

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SECOND EXTRA SESSION 1996**

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SENATE BILL 46

Short Title: 1996 Studies.

(Public)

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Sponsors: Senator Rand.

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Referred to: Rules and Operation of the Senate.

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July 26, 1996

A BILL TO BE ENTITLED

1  
2 AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH  
3 COMMISSION, TO CREATE AND CONTINUE VARIOUS COMMISSIONS,  
4 AND TO DIRECT STATE AGENCIES AND LEGISLATIVE OVERSIGHT  
5 COMMITTEES AND COMMISSIONS TO STUDY SPECIFIED ISSUES.

6 The General Assembly of North Carolina enacts:

7  
8 PART I.—TITLE

9 Section 1. This act shall be known as "The Studies Act of 1996".

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11 PART II.—LEGISLATIVE RESEARCH COMMISSION

12 Sec. 2.1. The Legislative Research Commission may study the topics listed  
13 below. When applicable, the bill or resolution that originally proposed the issue or study  
14 and the name of the sponsor is listed. Unless otherwise specified, the listed bill or  
15 resolution refers to the measure introduced in the 1995-1996 Regular Sessions of the  
16 1995 General Assembly. The Commission may consider the original bill or resolution in  
17 determining the nature, scope, and aspects of the study.

1 (a) Alternatives for Providing Permanent Dedicated Sources of Revenue for  
2 Affordable Housing (Gulley; S.B. 10 from the 1996 Second Extra Session - Jordan; H.B.  
3 59 from the 1996 Second Extra Session - Shaw). The study may consider:

- 4 (1) Possible sources of revenue for permanent, dedicated funding for the  
5 perpetuation of the North Carolina Housing Trust Fund.
- 6 (2) Permanent, dedicated funding for the Center for Community Self-Help's  
7 Home Ownership Expansion Program.
- 8 (3) Funding of capacity building grants for nonprofit, tax-exempt housing  
9 providers.
- 10 (4) Other significant initiatives and resources supporting and encouraging  
11 the availability of affordable housing in North Carolina.

12 (b) Employment Security Law Issues (Cochrane and Gulley). The Legislative  
13 Research Commission's Employment Security Law Committee, created pursuant to  
14 Section 5 of Chapter 1 of the 1995 Session Laws, 1996 Extra Session, may consider the  
15 following:

- 16 (1) The amount of money that should be maintained in the Unemployment  
17 Insurance Fund to meet anticipated claims and to maintain an adequate  
18 reserve.
- 19 (2) Whether automatic statutory mandates can be used to make adjustments  
20 in collections in order to maintain the fund.
- 21 (3) What steps can be taken under existing law to curb abuses in the  
22 unemployment compensation system, such as those that may result from  
23 construction industry layoffs during periods of inclement weather or the  
24 vacation season and whether legislation is needed.
- 25 (4) Comparing the interest rate earned on the national and State  
26 unemployment insurance funds and determining the reasons for any  
27 differences, if they exist.
- 28 (5) The fairness of the present formula and rates establishing employment  
29 compensation, including that of basing a claimant's entitlement to  
30 benefits on a movable base period that would include information on  
31 wages earned from the latest available quarter rather than on wages  
32 earned during the first four of the last five quarters prior to filing under  
33 the current system.
- 34 (6) Comparing North Carolina's formula and rate of unemployment  
35 compensation to those of other states.

36 (c) Licensing Boards (Little). The study may consider the following: the need  
37 for the existence of all of the licensing boards, the necessity and feasibility of regular  
38 audits by the State Auditor, the responsiveness, efficiency, and accountability of licensing  
39 boards, and any other issues relevant to licensing boards.

40 (d) Increasing North Carolina's Minimum Wage (Rand and Gulley). The  
41 Legislative Research Commission may study issues relating to increasing the State's  
42 minimum wage. If this study is undertaken, the Commissioner of Labor shall be a  
43 member of the committee assigned this issue. The study may consider:

