

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1993**

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**SENATE BILL 191**

Short Title: GPAC/Commerce Recs.

(Public)

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Sponsors: Senators Perdue; and Martin of Guilford.

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Referred to: Government Performance Audit.

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February 17, 1993

A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT A RECOMMENDATION OF THE GOVERNMENT PERFORMANCE AUDIT COMMITTEE TO MERGE SIXTEEN REGIONAL OFFICES WITHIN THE DEPARTMENT OF COMMERCE INTO A SMALLER NUMBER OF LARGER REGIONAL OFFICES, AND TO IMPLEMENT ADDITIONAL RECOMMENDATIONS RELATED TO THE MISSION AND ACTIVITIES OF THE REGIONAL OFFICES.

The General Assembly of North Carolina enacts:

Section 1. The General Assembly makes the following findings:

- (1) The Department of Commerce's Business and Industry Development Division (B&I) operates nine regional offices with a staff of 27 individuals and annual expenditures of about one million three hundred fifty thousand dollars (\$1,350,000); the Department's Division of Community Assistance (DCA) operates seven regional offices with a staff of 29 individuals and annual expenditures of about one million six hundred thousand dollars (\$1,600,000).
- (2) The assignment of counties to regions is not consistent within B&I and DCA of the Department of Commerce, and the two divisions do not effectively coordinate their work.
- (3) The current mission of the B&I offices is broad in scope and results in wide variations in workloads, priorities, and strategies across regional offices.
- (4) B&I regional office staff are pursuing projects that would be more effectively handled by central office staff.

- 1           (5)    Development of resources and community needs, and the emphasis on  
2           and quality of strategic planning, vary widely among regions and  
3           counties.
- 4           (6)    Some regional and community personnel perceive central office staff  
5           as keeping new industry prospects to themselves and favoring certain  
6           areas for location.
- 7           (7)    Dynamic multicounty alliances are neither congruent with regional  
8           office boundaries nor consistently addressed by B&I's strategy.
- 9           (8)    The flow of information within B&I lacks strategic focus and does not  
10          effectively utilize computerized data processing techniques.
- 11          (9)    A significant aspect of the regional office operations is obtaining  
12          information and services for existing and prospective industrial clients.  
13          Currently each office maintains its own file of contact information and  
14          deals with each request for information and service from other  
15          agencies as an individual case. Many of these requests are repetitive  
16          and could be handled by data system links or telephone access  
17          messages. Others require personal contact that could be facilitated by  
18          designation and publication of the individuals to be contacted.
- 19          (10)   A single-source approach to answering questions about permits  
20          required for construction and expansion, training resources, potential  
21          financing, statutes, workplace regulations, and other subjects would  
22          greatly facilitate the ombudsman function. Also, structured  
23          interdepartmental techniques for following up and expediting requests  
24          for action could both save staff time and improve services to the  
25          citizenry.

26           Sec. 2. The Department of Commerce shall consolidate the nine regional  
27          offices of the Business and Industry Division and the seven regional offices of the  
28          Division of Community Assistance into a smaller number of larger regional offices. The  
29          Department shall determine the appropriate number of offices and shall define a single  
30          set of regional boundaries to carry out the responsibilities. The mission of the newly  
31          consolidated regional offices shall be long range community-oriented economic  
32          development, and the top priority of the offices shall be services to rural areas.  
33          Activities of the Department and the regional offices shall include:

- 34           (1)    Implementation of strategies for providing leadership to multicounty  
35           economic alliances; such strategies might include exchange of  
36           information, joint planning within transportation corridors and  
37           aquifers, marketing initiatives, and coordination of services to existing  
38           industries.
- 39           (2)    Development of an integrated, fully automated data system to support  
40           regional office functions, and design and implementation of  
41           interdepartmental techniques to follow up on and expedite requests for  
42           information and services.
- 43           (3)    Consideration of the need for environmental engineering and other  
44           technical services; services might include utilizing the staff of

1 regulatory agencies to provide technical assistance, budgeting funds  
2 for consultation fees, and technical training of regional staff.

3 Sec. 3. The base budget of the Department of Commerce, regional offices for  
4 business and industry and for community assistance, is reduced by not less than four  
5 hundred fifty-six thousand dollars (\$456,000) for the 1993-94 fiscal year and reduced  
6 by not less than four hundred fifty-six thousand dollars (\$456,000) for the 1994-95  
7 fiscal year. These reductions include the elimination of between three and six support  
8 positions, between six and seven relocation positions, between two and three retention  
9 and expansion positions, and reductions of other regional office expenses.

10 Sec. 4. The Department of Commerce in conjunction with its newly  
11 consolidated regional offices of the Business and Industry Division and Division of  
12 Community Assistance shall develop and implement a single source approach to  
13 provide the basic information most often requested by businesses, industries, and other  
14 entities or economic development projects that may consider locating or relocating in  
15 the different areas of the State. In developing this single source approach, the  
16 Department and its regional offices shall consider what information is appropriately  
17 handled by data system links or telephone access to recorded messages; what  
18 information is more appropriately conveyed by personal contact, and whether that  
19 information could be facilitated by the designation and publication of the individuals to  
20 be contacted; and what information regarding permits, training resources, potential  
21 financing, State laws, workplace regulations, and any other relevant subjects can  
22 feasibly and effectively be conveyed through a single-source approach.

23 Sec. 5. This act becomes effective July 1, 1993.