

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 917
Appropriations Committee Substitute Adopted 7/15/91
Third Edition Engrossed 7/15/91

Short Title: The Studies Act of 1991.

(Public)

Sponsors:

Referred to:

May 13, 1991

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, TO CREATE AND CONTINUE VARIOUS COMMITTEES AND COMMISSIONS, TO MAKE APPROPRIATIONS THEREFOR, TO DIRECT VARIOUS STATE AGENCIES TO STUDY SPECIFIED ISSUES, AND TO MAKE OTHER AMENDMENTS TO THE LAW.

The General Assembly of North Carolina enacts:

PART I.—TITLE

Section 1. This act shall be known as "The Studies Act of 1991."

An outline of the provisions of the act follows this section. The outline shows the heading "—CONTENTS/INDEX—"and lists by general category the descriptive captions for the various sections and groups of sections that compile the act.

—CONTENTS/INDEX—

This outline is designed for reference only, and the outline and the corresponding entries throughout the act in no way limit, define, or prescribe the scope or application of the text of the act. The listing of the original bill or resolution in the outline of this act is for reference purposes only and shall not be deemed to have incorporated by reference any of the provisions contained in the original bill or resolution.

PART II.—LEGISLATIVE RESEARCH COMMISSION

- 1 Sec. 2.1
- 2 Sec. 2.2
- 3 Sec. 2.3
- 4 Sec. 2.4
- 5 Sec. 2.5
- 6 Sec. 2.6
- 7 Sec. 2.7
- 8 Sec. 2.8
- 9 Sec. 2.9
- 10
- 11 PART III.—EDUCATION LEADERSHIP COMMISSION
- 12 (S.B. 441 - Perdue)
- 13 Sec. 3.1
- 14 Sec. 3.2
- 15 Sec. 3.3
- 16 Sec. 3.4
- 17 Sec. 3.5
- 18 Sec. 3.6
- 19 Sec. 3.7
- 20 Sec. 3.8
- 21 Sec. 3.9
- 22 Sec. 3.10
- 23
- 24 PART IV.—PUBLIC LANDFILLS
- 25 (S.B. 813 - Perdue)
- 26 Sec. 4.1
- 27 Sec. 4.2
- 28 Sec. 4.3
- 29
- 30 PART V.—BIRTH-RELATED NEUROLOGICAL IMPAIRMENT STUDY
- 31 COMMISSION
- 32 Sec. 5.1
- 33 Sec. 5.2
- 34 Sec. 5.3
- 35 Sec. 5.4
- 36 Sec. 5.5
- 37
- 38 PART VI.—STATE PERSONNEL STUDY CONTINUATION
- 39 (S.B. 64 - Sands, H.B. 109 - Fitch)
- 40 Sec. 6.1
- 41 Sec. 6.2
- 42 Sec. 6.3
- 43 Sec. 6.4
- 44 Sec. 6.5

- 1 Sec. 6.6
2
- 3 PART VII.—RAILROAD ADVISORY COMMISSION
4 (S.B. 86 - Block)
5 Sec. 7.1
6 Sec. 7.2
7 Sec. 7.3
8 Sec. 7.4
9 Sec. 7.5
10 Sec. 7.6
11 Sec. 7.7
12 Sec. 7.8
13 Sec. 7.9
14 Sec. 7.10
15 Sec. 7.11
16 Sec. 7.12
17 Sec. 7.13
18
- 19 PART VIII.—MENTAL HEALTH STUDY CONTINUATION
20 (S.B. 408 - Walker, H.B. 533 - Isenhower)
21 Sec. 8.1
22 Sec. 8.2
23 Sec. 8.3
24 Sec. 8.4
25
- 26 PART IX.—AGING STUDY
27 (S.B. 861 - Perdue)
28 Sec. 9.1
29 Sec. 9.2
30 Sec. 9.3
31
- 32 PART X.—JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND
33 AQUACULTURE
34 Sec. 10.1
35
- 36 PART XI.—LEGISLATIVE BUDGET COMMISSION
37 (S.B. 927 - Royall)
38 Sec. 11.1
39 Sec. 11.2
40 Sec. 11.3
41
- 42 PART XII.—JOINT SELECT COMMISSION ON FISCAL TRENDS AND BUDGET
43 REFORM
44 Sec. 12.1

1 Sec. 12.2

2
3 PART XIII.—EFFECTIVE DATE

4 Sec. 13.1

5
6 PART II.—LEGISLATIVE RESEARCH COMMISSION

7 Sec. 2.1. The Legislative Research Commission may study the topics listed
8 below. Listed with each topic is the 1991 bill or resolution that originally proposed the
9 issue or study and the name of the sponsor. The Commission may consider the original
10 bill or resolution in determining the nature, scope and aspects of the study. The topics
11 are:

