

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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1

HOUSE BILL 1660\*

Short Title: Governor's 1994 Operating Approp.

(Public)

Sponsors: Representatives Nesbitt, Diamont; Crawford and McLawhorn.

Referred to: Appropriations.

May 26, 1994

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY THE APPROPRIATIONS FOR CURRENT OPERATIONS  
3 OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES; TO MAKE  
4 APPROPRIATIONS FOR OTHER PURPOSES AND TO MAKE OTHER  
5 CHANGES IN THE BUDGET OPERATION OF THE STATE.

6 The General Assembly of North Carolina enacts:

7

8 INTRODUCTION

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

15

16 TITLE OF ACT

17 Sec. 2. This act shall be known as "The Current Operations Appropriations  
18 Act of 1994."

19

20 TITLE I. - CURRENT OPERATIONS

21

22 PART 1. GENERAL FUND APPROPRIATIONS - CONTINUING  
23 OPERATIONS

24



1 Department of Agriculture  
 2 92  
 3 ,362  
 4  
 5 Department of Labor  
 6 (1  
 7 59,546)  
 8  
 9 Department of Insurance  
 10 36  
 11 8,923  
 12  
 13 Department of Environment, Health, and Natural Resources  
 14 (1  
 15 52,511)  
 16  
 17 Department of Human Resources  
 18 01. Secretary's Office (800,331)  
 19 02. Division of Aging (12,524)  
 20 03. Schools for the Deaf and Hard of Hearing 271,496  
 21 04. Social Services 3,441,042  
 22 05. Medical Assistance (80,766,097)  
 23 06. Services for the Blind 93,224  
 24 07. Division of Mental Health, Developmental Disabilities,  
 25 and Substance Abuse Services 18,462,771  
 26 08. Division of Facility Services 28,037,099  
 27 09. Division of Vocational Rehabilitation Services (46,633)  
 28 10. Division of Youth Services (55,304)  
 29 Total Department of Human Resources  
 30 (3  
 31 1,375,257)  
 32  
 33 Department of Correction  
 34 11  
 35 ,121,938  
 36  
 37 Department of Commerce  
 38 01. Commerce 5,948,704  
 39 02. MCNC 1,900,000  
 40 03. Rural Economic Development Center 4,250,000  
 41  
 42 Department of Revenue  
 43 5,  
 44 731,445

1  
2 Department of Cultural Resources  
3 (1  
4 87,163)  
5  
6 Department of Crime Control and Public Safety  
7 (1  
8 68,331)  
9  
10 Office of the State Controller  
11 2,  
12 699,712  
13  
14 University of North Carolina - Board of Governors  
15 01. University of North Carolina:  
16 a. General Administration (72,774)  
17 b. Lump-sum - Institutional Programs 4,241,124  
18 c. Related Educational Programs 4,167,480  
19 02. University of North Carolina at Chapel Hill  
20 a. Academic Affairs (139,414)  
21 b. Health Affairs (298,411)  
22 c. Area Health Education Centers (16,156)  
23 03. North Carolina State University at Raleigh  
24 a. Academic (578,153)  
25 b. Agricultural Research Service 289,141  
26 c. Agricultural Extension Services (34,614)  
27 04. University of North Carolina at Greensboro (177,883)  
28 05. University of North Carolina at Charlotte (97,383)  
29 06. University of North Carolina at Asheville 422,619  
30 07. University of North Carolina at Wilmington (89,517)  
31 08. East Carolina University  
32 a. Academic (212,044)  
33 b. Health Affairs (279,533)  
34 09. North Carolina Agricultural and Technical State University (163,092)  
35 10. Western Carolina University (129,056)  
36 11. Appalachian State University (167,867)  
37 12. Pembroke State University (13,901)  
38 13. Winston-Salem State University (61,457)  
39 14. Elizabeth City State University (55,560)  
40 15. Fayetteville State University 35,681  
41 16. North Carolina Central University (107,250)  
42 17. North Carolina School of the Arts (33,054)  
43 18. North Carolina School of Science and Mathematics 809,794  
44 19. University of North Carolina Hospitals at Chapel Hill (201,782)

1	Total	University	of	North	Carolina	-	Board	of	Governors		
2										7,	
3	036,938										
4											
5	Department		of		Community				Colleges		
6										9,	
7	602,824										
8											
9	State		Board				of		Elections		
10										32	
11	6,921										
12											
13											
14	Office of State Budget and Management										
15	01.	Reserve for Salary Increases									
16		a.	4% Salary Increase		210,600,000						
17		b.	Reduction in balance of 2% Salary Increase							(1,757,024)	
18		c.	Locally Operated Programs		13,229,184						
19	02.	Reserve for Salary Adjustments		3,500,000							
20	03.	Reserve for Retiree 30% Reduction		(16,318)							
21	04.	Debt Service		25,723,695							
22											
23	GRAND TOTAL CURRENT OPERATIONS/GENERAL FUND									\$	
24	276,453,830										
25											

**PART 2. NONRECURRING APPROPRIATIONS/GENERAL FUND**

**CURRENT OPERATIONS/STATE GOVERNMENT - NONRECURRING**

Sec. 4. Appropriations are made from the General Fund for the 1994-95 fiscal year for use by the State departments, institutions, and agencies, to provide for one-time expenditures according to the following schedule:

	<u>1994-95</u>
<u>Current Operations/State Government - Nonrecurring</u>	
Office of the Governor	
01. Office of the Governor	\$1,050,000
02. Housing Finance Agency	3,650,000
Department of State Treasurer	214,000
Public Education	47,750,000
Department of Administration	492,303

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**GENERAL ASSEMBLY OF NORTH CAROLINA**

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**1993**

1	Department of Agriculture	250,000
2		
3	Department of Environment, Health, and Natural Resources	10,591,435
4		
5	Department of Correction	1,393,690
6		
7	Department of Commerce	
8	01. Commerce	13,172,459
9	02. Biotechnology Reserve	2,000,000
10	03. MCNC	4,000,000
11	04. Rural Economic Development Center	2,000,000
12		
13	Department of Revenue	5,000,000
14		
15	Office of the State Controller	10,300,000
16		
17	University of North Carolina - Board of Governors	
18	01. University Institutional Programs	8,789,869
19	02. University of North Carolina at Chapel Hill	
20	a. Academic Affairs	(161,642)
21	03. North Carolina State University at Raleigh	
22	a. Cooperative Extension Service	1,440,000
23	Total University of North Carolina - Board of Governors	10
24		
25	,068,227	
26		
27	Department of Community Colleges	13
28		
29	,000,000	
30		
31	Office of State Budget and Management	
32	01. Reserve for Compensation Bonus	57,400,000
33	02. Reserve for Restoring Paydate	120,000,000
34	03. Reserve for Computers	3,000,000
35	04. Reserve for OSHA - Bloodborne Pathogens Standard	1,000,000
36	05. Reserve for Match Statewide Programs	3,000,000
37		
38	GRAND TOTAL CURRENT OPERATIONS/GENERAL FUND -	
39	NONRECURRING	\$
40	309,332,114	
41		

**PART 3. HIGHWAY FUND APPROPRIATIONS****CURRENT OPERATIONS/HIGHWAY FUND**

1           Sec. 5. 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 fiscal year ending June 30, 1995, according to the  
4 schedule that follows. The amounts set out in the schedule are in addition to other  
5 appropriations from the Highway Fund for these purposes for the 1994-95 fiscal year.

<u>Current</u>	<u>Operations/Highway</u>	<u>Fund</u>
		<u>19</u>
94-95		
Department of Transportation		
01. Administration	\$ 269,000	
02. Division of Highways		
a. Ferry Operations	1,800,000	
03. Division of Motor Vehicles	1,531,000	
04. Reserve for Salary Increases	<u>14,400,000</u>	
GRAND TOTAL	CURRENT OPERATIONS/HIGHWAY	FUND
		\$1
8,000,000		

#### **PART 4. HIGHWAY FUND APPROPRIATIONS - NONRECURRING**

#### **CURRENT OPERATIONS/HIGHWAY FUND - NONRECURRING APPROPRIATIONS/HIGHWAY FUND**

25           Sec. 6. Appropriations are made from the Highway Fund of the 1994-95  
26 fiscal year for use by the Department of Transportation, and for other purposes to  
27 provide for one-time expenditures according to the following schedule:

<u>Current Operations/Highway Fund - Nonrecurring</u>	<u>1994-95</u>
Department of Transportation	
01. Administration	\$ 332,000
02. Division of Highways	
a. State Construction	
(01) Secondary Construction	3,600,000
b. State Maintenance	
(01) Primary	3,027,294
(02) Secondary	5,305,273
(03) Urban	796,620
c. Ferry Operations	951,000
03. Division of Motor Vehicles	2,917,813
04. State Aid to Municipalities	3,600,000
05. State Aid for Public Transportation	5,800,000
06. State Aid for Railroads	400,000

1	07.	Reserve for Salary Increases	3,600,000
2	08.	Battery Dump Site Cleanup	300,000
3			
4		Appropriations for Other State Agencies	
5	01.	Crime Control and Public Safety	500,000
6	02.	Revenue	71,968
7	03.	Environment, Health, and Natural Resources	928,032
8	04.	Global TransPark Authority	<u>2,870,000</u>
9		GRAND TOTAL CURRENT OPERATIONS/HIGHWAY FUND -	
10		NONRECURRING	\$35,000,000

## 11 12 **PART 5. GENERAL PROVISIONS**

### 13 14 **PERMIT DEVIATION FROM EXPENDITURE OF FUNDS RESTRICTION**

15 Sec. 7. For the 1994-95 fiscal year only, G.S. 143-16.3 does not apply to the  
16 extent that the Director of the Budget finds that compliance is impossible and that  
17 deviation is necessary because of complications in the budget process that were not  
18 contemplated when the budget for the 1993-95 fiscal biennium was enacted.

19 The Director of the Budget shall report on a quarterly basis for the first six  
20 months of the 1994-95 fiscal year and monthly thereafter, to the Joint Legislative  
21 Commission on Governmental Operations and to the Fiscal Research Division of the  
22 Legislative Services Office on any deviations from G.S. 143-16.3, the reasons that  
23 compliance was impossible, and the complications in the budget process that were not  
24 contemplated when the budget for the 1993-95 fiscal biennium was enacted that made  
25 compliance impossible.

