

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE DRS75526-LY-306A (4/17)**

Short Title: ED Regional Partnership Accountability. (Public)

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Sponsors: Senator Weinstein.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT RELATING TO REGIONAL ECONOMIC DEVELOPMENT  
COMMISSIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 158-8.1 reads as rewritten:

**"§ 158-8.1. Creation of Western North Carolina Regional Economic Development  
Commission.**

(a) There is created the Western North Carolina Regional Economic Development Commission to serve Buncombe, Cherokee, Clay, Graham, Haywood, Henderson, Jackson, McDowell, Macon, Madison, Polk, Rutherford, Swain, Transylvania, and Yancey Counties, and any other county assigned to the Commission by the Department of Commerce as authorized by law. The Commission shall be located administratively in the Department of Commerce but shall exercise its statutory powers and duties independently of the Department of Commerce. Funds appropriated for the Commission by the General Assembly shall be disbursed directly to the Commission at the beginning of each fiscal year.

(b) The Commission shall consist of 19 members appointed as follows:

(1) Three members shall be appointed by the Governor;

(2) Two members shall be appointed by the Lieutenant Governor;

(3) Seven members shall be appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121; and

(4) Seven members shall be appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.

(c) The appointing authority shall designate two of the initial appointees pursuant to subdivision (b)(1), one of the initial appointees pursuant to subdivision (b)(2), two of

1 the initial appointees pursuant to subdivision (b)(3), and two of the initial appointees  
2 pursuant to subdivision (b)(4) to serve for terms ending June 30, 1995; the remainder of  
3 the initial appointees shall serve for terms ending June 30, 1997. Their successors shall  
4 serve for four-year terms ending on June 30 quadrennially thereafter. The appointing  
5 authority shall designate the additional appointees under subsections (b3) and (b4) that  
6 were added to the Commission membership pursuant to an act of the 1995 General  
7 Assembly to serve for terms ending June 30, 1999.

8 Any appointment to fill a vacancy on the Commission shall be for the balance of the  
9 unexpired term. Vacancies in appointments made by the General Assembly shall be in  
10 accordance with G.S. 120-122.

11 (c1) The initial meeting shall be called by the Secretary of the Department of  
12 Commerce.

13 (d) Members of the Commission who are State employees shall receive travel  
14 expenses as provided in G.S. 138-6. Other Commission members shall receive per diem  
15 of one hundred dollars (\$100.00) a day for each day of service when the Commission  
16 meets and shall be reimbursed for travel and subsistence as provided in G.S. 138-5. The  
17 Commission may adopt policies authorizing additional per diem of one hundred dollars  
18 (\$100.00) a day for non-State employee members' additional days of service including  
19 Commission subcommittee meetings or other Commission activities, plus  
20 reimbursement for related travel and subsistence as provided in G.S. 138-5.

21 (e) In addition to the powers and duties granted to economic development  
22 commissions in this Article, the Western North Carolina Regional Economic  
23 Development Commission shall:

- 24 (1) Survey Western North Carolina and determine the assets, liabilities,  
25 and resources that the region contributes to the economic development  
26 process.
- 27 (2) Develop and evaluate alternatives for Western North Carolina  
28 economic development.
- 29 (3) Develop a preferred economic development plan for the region and  
30 establish strategies for implementing the plan.
- 31 (4) ~~Coordinate activities with and enter into contracts with any nonprofit~~  
32 ~~corporation created to assist the Commission in carrying out its powers~~  
33 ~~and duties.~~
- 34 (5) Repealed by Session Laws 1999-237, s. 16.5(a).

35 (f) The Commission is subject to all provisions of this Article except where  
36 inconsistent with the provisions of this section."

37 **SECTION 2.** G.S. 158-8.2 reads as rewritten:

38 "**§ 158-8.2. Creation of Northeastern North Carolina Regional Economic**  
39 **Development Commission.**

40 (a) There is created the Northeastern North Carolina Regional Economic  
41 Development Commission to facilitate economic development in Beaufort, Bertie,  
42 Camden, Chowan, Currituck, Dare, Gates, Halifax, Hertford, Hyde, Martin,  
43 Northampton, Pasquotank, Perquimans, Tyrrell, and Washington Counties, and any  
44 other county assigned to the Commission by the Department of Commerce as

1 authorized by law. The Commission shall be located administratively in the Department  
2 of Commerce but shall exercise its statutory powers and duties independently of the  
3 Department of Commerce. Funds appropriated for the Commission by the General  
4 Assembly shall be disbursed directly to the Commission at the beginning of each fiscal  
5 year.