- 12 (1) Surface Water Issues – study continued, including consumptive uses of
13 water and the effect of these uses on the State's water resources, other
14 present and projected uses of water, impoundments, and water
15 resources management (S.J.R. 85 - Block, H.J.R. 127 - Payne),
- 16 (2) Worker Training Trust Fund – study continued (S.B. 203 - Raynor,
17 H.B. 170 - James),
- 18 (3) Ways to Promote the Conservation of Energy and the Use of
19 Renewable Energy Sources in Residential, Commercial, Industrial, and
20 Public Facilities (S.J.R. 789 - Plexico, H.J.R. 1021 - Luebke),
- 21 (4) Railroads – study continued, including the proposed transfer of
22 railroad regulatory authority from the North Carolina Utilities
23 Commission to the North Carolina Department of Transportation; the
24 construction, closure, modification, and grade separation of railroad-
25 highway crossings; the improvement of railroad corridor preservation
26 laws; the railroad incorporation statutes; the use of federal funds for
27 grade separation projects; the appropriate use of funds derived from
28 the North Carolina sales tax on diesel fuel generated from purchases of
29 diesel fuels by the North Carolina Railroad; and funding procedures
30 for rail industrial access to enhance industrial and economic
31 development (S.J.R. 906 - Block, H.J.R. 1226 - Abernethy),
- 32 (5) Development of a State Strategy for the Protection of All Groundwater
33 Resources – study continued (S.J.R. 13 - Tally),
- 34 (6) Physical Fitness Among North Carolina Youth (S.B. 15 - Tally),
- 35 (7) Solid Waste and Medical Waste Management – study continued,
36 including the use of incineration, particularly the use of mobile
37 incinerators, as a method of treatment (S.J.R. 143 - Tally),
- 38 (8) Revision of the Arson Statutes (S.J.R. 736 - Sands),
- 39 (9) Tourism's Growth and Effect – study continued (S.B. 819 - Warren),
- 40 (10) Emergency Medical Services Act of 1973 (S.J.R. 902 - Speed),
- 41 (11) State Emergency Management Program, including natural hazards,
42 recovery operations for Presidential or Gubernatorial declared
43 disasters, and catastrophic hazards (S.J.R. 946 - Basnight),
- 44 (12) Law Enforcement Issues (S.J.R. 955 - Perdue),

- 1 (13) Medical Malpractice Claims Arbitration – study continued (S.B. 65 -
2 Sands, H.B. 120 - Robinson),
- 3 (14) Effectiveness and Efficiency of the Public Health System's Delivery of
4 Health Services to the Citizens of the State – study continued (S.B.
5 367 - Walker, S.B. 407 - Walker, H.B. 476 - Payne),
- 6 (15) Access to Health Insurance by Citizens of North Carolina (S.B. 595 -
7 Perdue),
- 8 (16) Motor Vehicle Towing and Storage (S.B. 687 - Sands),
- 9 (17) Horse Racing in North Carolina, including its economic and societal
10 impacts, the benefits to the agribusiness industry in the State, potential
11 taxes and fees that could be collected, methods for regulation, and
12 other related issues (S.B. 917 - Martin of Guilford, H.B. 341 - James),
- 13 (18) Hazardous Materials Control and Management, including the
14 establishment and improvement of methods for averting, controlling,
15 and managing hazardous materials emergencies (S.B. 922 - Martin of
16 Pitt, H.B. 1210 - Flaherty),
- 17 (19) State Correctional Education (S.B. 945 - Carter),
- 18 (20) Education and Training of Nurses and Nursing Shortage – study
19 continued (S.B. 276 - Daniel, H.B. 312 - Nesbitt),
- 20 (21) Advance Disposal Fees Used To Promote Nonhazardous Solid Waste
21 Reduction and Recycling (S.B. 229 - Odom).

22 Sec. 2.2. Beach and FAIR Plans Study (Basnight, Block). The Legislative
23 Research Commission may study the North Carolina Insurance Underwriting
24 Association and its operation of the Beach Plan, which was authorized by Article 45 of
25 Chapter 58 of the General Statutes to provide an adequate market for essential property
26 insurance in the beach area of North Carolina; and the underwriting association of the
27 FAIR Plan and its operation of the FAIR Plan, which was authorized by Article 46 of
28 Chapter 58 of the General Statutes to facilitate the issuance of basic property insurance
29 to encourage the improvement of properties considered to be high risk. The study, if
30 undertaken, may include the following:

- 31 (1) The operating procedures and operating plans of the Beach Plan and
32 the FAIR Plan;
- 33 (2) How the Beach Plan and the FAIR Plan effect coverage;
- 34 (3) The types of coverage offered, including coverage for wind and hail
35 damage, by the Beach Plan and the FAIR Plan, and coverage
36 availability and cost; and
- 37 (4) Whether the operations of the Beach Plan and the FAIR Plan are
38 fulfilling the purposes of the plans, as stated in their statutory
39 authorizations.

40 Sec. 2.3. North Carolina Indian Cultural Center Study (Martin of Guilford,
41 Parnell). The Legislative Research Commission may study the issue of developing the
42 North Carolina Indian Cultural Center in Robeson County. This study may include:

- 43 (1) The purpose of and need for the North Carolina Indian Cultural Center
44 and the history of its development up to the current time;

- 1 (2) Identification of the barriers to the Center's development, the impact of
- 2 those barriers, and methods for overcoming those barriers;
- 3 (3) Examination of various models of similar centers to determine if those
- 4 models are adaptable to circumstances in North Carolina;
- 5 (4) Determination of the direct and collateral benefits to be derived from
- 6 this project and to whom those benefits accrue; and
- 7 (5) Any related issues the committee deems appropriate.

8 Sec. 2.4. Lobbyist Regulation Study (Odom). The Legislative Research
9 Commission may study the implementation of House Bill 89, if ratified. The study, if
10 undertaken, may include the following issues:

- 11 (1) Whether additional changes should be made in Article 9A of Chapter
- 12 120 of the General Statutes concerning lobbying and lobbyists;
- 13 (2) Whether the law governing lobbying and lobbyists should be expanded
- 14 to cover lobbying of the executive branch, including administrative
- 15 agencies, boards and the Council of State; and
- 16 (3) Lobbying in the General Assembly by State departments, agencies,
- 17 boards, local governments, or other organizations.