- 1 (1) The economic and other evidence relevant to the federal legislation  
2 pending before Congress that would increase the federal minimum wage  
3 to \$5.15 per hour by July 1, 1997.
- 4 (2) Whether North Carolina should continue to have its minimum wage  
5 track with the federal minimum wage.
- 6 (e) Welfare Reform Research (Basnight and Martin of Guilford). The study  
7 may consider:
- 8 (1) The feasibility of having public assistance appropriations and  
9 expenditures based on program/performance goals that foster  
10 consolidation and collaboration across program and agency lines;
- 11 (2) Consideration of what consequences will ensue if a program or agency  
12 fails to attain its benchmarks or goals, and how those consequences can  
13 be handled in a manner that does not penalize families;
- 14 (3) The feasibility of allowing counties to administer their own public  
15 assistance programs rather than the program devised by the State, and  
16 what core services, if any, should be part of all programs;
- 17 (4) The feasibility of using public assistance funds to purchase services  
18 through subcontracting grants or otherwise from private and public not-  
19 for-profit organizations best able to achieve designated program and  
20 performance benchmarks and goals.
- 21 In considering these issues, special attention shall be given to:
- 22 a. The capacity of not-for-profit organizations in various local areas  
23 of the State to provide needed services and meet designated  
24 benchmarks and goals;
- 25 b. The best way to assure fiscal and program accountability;
- 26 c. Identification of a reasonable per-unit cost for administering and  
27 delivering specified services in a manner that:
- 28 1. Considers and reflects an understanding of the populations  
29 to be served, and ensures that persons most difficult to  
30 serve will actually be served; and
- 31 2. Considers the availability of infrastructure in local areas  
32 such as transportation, day and evening child care, job-  
33 training activities, and job-placement opportunities;
- 34 d. The extent to which it is feasible for recipient eligibility  
35 standards to be localized or regionalized; and
- 36 e. Linking all public assistance, job-training and job-placement  
37 program funding to performance, whether the services are being  
38 provided by governmental or nongovernmental agencies.
- 39 (f) The impact of the Supreme Court's decision in Craven County School  
40 Board V. Boyles on civil penalties, forfeitures, and fines collected by State agencies  
41 (Rand and Gulley).
- 42 (g) Allowing property tax refunds for overpayments due to clerical,  
43 measurement, or computational errors in appraisal of property (S.B. 1019 - Dannelly).

1 (h) Block grant awards by the Small Cities Community Block Grant Program  
2 (S.B. 1287 - Winner; H.B. 1365 - Easterling).

3 (i) The role of North Carolina in global affairs, including the areas of  
4 international business, tourism, cultural affairs, and educational affairs, and including the  
5 need for long-term, strategic planning in these areas (S.B. 1471 - Plexico).

6 Sec. 2.2. Committee Membership. For each Legislative Research Commission  
7 committee created during the 1995-96 biennium, the cochairs of the Legislative Research  
8 Commission shall appoint the committee membership.

9 Sec. 2.3. Reporting Date. For each of the topics the Legislative Research  
10 Commission decides to study under this Part or pursuant to G.S. 120-30.17(1), the  
11 Commission may report its findings, together with any recommended legislation, to the  
12 1997 General Assembly, if approved by the cochairs.

13 Sec. 2.4. Bills and Resolution References. The listing of the original bill or  
14 resolution in this Part is for reference purposes only and shall not be deemed to have  
15 incorporated by reference any of the substantive provisions contained in the original bill  
16 or resolution.

17 Sec. 2.5. Funding. From the funds available to the General Assembly, the  
18 Legislative Services Commission may allocate additional monies to fund the work of the  
19 Legislative Research Commission.

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21 PART III.—CERTIFIED PUBLIC SCHOOL PERSONNEL COMPENSATION  
22 STUDY (Plyler, Perdue, and Odom)

23 Sec. 3.1. (a) The Joint Legislative Commission on Governmental Operations  
24 shall contract with a qualified employee benefits consulting practice or research  
25 organization to conduct a comparative analysis of certified public school personnel  
26 compensation in North Carolina school systems. As part of the analysis, teachers base  
27 pay, the statewide salary schedule, incentives (i.e., local supplements, benefits, etc., if  
28 any), and benefits packages in other states shall be compared with North Carolina's  
29 certified public school personnel salary schedule and benefits packages.

30 The scope of this comparative analysis shall be to determine how North  
31 Carolina certified public school personnel salaries and benefits rank with those of other  
32 states in the nation and the recurring cost to offer and maintain them at current levels.  
33 Median as well as average salary levels shall be determined for each state.

34 In addition, this comparative analysis may identify other states in the country  
35 most like North Carolina in terms of public school demographics (both students and  
36 certified personnel), public school funding policy and governing structure, entry,  
37 certification, and career requirements for teaching personnel, and other factors or  
38 conditions that most affect teachers' salaries and benefits, and compare and rank those  
39 salaries and benefits packages of these states to North Carolina certified public school  
40 personnel compensation packages.

41 Applying survey research methods considered to be reliable and valid  
42 statistically, the contractor shall determine the relative "economic value" of these benefits  
43 to the employees.

1 Finally, the contractor shall produce a "regional compensation survey model"  
2 as a product of this study of certified public school personnel that could then be made  
3 available for other studies of State employees in the executive and judicial branches of  
4 North Carolina State government. As part of the contractor's work, training in  
5 conducting these other studies would be provided to legislative staff.

6 (b) In order to determine which organizations may be most qualified to conduct  
7 such an analysis, the Commission may appoint a subcommittee that shall be responsible  
8 for issuing a Request for Qualifications (RFQ). All firms responding to the RFQ shall be  
9 evaluated in accordance with procedures established by the subcommittee. Up to five  
10 firms may be invited to submit separate technical and cost proposals, in response to the  
11 standard Request for Proposals (RFP).