### 26 27 **AUTHORIZED TRANSFERS/SALARY ADJUSTMENT FUNDS**

28 Sec. 8. The Director of the Budget may transfer to General Fund budget  
29 codes from the General Fund salary adjustment appropriation, and may transfer to  
30 Highway Fund budget codes from the Highway Fund salary adjustment appropriation,  
31 amounts required to support approved salary adjustments made necessary by difficulties  
32 in recruiting and holding qualified employees in State government. The funds may be  
33 transferred only when the use of salary reserve funds in individual operating budgets is  
34 not feasible.

### 35 36 **RESTORATION OF THE JUNE 30 PAYDATE**

37 Sec. 9. The funds appropriated in Section 4 of this act to the Office of State  
38 Budget and Management for a Reserve for Paydate Restoration in the amount of one  
39 hundred twenty million dollars (\$120,000,000) shall be used to restore the twelfth  
40 month of teacher payroll for school teachers paid from the General Fund.

41 In no event shall any allotments made pursuant to this section exceed the  
42 actual General Fund requirements.

## 43 44 **PART 6. OFFICE OF THE GOVERNOR**

**COMMISSION ON NATIONAL AND COMMUNITY SERVICE**

Sec. 10. Of the funds appropriated to the Office of the Governor, the sum of seventeen thousand eighty-five dollars (\$17,085) shall be used to provide State match for federal funds from the Federal Corporation for National and Community Service for the State Commission on National and Community Service.

**MILITARY BASE CLOSURES**

Sec. 11. Of the funds appropriated to the Office of the Governor the sum of three hundred thousand dollars (\$300,000) shall be used to create a Military Liaison Office to represent the interest of North Carolina relative to federal efforts to realign and close military bases in North Carolina and provide staff support for the Governor's Advisory Commission on Military Affairs.

**HEALTH PLANNING COMMISSION DEADLINE EXTENSION**

Sec. 12. Section 2.1(b), Chapter 529 of the 1993 Session Laws is amended as follows:

"(b) The Governor shall present to the General Assembly no later than ~~April 1, 1994~~, February 1, 1995, a plan for consolidating all of the State health functions into one State Department of Health. The plan shall be based upon and shall address the principles and elements outlined in subsections (c) and (d) of this section."

**OUTWARD BOUND**

Sec. 13. Of the funds appropriated to the Office of the Governor, the sum of two hundred fifty thousand dollars (\$250,000) shall be used to implement the North Carolina Partnership for Excellence in Education through the North Carolina Outward Bound School. Funds shall be used to contract with North Carolina Outward Bound School to implement a three-part effort, including a summer scholarship program to focus on the needs of at-risk children, preservice training to focus on future teachers, and in-service training to focus on the professional needs of current educators.

**TOTAL QUALITY EDUCATION**

Sec. 14. Of the funds appropriated to the Office of the Governor, the sum of seven hundred fifty thousand dollars (\$750,000) shall be used for a grant to the North Carolina Business Committee for Education to expand the Total Quality Education (TQE) project currently sponsored by the North Carolina Business Committee for Education. Funds shall be used to provide matching grants for up to 20 school systems who apply to be a part of the TQE initiative. Funds appropriated by the General Assembly will be matched by State businesses, industries, and State/national foundations.

**PART 7. OFFICE OF THE STATE CONTROLLER****CARRY-FORWARD INFORMATION HIGHWAY**

1           Sec. 15. Of the funds appropriated in the 1993-94 fiscal year to the Office of  
2 the State Controller for the North Carolina Information Highway, three million six  
3 hundred thousand dollars (\$3,600,000) shall be carried forward to the 1994-95 fiscal  
4 year and used as directed by the 1993 General Assembly, Regular Session 1994.

## 6 INFORMATION HIGHWAY

7           Sec. 15.1. (a) G.S. 143B-426.39 is amended by adding a new subdivision to read:

8           "(16) In order to promote the general welfare by enhancing public access to  
9           broadband telecommunications services, permit in addition to State  
10           agencies, cities, counties, and other local government units, the  
11           following organizations and entities to share on not-for-profit basis the  
12           NCIH set forth in subdivision (14)a.9. of this section:

- 13           a. Nonprofit educational institutions;  
14           b. The Microelectronics Center of North Carolina ('MCNC');  
15           c. Research affiliates of MCNC for use only in connection with  
16           research activities sponsored or funded, in whole or in part, by  
17           MCNC, if such research activities related to health care or  
18           education in North Carolina;  
19           d. Agencies of the United States government operating in North  
20           Carolina for use only in connection with activities that relate to  
21           health care or education in North Carolina; or  
22           e. Hospitals, clinics, and other health care facilities for use only in  
23           connection with activities that relate to health care or education  
24           in North Carolina.

25           Provided, however, that sharing of the NCIH by State agencies with  
26           entities or organizations in the categories set forth herein shall not  
27           cause the State, the Office of State Controller, or the MCNC to be  
28           classified as a public utility as that term is defined in G.S. 62-3(23)a.6.  
29           Nor shall the State, the Office of State Controller, or the MCNC  
30           engage in any activities that may cause those entities to be classified as  
31           a common carrier as that term is defined in the federal  
32           Communications Act of 1934, 47 U.S.C. § 153(h). Provided further,  
33           authority to share the NCIH with the non-State agencies set forth  
34           above shall terminate one year from the effective date of a tariff that  
35           makes the broadband services comparable to those of the NCIH  
36           available to the parties sharing the NCIH."

37           (b) G.S. 62-3(23) is amended by adding a new subparagraph as follows:

38           "h. The term public utility shall not include the State, the Office of  
39           the State Controller, or the Microelectronics Center of North  
40           Carolina in the provision or sharing of the North Carolina  
41           Information Highway with non-State entities or organizations of  
42           the kind or type set forth in G.S. 143B-426.39."

## 44 PART 8. OFFICE OF STATE PERSONNEL

1

**2 SALARY INEQUITIES**

3           Sec. 16. Salary increases for the purpose of adjusting inequitable  
4 compensation differences as defined in the administrative rules promulgated by the  
5 State Personnel Commission, may be granted utilizing salary reserves available within  
6 departments and institutions for whom salary increases are granted. The granting of all  
7 such increases shall be in compliance with the administrative rule promulgated by the  
8 State Personnel Commission.

9

**10 PART 9. OFFICE OF STATE BUDGET AND MANAGEMENT**

11

**12 RESERVE FOR COMPUTERS**

13           Sec. 17. The funds appropriated in Section 4 of this act to the Office of State  
14 Budget and Management for a reserve for computers shall be used by the Office of State  
15 Budget and Management to address computer needs of State departments and  
16 institutions when no alternative source of funds is available. The Reserve for  
17 Computers shall be disbursed under the guidelines and authorization of the Information  
18 Resource Management Commission.

19

**20 RESERVE OF IMPLEMENTATION OF OSHA BLOODBORNE PATHOGEN  
21 STANDARD**

22           Sec. 18. The funds appropriated in Section 4 of this act to the Office of State  
23 Budget and Management for a Reserve for Implementation of OSHA Bloodborne  
24 Pathogen Standard shall be used by the Office of State Personnel to implement the  
25 OSHA Standards. The funds in the Reserve shall be allocated for implementation of the  
26 standard under the guidelines established by the Office of State Personnel in  
27 conjunction with recommendations outlined by the Office of State Budget and  
28 Management.

29

**30 PART 10. SALARIES AND BENEFITS**

31

**32 APPROPRIATIONS**

33           Sec. 19. (a) Of the funds appropriated in Sections 3 and 4 of this act from the  
34 General Fund to the Reserves for Salary Increases, the sum of one hundred thirty-eight  
35 million nine hundred forty-three thousand four hundred ninety-five dollars  
36 (\$138,943,495) for the 1994-95 fiscal year shall be used to provide a four percent (4%)  
37 permanent salary increase and a one percent (1%) pay bonus for State employees and  
38 other school personnel and teachers, consistent with the Comprehensive Compensation  
39 Plan enacted in Chapter 388 of the 1993 Session Laws.

40           (b) Of the funds appropriated in Sections 5 and 6 of this act from the Highway  
41 Fund to the Reserve for Salary Increases, the sum of eighteen million dollars  
42 (\$18,000,000) for the 1994-95 fiscal year shall be used to provide a four percent (4%)  
43 permanent salary increase and a one percent (1%) pay bonus for State employees,

1 consistent with the Comprehensive Compensation Plan enacted in Chapter 388 of the  
2 1993 Session Laws.

3 (c) Of the funds appropriated in Section 3 of this act from the General Fund to  
4 the Reserve for Salary Increases, the sum of thirteen million two hundred twenty-nine  
5 thousand one hundred eight-four dollars (\$13,229,184) for the 1994-95 fiscal year shall  
6 be allocated for employees in locally operated State-funded programs as provided in this  
7 act.

8

### 9 GOVERNOR'S SALARY INCREASE

10 Sec. 20. G.S. 147-11(a) reads as rewritten:

11 "(a) The salary of the Governor shall be ~~ninety-three thousand seven hundred~~  
12 ~~seventy-seven dollars (\$93,777)~~ ninety-seven thousand five hundred twenty-eight  
13 dollars (\$97,528) annually, payable monthly."