18 Sec. 2.5. Governmental Ethics Study (S.B. 259 - Daniel). The Legislative
19 Research Commission may study the advisability of, by law, adopting or authorizing the
20 adoption of ethical codes for State and local governmental officials and employees in
21 North Carolina. If the study is undertaken, the Commission may investigate:

- 22 (1) The strengths and weaknesses of the present systems of helping to
- 23 insure ethical conduct for administrative officials and employees at the
- 24 State and local level;
- 25 (2) Whether a single agency should be established to coordinate the State
- 26 and local efforts at insuring ethical administrative conduct, or whether
- 27 local government units should have a separate mechanism or
- 28 mechanisms to accomplish this end;
- 29 (3) If coordinating agency or agencies should be created or authorized:
 - 30 a. The agency or agencies' duties and powers, including the
 - 31 authority to create codes of ethics for those officials and
 - 32 employees, and to advise those affected on the conformity of
 - 33 conduct to those codes;
 - 34 b. Adequate standards on which to base these codes;
 - 35 c. The public officials and employees who should be subject to the
 - 36 jurisdiction of the agency or agencies;
 - 37 d. The sanctions, if any, which should attend the violation of an
 - 38 established ethical code; and
- 39 (4) Whether the present criminal law is adequate to cover grossly
- 40 offensive unethical conduct.

41 Sec. 2.6. Committee Membership. For each Legislative Research
42 Commission Committee created during the 1991-93 biennium, the cochairs of the
43 Commission each shall appoint a minimum of seven members.

1 Sec. 2.7. Reporting Dates. For each of the topics the Legislative Research
2 Commission decides to study under this act or under G.S. 120-30.17(1), the
3 Commission may report its findings, together with any recommended legislation, to the
4 1992 Session of the 1991 General Assembly or the 1993 General Assembly, or both.

5 Sec. 2.8. Bills and Resolution References. The listing of the original bill or
6 resolution in this Part is for reference purposes only and is not deemed to incorporate by
7 reference any of the substantive provisions contained in the original bill or resolution.

8 Sec. 2.9. Funding. From the funds available to the General Assembly, the
9 Legislative Services Commission may allocate additional monies to fund the work of
10 the Legislative Research Commission.

11
12 PART III.—EDUCATION LEADERSHIP COMMISSION

13 (S.B. 441 - Perdue)

14 Sec. 3.1. The Education Leadership Commission is created. The
15 Commission shall consist of 14 members to be appointed as follows: two Senators, one
16 public school superintendent, one business leader, and one member of the public at
17 large, all appointed by the President Pro Tempore of the Senate; two Representatives,
18 one public school principal, one business leader, and one member of the public at large,
19 all appointed by the Speaker of the House of Representatives; one member of the State
20 Board of Education appointed by the Chairman of the State Board of Education; one
21 member of the Board of Governors appointed by the Chairman of the Board of
22 Governors; one representative of The University of North Carolina appointed by the
23 President of The University of North Carolina; and one representative of the
24 Department of Public Instruction appointed by the Superintendent of Public Instruction.
25 The President Pro Tempore of the Senate and the Speaker of the House of
26 Representatives shall each designate one member of the Commission to serve as
27 cochairs.

28 Sec. 3.2. The Commission shall:

- 29 (1) Examine existing and alternative methods, including testing, for
30 determining the competence of all public school administrators;
- 31 (2) Examine certification requirements for public school administrators
32 and ways to strengthen those requirements;
- 33 (3) Study the Principals' Executive Program, the Superintendents'
34 Executive Program, and any other training programs leading to
35 certification for public school administrators;
- 36 (4) Examine recruitment and selection procedures for public school
37 administrators in light of projected supply and demand over the next
38 10 years; and
- 39 (5) Make recommendations concerning more rigorous certification
40 requirements and improved support systems for public school
41 administrators.

42 Sec. 3.3. The Commission shall submit a final report of its findings and
43 recommendations to the Joint Legislative Education Oversight Committee on or before
44 March 1, 1992. The Commission shall terminate upon filing its final report.

1 Sec. 3.4. The Commission, while in the discharge of its official duties, may
2 exercise all the powers provided in G.S. 120-19, and G.S. 120-19.1 through G.S. 120-
3 19.4. The Commission may meet at any time upon the call of the cochairs. The
4 Commission may meet in the Legislative Building or the Legislative Office Building
5 with the approval of the Legislative Services Commission.

6 Sec. 3.5. Members of the Commission who are legislators shall receive
7 subsistence and travel expenses at the rates set forth in G.S. 120-3.1. Members who are
8 public officers and employees shall be compensated in accordance with G.S. 138-6. All
9 other members shall be compensated in accordance with G.S. 138-5.

10 Sec. 3.6. The Commission may contract for professional, clerical, or
11 consultant services as provided by G.S. 120-32.02. The Legislative Services
12 Commission, through the Legislative Administrative Officer, shall assign professional
13 staff to assist in the work of the Commission. The Supervisors of Clerks in the Senate
14 and House of Representatives shall assign clerical staff to the Commission, upon the
15 direction of the Legislative Services Commission. The expenses relating to clerical
16 employees shall be borne by the Commission.

