GENERAL ASSEMBLY OF NORTH CAROLINA
SECOND EXTRA SESSION 1996

CHAPTER 17
SENATE BILL 46

AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH COMMISSION, TO CREATE AND CONTINUE VARIOUS COMMISSIONS, TO DIRECT STATE AGENCIES AND LEGISLATIVE OVERSIGHT COMMITTEES AND COMMISSIONS TO STUDY SPECIFIED ISSUES, TO ABOLISH THE HEALTH CARE REFORM COMMISSION, AND TO AMEND THE LAWS GOVERNING CORPORATE REINSTATEMENT AFTER DISSOLUTION.

The General Assembly of North Carolina enacts:

PART I.—-TITLE

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

PART II.—-LEGISLATIVE RESEARCH COMMISSION

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

(a) State's role in responding to federally-declared disasters (Hayes; J. Robinson).

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

(1) The amount of money that should be maintained in the Unemployment Insurance Fund to meet anticipated claims and to maintain an adequate reserve.

(2) Whether automatic statutory mandates can be used to make adjustments in collections in order to maintain the fund.

(3) What steps can be taken under existing law to curb abuses in the unemployment compensation system, such as those that may result from construction industry layoffs during periods of inclement weather or the vacation season and whether legislation is needed.

(4) Comparing the interest rate earned on the national and State unemployment insurance funds and determining the reasons for any differences, if they exist.

(5) The fairness of the present formula and rates establishing employment compensation, including that of basing a claimant's entitlement to benefits on a movable base period that would include information on wages earned from the latest available quarter rather than on wages earned during the first four of the last five quarters prior to filing under the current system.

(6) Comparing North Carolina's formula and rate of unemployment compensation to those of other states.

(c) Licensing Boards (Little). The study may consider the following: the need for the existence of all of the licensing boards, the necessity and feasibility of regular audits by the State Auditor, the responsiveness, efficiency, and accountability of licensing boards, and any other issues relevant to licensing boards and departmental agencies that issue occupational licenses.

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

(1) The economic and other evidence relevant to the federal legislation pending before Congress that would increase the federal minimum wage to $5.15 per hour by July 1, 1997.

(2) Whether North Carolina should continue to have its minimum wage track with the federal minimum wage.

(e) Liability for county departments of social services' negligence, including the following issues: county immunity from suit; waiver of immunity through the purchase of liability insurance, including the effect of requiring the purchase of liability insurance; and State liability for county negligence when a county is deemed immune (Gammons v. N.C. Department of Human Resources) (Gardner; Martin of Guilford).

(f) The impact of the Supreme Court's decision in Craven County Board of Education v. Boyles on civil penalties, forfeitures, and fines collected by State agencies (Rand and Gulley).

(f1) The related and vital issues of education and placement in the training schools run by Division of Youth Services, Department of Human Resources, in order to determine how to ensure that education and placement are adequate and appropriate for all training school students, including Willie M. students.

(g) Allowing property tax refunds for overpayments due to clerical, measurement, or computational errors in appraisal of property (S.B. 1019 - Dannelly).

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

(i) Public cooperation with the nonprofit sector (H.J.R. 1167 - McMahan).

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

(1) Possible sources of revenue for permanent, dedicated funding for the perpetuation of the North Carolina Housing Trust Fund.

(2) Permanent, dedicated funding for the Center for Community Self-Help's Home Ownership Expansion Program.

(3) Funding of capacity building grants for nonprofit, tax-exempt housing providers.

(4) Other significant initiatives and resources supporting and encouraging the availability of affordable housing in North Carolina.

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

(l) Department of Environment, Health, and Natural Resources.– The study may consider:

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

(2) Duplication in or inconsistencies between State and federal environmental regulations.

(3) Alternative permitting and compliance mechanisms.

(4) Other issues relating to the administration and enforcement of State and federal environmental laws, regulations, policies, and programs.