12 A contract shall be awarded no later than September 13, 1996. The study shall  
13 begin no later than October 1, 1996. A progress report shall be issued to the  
14 subcommittee for review and approval no later than December 31, 1996, and a final  
15 report no later than April 1, 1997.

16 The Legislative Services Office shall provide such coordinating staff to the  
17 Joint Legislative Commission on Governmental Operations and its subcommittee as  
18 necessary.

19 Sec. 3.2. From funds appropriated to the General Assembly, the Legislative  
20 Services Commission may allocate funds for the expenses of the Commission under this  
21 Part.

22  
23 PART IV.—CHILD FATALITY TASK FORCE CONTINUED (Perdue; S.B. 1288,  
24 S.B. 31 from the 1996 Second Extra Session - Winner)

25 Sec. 4.1. G.S. 143-577(b) reads as rewritten:

26 "(b) The Task Force shall ~~provide updated reports~~ make a written report to the  
27 Governor and General Assembly ~~within the first week of the convening of the 1993~~  
28 ~~General Assembly, within the first week of the convening of the 1994 Regular Session of~~  
29 ~~the 1993 General Assembly, within the first week of the convening of the 1995 General~~  
30 ~~Assembly, and within the first week of the convening of the 1996 Regular Session of the~~  
31 ~~1995 General Assembly. The Task Force shall provide a final report to the Governor and~~  
32 ~~General Assembly within the first week of the convening of the 1997 General Assembly.~~  
33 within the first week of the convening of the 1997 General Assembly. The Task Force  
34 may make a written report to the Governor and General Assembly within one week of the  
35 convening of the 1998 Regular Session of the 1997 General Assembly. The Task Force  
36 shall make a final written report to the Governor and General Assembly within the first  
37 week of the convening of the 1999 General Assembly. The final report shall include final  
38 conclusions and recommendations for each of the Task Force's duties, as well as any  
39 other recommendations for changes to any law, rule, and policy that it has determined  
40 will promote the safety and well-being of children. Any recommendations of changes to  
41 law, rule, or policy shall be accompanied by specific legislative or policy proposals and  
42 detailed fiscal notes setting forth the costs to the State."

1           Sec. 4.2. Section 285(e) of Chapter 321 of the 1993 Session Laws, as amended  
2 by Section 27.8(b) of Chapter 769 of the Session Laws of 1993 (1994 Regular Session)  
3 reads as rewritten:

4           "(e) Subsections (b), (c), and (d) of this section become effective February 1, ~~1997~~  
5 1999. The remainder of this section is effective upon ratification."  
6

7 PART V.—CIVIL PROCEDURE STUDY COMMISSION (S.B. 1232 - Rand and  
8 Gulley)

9           Sec. 5.1. (a) The Civil Procedure Study Commission is created. The  
10 Commission shall consist of 18 voting members, six members to be appointed by the  
11 President Pro Tempore of the Senate, six members to be appointed by the Speaker of the  
12 House of Representatives, and six members to be appointed by the Chief Justice of the  
13 North Carolina Supreme Court. No more than four members appointed by the President  
14 Pro Tempore of the Senate and no more than four members appointed by the Speaker of  
15 the House of Representatives may be members of the General Assembly. No more than  
16 four of the members appointed by any one of the three appointing authorities may be  
17 members of the same political party.

18           (b) The Commission shall:

19           (1) Study all practices and procedures that affect the speed, fairness, and  
20 accuracy with which civil actions are disposed of in the trial divisions of  
21 the General Court of Justice, including the rules of civil procedure, rules  
22 of evidence, other relevant statutes, statewide and local court-adopted  
23 rules of practice and procedure, administrative rules, appellate opinions  
24 and all other relevant practices, customs, and traditions in the trial courts  
25 of North Carolina; and

26           (2) Devise and recommend improved practices and procedures that (i)  
27 reduce the time required to dispose of civil actions in the trial divisions;  
28 (ii) simplify pretrial and trial procedure; (iii) guarantee the fairness and  
29 impartiality with which the claims and defenses are heard and resolved;  
30 and (iv) increase the parties' and the public's satisfaction with the  
31 process of civil litigation.

32           (c) The Commission shall report to the General Assembly and the Chief Justice no  
33 later than April 1, 1998. The report shall be in writing and shall set forth the  
34 Commission's findings, conclusions, and recommendations, including any proposed  
35 legislation or court rules.

