

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 1350

Short Title: Regional Development/Funds.

(Public)

Sponsors: Representatives Brubaker, Fitch, McAllister, and Berry (Primary Sponsors).

Referred to: Appropriations.

April 27, 1999

A BILL TO BE ENTITLED

AN ACT TO ELIMINATE WASTE AND DUPLICATION IN STATE FUNDING OF
REGIONAL DEVELOPMENT.

The General Assembly of North Carolina enacts:

Section 1. The Department of Commerce shall contract with an independent consultant to conduct a performance audit to examine the cost benefit of continued funding for regional economic development commissions in light of the fact that the Department of Commerce's State and regional staff perform the same regional development functions as the commissions. The Department of Commerce shall report the results of this audit to the Joint Legislative Commission on Governmental Operations by January 15, 2001. There is appropriated from the General Fund to the Department of Commerce the sum of twenty-five thousand dollars (\$25,000) for the 1999-2000 fiscal year and the sum of twenty-five thousand dollars (\$25,000) for the 2000-2001 fiscal year to implement the provisions of this section.

Section 2. Article 10 of Chapter 143B of the General Statutes is amended by adding a new Part 17, entitled "Regional Development."

Section 3. G.S. 158-8.1, 158-8.2, 158-8.3, and 158-8.4 are recodified as G.S. 143B-472.54, 143B-472.55, 143B-472.56, and 143B-472.57 in Part 17 of Article 10 of Chapter 143B of the General Statutes, as enacted by this act. The Revisor of Statutes

1 shall change references in those sections from "this Article" to "Article 2 of Chapter 158
2 of the General Statutes."

3 Section 4. Part 17 of Article 10 of Chapter 143B of the General Statutes is
4 amended by adding the following new sections to read:

5 **"§ 143B-472.50. Scope.**

6 (a) This Part applies to the following regional development commissions:

7 (1) Carolinas Partnership, Inc.

8 (2) Global TransPark Development Commission.

9 (3) Northeastern North Carolina Regional Economic Development
10 Commission.

11 (4) Piedmont Triad Partnership.

12 (5) Research Triangle Regional Commission.

13 (6) Southeastern North Carolina Regional Economic Development
14 Commission.

15 (7) Western North Carolina Regional Economic Development Commission.

16 (b) Coastal Commissions. – For the purpose of this Part, a coastal commission is a
17 regional development commission that includes counties that border on the Atlantic
18 Ocean.

19 **"§ 143B-472.51. Appropriations.**

20 Notwithstanding any other provision of law, funds appropriated from the General
21 Fund to the Department of Commerce for allocation to a regional development
22 commission for a fiscal year shall revert to the General Fund at the end of that fiscal year
23 if not yet spent or encumbered by the regional development commission.

24 **"§ 143B-472.52. Expenditures.**

25 (a) Coastal Commissions. – Notwithstanding any other provision of law, each
26 coastal commission's annual expenditure of State funds is subject to the following
27 limitations:

28 (1) No more than fifteen percent (15%) may be spent for costs of
29 administration.

30 (2) The remainder must be allocated to a nonprofit entity specifically
31 dedicated to new or existing tourism development clients that are
32 committed to doing business in the region.

33 (b) Other Commissions. – Notwithstanding any other provision of law, for
34 regional development commissions other than coastal commissions, each commission's
35 annual expenditure of State funds is subject to the following limitations:

36 (1) No more than fifteen percent (15%) may be spent for costs of
37 administration.

38 (2) Twenty-five percent (25%) must be used for technical assistance to
39 counties and direct incentives for industrial clients.

40 (3) Twenty-five percent (25%) must be allocated to a nonprofit entity
41 specifically dedicated to new or existing tourism development clients
42 that are committed to doing business in the region.

1 (4) Twenty-five percent (25%) must be used to promote the region as a
2 place to invest in industrial or tourism development projects, including
3 participation in shows and recruitment junkets.

4 (5) Ten percent (10%) must be used to promote the region as a place to live,
5 work, and play.

6 (c) Reports. – Each regional development commission that receives State funds
7 shall report annually to the Department of Commerce on its expenditures of the funds and
8 shall provide an annual financial statement audited in accordance with generally accepted
9 accounting principles and in accordance with Government Audit Standards developed by
10 the Comptroller General of the United States. The Department of Commerce shall report
11 annually to the Joint Legislative Commission on Governmental Operations, and more
12 frequently as it requires, on these statements.

13 "**§ 143B-472.53: Reserved.**"

14 Section 5. G.S. 143B-472.57, as recodified by this act, reads as rewritten:

15 "**§ 143B-472.57. Removal of certain commission members.**

16 A commission created under G.S. ~~158-8.1, 158-8.2, or 158-8.3~~ 143B-472.54, 143B-
17 472.55, or 143B-472.56 may, by majority vote, remove a member of the commission if
18 that member does not attend at least eighty percent (80%) of the regularly scheduled
19 meetings of the commission during any full year of service of that member on the board,
20 except that absences excused by the commission due to serious medical or family
21 circumstances shall not be considered. If the commission votes to remove a member
22 under this section, the vacancy will be filled in the same manner as the original
23 appointment."

24 Section 6. This act becomes effective July 1, 1999.