14

### 15 COUNCIL OF STATE/SALARY INCREASE

16 Sec. 21. The annual salaries for members of the Council of State, payable  
17 monthly, for the 1994-95 fiscal year are:

18

19 <u>Council of State</u>	<u>Annual Salary</u>
20	
21 Lieutenant Governor	\$80,381
22 Attorney General	80,381
23 Secretary of State	80,381
24 State Treasurer	80,381
25 State Auditor	80,381
26 Superintendent of Public Instruction	80,381
27 Agriculture Commissioner	80,381
28 Insurance Commissioner	80,381
29 Labor Commissioner	80,381

30

### 31 NONELECTED DEPARTMENT HEAD/SALARY INCREASES

32 Sec. 22. In accordance with G.S. 143B-9, the maximum annual salaries,  
33 payable monthly, for the nonelected heads of the principal State departments for the  
34 1994-95 fiscal year are:

35

36 <u>Nonelected Department Heads</u>	<u>Annual Salary</u>
37	
38 Secretary of Administration	\$80,381
39 Secretary of Correction	80,381
40 Secretary of Crime Control and Public Safety	80,381
41 Secretary of Cultural Resources	80,381
42 Secretary of Commerce	80,381
43 Secretary of Environment, Health, and Natural Resources	80,381
44 Secretary of Human Resources	80,381

1 Secretary of Revenue 80,381  
 2 Secretary of Transportation 80,381

3

4 **CERTAIN EXECUTIVE BRANCH OFFICIALS/SALARY INCREASES**

5 Sec. 23. (a) The annual salaries, payable monthly, for the 1994-95 fiscal year  
 6 for the following executive branch officials are:

7

8 Executive Branch Officials Annual Salary

9

10	Chairman, Alcoholic Beverage Control Commission	\$ 77,365
11	State Controller	125,113
12	Commissioner of Motor Vehicles	77,365
13	Commissioner of Banks	77,365
14	Chairman, Employment Security Commission	77,365
15	State Personnel Director	80,381
16	Chairman, Parole Commission	70,643
17	Members of the Parole Commission	65,220
18	Chairman, Industrial Commission	69,510
19	Members of the Industrial Commission	67,817
20	Executive Director, Agency for Public Telecommunications	65,220
21	General Manager, Ports Railway Commission	58,893
22	Director, Museum of Art	79,274
23	Executive Director, Wildlife Resources Commission	66,773
24	Executive Director, North Carolina Housing Finance Agency	95,746
25	Executive Director, North Carolina Agricultural	
26	Finance Authority	75,302
27	Director, Office of Administrative Hearings	68,301

28 (b) Any person carrying on the functions of a position listed in subsection (a) of  
 29 this section shall be paid only the salary set out in that subsection, and the mere  
 30 classification of the position to be some other position does not allow the salary of that  
 31 position to be set in some other manner.

32

33 **LEGISLATORS/SALARY AND EXPENSES INCREASE**

34 Sec. 24. Effective upon convening of the 1995 Regular Session of the  
 35 General Assembly, G.S. 120-3 reads as rewritten:

36 **"§ 120-3. Pay of members and officers of the General Assembly.**

37 (a) The Speaker of the House shall be paid an annual salary of ~~thirty-six~~  
 38 ~~thousand three hundred thirty four dollars (\$36,334)~~, thirty-seven thousand seven  
 39 hundred eighty-seven dollars (\$37,787), payable monthly, and an expense allowance of  
 40 one thousand three hundred forty-six dollars (\$1,346) per month. The President Pro  
 41 Tempore of the Senate shall be paid an annual salary of ~~thirty-six thousand three~~  
 42 ~~hundred thirty four dollars (\$36,334)~~, thirty-seven thousand seven hundred eighty-seven  
 43 dollars (\$37,787), payable monthly, and an expense allowance of one thousand three  
 44 hundred forty-six dollars (\$1,346) per month. The Speaker Pro Tempore of the House

1 shall be paid an annual salary of ~~twenty thousand seven hundred four dollars (\$20,704)~~  
2 twenty-one thousand five hundred thirty-two dollars (\$21,532) payable monthly, and an  
3 expense allowance of seven hundred ninety-six dollars (\$796.00) per month. The  
4 Deputy President Pro Tempore of the Senate shall be paid an annual salary of ~~twenty~~  
5 ~~thousand seven hundred four dollars (\$20,704)~~ twenty-one thousand five hundred thirty-  
6 two dollars (\$21,532) payable monthly, and an expense allowance of seven hundred  
7 ninety-six dollars (\$796.00) per month. The majority and minority leaders in the House  
8 and the majority and minority leaders in the Senate shall be paid an annual salary of  
9 ~~sixteen thousand two hundred thirty six dollars (\$16,236)~~ sixteen thousand eight  
10 hundred eighty-five dollars (\$16,885), payable monthly, and an expense allowance of  
11 six hundred thirty-four dollars (\$634.00) per month.

12 (b) Every other member of the General Assembly shall receive increases in  
13 annual salary only to the extent of and in the amounts equal to the average increases  
14 received by employees of the State, effective upon convening of the next Regular  
15 Session of the General Assembly after enactment of these increased amounts.  
16 Accordingly, upon convening of the ~~1993-1995~~ Regular Session of the General  
17 Assembly, every other member of the General Assembly shall be paid an annual salary  
18 of ~~thirteen thousand two hundred eighty seven dollars (\$13,287)~~ thirteen thousand eight  
19 hundred eighteen dollars (\$13,818) payable monthly, and an expense allowance of five  
20 hundred thirty-two dollars (\$532.00) per month.

21 (c) The salary and expense allowances provided in this section are in addition to  
22 any per diem compensation and any subsistence and travel allowance authorized by any  
23 other law with respect to any regular or extra session of the General Assembly, and  
24 service on any State board, agency, commission, standing committee and study  
25 commission."  
26

## 27 GENERAL ASSEMBLY PRINCIPAL CLERKS/SALARY INCREASES

28 Sec. 25. G.S. 120-37(c) reads as rewritten:

29 (c) The principal clerks shall be full-time officers. Each principal clerk shall be  
30 entitled to other benefits available to permanent legislative employees and shall be paid  
31 an annual salary of ~~forty seven thousand six hundred twenty dollars (\$47,620)~~ forty-  
32 nine thousand five hundred twenty-five dollars (\$49,525) payable monthly. The  
33 Legislative Services Commission shall review the salary of the principal clerks prior to  
34 submission of the proposed operating budget of the General Assembly to the Governor  
35 and Advisory Budget Commission and shall make appropriate recommendations for  
36 changes in those salaries. Any changes enacted by the General Assembly shall be by  
37 amendment to this paragraph.  
38

## 39 SERGEANT-AT-ARMS AND READING CLERKS/SALARY INCREASES

40 Sec. 26. G.S. 120-37(b) reads as rewritten:

41 "(b) The sergeant-at-arms and the reading clerk in each house shall be paid a  
42 salary of ~~two hundred twenty three dollars (\$223.00)~~ two hundred thirty-two dollars  
43 (\$232.00) per week, plus subsistence at the same daily rate provided for members of the  
44 General Assembly, plus mileage at the rate provided for members of the General

1 Assembly for one round trip only from their homes to Raleigh and return. The  
 2 sergeants-at-arms shall serve during sessions of the General Assembly and at such time  
 3 prior to the convening of, and subsequent to adjournment or recess of, sessions as may  
 4 be authorized by the Legislative Services Commission. The reading clerks shall serve  
 5 during sessions only."

### 7 **LEGISLATIVE EMPLOYEES/SALARY INCREASES**

8           Sec. 27. The Legislative Administrative Officer may increase the salaries of  
 9 nonelected employees of the General Assembly in effect for fiscal year 1994-95 by an  
 10 amount equal to four percent (4%). Nothing in this act limits any of the provisions of  
 11 G.S. 120-32.

### 13 **JUDICIAL BRANCH OFFICIALS/SALARY INCREASE**

14           Sec. 28. (a)       The annual salaries, payable monthly, for specified judicial branch  
 15 officials for fiscal year 1994-95 are:

17 <u>Judicial Branch Officials</u>	<u>Annual Salary</u>
19 Chief Justice, Supreme Court	\$97,528
20 Associate Justice, Supreme Court	95,529
21 Chief Judge, Court of Appeals	92,487
22 Judge, Court of Appeals	90,476
23 Judge, Senior Regular Resident Superior Court	83,016
24 Judge, Superior Court	80,381
25 Chief Judge, District Court	70,986
26 Judge, District Court	68,301
27 District Attorney	74,844
28 Assistant District Attorney - an average of	48,608
29 Administrative Officer of the Courts	83,016
30 Assistant Administrative Officer of the Courts	67,766
31 Public Defender	74,844
32 Assistant Public Defender - an average of	48,608.

33           If an acting senior regular resident superior court judge is appointed under the  
 34 provisions of G.S. 7A-41, he shall receive the salary of Judge, Senior Regular Resident,  
 35 Superior Court, until his temporary appointment is vacated, and the judge he replaces  
 36 shall receive the salary indicated for Judge, Superior Court.

37           The district attorney or public defender of a judicial district, with the approval  
 38 of the Administrative Officer of the Courts, shall set the salaries of assistant district  
 39 attorneys or assistant public defenders, respectively, in that district such that the average  
 40 salaries of assistant district attorneys or assistant public defenders in that district do not  
 41 exceed forty-eight thousand six hundred eight dollars (\$48,608), and the minimum  
 42 salary of any assistant district attorney or assistant public defender is at least twenty-  
 43 four thousand eight hundred sixteen dollars (\$24,816) effective July 1, 1994.

1 (b) The salaries in effect for fiscal year 1994-95 for permanent, full-time  
 2 employees of the Judicial Department, except for those whose salaries are itemized in  
 3 this act, shall be increased by four percent (4%), commencing July 1, 1994.

4 (c) The salaries in effect for fiscal year 1994-95 for all permanent, part-time  
 5 employees of the Judicial Department shall be increased on and after July 1, 1994, by  
 6 pro rata amounts of the four percent (4%).

7  
 8 **CLERK OF SUPERIOR COURT SALARY DETERMINATION/INCREASE**

9 Sec. 29. (a) G.S. 7A-101 (a) reads as rewritten:

10 "(a) The clerk of superior court is a full-time employee of the State and shall  
 11 receive an annual salary, payable in equal monthly installments, based on the population  
 12 of the county as determined in subsection (a1) of this section, according to the following  
 13 schedule:

14 Population	15 Annual Salary	
16 Less than 100,000	\$48,391	<u>\$50,327</u>
17 100,000 to 149,999	<del>54,621</del>	<u>56,837</u>
18 150,000 to 249,999	62,247	<u>64,737</u>
250,000 and above	<del>68,256</del>	<u>70,986</u>

19 When a county changes from one population group to another, the salary of the clerk  
 20 shall be changed, on July 1 of the fiscal year for which the change is reported, to the  
 21 salary appropriate for the new population group, except that the salary of an incumbent  
 22 clerk shall not be decreased by any change in population group during his continuance  
 23 in office."

24 (b) The increase required for the new annual salaries provided in subsection (a)  
 25 of this section shall be funded from funds available to the Administrative Office of the  
 26 Courts for fiscal year 1994-95.

