

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 2018

Short Title: ED Regional Partnership Accountability. (Public)

Sponsors: Senator Weinstein.

Referred to: Rules and Operations of the Senate.

May 26, 2006

1 A BILL TO BE ENTITLED
2 AN ACT RELATING TO REGIONAL ECONOMIC DEVELOPMENT
3 COMMISSIONS.

4 The General Assembly of North Carolina enacts:

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

6 "**§ 158-8.1. Creation of Western North Carolina Regional Economic Development**
7 **Commission.**

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

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

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

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

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

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

26 (c) The appointing authority shall designate two of the initial appointees pursuant
27 to subdivision (b)(1), one of the initial appointees pursuant to subdivision (b)(2), two of
28 the initial appointees pursuant to subdivision (b)(3), and two of the initial appointees
29 pursuant to subdivision (b)(4) to serve for terms ending June 30, 1995; the remainder of

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

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

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

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

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

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

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

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

36 "**§ 158-8.2. Creation of Northeastern North Carolina Regional Economic**
37 **Development Commission.**

38 (a) There is created the Northeastern North Carolina Regional Economic
39 Development Commission to facilitate economic development in Beaufort, Bertie,
40 Camden, Chowan, Currituck, Dare, Gates, Halifax, Hertford, Hyde, Martin,
41 Northampton, Pasquotank, Perquimans, Tyrrell, and Washington Counties, and any
42 other county assigned to the Commission by the Department of Commerce as
43 authorized by law. The Commission shall be located administratively in the Department
44 of Commerce but shall exercise its statutory powers and duties independently of the

1 Department of Commerce. Funds appropriated for the Commission by the General
2 Assembly shall be disbursed directly to the Commission at the beginning of each fiscal
3 year.

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

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

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

12 (3) Six members shall be appointed by the General Assembly upon the
13 recommendation of the Speaker of the House of Representatives in
14 accordance with G.S. 120-121.

15 (4) The Secretary of Commerce, or a designee.

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

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

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

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

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

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

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

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

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

41 b. Enhance economic development activities that use the area's
42 natural resources;

43 c. Develop and evaluate alternatives for northeastern North
44 Carolina economic development;

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

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

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

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

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

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

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

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

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

31 "**§ 158-8.3. Creation of Southeastern North Carolina Regional Economic**
32 **Development Commission.**

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

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

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

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

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

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

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

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

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

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

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

30 (1) Survey southeastern North Carolina and determine the assets,
31 liabilities, and resources that the region contributes to the economic
32 development process;

33 (2) Develop and evaluate alternatives for southeastern North Carolina
34 economic development;

35 (3) Develop a preferred economic development plan for the region and
36 establish strategies for implementing the plan; and

37 ~~(4) Coordinate activities with and enter into contracts with any nonprofit~~
38 ~~corporation created to assist the Commission in carrying out its powers~~
39 ~~and duties.~~

40 (5) Repealed by Session Laws 1999-237, s. 16.5(c).

41 (f) Within the limits of funds available, the Commission may hire and fix the
42 compensation of any personnel necessary to its operations, contract with consultants for
43 any services as it may require, and contract with the State of North Carolina or the
44 federal government, or any agency or department thereof, for any services as may be

1 provided by those agencies. With the approval of any unit of local government, the
2 Commission may contract to use officers, employees, agents, and facilities of the unit of
3 local government. The Commission may carry out the provisions of any contracts it may
4 enter.

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

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

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

11 "**§ 158-8.4. Removal of commission members.**

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

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

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

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

26 "**§ 158-8.5. Annual reporting requirement.**

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

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

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

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

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

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

44 "**§ 158-8.6. Condition on receipt of State funds.**

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

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

6 **"§ 158-13.1. Limitations; withholding of State funds.**

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

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

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

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

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

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

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

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

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

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

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