6 (b) The Commission shall consist of 18 appointed members and one ex officio  
7 member, as provided below. Each appointed member shall be an experienced business  
8 person who resides for most of the year in one or more of the counties that are members  
9 of the Commission.

10 (1) Six members shall be appointed by the Governor.

11 (2) Six members shall be appointed by the General Assembly upon the  
12 recommendation of the President Pro Tempore of the Senate in  
13 accordance with G.S. 120-121.

14 (3) Six members shall be 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 (4) The Secretary of Commerce, or a designee.

18 (5) Repealed by Session Laws 1999-237, s. 16.6(a).

19 Any person appointed to the Commission who is also a county commissioner may  
20 hold that office in addition to the offices permitted by G.S. 128-1.1. The appointing  
21 authorities are encouraged to discuss and coordinate their appointments in an effort to  
22 ensure as many counties served by the Commission are represented among the  
23 membership of the Commission.

24 (c) All members shall serve staggered two-year terms ending on June 30  
25 biennially.

26 (d) Any appointment to fill a vacancy on the Commission shall be for the balance  
27 of the unexpired term. Vacancies in appointments made by the General Assembly shall  
28 be in accordance with G.S. 120-122.

29 (d1) The initial meeting shall be called by the Secretary of the Department of  
30 Commerce. The Commission shall meet no less than quarterly.

31 (e) The Commission shall elect annually from among its membership a  
32 four-member executive committee consisting of a chair, a vice-chair, a secretary, and a  
33 treasurer. Members shall serve one-year terms on the executive committee. The  
34 executive committee shall meet no less than quarterly.

35 (f) In addition to the powers and duties granted to economic development  
36 commissions in this Article, the Northeastern North Carolina Regional Economic  
37 Development Commission shall:

38 (1) Adopt and implement an economic development program, with the  
39 assistance of the economic development advisory board, as follows:

40 a. Survey northeastern North Carolina and determine the assets,  
41 liabilities, and resources that the region contributes to the  
42 economic development process;

43 b. Enhance economic development activities that use the area's  
44 natural resources;

- 1 c. Develop and evaluate alternatives for northeastern North  
2 Carolina economic development;  
3 d. Develop a preferred economic development plan for the region  
4 and establish strategies for implementing the plan;  
5 e. Conduct feasibility studies to determine the nature and  
6 placement of economic developments for maximum economic  
7 impact;  
8 f. Identify potential sites for economic development; and  
9 g. Carry out other activities to develop and promote economic  
10 development.

11 (2) Repealed by Session Laws 1999-237, s. 16.6(a).

12 ~~(3) Coordinate activities with and enter into contracts with any nonprofit  
13 corporation created to assist the Commission in carrying out its powers  
14 and duties.~~

15 (4) Repealed by Session Laws 1999-237, s. 16.5(b).

16 (g) Within the limits of funds available, the Commission may hire and fix the  
17 compensation of any personnel necessary to its operations, contract with consultants for  
18 any services as it may require, and contract with the State of North Carolina or the  
19 federal government, or any agency or department thereof, for any services as may be  
20 provided by those agencies. The Commission shall hire an employee to serve as  
21 president and chief executive officer. The Commission may carry out the provisions of  
22 any contracts it may enter.

23 Within the limits of funds available, the Commission may lease, rent, purchase, or  
24 otherwise obtain suitable quarters and office space for its staff, and may lease, rent, or  
25 purchase necessary furniture, fixtures, and other equipment.

26 (h) Members of the Commission who are State employees shall receive travel  
27 expenses as provided in G.S. 138-6. Other Commission members shall receive per diem  
28 of one hundred dollars (\$100.00) a day for each day of service when the Commission  
29 meets and shall be reimbursed for travel and subsistence as provided in G.S. 138-5.

30 (i) The Commission is subject to all provisions of this Article except where  
31 inconsistent with the provisions of this section."