27  
 28 **ASSISTANT AND DEPUTY CLERKS OF COURT/SALARY INCREASE**

29 Sec. 30. G.S. 7A-102(c) reads as rewritten:

30 "(c) Notwithstanding the provisions of subsection (a), the Administrative Officer  
 31 of the Courts shall establish an incremental salary plan for assistant clerks and for  
 32 deputy clerks based on a series of salary steps corresponding to the steps contained in  
 33 the Salary Plan for State Employees adopted by the Office of State Personnel, subject to  
 34 a minimum and a maximum annual salary as set forth below. On and after July 1, 1985,  
 35 each assistant clerk and each deputy clerk shall be eligible for an annual step increase in  
 36 his salary plan based on satisfactory job performance as determined by each clerk.  
 37 Notwithstanding the foregoing, if an assistant or deputy clerk's years of service in the  
 38 office of superior court clerk would warrant an annual salary greater than the salary first  
 39 established under this section, that assistant or deputy clerk shall be eligible on and after  
 40 July 1, 1984, for an annual step increase in his salary plan. Furthermore, on and after  
 41 July 1, 1985, that assistant or deputy clerk shall be eligible for an increase of two steps  
 42 in his salary plan, and shall remain eligible for a two-step increase each year as  
 43 recommended by each clerk until that assistant or deputy clerk's annual salary  
 44 corresponds to his number of years of service. Any person covered by this subsection

1 who would not receive a step increase in fiscal year ~~1993-94~~ 1994-95 because that  
 2 person is at the top of the salary range as it existed for fiscal year ~~1992-93~~ 1993-94 shall  
 3 receive a salary increase to the maximum annual salary provided by subsection (c1) of  
 4 this section."

5 Sec. 31. G.S. 7A-102(c1) reads as rewritten:

6 "(c1) A full-time assistant clerk or a full-time deputy clerk shall be paid an annual  
 7 salary subject to the following minimum and maximum rates:

8 Assistant Clerks Annual Salary

9	Minimum	<del>\$20,712</del>	<u>\$21,540</u>
10	Maximum	<del>35,967</del>	<u>37,406</u>

11  
 12 Deputy Clerks Annual Salary

13	Minimum	<del>\$16,560</del>	<u>\$17,222</u>
14	Maximum	<del>27,705</del>	<u>28,813.</u>

15  
 16 **MAGISTRATES/SALARY INCREASE**

17 Sec. 32. G.S. 7A-171.1(a)(1) reads as rewritten:

18 "(1) A full-time magistrate, so designated by the Administrative Officer of  
 19 the Courts, shall be paid the annual salary indicated in the table below  
 20 according to the number of years he has served as a magistrate. The  
 21 salary steps shall take effect on the anniversary of the date the  
 22 magistrate was originally appointed:

23  
 24 **TABLE OF SALARIES OF FULL-TIME MAGISTRATES**

	Number of Prior Years of Service	Annual Salary
	<del>1992-93</del> <u>1994-95</u>	
28	Less than 1	<del>\$17,399</del> <u>\$18,095</u>
29	1 or more but less than 3	<del>18,293</del> <u>19,025</u>
30	3 or more but less than 5	<del>20,092</del> <u>20,896</u>
31	5 or more but less than 7	<del>22,075</del> <u>22,958</u>
32	7 or more but less than 9	<del>24,290</del> <u>25,262</u>
33	9 or more but less than 11	<del>26,702</del> <u>27,770</u>
34	11 or more	<del>29,333.</del> <u>30,506.</u>

35  
 36 A 'Full-time magistrate' is a magistrate who is assigned to work an  
 37 average of not less than 40 hours a week during his term of office.

38 Notwithstanding any other provision of this subdivision, a full-time  
 39 magistrate, who was serving as a magistrate on December 31, 1978,  
 40 and who was receiving an annual salary in excess of that which would  
 41 ordinarily be allowed under the provisions of this subdivision, shall  
 42 not have the salary, which he was receiving reduced during any  
 43 subsequent term as a full-time magistrate. That magistrate's salary  
 44 shall be fixed at the salary level from the table above which is nearest

1                   and higher than the latest annual salary he was receiving on December  
2                   31, 1978, and, thereafter, shall advance in accordance with the  
3                   schedule in the table above."  
4

5                   **COMMUNITY COLLEGES PERSONNEL/SALARY INCREASES**

6                   Sec. 33. The Director of the Budget shall transfer from the Reserve for  
7                   Salary Increases created in Sections 3 and 4 of this act for fiscal year 1994-95 funds to  
8                   the Department of Community Colleges necessary to provide an average annual salary  
9                   increase of four percent (4%), including funds for the employer's retirement and Social  
10                  Security contributions, commencing July 1, 1994, for all permanent full-time  
11                  community college institutional personnel supported by State funds. In addition,  
12                  nonrecurring funds amounting to one percent (1%) of community colleges institutional  
13                  personnel supported by State funds, including funds for employer's retirement and  
14                  Social Security contributions shall also be transferred to the Department of Community  
15                  Colleges to provide a one-time bonus of one percent (1%) for all institutional personnel.  
16                  The State Board of Community Colleges shall establish guidelines for providing their  
17                  salary increases to community college institutional personnel.  
18

19                  **UNIVERSITY OF NORTH CAROLINA SYSTEM - EPA SALARY INCREASES**

20                  Sec. 34. The Director of the Budget shall transfer to the Board of Governors  
21                  of The University of North Carolina sufficient funds from the Reserve for Salary  
22                  Increases created in Sections 3 and 4 of this act for fiscal year 1994-95 to provide an  
23                  annual average salary increase of four percent (4%), including funds for the employer's  
24                  retirement and Social Security contributions, commencing July 1, 1994, for all  
25                  employees of The University of North Carolina, as well as employees of the North  
26                  Carolina School of Science and Mathematics, supported by State funds and whose  
27                  salaries are exempt from the State Personnel Act (EPA). In addition, nonrecurring  
28                  funds amounting to one percent (1%) of total general fund supported EPA University  
29                  salaries and EPA employees of the North Carolina School of Science and Mathematics  
30                  shall also be transferred to the Board of Governors, including funds for employer's  
31                  retirement and Social Security contributions. These funds shall be allocated to  
32                  individuals according to the rules adopted by the General Assembly, the Board of  
33                  Governors, or the Board of Trustees of the North Carolina School of Science and  
34                  Mathematics, as appropriate, and may not be used for any purpose other than for salary  
35                  increases and necessary employer contributions provided by this section.  
36

37                  **MOST STATE EMPLOYEES/SALARY INCREASES/1994-95**

38                  Sec. 35. (a) The salaries in effect June 30, 1994, of all permanent full-time  
39                  State employees whose salaries are set in accordance with the State Personnel Act and  
40                  who are paid from the General Fund or the Highway Fund shall be increased, on or after  
41                  July 1, 1994, unless otherwise provided by this act, within funds authorized by this act  
42                  consistent with the "Comprehensive Compensation Plan" enacted in Chapter 388  
43                  (Senate Bill 84) by the 1993 General Assembly.

1 (b) Except as otherwise provided in this act, salaries in effect June 30, 1994, for  
2 permanent full-time State officials and persons in exempt positions that are  
3 recommended by the Governor or the Governor and the Advisory Budget Commission  
4 and set by the General Assembly shall be increased by four percent (4%), commencing  
5 July 1, 1994.

6 (c) The salaries in effect June 30, 1994, for all permanent part-time State  
7 employees shall be increased on and after July 1, 1994, by pro rata amounts of the  
8 salary increases provided for permanent full-time employees covered under subsection  
9 (a) of this section.

10 (d) The Director of the Budget may allocate out of special operating funds or  
11 from other sources of the employing agency, except tax revenues, sufficient funds to  
12 allow a salary increase, on and after July 1, 1994, in accordance with subsections (a),  
13 (b), or (c) of this section, including funds for the employer's retirement and Social  
14 Security contributions, of the permanent full-time and part-time employees of the  
15 agency.

16 (e) Within regular Executive Budget Act procedures as limited by this act, all  
17 State agencies and departments may increase on an equitable basis the rate of pay of  
18 temporary and permanent hourly State employees, subject to availability of funds in the  
19 particular agency or department, by pro rata amounts of the four percent (4%) salary  
20 increase provided for permanent full-time employees covered by the provisions of  
21 subsection (a) of this section, commencing July 1, 1994.

22 (f) The provisions of this section do not apply to employees whose salaries  
23 are determined in accordance with G.S. 7A-102 or G.S. 20-187.3(a), except for those  
24 employees who would not receive a salary increment for the 1994-95 fiscal year under  
25 G.S. 7A-102 or G.S. 20-187.3(a) because they are at the top of their salary range.

## 26 27 **SALARY INCREASE FOR STATE-FUNDED LOCAL PROGRAMS**

28 Sec. 36. Of the funds appropriated from the General Fund for the Reserve for  
29 Salary Increases in Section 3 of this act for the 1994-95 fiscal year, funds shall be made  
30 available for employees in locally operated State-funded programs in an amount  
31 equivalent to a four percent (4%) across-the-board salary increase. These employees do  
32 not receive the compensation bonus provided in this act.

## 33 34 **PUBLIC SCHOOL EMPLOYEES' SALARY INCREASE**

35 Sec. 37. Funds appropriated in Sections 3 and 4 of this act in the amount of  
36 one hundred twenty-nine million fifty-six thousand five hundred five dollars  
37 (\$129,056,505) are provided for salary increases, including retirement and Social  
38 Security contributions, averaging four percent (4%) plus a nonrecurring one percent  
39 (1%) across-the-board bonus for all public school employees. For teachers, the increase  
40 would be a two percent (2%) increase in the salary schedule, the two percent (2%)  
41 experience increment included in the teacher salary schedule, and a one percent (1%)  
42 across-the-board bonus; school-based administrators (principals and assistant principals)  
43 will receive funds to implement the school-based administrator salary schedule started  
44 in 1993-94 (Section 132, Chapter 321, 1993 Session Laws) and a one percent (1%)

1 across-the-board bonus; all other public school employee categories, which include  
2 superintendents, central office administrators, finance officers, clerical workers, teacher  
3 assistants, custodians, bus drivers, bus mechanics, and maintenance supervisors will  
4 receive funds for a four percent (4%) across-the-board increase and a one percent (1%)  
5 across-the-board bonus.