17 Sec. 3.7. The Commission may apply for, receive, and accept grants and
18 contributions from any source of money, labor, or any other thing of value, to be used
19 for the purposes of this section. Any grants or contributions shall be subject to G.S.
20 120-32.03.

21 Sec. 3.8. When a vacancy occurs in the membership of the Commission, the
22 vacancy shall be filled by the appointing officer who made the initial appointment.

23 Sec. 3.9. All State departments and agencies, all local governments and their
24 subdivisions, and all institutions approved to train public school administrators shall
25 furnish the Commission with any information in their possession or available to them
26 which will aide the Commission in their work.

27 Sec. 3.10. There is allocated from the funds appropriated to the General
28 Assembly the sum of \$25,000 for the 1991-92 fiscal year for the Education Leadership
29 Commission created by this Part.

30
31 **PART IV.—PUBLIC LANDFILLS**

32 (S.B. 813 - Perdue)

33 Sec. 4.1. The Environmental Review Commission shall study the North
34 Carolina Environmental Policy Act of 1971, Article 1 of Chapter 113A of the General
35 Statutes, in relation to the permitting of public landfills under G.S. 130A-294 to
36 determine whether the issuance of a permit for a public landfill should be subject to the
37 requirements of G.S. 113A-4 regarding the preparation of an environmental impact
38 statement. The Commission shall examine the following issues:

39 (1) All current State regulatory and administrative requirements pertaining
40 to the siting and operation of solid waste management facilities;

41 (2) The adequacy of current State laws authorizing local governments to
42 regulate private solid waste management activities, including control
43 over the flow of the waste stream;

1 (3) The potential role of the State in developing markets for recyclable
2 materials and compost produced from solid waste; and

3 (4) Other matters may be pertinent to the environmentally sound and
4 economically efficient management of solid waste in North Carolina.

5 Sec. 4.2. The Environmental Review Commission may request an
6 appropriate committee, commission, or State agency to conduct all or any part of the
7 study authorized by this act and to report its findings and recommendations either to the
8 Environmental Review Commission or directly to the General Assembly. If the
9 committee, commission, or State agency agrees to conduct the study, the committee,
10 commission, or State agency shall do so using funds already appropriated or otherwise
11 available to it.

12 Sec. 4.3. The Environmental Review Commission shall report its findings,
13 recommendations, and any proposed legislation to the 1992 Regular Session of the 1991
14 General Assembly and, if the Commission determines that more study is needed, to the
15 1993 General Assembly.

16
17 PART V.—BIRTH-RELATED NEUROLOGICAL IMPAIRMENT STUDY
18 COMMISSION

19 Sec. 5.1. The Birth-Related Neurological Impairment Study Commission,
20 created by Part VI of Chapter 1100 of the 1988 Session Laws, continued by Chapter 64
21 of the 1989 Session Laws, and continued by Chapter 1078 of the 1990 Session Laws is
22 revived and shall continue in existence until the **sine die** adjournment of the 1992
23 Regular Session of the 1991 General Assembly. The Commission shall report its
24 findings and recommendations to the 1992 Regular Session of the General Assembly.

25 Sec. 5.2. The continued Birth-Related Neurological Impairment Study
26 Commission shall have the powers and duties of the original Commission to continue
27 the work of the original study and to plan further activity on the subject of assisting all
28 birth-related neurologically impaired victims.

29 Sec. 5.3. The members of the Birth-Related Neurological Impairment Study
30 Commission shall be those members originally appointed to the Commission under Part
31 VI of Chapter 1100 of the 1988 Session Laws and the two additional members
32 appointed to the Commission under Part V of Chapter 1078 of the 1990 Session Laws,
33 if they are willing to continue, otherwise the President Pro Tempore of the Senate and
34 the Speaker of the House shall fill any vacancies.

35 Sec. 5.4. Members and staff of the continued Birth-Related Neurological
36 Impairment Study Commission shall receive compensation and expenses as under the
37 original authorization in Chapter 110 of the 1987 Session Laws.

38 Sec. 5.5. Unexpended funds appropriated to the Birth-Related Neurological
39 Impairment Study Commission by the 1990-91 General Assembly shall remain
40 available and may be expended to fund the continued work of the Commission.

41
42 PART VI.—STATE PERSONNEL STUDY CONTINUATION

43 (S.B. 64-Sands, H.B. 109-Fitch)

1 Sec. 6.1. There is created a Study Commission on the State Personnel System
2 to be composed of 15 members: five Senators to be appointed by the President Pro
3 Tempore of the Senate, five Representatives to be appointed by the Speaker of the
4 House, and five public members to be appointed by the Governor. The President Pro
5 Tempore of the Senate and the Speaker of the House shall each designate a cochair from
6 their appointees. Either cochair may call the first meeting of the Study Commission.
7 Vacancies shall be filled in the same manner as the original appointments were made.

8 Sec. 6.2. The Study Commission may study all aspects of the State Personnel
9 System, including the following:

- 10 (1) The impact of State and local governmental employees' retirement
11 benefits increases;
- 12 (2) The impact of the exemption from State taxes of State, local, federal,
13 and private retirement benefits;
- 14 (3) Public employees' day care and medical and dental benefits; and
- 15 (4) Decentralization and related needs of the Office of State Personnel,
16 with a particular focus on the Equal Employment Opportunity
17 function, monitoring of State departments, and training of supervisors
18 and administrators relative to their responsibilities under
19 decentralization.