32 **SECTION 3.** G.S. 158-8.3 reads as rewritten:

33 **"§ 158-8.3. Creation of Southeastern North Carolina Regional Economic**  
34 **Development Commission.**

35 (a) There is created the Southeastern North Carolina Regional Economic  
36 Development Commission to serve Bladen, Brunswick, Columbus, Cumberland, Hoke,  
37 New Hanover, Pender, Richmond, Robeson, Sampson, and Scotland Counties, and any  
38 other county assigned to the Commission by the Department of Commerce as  
39 authorized by law. The Commission shall be located administratively in the Department  
40 of Commerce but shall exercise its statutory powers and duties independently of the  
41 Department of Commerce. Funds appropriated for the Commission by the General  
42 Assembly shall be disbursed directly to the Commission at the beginning of each fiscal  
43 year.

44 (b) The Commission shall consist of 15 members appointed as follows:

- 1 (1) Three members shall be appointed by the Governor;
- 2 (2) Two members shall be appointed by the Lieutenant Governor;
- 3 (3) Five members shall be appointed by the General Assembly upon the
- 4 recommendation of the Speaker of the House of Representatives in
- 5 accordance with G.S. 120-121; and
- 6 (4) Five members shall be appointed by the General Assembly upon the
- 7 recommendation of the President Pro Tempore of the Senate in
- 8 accordance with G.S. 120-121.

9 (c) The appointing authority shall designate two of the initial appointees pursuant  
10 to subdivision (b)(1) of this section, one of the initial appointees pursuant to subdivision  
11 (b)(2) of this section, two of the initial appointees pursuant to subdivision (b)(3) of this  
12 section, and two of the initial appointees pursuant to subdivision (b)(4) of this section to  
13 serve for terms ending June 30, 1995; the remainder of the initial appointees shall serve  
14 for terms ending June 30, 1997. Their successors shall serve for four-year terms ending  
15 on June 30 quadrennially thereafter.

16 Any appointment to fill a vacancy on the Commission shall be for the balance of the  
17 unexpired term. Vacancies in appointments made by the General Assembly shall be  
18 filled in accordance with G.S. 120-122.

19 (c1) The initial meeting shall be called by the Secretary of the Department of  
20 Commerce.

21 (d) Members of the Commission who are State employees shall receive travel  
22 expenses as provided in G.S. 138-6. Other Commission members shall receive per diem  
23 of one hundred dollars (\$100.00) a day for each day of service when the Commission  
24 meets and shall be reimbursed for travel and subsistence as provided in G.S. 138-5. The  
25 Commission may adopt policies authorizing additional per diem of one hundred dollars  
26 (\$100.00) a day for non-State employee members' additional days of service including  
27 Commission subcommittee meetings or other Commission activities, plus  
28 reimbursement for related travel and subsistence as provided in G.S. 138-5.

29 (e) In addition to the powers and duties granted to economic development  
30 commissions in this Article, the Southeastern North Carolina Regional Economic  
31 Development Commission shall:

- 32 (1) Survey southeastern North Carolina and determine the assets,  
33 liabilities, and resources that the region contributes to the economic  
34 development process;
- 35 (2) Develop and evaluate alternatives for southeastern North Carolina  
36 economic development;
- 37 (3) Develop a preferred economic development plan for the region and  
38 establish strategies for implementing the plan; and
- 39 (4) ~~Coordinate activities with and enter into contracts with any nonprofit~~  
40 ~~corporation created to assist the Commission in carrying out its powers~~  
41 ~~and duties.~~
- 42 (5) Repealed by Session Laws 1999-237, s. 16.5(c).

43 (f) Within the limits of funds available, the Commission may hire and fix the  
44 compensation of any personnel necessary to its operations, contract with consultants for

1 any services as it may require, and contract with the State of North Carolina or the  
2 federal government, or any agency or department thereof, for any services as may be  
3 provided by those agencies. With the approval of any unit of local government, the  
4 Commission may contract to use officers, employees, agents, and facilities of the unit of  
5 local government. The Commission may carry out the provisions of any contracts it may  
6 enter.

