appropriations Committee on Natural and Economic Resources by April 1 of
9 each year. Any evaluation of these projects shall include a study of the effectiveness of
10 the project in reducing the pregnancy rate within the target population.

11 (c) The Commission for Health Services shall be responsible for monitoring the
12 Division's administration of the Adolescent Pregnancy Prevention Program. The
13 Division shall implement the following changes in the management and funding of the
14 Adolescent Pregnancy Prevention Program for projects funded from General Fund
15 appropriations and federal block grants:

16 (1) Applications. Any local agency or organization or combination of
17 agencies and organizations may apply to the Division of Maternal and
18 Child Health for an allocation of money to operate a project aimed at
19 preventing adolescent pregnancy. The application shall contain an
20 analysis of the adolescent pregnancy and related problems in the
21 locality the project would serve, and a description of how the project
22 would attempt, over a period of at least five years, to prevent the
23 problems. The application shall state how much money is needed to
24 operate the project and how the money shall be spent. The Division
25 shall conduct annually a proposal-writing session that shall be attended
26 by a representative of any project that wishes to apply for funding; that
27 session shall define the criteria for accountability and evaluation that
28 the Division requires of projects. That session shall also provide
29 information about additional funding sources to which projects might
30 turn to satisfy the matching requirements of subdivision (5) of this
31 section.

32 (2) Proposal Requirements. The Division shall apply the following
33 minimum standards to projects applying for first-year funding:

- 34 a. Each project shall have a plan of action that extends for at least
35 five years for prevention of adolescent pregnancy.
- 36 b. Each project shall have realistic, specific, and measurable goals
37 and objectives for the prevention of adolescent pregnancy.
- 38 c. Each project, before submitting its proposal, shall send a
39 representative to the proposal-writing session held by the
40 Division.

41 (3) Operating Standards. The Division shall apply the following
42 minimum operating standards:

- 43 a. Each project shall have a Board of Advisors composed of
44 members from outside the sponsoring agency of the project.

- 1 The Board of Advisors shall include representatives from at
2 least four of the following: media, government, charitable
3 organizations, private business, medical institutions. The
4 Boards of Advisors shall meet at least quarterly and advise
5 project staff on project policies and operations.
- 6 b. Each project shall comply with reporting, contracting, and
7 evaluation requirements of the Division.
- 8 c. Each project shall define and maintain cooperative ties with
9 other community institutions.
- 10 d. Each project shall demonstrate its ability to attract financial
11 support from sources other than the State, including sources in
12 the local community.
- 13 (4) Criteria for Selection. For first-year funding, the Division shall choose
14 from among the applicants that meet the minimum standards in
15 subdivision (2) of this subsection the best selection of projects
16 according to the following criteria:
- 17 a. Adequacy of proposed staff to meet project objectives,
18 b. Appropriateness of project strategies to reduce adolescent
19 pregnancy,
20 c. Level of community support, including documentation from the
21 appropriate local government entity that opportunity has been
22 given for citizen input into the proposed program, and that there
23 is community support for the proposal,
24 d. Degree of need of the locality, including that the county has a
25 significant adolescent pregnancy problem as evidenced by its
26 attributable risk score developed by the Division of Statistics
27 and Information Services, and
28 e. Other appropriate criteria.
- 29 The Division shall make its recommendations for funding to the
30 Commission for Health Services. The Commission shall make the
31 final determination of which projects are to be funded. The
32 Commission shall consider the recommendations of the Division but
33 shall not be bound by them. The Commission shall notify the projects
34 that are to be funded by June 1 of each year.
- 35 (5) Schedule of Funding. If the Commission, upon consultation with the
36 Division, finds that a project it has chosen for first-year funding
37 continues to meet the operating standards of subdivisions (2) and (3) of
38 this subsection, funding for that project shall continue, to the extent of
39 available money, for an additional four years. The level of funding
40 provided by the Division to approved projects shall be set according to
41 the following schedule:
- 42 a. First year, eighty percent (80%) of the project's annual budget
43 not to exceed the maximum award established by the
44 Commission for Health Services,

- 1 b. Second year, ninety percent (90%) of the State appropriations
2 or federal block grant funds awarded in the first year,
3 c. Third year, seventy-five percent (75%) of the State
4 appropriations or federal block grant funds awarded in the first
5 year,
6 d. Fourth year, sixty-five percent (65%) of the State appropriations
7 or federal block grant funds awarded in the first year, and
8 e. Fifth year, fifty percent (50%) of the State appropriations or
9 federal block grant funds awarded in the first year.