20 Sec. 6.3. With the prior approval of the Legislative Services Commission, the
21 Legislative Administrative Officer shall assign professional and clerical staff to assist in
22 the work of the Commission. Clerical staff shall be furnished to the Commission
23 through the Offices of the House and Senate Supervisors of Clerks. The expenses of
24 employment of the clerical staff shall be borne by the Commission. With the prior
25 approval of the Legislative Services Commission, the Study Commission may hold its
26 meetings in the State Legislative Building or the Legislative Office Building.

27 Sec. 6.4. The Study Commission may submit an interim report of its findings
28 and recommendations and the status of its work on or before the first day of the 1992
29 Regular Session of the 1991 General Assembly and shall submit a final written report of
30 its findings and recommendations on or before the convening of the 1993 Session of the
31 General Assembly. All reports shall be filed with the President Pro Tempore of the
32 Senate and the Speaker of the House of Representatives. Upon filing its final report, the
33 Commission shall terminate.

34 Sec. 6.5. Members of the Commission shall be paid per diem, subsistence,
35 and travel allowances as follows:

- 36 (1) Commission members who are also members of the General
37 Assembly, at the rate established in G.S. 120-3.1;
- 38 (2) Commission members who are officials or employees of the State or
39 local government agencies, at the rate established in G.S. 138-6;
- 40 (3) All other Commission members, at the rate established in G.S. 138-5.

41 Sec. 6.6. There is allocated from the funds appropriated to the General
42 Assembly for the Study Commission on the State Personnel System for its work the sum
43 of \$25,000 for the 1991-92 fiscal year and the sum of \$20,000 for the 1992-93 fiscal
44 year.

1

2 PART VII.—RAILROAD ADVISORY COMMISSION

3 (S.B. 86-Block, H.B. 57 - Abernethy)

4 Sec. 7.1. There is created the Railroad Advisory Commission. The
5 Commission shall consist of 10 members, appointed as follows:6 (1) Two members appointed by the Governor, one of whom shall be
7 knowledgeable about the railroad business and one of whom shall be
8 an advocate of passenger rail service;9 (2) The Speaker of the House of Representatives or another member of the
10 House of Representatives serving as the Speaker's designee, and one
11 other member of the House of Representatives appointed by the
12 Speaker of the House of Representatives;13 (3) The President Pro Tempore of the Senate or another member of the
14 Senate serving as the President Pro Tempore's designee, and one other
15 member of the Senate appointed by the President Pro Tempore of the
16 Senate;17 (4) The Secretary of Transportation, or a member of his staff appointed by
18 the Secretary of Transportation;19 (5) The State Treasurer, or a member of his staff appointed by the
20 Treasurer;21 (6) Two officers or directors of the North Carolina Railroad Company
22 appointed by its Board of Directors.23 The Attorney General or the Attorney General's designee shall also
24 participate and attend meetings of the Commission in accordance with Section 7.12 of
25 this Part.26 Sec. 7.2. Commission members shall be appointed no later than September
27 1, 1991, and shall serve at the pleasure of the appointing authority. Any vacancies on
28 the Commission shall be filled by the original appointing authority. The President Pro
29 Tempore of the Senate or the President Pro Tempore's designee on the Commission
30 shall call the initial meeting of the Commission.31 Sec. 7.3. The President Pro Tempore of the Senate and the Speaker of the
32 House of Representatives shall each appoint a cochair from the membership of the
33 Commission.34 Sec. 7.4. The cochairs of the Commission may appoint an Executive
35 Committee for any purpose as determined by the Commission.

36 Sec. 7.5. Members of the Commission shall be reimbursed as follows:

37 (1) Members of the General Assembly shall receive subsistence and travel
38 allowances as provided in G.S. 120-3.1.39 (2) All other members shall receive per diem, subsistence, and travel
40 allowances as provided in G.S. 138-5.

41 Sec. 7.6. The Commission shall terminate June 30, 1995.

42 Sec. 7.7. The Governor, in making appointments to the Board of Directors
43 of the North Carolina Railroad Company under the charter provisions, should seek to

1 ensure continuity in the Board and to maintain cooperation between the Board and the
2 Commission.

3 Sec. 7.8. The Commission or its Executive Committee may meet in
4 executive session.

5 Sec. 7.9. The Commission shall advise the Governor, Council of State, and
6 General Assembly on its opinion of any proposed lease or other transaction involving
7 all or a substantial portion of the assets of the North Carolina Railroad Company. If
8 shareholder approval by the Governor and Council of State of a lease or other
9 transaction is required, the Commission shall advise the Governor, Council of State, and
10 General Assembly of its opinion on whether approval should be granted.

11 Sec. 7.10. If the Commission determines by June 30, 1993, that it is unable
12 to recommend any action, it shall report that fact to the General Assembly so that
13 alternative action may be taken before the expiration of the leases on December 31,
14 1994.

15 Sec. 7.11. Upon recommending to the General Assembly a lease or other
16 transaction, the Commission shall also recommend the use to be made of increased
17 dividend payments.

18 Sec. 7.12. The Department of Justice shall provide necessary assistance to
19 the Commission.

20 Sec. 7.13. There is appropriated from the General Fund to the Department of
21 Justice the sum of \$20,000 for the 1991-92 fiscal year and the sum of \$20,000 for the
22 1992-93 fiscal year for the operation of the Commission created by this Part.