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

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

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

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

PART III.—-CHILD FATALITY TASK FORCE CONTINUED (Perdue; S.B. 1288, S.B. 31 from the 1996 Second Extra Session - Winner; Sharpe; H.B. 1315 - Easterling)

Sec. 3.1. G.S. 143-577(b) reads as rewritten:

"(b) The Task Force shall ~~provide updated reports~~ make a written report to the Governor and General Assembly ~~within the first week of the convening of the 1993 General Assembly, within the first week of the convening of the 1994 Regular Session of the 1993 General Assembly, within the first week of the convening of the 1995 General Assembly, and within the first week of the convening of the 1996 Regular Session of the 1995 General Assembly. The Task Force shall provide a final report to~~

~~the Governor and General Assembly within the first week of the convening of the 1997 General Assembly.~~ within the first week of the convening of the 1997 General Assembly. The Task Force may make a written report to the Governor and General Assembly within one week of the convening of the 1998 Regular Session of the 1997 General Assembly. The Task Force shall make a final written report to the Governor and General Assembly within the first week of the convening of the 1999 General Assembly. The final report shall include final conclusions and recommendations for each of the Task Force's duties, as well as any other recommendations for changes to any law, rule, and policy that it has determined will promote the safety and well-being of children. Any recommendations of changes to law, rule, or policy shall be accompanied by specific legislative or policy proposals and detailed fiscal notes setting forth the costs to the State."

Sec. 3.2. Section 285(e) of Chapter 321 of the 1993 Session Laws, as amended by Section 27.8(b) of Chapter 769 of the Session Laws of 1993 (1994 Regular Session) reads as rewritten:

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

PART IV.—-CIVIL PROCEDURE STUDY COMMISSION (S.B. 1232 - Rand and Gulley; Daughtry; H.B. 1333 - Neely)

Sec. 4.1. (a) The Civil Procedure Study Commission is created. The Commission shall consist of 18 voting members: six members to be appointed by the President Pro Tempore of the Senate, six members to be appointed by the Speaker of the House of Representatives, and six members to be appointed by the Chief Justice of the North Carolina Supreme Court. No more than four members appointed by the President Pro Tempore of the Senate and no more than four members appointed by the Speaker of the House of Representatives may be members of the General Assembly. No more than four of the members appointed by any one of the three appointing authorities may be members of the same political party.

(b) The Commission shall:

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

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

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

(d) The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate one of their appointees to serve as cochairs. The Commission shall meet at such times and places as the cochairs designate. The facilities of the State Legislative Building and Legislative Office Building shall be available to the Commission, subject to the approval of the Legislative Services Commission. Legislative members of the Commission shall be reimbursed for subsistence and travel expenses at the rates set forth in G.S. 120-3.1. Members of the Commission who are officers or employees of the State shall receive reimbursement for travel and subsistence expenses at the rate set forth in G.S. 138-6. All other members shall receive compensation and reimbursement for travel and subsistence expenses at the rates specified in G.S. 138-5.

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

Sec. 4.2. Of the funds appropriated to the General Assembly for the 1996-97 fiscal year the sum of twenty-five thousand dollars ($25,000) shall be allocated to implement the provisions of this Part.

PART V.—-CRIMINAL PROCEDURE STUDY COMMISSION (S.B. 1233 - Rand and Gulley; Daughtry; H.B. 1361 - Neely)

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

(b) The Commission shall:

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

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

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

(d) The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate one of their appointees to serve as cochairs. The Commission shall meet at such times and places as the cochairs designate. The facilities of the State Legislative Building and Legislative Office Building shall be available to the Commission, subject to the approval of the Legislative Services Commission. Legislative members of the Commission shall be reimbursed for subsistence and travel expenses at the rates set forth in G.S. 120-3.1. Members of the Commission who are officers or employees of the State shall receive reimbursement for travel and subsistence expenses at the rate set forth in G.S. 138-6. All other members shall receive compensation and reimbursement for travel and subsistence expenses at the rates specified in G.S. 138-5.

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

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

PART VI. Reserved.

PART VII.—-EXPENDITURE MODEL (Odom)

Sec. 7.1. Expand and Upgrade the General Assembly Expenditure Model for General and Highway Funds and Federal Funds. A special subcommittee of the Legislative Services Commission shall be appointed to oversee and coordinate the expansion and upgrade of the financial models. The President Pro Tempore of the Senate shall appoint two Senate members of the Legislative Services Commission to the subcommittee and the Speaker of the House shall appoint two House members of the Legislative Services Commission to the subcommittee. The subcommittee shall develop and issue a Request for Qualifications document to interested contractors for the purpose of presenting to the subcommittee, for recommendation to the Commission, a suggested approach, statement of qualifications, together with cost estimates, to

prepare and benchmark specific upgrades and other "user-friendly" improvements (e.g., graphics, drop down lists, "windows-like" applications and "touch screen" technology) to the current General Fund Financial Model and Highway Fund Financial Model.