7 Within the limits of funds available, the Commission may lease, rent, purchase, or  
8 otherwise obtain suitable quarters and office space for its staff, and may lease, rent, or  
9 purchase necessary furniture, fixtures, and other equipment.

10 (g) The Commission is subject to all provisions of this Article except where  
11 inconsistent with the provisions of this section."

12 **SECTION 4.** G.S. 158-8.4 reads as rewritten:

13 **"§ 158-8.4. Removal of commission members.**

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

21 (b) The Governor shall remove a member from a commission upon a finding that  
22 the member has violated the commission's policy on conflicts of interest, financial  
23 disclosure, and ethical behavior adopted pursuant to G.S. 158-13.1.

24 (c) A vacancy on a commission shall be filled in the same manner as the original  
25 appointment."

26 **SECTION 5.** Article 2 of Chapter 158 of the General Statutes is amended by  
27 adding two new sections to read:

28 **"§ 158-8.5. Annual reporting requirement.**

29 By February 15 of each fiscal year, the commissions created pursuant to  
30 G.S. 158-8.1, 158-8.2, 158-8.3, 158-33, the Charlotte Regional Partnership, Inc., the  
31 Piedmont Triad Partnership, and the Research Triangle Regional Partnership shall  
32 publish a report containing the information required by this section. The report shall  
33 also be submitted to the Department of Commerce, the Office of State Budget and  
34 Management, the Joint Legislative Commission on Governmental Operations, the Joint  
35 Legislative Economic Development Oversight Committee, and the Fiscal Research  
36 Division of the General Assembly.

37 (1) A summary of the preceding year's program activities, objectives, and  
38 accomplishments.

39 (2) The preceding fiscal year's itemized expenditures and fund sources.

40 (3) A demonstration of how the commission's regional economic  
41 development and marketing strategy aligns with the State's overall  
42 economic development and marketing strategies.

43 (4) A demonstration of how the commission's involvement in promotion  
44 activities have generated leads.

1           (5)    The most recent audited annual financial statement.

2    **"§ 158-8.6. Condition on receipt of State funds.**

3           As a condition on the receipt of State funds, the Charlotte Regional Partnership, Inc.,  
4 the Piedmont Triad Partnership, and the Research Triangle Regional Partnership shall  
5 agree to be subject to the provisions of this Article."

6           **SECTION 6.** Article 2 of Chapter 158 of the General Statutes is amended by  
7 adding a new section to read:

8    **"§ 158-13.1. Limitations; withholding of State funds.**

9           (a) All economic development commissions created under or pursuant to this  
10 Article are subject to the following conditions:

11           (1)    The commission shall develop and adopt written policies governing  
12 the compensation of employees of the commission that are not  
13 inconsistent with the compensation policies of Article 2 of Chapter  
14 126 of the General Statutes.

15           (2)    The commission is subject to the public records requirements of  
16 Chapter 132 of the General Statutes.

17           (3)    The commission shall develop and adopt written policies governing  
18 purchasing and contracting by the commission that are not inconsistent  
19 with Article 3 of Chapter 143 of the General Statutes.

20           (4)    The commission is subject to the open meetings requirements of  
21 Article 33C of Chapter 143 of the General Statutes.

22           (5)    The commission may not create any nonprofit organization to assist  
23 with carrying out its powers and duties under this Article. If a  
24 nonprofit organization prohibited by this subdivision was created by  
25 the commission before the effective date of this subdivision, the  
26 commission may not further contract with the organization to carry out  
27 the powers and duties of the commission under this Article.

28           (6)    The commission shall create and implement a written policy regarding  
29 conflicts of interest, disclosure of financial interest, and ethical  
30 behavior consistent with Executive Order No. One issued on January  
31 12, 2001. The commission shall submit the policy for approval to the  
32 North Carolina Board of Ethics and shall revise the policy upon the  
33 recommendation of the North Carolina Board of Ethics.

34           (b) The Governor may withhold any State funds appropriated to a commission  
35 upon a finding that the provisions of this Article have been violated."

36           **SECTION 7.** G.S. 158-37 is amended by adding a new subsection to read:

37           "(c) The Region is subject to the provisions of Article 2 of this Chapter where  
38 those provisions are not inconsistent with the provisions of this Article."

39           **SECTION 8.** This act becomes effective July 1, 2006.