36           (d) The Chief Justice shall appoint a chair from the membership of the  
37 Commission. The Commission shall meet at such times and places as the chair  
38 designates. The facilities of the State Legislative Building shall be available to the  
39 Commission, subject to the approval of the Legislative Services Commission. Legislative  
40 members of the Commission shall be reimbursed for subsistence and travel expenses at  
41 the rates set forth in G.S. 120-3.1. Members of the Commission who are officers or  
42 employees of the State shall receive reimbursement for travel and subsistence expenses at

1 the rate set forth in G.S. 138-6. All other members shall receive compensation and  
2 reimbursement for travel and subsistence expenses at the rates specified in G.S. 138-5.

3 (e) The Commission may solicit, employ, or contract for technical assistance  
4 and clerical assistance, and may purchase or contract for the materials and services it  
5 needs. Subject to the approval of the Legislative Services Commission, the staff  
6 resources of the Legislative Services Commission shall be available to the Commission  
7 without cost except for travel, subsistence, supplies, and materials.

8 Sec. 5.2. Of the funds appropriated to the General Assembly for the 1996-97  
9 fiscal year the sum of twenty-five thousand dollars (\$25,000) shall be allocated to  
10 implement the provisions of this Part.

11  
12 PART VI.—CRIMINAL PROCEDURE STUDY COMMISSION (S.B. 1233 - Rand  
13 and Gulley)

14 Sec. 6.1. (a) The Criminal Procedure Study Commission is created. The  
15 Commission shall consist of 18 voting members, six members to be appointed by the  
16 President Pro Tempore of the Senate, six members to be appointed by the Speaker of the  
17 House of Representatives, and six members to be appointed by the Chief Justice of the  
18 North Carolina Supreme Court. No more than four members appointed by the President  
19 Pro Tempore of the Senate and no more than four members appointed by the Speaker of  
20 the House of Representatives may be members of the General Assembly. No more than  
21 four of the members appointed by any one of the three appointing authorities may be  
22 members of the same political party.

23 (b) The Commission shall:

24 (1) Study all practices and procedures that affect the trial and disposition of  
25 criminal prosecutions in the trial divisions of the General Court of  
26 Justice, including the Criminal Procedure Act, rules of evidence, other  
27 relevant statutes, statewide and local court-adopted rules of practice and  
28 procedure, administrative rules, appellate opinions and all other relevant  
29 practices, customs, and traditions in the trial courts of North Carolina;  
30 and

31 (2) Devise and recommend improved practices and procedures that (i)  
32 reduce the time required to dispose of criminal prosecutions in the trial  
33 divisions; (ii) simplify pretrial and trial procedure; (iii) guarantee the  
34 full realization of the interests of the State, the rights of criminal  
35 defendants, and the concerns of victims and others affected by the  
36 criminal trial process; and (iv) increase the parties' and the public's  
37 satisfaction with the process of criminal justice in the trial courts.

38 (c) The Commission shall report to the General Assembly and the Chief Justice no  
39 later than April 1, 1998. The report shall be in writing and shall set forth the  
40 Commission's findings, conclusions, and recommendations, including any proposed  
41 legislation or court rules.

42 (d) The Chief Justice shall appoint a chair from the membership of the  
43 Commission. The Commission shall meet at such times and places as the chair

1 designates. The facilities of the State Legislative Building shall be available to the  
2 Commission, subject to the approval of the Legislative Services Commission.  
3 Legislative members of the Commission shall be reimbursed for subsistence and travel  
4 expenses at the rates set forth in G.S. 120-3.1. Members of the Commission who are  
5 officers or employees of the State shall receive reimbursement for travel and subsistence  
6 expenses at the rate set forth in G.S. 138-6. All other members shall receive  
7 compensation and reimbursement for travel and subsistence expenses at the rates  
8 specified in G.S. 138-5.

9 (e) The Commission may solicit, employ, or contract for technical assistance  
10 and clerical assistance, and may purchase or contract for the materials and services it  
11 needs. Subject to the approval of the Legislative Services Commission, the staff  
12 resources of the Legislative Services Commission shall be available to the Commission  
13 without cost except for travel, subsistence, supplies, and materials.

14 Sec. 6.2. Of the funds appropriated to the General Assembly for the 1996-97  
15 fiscal year the sum of twenty-five thousand dollars (\$25,000) shall be allocated to  
16 implement the provisions of this Part.

17  
18 PART VII.—DEHNR STUDY COMMISSION (Perdue)

19 Sec. 7.1. (a) The Legislative Study Commission on the Department of  
20 Environment, Health, and Natural Resources is established. In conducting its study, the  
21 Commission shall study the following:

- 22 (1) The existing funding for the water quality program and whether  
23 additional funds are needed to adequately process permit applications  
24 and perform compliance inspections for all permitted facilities. In  
25 determining appropriate funding levels, the Commission should review  
26 the past funding levels for these programs and the increase in program  
27 activities that suggest increased funds are necessary. The Commission  
28 should also determine how requests for administrative positions and the  
29 need to inspect newly permitted facilities have impacted the operating  
30 programs.
- 31 (2) Whether the existing regulatory programs have overlap and duplication  
32 between the State and federal requirements and whether environmental  
33 protection can be achieved by reducing the inconsistencies between the  
34 two sets of requirements. In particular, the wetlands programs and the  
35 air toxics programs need to be evaluated.
- 36 (3) How environmental programs can incorporate risk assessment in  
37 establishing new standards that regulate emissions and cleanup activities  
38 in State programs.
- 39 (4) The feasibility of developing a State program to encourage the  
40 redevelopment of sites that were previously used by industry or  
41 business. Similar programs in other states should be reviewed to  
42 evaluate possible incentives for reuse of sites in North Carolina.
- 43 (5) Alternative permitting and compliance strategies.