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

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

(1) Certified public school employees; noncertified public school employees;
(2) University faculty and nonfaculty employees;
(3) Community college personnel (faculty and nonfaculty);
(4) Judicial employees; and
(5) All other executive branch employees.

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

(c) Medicaid and Other Federal Entitlements Funding. Within this Federal Funds Model described in subsection (b) of this section, the Office of Budget and Management and the Fiscal Research Division, working with the Division of Medical Assistance of the Department of Human Resources shall develop and enhance a Medicaid expenditures and receipts forecasting component for use with the General Fund Forecasting Model to determine the effect of congressional decisions on the State's share of Medicaid funding, and the resulting potential effect on local government share.

Sec. 7.2. Design, Access, Use, Maintenance, and Upgrade of Models. (a) The Legislative Services Commission, at the request of the Governor, shall allow access

and use of the General Highway and Federal Funds Models to executive branch policy and decision makers. These models may be used to illustrate, indicate, or simulate an outcome or series of outcomes that reasonably may be expected to result from the application of selected revenue or expenditure assumptions, conditions, or changes to a current or proposed budget. These simulations shall not be deemed as formal predictions or statistically reliable forecasts. [Reports of simulations may be construed as indicators of potential future outcomes, if the specific assumptions used to produce the simulation occurred exactly as applied.]

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

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

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

PART VIII.—-FISHERMEN'S DISASTER RELIEF FUND STUDY (Perdue; J. Robinson)

Sec. 8.1. The Joint Legislative Commission on Seafood and Aquaculture, established pursuant to G.S. 120-70.60, shall study the feasibility of creating a Fishermen's Disaster Relief Fund to provide financial assistance to fishermen for damage to fishery resources caused by natural or man-made disasters. The Commission shall report its findings and recommendations, if any, to the 1997 General Assembly upon its convening.

PART IX.—-GENERAL STATUTES COMMISSION TO STUDY REMOVAL OF ANTIQUATED LAWS (Gulley)

Sec. 9.1. The General Statutes Commission established pursuant to Article 2 of Chapter 164 shall study and identify antiquated laws in the North Carolina General Statutes and make recommendations regarding removal of those laws from the books.

Sec. 9.2. The Commission shall report its findings and recommendations to the 1997 General Assembly upon its convening.

PART X.—-INDUSTRIAL COMMISSION SALARY LEVELS STUDY (Plyler and Perdue)

Sec. 10.1. The State Auditor shall study, in conjunction with the scheduled performance audit of the North Carolina Industrial Commission, the salary levels of the Chairman and members of the North Carolina Industrial Commission as well as that of Deputy Commissioners, the Executive Secretary, and Administrator of the North Carolina Industrial Commission. In accomplishing this study, the State Auditor shall consult the Office of State Personnel, the North Carolina Industrial Commission Advisory Council, and the North Carolina Bar Association and shall review the compensation of Industrial Commissioners and staff in other southeastern states. The State Auditor shall report the results of this study and its recommendations to the Chairs of the House and Senate Appropriations Committees and the Chairs of the House and Senate Appropriations Subcommittees on Natural and Economic Resources by January 15, 1997. The State Auditor shall also submit a copy of the report to the Legislative Library.

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

Sec. 11.1. Effective May 1, 1996, Section 23.5A(d) of Chapter 507 of the 1995 Session Laws reads as rewritten:

"(d) The task force shall report the results of its study, together with any legislative proposals and cost analyses, to the 1995 General Assembly, Regular Session 1996, within a week of its ~~convening or~~ convening, to a special session of the 1995 General Assembly called to deal with federal block grant funding ~~issues.~~ issues, or to the 1997 General Assembly within a week of its convening. The Task Force shall terminate upon filing its final report."

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

Sec. 12.1. Effective May 1, 1996, Section 16.1(e) of Chapter 542 of the 1995 Session Laws reads as rewritten:

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

PART XIII.—-STATE EMPLOYEE PERSONNEL COMPENSATION STUDY COMMISSION (Russell)

Sec. 13.1. (a) The State Employee Personnel Compensation Study Commission is created. The Commission shall consist of 10 members: five appointed by the President Pro Tempore of the Senate, at least three of whom shall be members of the Senate, and five appointed by the Speaker of the House of Representatives, at least

three of whom shall be members of the House. The Speaker of the House shall designate one Representative as a cochair and the President Pro Tempore of the Senate shall designate one Senator as a cochair. Vacancies shall be filled by the initial appointing officer.