#### 6 7 **ALL STATE-SUPPORTED PERSONNEL/SALARY INCREASES**

8 Sec. 38. (a) Salaries and related benefits for positions that are funded partially  
9 from the General Fund or Highway Fund and partially from sources other than the  
10 General Fund or Highway Fund shall be increased from the General Fund or Highway  
11 Fund appropriation only to the extent of the proportionate part of the salaries paid from  
12 the General Fund or Highway Fund.

13 (b) The granting of the salary increases under this act does not affect the status of  
14 eligibility for salary increments for which employees may be eligible unless otherwise  
15 required by this act.

16 (c) The salary increases provided in this Part are to be effective July 1, 1994, do  
17 not apply to persons separated from State service due to resignation, dismissal,  
18 reduction in force, death, or retirement, whose last workday is prior to July 1, 1994, or  
19 to employees involved in final written disciplinary procedures. The employee shall  
20 receive the increase on a current basis when the final written disciplinary procedure is  
21 resolved.

22 Payroll checks issued to employees after July 1, 1994, which represent  
23 payment of services provided prior to July 1, 1994, shall not be eligible for salary  
24 increases provided for in this act. This subsection shall apply to all employees, subject  
25 to or exempt from the State Personnel Act, paid from State funds, including public  
26 schools, community colleges, and The University of North Carolina.

27 (d) Notwithstanding the provisions of Section 19.1 of Chapter 1137 of the 1979  
28 Session Laws, as amended by Chapter 1053 of the 1981 Session Laws, G.S. 115C-  
29 12(9)a., 115C-12(16), 126-7, or any other provision of law other than G.S. 20-187.3(a)  
30 and G.S. 7A-102(c), no employee or officer of the public school system shall receive an  
31 automatic increment, and no State employee or officer shall receive a merit increment  
32 during the 1994-95 fiscal year, except as otherwise permitted by this act/or as permitted  
33 by the rules of the State Personnel Commission.

34 (e) The Director of the Budget shall transfer from the Reserve for Salary  
35 Increases in Sections 3 and 4 of this act for fiscal year 1994-95 all funds necessary for  
36 the salary increases provided by this act, including funds for the employer's retirement  
37 and Social Security contributions.

38 (f) Nothing in this act authorizes the transfer of funds between the General  
39 Fund and the Highway Fund for salary increases.

#### 40 41 **SALARY-RELATED CONTRIBUTIONS/EMPLOYERS**

42 Sec. 39. Required employer salary-related contributions for employees  
43 whose salaries are paid from department, office, institution, or agency receipts shall be  
44 paid from the same source as the source of the employees' salary. If an employee's

1 salary is paid in part from the General Fund or Highway Fund and in part from  
2 department, office, institution, or agency receipts, required employer salary-related  
3 contributions may be paid from the General Fund or Highway Fund only to the extent of  
4 the proportionate part paid from the General Fund or Highway Fund in support of the  
5 salary of the employee, and the remainder of the employer's requirements shall be paid  
6 from the source that supplies the remainder of the employee's salary. The requirements  
7 of this section as to source of payment are also applicable to payments on behalf of the  
8 employee for hospital-medical benefits, longevity pay, unemployment compensation,  
9 accumulated leave, workers' compensation, severance pay, separation allowances, and  
10 applicable disability income and disability salary continuation benefits.

## 11 **PART 11. COLLEGES AND UNIVERSITIES**

### 12 **UNIVERSITY OF NORTH CAROLINA COMPETITIVE FACULTY SALARY** 13 **LEVELS**

14 Sec. 40. Of the funds appropriated in Section 3 of this act to the Board of  
15 Governors of The University of North Carolina for University Institutional Programs,  
16 the sum of eight million thirty-seven thousand seven hundred seventy-one dollars  
17 (\$8,037,771) for the 1994-95 fiscal year shall be allocated by the Board of Governors  
18 for the enhancement of teaching faculty salaries as the Board of Governors considers  
19 appropriate. These funds represent approximately one and one-half (1.5%) of teaching  
20 salary funds for those whose salaries are exempt from the State Personnel Act (EPA),  
21 including funds for employer retirement and Social Security contributions, and are in  
22 addition to the seven million one hundred thousand dollars (\$7,100,000) appropriated in  
23 Chapter 321, Section 3 of the 1993 Regular Session (also see Section 101.1, Chapter  
24 321).  
25  
26

### 27 **AID TO PRIVATE COLLEGES/PROCEDURE**

28 Sec. 41. (a) Funds appropriated in Section 3 of this act to the Board of  
29 Governors of The University of North Carolina for aid to private colleges shall be  
30 disbursed in accordance with the provisions of G.S. 116-19, 116-21, 116-22. These  
31 funds shall provide up to five hundred fifty dollars (\$550.00) per full-time equivalent  
32 North Carolina undergraduate student enrolled at a private institution as of October 1 of  
33 each fiscal year.  
34

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

41 (b) In addition to any funds appropriated pursuant to G.S. 116-19, and in  
42 addition to all other financial assistance made available to private educational  
43 institutions located within the State, or to students attending these institutions, there is  
44 granted to each full-time North Carolina undergraduate student attending an approved

1 institution as defined in G.S. 116-22, a sum not to exceed one thousand two hundred  
2 fifty dollars (\$1,250) per academic year, which shall be distributed to the student as  
3 hereinafter provided.

4 The tuition grants provided for in this section shall be administered by the  
5 State Education Assistance Authority pursuant to rules adopted by the State Education  
6 Assistance Authority not inconsistent with this section. The State Education Assistance  
7 Authority shall not approve any grant until it receives proper certification from an  
8 approved institution that the student applying for the grant is an eligible student. Upon  
9 receipt of the certification, the State Education Assistance Authority shall remit, at such  
10 times as it shall prescribe, the grant to the approved institution on behalf and to the  
11 credit of the student.

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

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

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

29 Any remaining funds shall revert to the General Fund.

30 (c) Expenditures made pursuant to this section shall be used only for secular  
31 educational purposes at nonprofit institutions of higher learning.

## 32 33 **PART 12. COMMUNITY COLLEGES**

### 34 35 **COMMUNITY COLLEGE FACULTY SALARIES**

36 Sec. 42. State data from the Southern Region Education Board (SREB)  
37 reveals that for fiscal year 1993-94 the North Carolina Community College System  
38 ranked last among 15 southern states in salaries paid to full-time faculty. The State  
39 Board of Community Colleges currently allocates thirty-four thousand two hundred  
40 sixty-two dollars (\$34,262) as the unit value for community college curriculum faculty.  
41 While the average community college curriculum faculty salary for the system is thirty-  
42 four thousand three hundred forty-three dollars (\$34,343) for the 1993-94 fiscal year,  
43 there are 30 colleges that pay less than the state average. The State Board of  
44 Community Colleges shall direct that the funds included for competitive salaries for

1 community college curriculum faculty be used for that purpose only. The  
2 recommended funds, eight million four hundred two thousand eight hundred sixty  
3 dollars (\$8,402,860), which provide an average salary increase of approximately four  
4 percent (4%), shall not be used to hire additional faculty and/or reduce the  
5 student/faculty ratio. It is the intent of this recommendation that all curriculum faculty  
6 be paid on average at or above the statewide average. The State Board shall use the  
7 funds recommended in Section 3 for compensation increases to increase the unit value,  
8 thereby providing flexibility to the colleges to hire additional faculty, if needed.

#### 9 10 **NEW AND EXPANDING INDUSTRY PROGRAM FUNDS**

11 Sec. 43. Notwithstanding any law to the contrary, the Department of  
12 Community Colleges may transfer available and uncommitted funds into the New and  
13 Expanded Industry Program, if it determines that there is a need to meet additional  
14 training needs over and above those currently budgeted and if the Director of the Budget  
15 concurs.

#### 16 17 **PART 13. PUBLIC SCHOOLS**

#### 18 19 **NATIONAL BOARD FOR PROFESSIONAL TEACHING STANDARDS**

20 Sec. 44. The National Board for Professional Teaching Standards (NBPTS)  
21 was established in 1987 as an independent, nonprofit organization to establish high  
22 standards for teachers' knowledge and performance and for development and operation  
23 of a national voluntary system to assess and certify teachers who meet those standards.  
24 In order to apply for the NBPTS certification process, teachers must have three years or  
25 more of teaching experience, be currently teaching, have graduated from an accredited  
26 college or university, and hold a valid state teaching license. Upon successful  
27 completion of a year-long process of developing a portfolio of student work and  
28 videotapes of teaching/learning activities for NBPTS review and then participating in  
29 NBPTS assessment center simulation exercises, including performance-based activities  
30 and a content knowledge examination, teachers may become NBPTS-certified.

31 Funds in the amount of five hundred thousand dollars (\$500,000)  
32 appropriated in Section 3 of this act to the Department of Public Instruction shall be  
33 used for a one-time five thousand dollar (\$5,000) bonus for State-paid teachers who  
34 complete the certification process in 1993-94 and receive NBPTS certification in 1994-  
35 95. The appropriation also includes funds to provide payment of the NBPTS nine  
36 hundred seventy-five dollar (\$975.00) assessment fee and up to five days of approved  
37 paid leave for State-paid teachers who participate in the certification process in 1994-  
38 95.

39 The State of North Carolina will pay the nine hundred seventy-five dollar  
40 (\$975.00) NBPTS fee for teachers who have completed three years of teaching in North  
41 Carolina schools operated by local boards of education, the Department of Human  
42 Resources, the Department of Correction, or The North Carolina School of the Arts or  
43 The North Carolina School of Science and Mathematics prior to application for NBPTS  
44 certification. Even though teachers may be eligible to receive National Board

1 certification in more than one certification area, the State will pay the nine hundred  
2 seventy-five dollar (\$975.00) fee for any teacher only once, regardless of the number of  
3 times a teacher participates in the program. If a teacher does not complete the  
4 certification process, the teacher is required to repay the State the NBPTS fee as paid by  
5 the State. Repayment is not required if the program is not completed due to death or  
6 permanent disability of the teacher, or other circumstances as may be recognized by the  
7 State Board of Education. Repayment is not required for failure to receive certification  
8 if the process is completed. The State will pay the NBPTS fee directly to NBPTS. If  
9 the NBPTS fee is prorated, the State will pay the appropriate portion directly to NBPTS.