1 (6) Reorganization of the Department of Environment, Health, and Natural  
2 Resources.

3 (b) The Commission shall be composed of 16 members, as follows:

4 (1) Five members of the House of Representatives at the time of their  
5 appointment including the cochairs of the House Appropriations  
6 Subcommittee on Natural and Economic Resources and three public  
7 members appointed by the Speaker of the House of Representatives.

8 (2) Five members of the Senate at the time of their appointment including  
9 the chair of the Senate Appropriations Subcommittee on Natural and  
10 Economic Resources and three public members appointed by the  
11 President Pro Tempore of the Senate.

12 (c) The Speaker of the House of Representatives and the President Pro  
13 Tempore of the Senate shall each select a legislative member from their respective  
14 chambers to serve as cochairs of the Commission.

15 (d) The Commission, while in the discharge of official duties, may exercise all  
16 the powers provided for under the provisions of G.S. 120-19 and G.S. 120-19.1 through  
17 G.S. 120-19.4. The Commission may meet at any time upon the joint call of the cochairs.  
18 The Commission may meet in the Legislative Building or the Legislative Office  
19 Building.

20 (e) Members of the Commission shall receive subsistence and travel expenses  
21 at the rates set forth in G.S. 120-3.1.

22 (f) The Commission may contract for professional, clerical, or consultant  
23 services as provided by G.S. 120-32.02. The Legislative Services Commission, through  
24 the Legislative Services Officer, shall assign professional and clerical staff to staff the  
25 Commission. The House of Representatives' and the Senate's Supervisors of Clerks shall  
26 assign clerical staff to the Commission, upon the direction of the Legislative Services  
27 Commission. The expenses relating to professional and clerical employees supplied  
28 through the Legislative Services Commission shall be borne by the Legislative Services  
29 Commission.

30 (g) When a vacancy occurs in the membership of the Commission, the vacancy  
31 shall be filled by the same appointing officer who made the initial appointment.

32 (h) All State departments and agencies and local governments and their  
33 subdivisions shall furnish the Commission with any information in their possession or  
34 available to them.

35 (i) The Commission shall report its findings and recommendations, including  
36 any legislative proposals, to the 1997 General Assembly upon its convening.

37 Sec. 7.2. Of the funds appropriated to the General Assembly for the 1996-97  
38 fiscal year the sum of twenty-five thousand dollars (\$25,000) shall be allocated to  
39 implement the provisions of this Part.

40  
41 PART VIII.—EXPENDITURE MODEL (Odom)

42 Sec. 8.1. Expand and Upgrade the General Assembly Expenditure Model for  
43 General and Highway Funds and Federal Funds. The appointing authorities of the

1 Legislative Services Commission shall appoint a special subcommittee, consisting of two  
2 commission members from the Senate and two commission members from the House of  
3 Representatives, to oversee and coordinate the expansion and upgrade of the financial  
4 models. The subcommittee shall develop and issue a Request for Qualifications  
5 document to interested contractors for the purpose of presenting to the subcommittee, for  
6 recommendation to the Commission, a suggested approach, statement of qualifications,  
7 together with cost estimates, to prepare and benchmark specific upgrades and other "user-  
8 friendly" improvements (e.g., graphics, drop down lists, "windows-like" applications and  
9 "touch screen" technology) to the current General Fund Financial Model and Highway  
10 Fund Financial Model.

11 These upgrades will include special components which would work seamlessly  
12 with the existing models and further improve their value to legislative and executive  
13 branch policymakers. To the extent that unused and unencumbered capital improvement  
14 funds are available, the Legislative Services Commission may execute a competitive or  
15 sole source bid process and enter into a contract with a qualified consulting or research  
16 organization to assist with production and delivery of the upgrades and other  
17 components described herein. In the event of limitations of funds to contract for all  
18 upgrades or components, prior to the beginning of fiscal year 1997-98, the subcommittee  
19 shall recommend to the Commission which projects should be considered first for  
20 improvement or expansion. In addition to the upgrades cited above, the following model  
21 components shall be developed:

22 (a) Compensation. A compensation component which shall simulate and estimate  
23 the fiscal effect of proposed changes in salaries and benefits packages including, but not  
24 limited to, social security, leave, disability, retirement, health insurance, and death  
25 benefits for the following categories of employees paid by the State of North Carolina:

- 26 (1) Certified public school employees; noncertified public school  
27 employees;
- 28 (2) University faculty and nonfaculty employees;
- 29 (3) Community college personnel (faculty and nonfaculty);
- 30 (4) Judicial employees; and
- 31 (5) All other executive branch employees.