10 The portion of a project's budget that must come from sources other
11 than State or federal block grant funds may be provided as in-kind
12 contributions as well as cash.

- 13 (6) Five-Year Limit on Funding. No project shall receive State funding if
14 it has previously received State funding for five full years. Any
15 project that has received State funding before July 1, 1990, will be
16 eligible for consideration for an additional five years' State support,
17 according to the schedule. The Commission may fund any such
18 project that meets the minimum standards if it determines, after
19 considering the experience and impact of the project and measuring its
20 application against those of other applicants, that it should be funded.

- 21 (7) Maximum Level of Funding. The Commission for Health Services
22 shall by rule determine the maximum annual amount that may be made
23 to any one project.
24

25 Requested by: Senator Martin of Pitt

26 ~~—~~INFECTION CONTROL PROGRAM/FUNDS TRANSFER

27 Sec. 162. Of the funds appropriated to the Department of Environment,
28 Health, and Natural Resources, Division of Epidemiology, for the 1991-93 biennium,
29 \$85,274 shall be transferred in each fiscal year to the University of North Carolina at
30 Chapel Hill for the School of Medicine of the University of North Carolina at Chapel
31 Hill. Funds transferred pursuant to this section shall be used to support the Health Care
32 Facilities Infection Control Program in investigating and controlling nosocomial
33 infections in hospitals, long-term care facilities, and other medical facilities in
34 cooperation with the Division of Epidemiology. Funds transferred shall also be used to
35 provide training and consultation to hospitals, long-term care facilities, and other
36 medical facilities to prevent and control nosocomial infections.
37
38

39 PART XXIII.—MISCELLANEOUS PROVISIONS
40

41 Requested by: Senators Basnight, Plyler

42 ~~—~~EFFECT OF HEADINGS

1 Sec. 163. The headings to the Parts and sections of this act are a convenience
2 to the reader and are for reference only. The headings do not expand, limit, or define
3 the text of this act.

4
5 Requested by: Senators Basnight, Plyler
6 —EXECUTIVE BUDGET ACT REFERENCE

7 Sec. 164. The provisions of the Executive Budget Act, Chapter 143, Article 1
8 of the General Statutes, are reenacted and shall remain in full force and effect and are
9 incorporated in this act by reference.

10
11 Requested by: Senators Basnight, Plyler
12 —COMMITTEE REPORT

13 Sec. 165. The Senate Appropriations Committee Report on Base Budget
14 Reductions dated April 25, 1991, which was distributed in the Senate and used to
15 explain this act, shall indicate action by the General Assembly on this act and shall
16 therefore be used to construe this act, as provided in G.S. 143-15 of the Executive
17 Budget Act, and for these purposes shall be considered a part of this act.

18
19 Requested by: Senators Basnight, Plyler
20 —MOST TEXT APPLIES ONLY TO 1991-93

21 Sec. 166. Except for statutory changes or other provisions that clearly
22 indicate an intention to have effects beyond the 1991-93 biennium, the textual
23 provisions of this act shall apply only to funds appropriated for and activities occurring
24 during the 1991-93 biennium.

25
26 Requested by: Senators Basnight, Plyler
27 —SEVERABILITY CLAUSE

28 Sec. 167. If any section or provision of this act is declared unconstitutional or
29 invalid by the courts, it does not affect the validity of the act as a whole or any part
30 other than the part so declared to be unconstitutional or invalid.

31
32 Requested by: Senators Basnight, Plyler
33 —EFFECTIVE DATE

34 Sec. 168. Except as otherwise provided, this act becomes effective July 1,
35 1991. This act becomes effective if and only if a subsequent act or acts become effective
36 that raise sufficient revenue to balance the base budget enacted in this act.