23

24 PART VIII.—MENTAL HEALTH STUDY CONTINUATION

25 (S.B. 408-Walker, H.B. 533-Isenhower)

26 Sec. 8.1. The Mental Health Study Commission, established and structured
27 by 1973 General Assembly Resolution 80; Chapter 806, 1973 Session Laws; Chapter
28 185, 1975 Session Laws; Chapter 184, 1977 Session Laws; Chapter 215, 1979 Session
29 Laws; 1979 General Assembly Resolution 20; Chapter 49, 1981 Session Laws; Chapter
30 268, 1983 Session Laws; Chapter 792, 1985 Session Laws; Chapter 873, 1987 Session
31 Laws; and Chapter 802, 1989 Session Laws as amended in 1990; is revived and may
32 continue in existence until July 1, 1993.

33 Sec. 8.2. The continued Mental Health Study Commission shall have all the
34 powers and duties of the original Study Commission that are necessary to continue the
35 original study, to assist in the implementation of the original and succeeding Study
36 Commission recommendations and to plan further activity on the subject of the study.

37 Sec. 8.3. Members and staff of the continued Mental Health Study
38 Commission shall receive compensation and expenses as under the original
39 authorization in the 1973 General Assembly Resolution 80. Expenses of the
40 Commission shall be expended by the Department of Human Resources from Budget
41 Code 14460, subhead 1110.

42 Sec. 8.4. In addition to other issues authorized by law to study, the Mental
43 Health Study Commission shall:

- 1 (1) Have oversight, review and make recommendations regarding the
2 implementation of the Adult Substance Abuse Treatment Plan, the
3 Comprehensive Long Range Plan for Adults with Severe and
4 Persistent Mental Illness, the Child Mental Health Plan, the Youth
5 Substance Abuse Plan, and the Developmental Disabilities Services
6 Plan;
- 7 (2) Evaluate and develop recommendations regarding the quality of
8 services provided for individuals with mental health, developmental
9 disabilities, and substance abuse problems;
- 10 (3) Monitor implementation of Commission recommendations to improve
11 mental health, mental retardation, and substance abuse services to jails;
- 12 (4) Have oversight, review and make recommendations regarding the
13 implementation of the Pioneer System and the Commission's Long
14 Range Funding Initiatives Project; and
- 15 (5) Coordinate with the North Carolina Council on Developmental
16 Disabilities in updating the Developmental Disabilities Services Plan.

17
18 PART IX.—AGING STUDY

19 (S.B. 861 - Perdue)

20 Sec. 9.1. The North Carolina Study Commission on Aging shall study the
21 need for expanding the membership of the Nursing Home/Rest Home Penalty Review
22 Committee established under G.S. 131D-34. In conducting this study, the Commission
23 shall consider recommending that the membership be expanded by four members,
24 appointed by the General Assembly and representing the following fields of expertise:

- 25 (1) Aging advocacy;
- 26 (2) Community activity in aging and long-term care; and
- 27 (3) Education and research in long-term care.

28 The Commission shall report its findings and recommendations to the 1992
29 Regular Session of the 1991 General Assembly.

30 Sec. 9.2. The North Carolina Study Commission on Aging shall study the
31 concept of "assisted living". For purposes of this study, "assisted living" means a
32 combination of shelter and services for older adults, including maintenance,
33 housekeeping, meals, transportation, 24-hour staffing, and security, but not
34 encompassing "continuing care" as that term is defined and regulated under Article 64 of
35 Chapter 58 of the General Statutes. The Commission's study of assisted living may
36 include:

- 37 (1) The extent and form of providing assisted living in North Carolina;
- 38 (2) Whether assisted living should be licensed as a separate category of
39 care; and
- 40 (3) Whether assisted living services for which a fee is charged should be
41 regulated, and the extent of any regulation.

42 In conducting its study of assisted living, the Commission shall request the input of the
43 Department of Human Resources, Division of Aging, and Division of Facilities

1 Services. The Commission shall report its findings and recommendations on the study
2 conducted under this section to the 1993 General Assembly, upon its convening.

3 Sec. 9.3. Effective January 1, 1993 G.S. 120-182 reads as rewritten:

4 **"§ 120-182. Commission; membership.**

5 The Commission shall consist of 17 members, as follows:

- 6 (1) The Secretary of the Department of Human Resources or his delegate
7 shall serve ex officio as a non-voting member;
- 8 (2) Eight shall be appointed by the Speaker of the House of
9 Representatives, five being members of the House of Representatives
10 at the time of their appointment, and at least two being planners for or
11 providers of health, mental health, or social services to older adults;
12 and
- 13 (3) Eight shall be appointed by the President Pro Tempore of the Senate,
14 five being members of the Senate at the time of their appointment, and
15 at least two being planners for or providers of health, mental health, or
16 social services to older adults.

17 Any vacancy shall be filled by the appointing authority who made the initial
18 appointment and by a person having the same qualifications. All initial appointments
19 shall be made within one calendar month from the effective date of this Article.
20 Members' terms shall last for two years. Members may be reappointed for two
21 consecutive terms and may be appointed again after having been off the Commission
22 for two years."

23
24 PART X.—JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND
25 AQUACULTURE

26 Sec. 10.1. There is appropriated from the General Fund to the Legislative
27 Services Commission for fiscal year 1991-92 the sum of \$60,000 for the hiring of
28 professional legislative staff for the Joint Legislative Commission on Seafood and
29 Aquaculture established by Article 12F of Chapter 120 of the General Statutes.

