

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

S

1

SENATE BILL 238

Short Title: GPAC/Commerce Recs.

(Public)

Sponsors: Senator Martin of Guilford.

Referred to: Government Performance Audit.

February 18, 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.