32 (b) Federal Funds. Working with the Federal Funds Model (FFM), jointly  
33 operated by the National Governors' Association and the National Conference of State  
34 Legislatures, the contractor shall develop, with the Office of State Budget and  
35 Management and the Fiscal Research Division, automated reports that will utilize  
36 formulas to estimate the effects of increases or decreases in federal funds on General or  
37 Highway Fund receipts over any successive 10-year period, including estimating where  
38 possible, the effect of these changes on local government "pass-through" funding. This  
39 component will be benchmarked with the FFM staff in Washington, using most recent  
40 congressional actions.

41 (c) Medicaid and Other Federal Entitlements Funding. Within this Federal Funds  
42 Model described in subsection (b) of this section, the Office of Budget and Management  
43 and the Fiscal Research Division, working with the Division of Medical Assistance of the

1 Department of Human Resources shall develop and enhance a Medicaid expenditures and  
2 receipts forecasting component for use with the General Fund Forecasting Model to  
3 determine the effect of congressional decisions on the State's share of Medicaid funding,  
4 and the resulting potential effect on local government share.

5 Sec. 8.2. Design, Access, Use, Maintenance, and Upgrade of Models. (a) The  
6 Legislative Services Commission, at the request of the Governor, shall allow access and  
7 use of the General Highway and Federal Funds Models to executive branch policy and  
8 decision makers. These models may be used to illustrate, indicate, or simulate, an  
9 outcome or series of outcomes that reasonably may be expected to result from the  
10 application of selected revenue or expenditure assumptions, conditions, or changes to a  
11 current or proposed budget. These simulations shall not be deemed as formal predictions  
12 or statistically reliable forecasts. [Reports of simulations may be construed as indicators  
13 of potential future outcomes, if the specific assumptions used to produce the simulation  
14 occurred exactly as applied.]

15 Any and all assumptions affecting estimated revenues or expenditures in any  
16 State funds shall be set out clearly in any explanation of any fiscal conditions proposed or  
17 simulated using the models. These assumptions or conditions shall include, but are not  
18 limited to, increases or decreases in:

- 19 (1) Tax and nontax revenue;
- 20 (2) Debt service;
- 21 (3) Expenditures;
- 22 (4) Enrollments (public schools, universities, community colleges);
- 23 (5) Inflation;
- 24 (6) Inmate populations, probationers, parolees;
- 25 (7) Caseloads in AFDC, Medicaid, courts, public health, mental health,  
26 State health plan, and other State service programs;
- 27 (8) Salary, wages, (private sector); and
- 28 (9) Other (demographics, natural disasters).

29 (b) Subject to the approval of the Legislative Services Commission, the Director of  
30 the Fiscal Research Division and the State Budget Officer or the Governor shall establish  
31 written procedures and standards for the design, access, use, maintenance and upgrade of  
32 the models and any of their components, except that members of the General Assembly,  
33 upon request, shall have direct, personal access to the models.

#### 34 PART IX.—FISHERMEN'S DISASTER RELIEF FUND STUDY (Perdue)

35 Sec. 9.1. The Joint Legislative Commission on Seafood and Aquaculture  
36 established pursuant to G.S. 120-70.60, shall study the feasibility of creating a  
37 Fishermen's Disaster Relief Fund to provide financial assistance to fishermen for damage  
38 to fishery resources caused by natural or man-made disasters. The Commission shall  
39 report its findings and recommendations, if any, to the 1997 General Assembly upon its  
40 convening.  
41  
42

1 PART X.—GENERAL STATUTES COMMISSION TO STUDY REMOVAL OF  
2 ANTIQUATED LAWS (Gulley)

3 Sec. 10.1. The General Statutes Commission established pursuant to Article 2  
4 of Chapter 164 shall study and identify antiquated laws in the North Carolina General  
5 Statutes and make recommendations regarding removal of those laws from the books.