30
31 PART XI.—LEGISLATIVE BUDGET COMMISSION

32 (S.B. 927 - Royall)

33 Sec. 11.1. Chapter 120 of the General Statutes is amended by adding a new
34 Article to read:

35 **"ARTICLE 22.**

36 **"LEGISLATIVE BUDGET COMMISSION.**

37 **"§ 120-192. Establishment of Commission; purpose.**

38 There is established the Legislative Budget Commission. The purpose of the
39 Commission is to provide to the General Assembly the information it needs (i) to
40 consider the comprehensive budget of the anticipated revenue and proposed
41 expenditures of the State submitted to it by the Governor, and (ii) to enact a balanced
42 budget for the State.

43 **"§ 120-193. Definitions.**

44 The following definitions apply in this Article:

1 (1) State agency. All institutions, departments, bureaus, boards,
2 commissions, and agencies of the State and all private corporations,
3 persons, and organizations of all kinds, that are subject to the
4 Executive Budget Act.

5 (2) State funds. State funds as defined in G.S. 143-1.

6 **"§ 120-194. Appointment of members; terms of office.**

7 The Commission shall consist of six Senators appointed by the President Pro
8 Tempore of the Senate and six members of the House of Representatives appointed by
9 the Speaker of the House of Representatives. Members shall serve two-year terms
10 beginning and ending on the convening of the General Assembly in each odd-numbered
11 year, except that the terms of the initial members shall begin on appointment and end on
12 the day of the convening of the 1993 General Assembly. Members may complete a
13 term of service on the Committee even if they do not seek reelection or are not reelected
14 to the General Assembly, but resignation or removal from service in the General
15 Assembly constitutes resignation or removal from service on the Committee.

16 A member continues to serve until a successor is appointed. A vacancy shall be
17 filled by the officer who made the original appointment.

18 **"§ 120-195. Powers and duties of the Commission.**

19 The Commission shall have the following powers and duties:

20 (1) To study on a continuing basis the budgeting operations and
21 procedures of the State;

22 (2) To review the budget, expenditures, and future fiscal needs of all State
23 agencies;

24 (3) To require State agencies to submit to the Commission, in any form
25 and at any time as the Commission directs, any information the
26 Commission desires in relation to the agencies' activities or fiscal
27 affairs;

28 (4) To require the Director of the Budget, the State Auditor, and the State
29 Controller to furnish the Commission any special or periodic audits,
30 financial statements, or program evaluations that the Commission may
31 request;

32 (5) To require all State agencies that issue negotiable revenue bonds to
33 report their intent to issue and their reissuance of the bonds;

34 (6) To require the Secretary of Revenue to submit to the Commission a
35 copy of (i) the biennial State tax report, (ii) the Department's proposed
36 amendments to the Revenue and Machinery Acts, and (iii) the
37 Department's estimates of revenues;

38 (7) To require the State Treasurer to (i) report monthly on the investment
39 earnings of all funds under the Treasurer's control, (ii) provide an
40 estimate of investment earnings for the upcoming fiscal year, and (iii)
41 provide any information requested on fund investments.

42 (8) To require the Board of Governors of The University of North
43 Carolina to submit a copy of the Board's long-range plans for a
44 coordinated system of higher education;

- 1 (9) To require the Board of Governors of The University of North
2 Carolina to report before any allocation or reallocation of any lump-
3 sum appropriations to the University and before any transfer of funds
4 from one institution to another;
- 5 (10) To require the Director of the Budget to report before authorizing the
6 trustees of any endowment fund to satisfy any expense or financial
7 obligation of the State from any source other than the fund;
- 8 (11) To require all State agencies to report before closing a State institution
9 that is funded in whole or in part with State or federal funds;
- 10 (12) To require the North Carolina Low-Level Radioactive Waste
11 Management Authority and the North Carolina Hazardous Waste
12 Management Commission to report before increasing total outstanding
13 indebtedness, excluding bonding indebtedness, to over five hundred
14 thousand dollars (\$500,000);
- 15 (13) To require the North Carolina Energy Development Authority to report
16 before spending funds from the Energy Fund and before pledging the
17 assets of the Energy Fund as security for bonds;
- 18 (14) To examine any State agency, inspect its property, and inquire into its
19 method of operation and management;
- 20 (15) To make a biennial inspection of any physical facilities of the State it
21 deems necessary;
- 22 (16) To require all State agencies receiving State funds or requesting State
23 funds to furnish the Commission with all the information, data, and
24 estimates it may request with reference to past, present, and future
25 appropriations and expenditures, receipts, revenues, and income;
- 26 (17) To require local governments that spend State funds to operate local
27 programs to provide necessary information to the Commission to
28 establish the necessary continuation and expansion costs;
- 29 (18) To require the Director of the Budget to report on requests to increase
30 the cost of or decrease the scope of a capital improvement project
31 before acting on the request;
- 32 (19) To require the Director of the Budget to report on requests to authorize
33 the construction of a capital improvement project not specifically
34 authorized by the General Assembly, before acting on the request;
- 35 (20) To request the Director of the Budget to report before taking any
36 actions to reduce appropriations pro rata under G.S. 143-25 and to
37 report on any actions taken in accordance with Article III, Section 5(3)
38 of the Constitution to ensure that the budget is balanced;
- 39 (21) To review copies submitted to the Office of State Budget and
40 Management of all applications and requests for non-State funds for
41 projects and programs that do or may impose upon the State any
42 substantial financial obligation at the time of or after the acceptance of
43 any funds upon the application or request;

- 1 (22) To review any preliminary studies and cost estimates for capital
 2 construction prepared by the Department of Administration at the
 3 request of any State agency;
 4 (23) To review any appropriations requests for grants-in-aid submitted by
 5 non-State health and welfare agencies through the Department of
 6 Human Resources;
 7 (24) To prepare a report in the form of a proposed budget for the State;
 8 (25) To report the results of its work at least biennially to the General
 9 Assembly, beginning with the 1993 General Assembly; and
 10 (26) To request any other information and perform any studies the
 11 Commission deems necessary to accomplish the purpose of this
 12 Article.