The Commission shall study the following with respect to the compensation of State employees:

(1) Salary inequities within ranges.
(2) Private sector pay versus public sector pay.
(3) Longevity.
(4) Benefits.
(5) Hiring rates (employees hired above the range).
(6) Other states' public employees compensation packages, including comparison and ranking of North Carolina's package.
(7) Factors affecting employees' salary and benefits.
(8) Effect of across-the-board salary increases.
(9) Means of determining a salary increase for State employees based on a predetermined amount in lieu of appropriating monies left available at the end of the budget process.

(b) The Commission shall meet upon the call of the cochairs. A quorum of the Commission is six members.

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

(d) The Legislative Administrative Officer shall assign as staff to the Commission professional employees of the General Assembly. Clerical staff shall be assigned to the Commission through the Offices of the Supervisor of Clerks of the Senate and Supervisor of Clerks of the House of Representatives. The Commission may meet in the Legislative Building or the Legislative Office Building with the approval of the Legislative Services Commission.

(e) The Commission shall report the results of its study and recommendations to the 1997 General Assembly upon its convening. The Commission shall terminate upon filing the report.

Sec. 13.2. From funds appropriated to the General Assembly, the Legislative Services Commission may allocate funds for the expenses of the Commission under this Part.

PART XIV.—-RAIL SAFETY INSPECTION SERVICES STUDY (S.B. 1255 - Hoyle; H.B. 1172 - Morgan)

Sec. 14.1. The Secretary of Transportation shall study the provision of rail safety inspection services in North Carolina by the State and the Federal Railroad Administration and shall recommend to the General Assembly no later than June 1, 1997, whether the State should continue to perform this service. The recommendation shall be contained in a report filed with the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Legislative Library.

Sec. 14.2. The Department of Transportation shall conduct this study within available funds.

PART XV.—-CORPORATE REINSTATEMENT AFTER DISSOLUTION (Rand)

Sec. 15.1. (a) The General Statutes Commission shall study the issue of administrative dissolution and reinstatement after dissolution of corporations, nonprofit corporations, and limited liability companies. In particular, the Commission shall study the extension of time in which corporations, nonprofit corporations, and limited liability companies may apply for reinstatement after dissolution. The Commission shall report its findings and recommendations to the General Assembly on or before March 1, 1997.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

PART XVI.—-ABOLITION OF HEALTH CARE REFORM COMMISSION (Morgan)

Sec. 16.1. The North Carolina Health Care Reform Commission, created in Article 65 of Chapter 143 of the General Statutes, is abolished.

Sec. 16.2. G.S. 143-610, 143-611, 143-612A, and 143-614 are repealed. The title to Article 65 reads as rewritten:

"~~North Carolina Health Care Reform Commission.~~ Medical Education and Primary Care."

Sec. 16.3. Article 68A of Chapter 58 of the General Statutes (Health Care Reform Planning) is repealed.

Sec. 16.4. G.S. 93B-12 reads as rewritten:

"**§ 93B-12. Information from licensing boards having authority over health care providers.**

(a) Every occupational licensing board having authority to license physicians, physician assistants, nurse practitioners, and nurse midwives in this State shall modify procedures for license renewal to include the collection of information specified in this section for each board's regular renewal cycle. The purpose of this requirement is to assist the State in tracking the availability of health care providers to determine which areas in the State suffer from inequitable access to specific types of health services and to anticipate future health care shortages which might adversely affect the citizens of this State. Occupational licensing ~~boards, in consultation with the North Carolina Health Care Reform Commission,~~ boards shall collect, report, and update the following information:

(1) Area of health care specialty practice;

(2) Address of all locations where the licensee practices; and

(3) Other information the occupational licensing board ~~in consultation with the North Carolina Health Care Reform Commission~~ deems relevant to assisting the State in achieving the purpose set out in this section, including social security numbers for research purposes only in matching other data sources.