6 Sec. 10.2. The Commission shall report its findings and recommendations to  
7 the 1997 General Assembly upon its convening.  
8

9 PART XI.—INDUSTRIAL COMMISSION SALARY LEVELS STUDY (Plyler and  
10 Perdue)

11 Sec. 11.1. The State Auditor shall study, in conjunction with the scheduled  
12 performance audit of the North Carolina Industrial Commission, the salary levels of the  
13 Chairman and members of the North Carolina Industrial Commission as well as that of  
14 Deputy Commissioners, the Executive Secretary, and Administrator of the North  
15 Carolina Industrial Commission. In accomplishing this study, the State Auditor shall  
16 consult the Office of State Personnel, the North Carolina Industrial Commission  
17 Advisory Council, and the North Carolina Bar Association and shall review the  
18 compensation of Industrial Commissioners and staff in other southeastern states. The  
19 State Auditor shall report the results of this study and its recommendations to the Chairs  
20 of the House and Senate Appropriations Committees and the Chairs of the House and  
21 Senate Appropriations Subcommittees on Natural and Economic Resources by January  
22 15, 1997.  
23

24 PART XII.—MEDICAID TASK FORCE CONTINUED (S.B. 1334 - Martin of  
25 Guilford; H.B. 1318 - Esposito)

26 Sec. 12.1. Effective May 1, 1996, Section 23.5A(d) of Chapter 507 of the  
27 1995 Session Laws reads as rewritten:

28 "(d) The task force shall report the results of its study, together with any legislative  
29 proposals and cost analyses, to the 1995 General Assembly, Regular Session 1996, within  
30 a week of its ~~convening or convening~~, to a special session of the 1995 General Assembly  
31 called to deal with federal block grant funding ~~issues—issues~~, or to the 1997 General  
32 Assembly within a week of its convening."  
33

34 PART XIII.—STATE PORTS STUDY COMMISSION CONTINUATION (S.B. 1109 -  
35 Perdue; H.B. 1175 - McComas)

36 Sec. 13.1. Effective May 1, 1996, Section 16.1(e) of Chapter 542 of the 1995  
37 Session Laws reads as rewritten:

38 "(e) The Commission shall report the results of its study and its recommendations  
39 to the ~~1995 General assembly by May 1, 1996. General Assembly.~~ The Commission may  
40 make an interim report to the 1996 Regular Session of the 1995 General Assembly and  
41 shall make a final report upon the convening of the 1997 General Assembly. The  
42 Commission shall terminate upon filing its final report."  
43

1 PART XIV.—DEPARTMENT OF CULTURAL RESOURCES TO STUDY THE  
2 HISTORIC SIGNIFICANCE OF THE PRINCEVILLE CEMETERY AND OF SOUTH  
3 GRANVILLE MEMORIAL GARDENS (S.B. 1205 - Martin of Pitt; H.B. 1222 - Mercer)

4 Sec. 14.1. The Department of Cultural Resources shall study the historical  
5 significance of the cemetery located in Princeville, the oldest African-American  
6 community in North America and shall also study the historical significance of the  
7 cemetery in Butner, known as South Granville Memorial Gardens. The Department shall  
8 consider what efforts should be taken to preserve and maintain the cemeteries, and shall  
9 also consider whether the cemetery in Princeville should be nominated to the National  
10 Register of Historic Places. The Department shall report its findings and  
11 recommendations to the 1997 General Assembly.

12  
13 PART XV.—LEGISLATIVE PUBLIC SCHOOL LAWS REVISION COMMISSION  
14 CREATED (S.B. 1138 - Winner; H.B. 1245 - Grady)

15 Sec. 15.1. (a) The Legislative Public School Law Revision Commission is  
16 established. The Commission consists of the following 18 members:

- 17 (1) Six members, four of whom shall be members of the Senate, appointed  
18 by the President Pro Tempore of the Senate.  
19 (2) Six members, four of whom shall be members of the House of  
20 Representatives, appointed by the Speaker of the House of  
21 Representatives.  
22 (3) Six members, two of whom shall be members of the State Board of  
23 Education, appointed by the State Board of Education.

24 Members appointed to the Commission shall serve until the Commission  
25 makes its final report. Vacancies on the Commission shall be filled by the person who  
26 made the initial appointment.

27 (b) The Commission shall:

- 28 (1) Conduct a comprehensive review of the public school laws.  
29 (2) Identify laws that are outdated, vague, unnecessary, or otherwise in need  
30 of revision.  
31 (3) Revise the public laws so they are consistent with the North Carolina  
32 Constitution and with the goals of the General Assembly and the State  
33 Board of Education in order to improve student performance, increase  
34 local flexibility and control, and promote economy and efficiency.

35 (c) The Speaker of the House of Representatives shall designate a member of  
36 the House of Representatives as cochair of the Commission, and the President Pro  
37 Tempore of the Senate shall designate a member of the Senate as cochair of the  
38 Commission. The Commission shall meet upon the call of the cochairs. A quorum of the  
39 Commission is 10 members.

40 Members of the Commission shall receive per diem, subsistence, and travel  
41 allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

42 The Legislative Administrative Officer shall assign as staff to the Commission  
43 professional employees of the General Assembly. Clerical staff shall be assigned to the

1 Commission through the Offices of the Supervisor of Clerks of the Senate and Supervisor  
2 of Clerks of the House of Representatives. The Commission may meet in the Legislative  
3 Building or the Legislative Office Building with the approval of the Legislative Services  
4 Commission.