13 **"§ 120-196. Organization of Commission.**

14 (a) The President Pro Tempore of the Senate and the Speaker of the House of
 15 Representatives shall each designate a cochair of the Legislative Budget Commission.
 16 Either of the cochairs may call a meeting of the Commission.

17 (b) While in the discharge of its official duties, the Commission has the powers
 18 of a joint committee under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.

19 (c) Members of the Commission shall receive subsistence and travel expenses as
 20 provided in G.S. 120-3.1. The Commission may contract for consultants or hire
 21 employees in accordance with G.S. 120-32.02. The Legislative Services Commission,
 22 through the Legislative Administrative Officer, shall assign professional staff to assist
 23 the Commission in its work. Upon the direction of the Legislative Services
 24 Commission, the Supervisors of Clerks of the Senate and of the House of
 25 Representatives shall assign clerical staff to the Commission. The expenses for clerical
 26 employees shall be borne by the Commission."

27 Sec. 11.2. G.S. 143-318.18 is amended by adding a new subdivision to read:

28 "(4d) The Legislative Budget Commission."

29 Sec. 11.3. There is appropriated from the General Fund to the General
 30 Assembly the sum of \$100,000 for the 1991-92 fiscal year and the sum of \$100,000 for
 31 the 1992-93 fiscal year for the operations of the Legislative Budget Commission.

32
 33 PART XII.—JOINT SELECT COMMISSION ON FISCAL TRENDS AND BUDGET
 34 REFORM

35 Sec. 12.1. Section 348(a) of Chapter 869 of the 1991 Session Laws reads as
 36 rewritten:

37 "~~Sec. 348. Joint Select Fiscal Trends and Reform Commission.~~ Commission on Fiscal
 38 Trends and Budget Reform.

39 (a) There is created in the General Assembly the Joint Select ~~Fiscal Trends and~~
 40 ~~Reform Commission.~~ Commission on Fiscal Trends and Budget Reform. The
 41 Commission shall review the long-term fiscal trends identified by the Economic Future
 42 Study Commission and to analyze the impact of these and other trends on the State
 43 budget during the 1990s. The Commission shall also continue the work of the House
 44 Special Select Subcommittee on Fiscal Reform, begun during the 1991 Session of the

1 General Assembly, to identify the factors that have contributed to the financial problems
2 the State has faced during the past two years and recommend measures to avoid a
3 recurrence of those problems to the extent they are within the control of the State of
4 North Carolina. The Commission's work shall include:

- 5 (1) Monitoring the implementation of the State budget reform
6 measures adopted in this act.
- 7 (2) Analyzing options to address the effect on the State budget of
8 federal legislative and judicial mandates.
- 9 (3) Reviewing the condition of programs directed at ensuring an
10 adequate work force for the 1990s.
- 11 (4) Analyzing options to address future General Fund budget
12 shortfalls.
- 13 (5) Studying the feasibility of modifying the State's accounting
14 practices to improve the State's balance sheet by treating as accrued
15 (i) sales tax proceeds that have been collected on behalf of the State
16 by merchants but have not yet been remitted and (ii) other tax
17 proceeds that have been collected on behalf of the State but have
18 not yet been remitted.
- 19 (6) Reviewing the fiscal relationship between the State and its local
20 governments by examining State and local government revenue
21 sources and the allocation of responsibility among the State and its
22 local governments for financing and performing government
23 services. In its work pursuant to this subdivision, the Commission
24 shall examine:
 - 25 a. Whether local government tax sharing and local government tax
26 reimbursements should be financed by appropriation or by
27 earmarking.
 - 28 b. Whether the State should provide local governments with
29 additional revenue options.
 - 30 c. Whether a more adequate and dependable means of financing
31 State and local government services should be devised.
 - 32 d. Whether State and local responsibilities for providing
33 government services should be reallocated.
 - 34 e. How the fiscal relationship between the State and local
35 governments, particularly the lack of uniform tax rates that
36 results from local option taxes, affects economic development.
 - 37 f. The effectiveness of the Local Government Fiscal Information
38 Act, Article 6D of Chapter 120 of the General Statutes.
 - 39 g. How the timing of the State's budget process affects the ability
40 of local governments to comply with the deadlines imposed in
41 the Local Government Budget and Fiscal Control Act."

42 Sec. 12.2. There is appropriated from the General Fund to the General
43 Assembly for the Joint Select Commission on Fiscal Trends and Budget Reform the
44 sum of \$50,000 for fiscal year 1991-92 and the sum of \$50,000 for fiscal year 1992-93.

1

2 PART XIII.—EFFECTIVE DATE

3 Sec. 13.1. This act is effective upon ratification.