10       Upon obtaining NBPTS certification, a teacher will be eligible to receive the  
11 five thousand dollars (\$5,000) one time with the stipulation that the teacher must teach  
12 in North Carolina one year within three years after receipt of the five thousand dollars  
13 (\$5,000). If a teacher does not teach in North Carolina schools for one year within three  
14 years after receipt of the five thousand dollars (\$5,000), the teacher is required to repay  
15 the State the five thousand dollars (\$5,000). Repayment is not required if the teaching  
16 requirement is not completed due to death or permanent disability of the teacher, or  
17 other circumstances as may be recognized by the State Board of Education.

18       Appropriate regulations for the management of this program will be adopted  
19 by the State Board of Education.

## 21 **WILLIE M.**

22       Sec. 45. Funds in the amount of five hundred thirty-one thousand thirty-  
23 seven dollars (\$531,037) appropriated in Section 3 of this act to the Department of  
24 Public Instruction shall be used to fund up to an additional 119 Willie M. students at the  
25 1993-94 rate of four thousand four hundred sixty-two dollars and fifty cents (\$4,462.50)  
26 per student. The budgeted number of Willie M. students is increased from 840 to 959.  
27 These funds are not to be used to increase per student funding.

## 29 **EDUCATIONAL TECHNOLOGY EQUIPMENT**

30       Sec. 46. Nonrecurring funds in the amount of twenty million dollars  
31 (\$20,000,000) appropriated in Section 4 of this act to the Department of Public  
32 Instruction shall be placed in a reserve to be used towards implementing the  
33 recommendations of the School Technology Commission, as adopted by the General  
34 Assembly.

## 36 **PART 14. DEPARTMENT OF TRANSPORTATION**

### 38 **HIGHWAY FUND AVAILABILITY**

39       Sec. 47. The Highway Fund appropriations availability used in developing  
40 the 1994-95 Highway Fund budget is shown below:   (\$Million)

41 <u>1994-95</u>	
42 Beginning Credit Balance	\$ 35.0
43	
44 Estimated Revenues:	\$ 979.3

1	Transfer from Equipment Fund	-
2	Transfer to Highway Trust Fund	(9.6)
3		
4	Total Highway Fund Availability	\$ 1,004.7

5  
6 **CASH FLOW HIGHWAY FUND AND HIGHWAY TRUST FUND**  
7 **APPROPRIATIONS**

8 Sec. 48. (a) The General Assembly authorizes and certifies anticipated  
9 revenues of the Highway Fund as follows:

10	For Fiscal Year 1995-96	\$1,011,900,000
11	For Fiscal Year 1996-97	\$1,043,300,000

12 (b) The General Assembly authorizes and certifies anticipated revenues of the  
13 Highway Trust Fund as follows:

14	For Fiscal Year 1995-96	\$644,900,000
15	For Fiscal Year 1996-97	\$662,300,000

16 **PART 15. DEPARTMENT OF HUMAN RESOURCES**

17  
18 **ADOPTION SUBSIDY**

19 Sec. 49. The adoption subsidy paid monthly by the Division of Social  
20 Services, Department of Human Resources, to eligible families who adopt hard-to-place  
21 children shall be established based on a graduated rate as follows: three hundred fifteen  
22 dollars (\$315.00) per child per month for children ages 0-5, three hundred sixty-five  
23 dollars (\$365.00) per child per month for children ages 6-12, and four hundred fifteen  
24 dollars (\$415.00) per child per month for children ages 13-18.  
25

26 **FOSTER CARE**

27 Sec. 50. Funds appropriated in Section 3 of this act to the Department of  
28 Human Resources in the amount of four million eight hundred three thousand seven  
29 hundred ninety-five dollars (\$4,803,795) shall be used to pay foster care assistance on a  
30 graduated rate based on age. This includes three hundred fifteen dollars (\$315.00)  
31 board payment per month for children ages 0-5, three hundred sixty-five dollars  
32 (\$365.00) board payment per month for children ages 6-12 and four hundred fifteen  
33 dollars (\$415.00) board payment per month for children ages 13-18. Of these amounts  
34 fifteen dollars (\$15.00) per month is allotted for a personal needs allowance.  
35

36 **DOMICILIARY CARE REIMBURSEMENT RATE INCREASE**

37 Sec. 51. Effective October 1, 1994, the maximum monthly rate for residents  
38 in domiciliary care facilities shall be nine hundred eighty-five dollars (\$985.00) for  
39 ambulatory residents and one thousand twenty-eight dollars (\$1,028) for  
40 semiambulatory residents.  
41

42 **PART 16. DEPARTMENT OF AGRICULTURE**

43  
44 **MARKETING SPECIALIST GLOBAL TRANSPARK AUTHORITY**

1           Sec. 52. Funds appropriated in Section 3 of this act in the amount of one  
2 hundred sixty-six thousand two hundred fourteen dollars (\$166,214) to the Department  
3 of Agriculture to provide a marketing specialist at the North Carolina Global TransPark  
4 Authority in Kinston shall be used to assist farmers in marketing their products to  
5 domestic and international markets. This position will also help tobacco farmers find  
6 alternative markets for their tobacco.

7  
8 **COMMISSIONER OF AGRICULTURE MEMBER OF GLOBAL TRANSPARK**  
9 **DEVELOPMENT COMMISSION**

10           Sec. 53. G.S. 63A-3(b) reads as rewritten:

11           "(b) Board of Directors.     The Authority shall be governed by a Board of  
12 Directors. The Board shall consist of at least the following ~~19~~20 members:

- 13           (1) Seven members appointed by the Governor.
- 14           (2) Three members appointed by the General Assembly upon the  
15 recommendation of the Speaker of the House of Representatives in  
16 accordance with G.S. 120-121.
- 17           (3) Three members appointed by the General Assembly upon the  
18 recommendation of the President Pro Tempore of the Senate in  
19 accordance with G.S. 120-121.
- 20           (4) The State Treasurer, who shall serve as an ex officio nonvoting  
21 member.
- 22           (5) The President of the North Carolina System of Community Colleges,  
23 provided that the President of the North Carolina Community Colleges  
24 may instead appoint to the Board of Directors one member of the  
25 board of trustees of a community college or one president of a  
26 community college. If such an appointment is made, the appointee  
27 shall serve at the pleasure of the President.
- 28           (6) The President of The University of North Carolina, provided that the  
29 President of The University of North Carolina may instead appoint to  
30 the Board of Directors one member of the board of trustees of a  
31 constituent institution of The University of North Carolina, or one  
32 chancellor of a constituent institution of The University of North  
33 Carolina. If such an appointment is made, the appointee shall serve at  
34 the pleasure of the President.
- 35           (7) The Chairman of the State Ports Authority.
- 36           (8) One member appointed by the board of county commissioners of any  
37 county in which the cargo airport complex site is located.
- 38           (9) One member appointed by the city council of the city which is a  
39 county seat of any county in which the cargo airport complex site is  
40 located.
- 41           (10) The Commissioner of Agriculture, or a person designated by the  
42 Commissioner.

43           Within 90 days after the authority acquires land, either by purchase or  
44 condemnation, for development as part of a cargo airport complex site, the board of

1 county commissioners in any county in which a portion of the land is located and the  
2 city council of the city which is the county seat of the county shall, by resolution, each  
3 appoint a person to serve as a member of the Board. If the board of commissioners or  
4 the city council appoints one of its own members to the Board, the county commissioner  
5 or the member of the city council who is appointed is considered to be serving on the  
6 Board as an ex officio voting member as part of the duties of the office of county  
7 commissioner or the office of city council member, in accordance with G.S. 128-1.2,  
8 and is not considered to be serving in a separate office. Notwithstanding G.S. 116-  
9 31(h), a member of the board of trustees of a constituent institution of The University of  
10 North Carolina appointed to the Board of Directors under subdivision (6) of this  
11 subsection may concurrently serve on the board of trustees and the Board of Directors.  
12 Notwithstanding any other provision of law, the Governor may serve on the Board of  
13 Directors by his own appointment on or after July 16, 1991, under subdivision (1) of  
14 this subsection.

15 As the holder of an office, each member of the Board shall take the oath required by  
16 Article VI, § 7 of the North Carolina Constitution before assuming the duties of a Board  
17 member."  
18

#### 19 **NORTH CAROLINA AQUARIUMS - USE OF RESERVE FOR REPAIRS AND** 20 **RENOVATIONS**

21 Sec. 53.1. Notwithstanding G.S. 143B-390.16, the North Carolina  
22 Aquariums are eligible to participate in allocations from the Reserve for Repairs and  
23 Renovations.  
24

#### 25 **AGRICULTURE FINANCE AUTHORITY**

26 Sec. 54. Of the funds appropriated in Section 4 of this act to the Department  
27 of Agriculture for the Agriculture Finance Authority, two hundred fifty thousand dollars  
28 (\$250,000) shall be used as a loan guarantee fund to obtain one million dollars  
29 (\$1,000,000) of federal energy conservation funds to be secured by the Department of  
30 Commerce and utilized by the Agriculture Finance Authority for low-cost energy  
31 conservation loans for farmers. The State appropriations shall be placed in a trust fund.  
32 Interest from the trust fund may be used for administrative cost of the program by the  
33 Agriculture Finance Authority.  
34

#### 35 **PART 17. DEPARTMENT OF ENVIRONMENT, HEALTH, AND NATURAL** 36 **RESOURCES**

#### 37 **FUNDS FOR VOLUNTARY REMEDIAL ACTIONS**

38 Sec. 55. During the 1994-95 fiscal year, the Secretary of the Department of  
39 Environment, Health, and Natural Resources may contribute from the Inactive  
40 Hazardous Sites Cleanup Fund up to ten percent (10%) of the cost, not to exceed fifty  
41 thousand dollars (\$50,000) per site, of implementing a voluntary remedial action  
42 program at up to three high priority sites that substantially endanger public health or the  
43 environment.  
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**PARTNERSHIP FOR THE SOUNDS**

Sec. 56. Of the funds appropriated in Section 4 of this act to the Department of Environment, Health, and Natural Resources for the 1994-95 fiscal year for the Partnership for the Sounds, the sum of two million seven hundred thousand dollars (\$2,700,000) shall be used for construction and matching State funds for design of Visitors Centers. Of the funds appropriated in Section 3 of this act to the Department of Environment, Health, and Natural Resources, the sum of three hundred sixty-seven thousand two hundred fifty dollars (\$367,250) shall be used to provide staffing, operating expenses, equipment, and contracts to support the facilities.