5 (d) All State departments and agencies and local governments and their  
6 subdivisions shall furnish the Commission with any information that is requested of them  
7 by the Commission.

8 (e) The Commission shall submit a progress report to the Joint Legislative  
9 Education Oversight Committee by January 15, 1997, and shall submit a final report to  
10 the Joint Legislative Education Oversight Committee by April 15, 1998. The  
11 Commission shall terminate upon filing its final report.

12 Sec. 15.2. From funds appropriated to the General Assembly, the Legislative  
13 Services Commission may allocate funds for the expenses of the Commission under this  
14 Part.

15  
16 PART XVI.—RAIL SAFETY INSPECTION SERVICES STUDY (S.B. 1255 - Hoyle;  
17 H.B. 1172 - Morgan)

18 Sec. 16.1. The Secretary of Transportation shall study the provision of rail  
19 safety inspection services in North Carolina by the State and the Federal Railroad  
20 Administration and shall recommend to the General Assembly no later than June 1, 1997,  
21 whether the State should continue to perform this service. The recommendation shall be  
22 contained in a report filed with the President Pro Tempore of the Senate and the Speaker  
23 of the House of Representatives.

24 Sec. 16.2. The Department of Transportation shall implement this Part within  
25 available funds.

26  
27 PART XVII.—REWARDS FOR TEACHER EXCELLENCE (Winner and Plexico)

28 Sec. 17.1. The State Board of Education shall study ways to reward excellent  
29 teachers and other school personnel by linking some portion of future salary increases to  
30 the performance of students. In the course of the study, the State Board shall take into  
31 account the differences in schools, school resources, and student populations, that  
32 different teachers and other school personnel encounter. The State Board shall also  
33 consider the types of pay plans used in other states.

34 The State Board shall conduct their study with available funds. The State  
35 Board shall report on the study to the Joint Legislative Education Oversight Committee  
36 prior to January 15, 1997.

37  
38 PART XVIII.—CORPORATE REINSTATEMENT AFTER DISSOLUTION (Rand)

39 Sec. 18.1. (a) The General Statutes Commission shall study the issue of  
40 administrative dissolution and reinstatement after dissolution of corporations, nonprofit  
41 corporations, and limited liability companies. In particular, the Commission shall study  
42 the extension of time in which corporations, nonprofit corporations, and limited liability

1 companies may apply for reinstatement after dissolution. The Commission shall report  
2 its findings and recommendations to the General Assembly on or before March 1, 1997.

3 (b) Section 7 of Chapter 539 of the 1995 Session Laws reads as rewritten:

4 "Sec. 7. Effective ~~July 1, 1996~~, July 1, 1997, G.S. 55-14-22(a), as amended by Section  
5 6 of this act, reads as rewritten:

6 '(a) A corporation administratively dissolved under G.S. 55-14-21 may apply to the  
7 Secretary of State for reinstatement within two years after the effective date of  
8 dissolution. The application must:

9 (1) Recite the name of the corporation and the effective date of its  
10 administrative dissolution; and

11 (2) State that the ground or grounds for dissolution either did not exist or  
12 have been eliminated."

13 (c) Section 38(b) of Chapter 539 of the 1995 Session Laws reads as rewritten:

14 "(b) Section 7 of this act becomes effective ~~July 1, 1996~~, July 1, 1997, and applies to  
15 applications for reinstatement on or after that date. Section 25 of this act becomes  
16 effective July 1, 1996, and applies to proceedings commenced on or after that date."

17 (d) G.S. 55A-14-22(a) reads as rewritten:

18 "(a) A corporation administratively dissolved under G.S. 55A-14-21 may apply to  
19 the Secretary of State for ~~reinstatement within two years after the effective date of dissolution.~~  
20 reinstatement. The application shall:

21 (1) Recite the name of the corporation and the effective date of its  
22 administrative dissolution; and

23 (2) State that the ground or grounds for dissolution either did not exist or  
24 have been eliminated."

25 (e) G.S. 57C-6-03(c) reads as rewritten:

26 "(c) A limited liability company administratively dissolved under this section may  
27 apply to the Secretary of State for ~~reinstatement within two years after the effective date of the~~  
28 ~~administrative dissolution.~~ reinstatement. The procedures for reinstatement and for the  
29 appeal of any denial of the limited liability company's application for reinstatement shall  
30 be the same procedures applicable to business corporations under G.S. 55-14-22, 55-14-  
31 23, and 55-14-24."

32 (f) This section becomes effective June 30, 1996, and subsections (c) and (d)  
33 of this section expire July 1, 1997.

#### 34 PART XIX.—EFFECTIVE DATE

35 Sec. 19.1. Except as otherwise specifically provided, this act is effective July  
36 1, 1996.  
37