**PART 18. DEPARTMENT OF COMMERCE**

**INDUSTRIAL DEVELOPMENT FUND/LOCAL MATCH**

Sec. 57. Local governments requesting financial assistance from the Industrial Development Fund shall demonstrate to the satisfaction of the Department of Commerce that it would be an economic hardship for the local government to match State assistance from the Fund with local funds.

**INDUSTRIAL RECRUITMENT COMPETITIVE FUND**

Sec. 58. Of the funds appropriated in Section 4 of this act to the Department of Commerce, the sum of ten million dollars (\$10,000,000) for the 1994-95 fiscal year shall be used to continue within the Department of Commerce the Industrial Recruitment Competitive Fund. The purpose of the Fund is to provide financial assistance to those businesses or industries deemed by the Governor to be vital to a healthy and growing State economy and that are making significant efforts to establish or expand in North Carolina. Monies allocated from the Fund may be used for the following purposes:

- (1) Installation or purchase of equipment;
- (2) Structural repairs, improvements, or renovations of existing buildings to be used for expansion; and
- (3) Construction of or improvements to new or existing water, sewer, gas, or electric utility distribution lines or equipment for existing buildings, or to serve new or proposed industrial buildings used for manufacturing and industrial operations.

The Governor shall adopt guidelines and procedures for the commitment of monies from the Fund.

**REGIONAL COMMISSIONS**

Sec. 59. Funds in the amount of two million four hundred thousand dollars (\$2,400,000) appropriated to the Department of Commerce shall be used to further promote within the State the concept of regional economic development and regional commissions. This recommendation is to fund the counties not included in the three existing Regional Economic Development Commissions established pursuant to G.S.

1 158-8.1, 158-8.2, and 158-8.3. In addition, funds in the amount of one hundred  
2 thousand dollars (\$100,000) appropriated in Section 3 of this act to the Department of  
3 Commerce shall be used to establish a full-time coordinator to provide guidance,  
4 counsel, and liaison among the various economic development regions and entities of  
5 the State.

#### 6 7 **JOB READY/SCHOOL-TO-WORK DEMONSTRATION GRANTS**

8       Sec. 60. JobReady is North Carolina's new school-to-work initiative to  
9 ensure that young North Carolinians have the education, training, and workplace skills  
10 to obtain a good job. Paralleling recent federal legislation (the School-To-Work  
11 Opportunities Act), JobReady will focus on the seventy-five percent (75%) of high  
12 school graduates who do not get four-year college degrees, with special emphasis on the  
13 fifty percent (50%) who get no education or training after high school. Emphasizing the  
14 need for education and training beyond high school, JobReady will increase the  
15 numbers of young people obtaining the 13 or 14 years of education and training which  
16 three-fourths of jobs in the 21st century will require.

17       JobReady's basic components are: rigorous school-based learning, work-  
18 based learning and activities to connect the two. Serving as the rigorous school-based  
19 learning component, Tech Prep is an important part of JobReady. The new element is  
20 the emphasis on work-based learning (i.e. apprenticeships, internships, strengthened  
21 cooperative education programs) which must be linked closely to school-based learning  
22 at the secondary and postsecondary levels. Strong leadership and participation by  
23 employers is necessary to JobReady's success. The willingness of employers to provide  
24 work-based learning opportunities is the critical factor in ensuring that we can build a  
25 school-to-work system that is competitive with other industrialized countries.

26       North Carolina is in the first phase of JobReady, which is an intensive process  
27 of planning, information gathering, and dissemination, and assessing current activities  
28 which may be building blocks for the JobReady system funded by the U.S. Department  
29 of Labor. It is anticipated that the implementation phase of JobReady will be supported  
30 by federal funds in the 1995-96 fiscal year.

31       Nonrecurring funds in the amount of one million dollars (\$1,000,000)  
32 appropriated in Section 4 of this act to the Department of Commerce shall be used to  
33 provide grants up to two hundred thousand dollars (\$200,000) each to early  
34 demonstration sites in fiscal year 1994-95. These demonstration sites will be selected  
35 according to criteria consistent with that required by the federal school-to-work  
36 initiative. The selected sites will serve as role models to other North Carolina  
37 communities as they develop their local JobReady programs. Lessons learned from the  
38 demonstration sites will be incorporated into JobReady's implementation plan.

#### 39 40 **BIOTECHNOLOGY FUNDS FOR MINORITY UNIVERSITIES**

41       Sec. 61. Of the funds appropriated in Section 4 of this act from the General  
42 Fund to the North Carolina Biotechnology Center for the 1994-95 fiscal year, the sum  
43 of two million dollars (\$2,000,000) shall be used to continue the special biotechnology  
44 program initiative for North Carolina's Public Historically Black Universities and

1 Pembroke State University. This program initiative is a means to get more funds to  
2 these institutions of higher education in the short run to help them develop their  
3 biotechnology programs and a means to develop a mechanism to improve these  
4 institutions' capacity over the long term. The Center's special initiative shall, at a  
5 minimum, provide for:

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

15 The Center shall report to the General Assembly by March 15, 1995, on the  
16 use of these funds.

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

## 19 20 MCNC

21 Sec. 62. (a) Of the funds appropriated in Sections 3 and 4 of this act to MCNC,  
22 the sum of five million nine hundred thousand dollars (\$5,900,000) for the 1994-95  
23 fiscal year shall be allocated as follows:

- 24 (1) \$4,000,000, in Section 4 of this act, for the Supercomputer Program to  
25 upgrade supercomputing capability.
- 26 (2) \$1,900,000, in Section 3 of this act, for migration of NC-REN sites to  
27 the technology of the North Carolina Information Highway and to  
28 cover operating costs at the sites equipped and added in the 1993-94  
29 fiscal year.

30 (b) MCNC shall provide the Joint Legislative Commission on Governmental  
31 Operations with quarterly reports on the use and benefits of the funds appropriated  
32 under this section. The reports required under this subsection shall be included in the  
33 MCNC quarterly reports to the Joint Legislative Commission on Governmental  
34 Operations required under Section 295 of Chapter 321 of the 1993 Session Laws.

## 35 36 RURAL ECONOMIC DEVELOPMENT FUNDS

37 Sec. 63. (a) Definition. – For purposes of this section, the term "community  
38 development corporation" means a nonprofit corporation:

- 39 (1) Chartered pursuant to Chapter 55A of the General Statutes;
- 40 (2) Tax-exempt pursuant to section 501(c)(3) of the Internal Revenue  
41 Code of 1986;
- 42 (3) Whose primary mission is to develop and improve low-income  
43 communities and neighborhoods through economic and related  
44 development;

1 (4) Whose activities and decisions are initiated, managed, and controlled  
2 by the constituents of those local communities; and

3 (5) Whose primary function is to act as deal maker and packager of  
4 projects and activities that will increase their constituencies'  
5 opportunities to become owners, managers, and producers of small  
6 businesses, affordable housing and jobs designed to produce positive  
7 cash flow and curb blight in the target community.

8 (b) Community Development Grants. – Of the funds appropriated in Section 3 of  
9 this act from the General Fund to the Rural Economic Development Center, Inc., the  
10 sum of one million three hundred thousand dollars (\$1,300,000) for the 1994-95 fiscal  
11 year shall be used to support community development projects and activities within the  
12 State's minority communities. Any community development corporation as defined in  
13 this section is eligible to apply for funds. The Rural Economic Development Center,  
14 Inc., shall establish performance-based criteria for determining which community  
15 development corporations will receive a grant and the grant amount. Funding will also  
16 be allocated to the North Carolina Association of Community Development  
17 Corporations.

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

20 (1) \$950,000 for direct grants to the local community development  
21 corporations that have previously received State funds for this purpose  
22 to support operations and project activities.

23 (2) \$100,000 for direct grants to local community development  
24 organizations that have not previously received State funds.

25 (3) \$200,000 to the North Carolina Association of Community  
26 Development Corporations to provide training, technical assistance,  
27 resource development, project assistance, and support for local  
28 community development corporations statewide.

29 (4) \$50,000 to the Rural Economic Development Center, Inc., for the  
30 1994-95 fiscal year to be used to cover expenses in administering this  
31 act.

32 The Rural Economic Development Center, Inc., shall report quarterly to the  
33 Joint Legislative Commission on Governmental Operations on the use of these funds.

34 (c) The North Carolina Community Development Initiative, Inc. – Of the funds  
35 appropriated in Section 3 of this act from the General Fund to the Rural Economic  
36 Development Center, Inc., the sum of two million dollars (\$2,000,000) for the 1994-95  
37 fiscal year shall be used to support the loan fund and operations of the North Carolina  
38 Community Development Initiative, Inc. The Initiative shall provide operating and  
39 project activity grants to mature community development corporations that have  
40 demonstrated project and organizational capacity.

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

1 (d) Microenterprise Loan Program. – Of the funds appropriated in Section 3 of  
2 this act to the Rural Economic Development Center, Inc., the sum of six hundred fifty  
3 thousand dollars (\$650,000) for the 1994-95 fiscal year shall be used to support the loan  
4 fund and operations of the Microenterprise Loan Program. The Rural Economic  
5 Development Center, Inc., shall report quarterly to the Joint Legislative Commission on  
6 Governmental Operations on the use of these funds.

7 (e) The North Carolina Minority Credit Union Support Center, Inc. – Of the  
8 funds appropriated in Section 3 of this act from the General Fund to the Rural Economic  
9 Development Center, Inc., the sum of three hundred thousand dollars (\$300,000) for the  
10 1994-95 fiscal year shall be allocated to the North Carolina Minority Credit Union  
11 Support Center, Inc., to provide technical assistance to community-based credit unions.  
12 The Rural Economic Development Center, Inc., shall report quarterly to the Joint  
13 Legislative Commission on Governmental Operations on the use of these funds.

14 (f) The Office of State Budget and Management, the Department of  
15 Commerce, and the Rural Economic Development Center, Inc., shall ensure that funds  
16 allocated to the following organizations are disbursed consistent with provisions of the  
17 Executive Budget Act:

- 18 (1) The North Carolina Community Development Initiative, Inc.
- 19 (2) The North Carolina Minority Credit Union Support Center, Inc.
- 20 (3) The Microenterprise Loan Program.

21 (g) Capacity Building Grants Program. – Of the funds appropriated in  
22 Section 4 of this act from the General Fund to the Rural Economic Development Center,  
23 Inc., the sum of one million dollars (\$1,000,000) for the 1994-95 fiscal year shall be  
24 used to provide grants to depressed counties and municipalities to enable them to  
25 acquire short-term capacity for immediate needs for economic development planning  
26 and writing of grant applications. The Rural Economic Development Center Inc., shall  
27 establish standards for determining each local government's needs and shall make grants  
28 on the basis of need.

29 Definitions. – For the purposes of this subsection the following definitions  
30 will apply:

- 31 (1) Economically depressed area. – Any of the following:
  - 32 a. A county that the Secretary of Commerce has designated one of  
33 the most economically depressed counties in the State pursuant  
34 to G.S. 143B-437A;
  - 35 b. That part of a rural county whose poverty rate is at least one  
36 hundred fifty percent (150%) of the State poverty rate. For the  
37 purpose of this subsection, the poverty rate is the percentage of  
38 the population with income below the latest annual federal  
39 poverty guidelines issued by the United States Department of  
40 Health and Human Services;
  - 41 c. That part of a rural county whose rate of unemployment is at  
42 least double the State rate of unemployment;

1 d. That part of a rural county that experiences an actual or  
2 imminent loss of jobs in a number that is equal to or exceeds  
3 five percent (5%) of the total number of jobs in the part.

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

6 The Rural Economic Development Center, Inc., shall report  
7 quarterly to the Joint Legislative Commission on Governmental  
8 Operations and the Department of Commerce on the use of the funds  
9 allocated in this subsection and on the outcomes achieved by the  
10 program.

11 (h) The North Carolina Capital Access Program. – Of the funds appropriated  
12 in Section 4 of this act from the General Fund to the Rural Economic Development  
13 Center, Inc., the sum of one million dollars (\$1,000,000) for the 1994-95 fiscal year  
14 shall be used to establish the North Carolina Capital Access Program. The Program  
15 shall leverage this public investment along with private sector resources to stimulate  
16 additional financing opportunities for a broad portfolio of small business concerns in  
17 North Carolina. The Program shall encourage commercial banks and other depository  
18 institutions to provide access to debt capital, thereby promoting a more effective and  
19 efficient debt market to provide economic opportunity, create jobs, enhance  
20 productivity, and spur innovation.

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

22 a. Financial institution. – Any federally chartered or State-  
23 chartered commercial bank, savings and loan, savings bank, or  
24 credit union;

25 b. Participating financial institution. – Any financial institution  
26 that has entered into a participation agreement with the Center  
27 in accordance with the provisions set forth in this subsection;

28 c. Enrolled loan. – Loan made by a participating financial  
29 institution in accordance with this subsection.

30 (2) The Center may enter into participation agreements with any financial  
31 institution determined to have sufficient lending experience and  
32 financial managerial capacity to participate in the Program.

33 (3) Participating financial institutions. – Upon entering into the  
34 participation agreement with the Center, the financial institution shall  
35 become a participating financial institution eligible to enroll loans  
36 under the Program.

37 (4) The Rural Economic Development Center, Inc., shall administer the  
38 Program as established in this subsection and monitor the Program to  
39 ensure compliance with applicable State and federal laws, rules, and  
40 relevant court decisions.

41 (5) The Program will have as a goal to leverage public funds with private  
42 sector resources on the basis of 20 private dollars to every 1 public  
43 dollar.

1           (6) Of the funds appropriated for the Capital Access Program, the sum of  
2           fifty thousand dollars (\$50,000) for the 1994-95 fiscal year shall be  
3           used to cover expenses in administering this Program.

4           The Rural Economic Development Center, Inc., shall report quarterly to the  
5   Joint Legislative Commission on Governmental Operations on the implementation and  
6   operation of the Program.

7  
8   **STATE GAMES**

9           Sec. 64. Of the funds appropriated in Section 4 of this act to the Department  
10   of Environment, Health, and Natural Resources, the sum of one hundred sixty thousand  
11   dollars (\$160,000) shall be used for the State Games of North Carolina.

12  
13   **YADKIN/PEE DEE LAKES PROJECT**

14           Sec. 65. Of the funds appropriated in Section 4 of this act to the Department  
15   of Commerce, the sum of two hundred fifty thousand dollars (\$250,000) shall be used  
16   for a one-time grant to support the Yadkin/Pee Dee Lakes Project.

17  
18   **RESEARCH TRIANGLE WORLD TRADE CENTER**

19           Sec. 66. Of the funds appropriated in Section 4 of this act to the Department  
20   of Commerce, the sum of two hundred ninety-four thousand dollars (\$294,000) shall be  
21   used to support the Research Triangle Park World Trade Center. These funds will  
22   support the activities of its teleconferencing and computer information center, an  
23   audiovisual classroom and library.

24  
25   **NORTH CAROLINA COALITION OF FARM AND RURAL FAMILIES, INC.**

26           Sec. 67. Of the funds appropriated in Section 3 of this act to the Department  
27   of Commerce, the sum of two hundred fifty thousand dollars (\$250,000) shall be used  
28   for the Small Farm Economic Development Project operated by the North Carolina  
29   Coalition of Farm and Rural Families, Inc.

30  
31   **LAND LOSS PREVENTION PROJECT, INC.**

32           Sec. 68. Of the funds appropriated in Section 3 of this act to the Department  
33   of Commerce, the sum of three hundred thousand dollars (\$300,000) shall be used to  
34   provide for legal representation to low-income, financially distressed small farmers  
35   through the Land Loss Prevention Project, Inc.

36  
37   **NORTH CAROLINA INSTITUTE FOR MINORITY ECONOMIC**  
38   **DEVELOPMENT, INC.**

39           Sec. 69. Of the funds appropriated to the Department of Commerce in this  
40   act, the sum of five hundred fifty thousand dollars (\$550,000) shall be used for the  
41   purpose of fostering minority economic development within the State through policy  
42   analysis, information and technical assistance, and resource expansion through the  
43   North Carolina Institute for Minority Economic Development, Inc.

44

**PART 19. ECONOMIC DEVELOPMENT PLAN****ECONOMIC DEVELOPMENT BOARD/ECONOMIC DEVELOPMENT STRATEGIC PLAN**

Sec. 70. (a) Funds in the amount of one million seven hundred ten thousand dollars (\$1,710,000) appropriated in Sections 3 and 4 of this act to the Department of Commerce shall be used to implement the Economic Development Strategic Plan as recommended by the Economic Development Board. The following items will be funded:

- (1) \$900,000 for implementation of the Department of Commerce Economic Development Information System (EDIS) to make better information available to economic developers across the State.
- (2) \$100,000 nonrecurring for development of the Economic Development Resource Center to make resources available from across the State via telecommunications.
- (3) \$500,000 for increased tourism promotion funding for the Division of Travel and Tourism by continuing a five hundred thousand dollar (\$500,000) nonrecurring appropriation provided for this purpose in 1993-94.
- (4) \$60,000 to provide funding for the Economic Development Institute to increase the technical skills and capacity of people associated with economic development activities and projects on the local level. The Institute will take maximum advantage of the existing resources available through the university system, particularly the Basic Industrial Development Course at the University of North Carolina at Chapel Hill.
- (5) \$100,000 to conduct an audit in conjunction with the Department of Revenue to assess business taxes, including direct and indirect taxes, and the effect of tax credits.
- (6) Assess the technical assistance and training needs of minority and other disadvantaged businesses.

(b) Funds in the amount of five million two hundred thousand dollars (\$5,200,000) appropriated in Section 4 of this act to the Department of Environment, Health, and Natural Resources shall be used to implement the Economic Development Strategic Plan as recommended by the Economic Development Board. The following items will be funded:

- (1) \$5,000,000 to fund additional grants to high unit cost areas to reduce the cost of providing new and expanded wastewater treatment capacity in low-wealth areas.
- (2) \$50,000 nonrecurring to accelerate the ongoing review of environmental permitting procedures to streamline administration and reduce delays.

- 1 (3) \$100,000 nonrecurring to establish a protocol of assessing the  
2 economic costs and environmental benefits of new and existing  
3 regulations.  
4 (4) \$50,000 to develop and design jointly with the Department of  
5 Commerce ways to identify clean industries.  
6

## 7 **PART 20. MISCELLANEOUS PROVISIONS**

### 8 9 **EXECUTIVE BUDGET ACT APPLIES**

10 Sec. 71. The provisions of the Executive Budget Act, Chapter 143, Article 1  
11 of the General Statutes are reenacted and shall remain in full force and effect and are  
12 incorporated in this act by reference.  
13

### 14 **MOST TEXT APPLIES ONLY TO 1994-95**

15 Sec. 72. Except for statutory changes or other provisions that clearly indicate  
16 an intention to have effects beyond the 1994-95 fiscal year, the textual provisions of this  
17 act apply only to funds appropriated for, and activities occurring during, the 1994-95  
18 fiscal year.  
19

### 20 **1993-94 APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY**

21 Sec. 73. (a) Except where expressly repealed or amended by this act, the  
22 provisions of Chapters 321 and 561 of the 1993 Session Laws and Chapter 24 of the  
23 1994 Extra Session Laws remain in effect.

24 (b) Notwithstanding any modifications by this act in the amounts appropriated,  
25 except where expressly repealed or amended, the limitations and directions for the  
26 1994-95 fiscal year in Chapters 321 and 561 of the 1993 Session Laws and Chapter 24  
27 of the 1994 Extra Session Laws that applied to appropriations to particular agencies or  
28 for particular purposes apply to the newly enacted appropriations and budget reductions  
29 of this act for those same particular purposes.  
30

### 31 **EFFECT OF HEADINGS**

32 Sec. 74. The headings to the Parts and sections of this act are a convenience  
33 to the reader and are for reference only. The headings do not expand, limit, or define  
34 the text of this act.  
35

### 36 **SEVERABILITY CLAUSE**

37 Sec. 75. If any section or provision of this act is declared unconstitutional or  
38 invalid by the courts, it does not affect the validity of this act as a whole or any part  
39 other than the part so declared to be unconstitutional or invalid.  
40

### 41 **EFFECTIVE DATE**

42 Sec. 76. Except as otherwise provided, this act becomes effective July 1,  
43 1994.