(b) Every occupational licensing board required to collect information pursuant to subsection (a) of this section shall report and update the information on an annual basis to the ~~North Carolina Health Care Reform Commission.~~ Department of Human Resources. The ~~Commission~~ Department shall provide this information to programs preparing primary care physicians, physicians assistants, and nurse practitioners upon request by the program and by the Board of Governors of The University of North Carolina. Information provided by the occupational licensing board pursuant to this subsection may be provided in such form as to omit the identity of the health care licensee."

Sec. 16.5. Part XII of Chapter 542 of the 1995 Session Laws (North Carolina Health Care Reform Commission studies) is repealed.

Sec. 16.6. Any unencumbered and unexpended funds appropriated to the North Carolina Health Care Reform Commission shall revert to the General Fund.

Sec. 16.7. This Part becomes effective January 1, 1997.

PART XVII.—-WELFARE REFORM (Basnight; Martin of Guilford; Berry; Howard; Gray)

Sec. 17.1. (a) Section 47 of Chapter 24 of the 1993 Session Laws, Extra Session 1994, as continued and amended by Section 23.8B of Chapter 507 of the 1995 Session Laws, and as amended by Part XXIII, Section 23.1 of Chapter 542 of the 1995 Session Laws, reads as rewritten:

"(a) There is created the Legislative Study Commission on Welfare Reform. The Commission shall consist of 12 members as follows:

(1) Six ~~members of the House of Representatives~~ persons appointed by the Speaker of the House of ~~Representatives; and~~ Representatives, at least three of whom shall be members of the House; and

(2) Six ~~Senators~~ persons appointed by the President Pro Tempore of the ~~Senate.~~ Senate, at least three of whom shall be members of the Senate.

(b) The Speaker of the House of Representatives shall designate one representative as cochair and the President Pro Tempore of the Senate shall designate one Senator as cochair.

(c) The Commission may study the following: ~~shall study the whole issue of the need for welfare reform in light of the current social crisis caused, in part, by the rapidly increasing incidence of violent crimes. This study shall include:~~

~~(1) A reexamination of the whole purpose of the welfare system and an identification of those disincentives to raising responsible, independent participants in society that are built into the system;~~

~~(2) An analysis of the federal welfare reform proposals and of other states' initiatives; and~~

~~(3) A compilation and detailed examination, including detailed fiscal analysis, of proposals to reform the welfare system.~~

(1) The feasibility of having public assistance appropriations and expenditures based on program/performance goals that foster consolidation and collaboration across program and agency lines;

(2) Consideration of what consequences will ensue if a program or agency fails to attain its benchmarks or goals, and how those consequences can be handled in a manner that does not penalize families;

(3) The feasibility of allowing counties to administer their own public assistance programs rather than the program devised by the State, and what core services, if any, should be part of all programs;

(4) The feasibility of using public assistance funds to purchase services through subcontracting grants or otherwise from private and public not-for-profit organizations best able to achieve designated program and performance benchmarks and goals.

In considering these issues, special attention shall be given to:

a. The capacity of not-for-profit organizations in various local areas of the State to provide needed services and meet designated benchmarks and goals;

b. The best way to assure fiscal and program accountability;

c. Identification of a reasonable per-unit cost for administering and delivering specified services in a manner that:

1. Considers and reflects an understanding of the populations to be served, and ensures that persons most difficult to serve will actually be served; and

2. Considers the availability of infrastructure in local areas such as transportation, day and evening child care, job-training activities, and job-placement opportunities;

d. The extent to which it is feasible for recipient eligibility standards to be localized or regionalized; and

e. Linking all public assistance, job-training and job-placement program funding to performance, whether the services are being provided by governmental or nongovernmental agencies."

(d) Repealed by Section 23.8B(a) of Chapter 507 of the 1995 Session Laws.

(e) Repealed by Section 23.8B(a) of Chapter 507 of the 1995 Session Laws.

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

(g) Members of the Commission shall receive subsistence and travel expenses at the rates set forth in ~~G.S. 120-3.1.~~ G.S. 120-3.1, 138-5, or 138-6, as appropriate.

(h) The Commission may contract for professional, clerical, or consultant services as provided by G.S. 120-32.02. The Legislative Services Commission, through the Legislative Administrative Officer, shall assign professional staff to assist in the work of the Commission. The House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to the Commission or committee, upon the direction of the Legislative Services Commission. The expenses relating to clerical employees shall be borne by the Commission.

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

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

(k) The Legislative Study Commission on Welfare Reform shall submit a final report to the General Assembly on or before the first day of the 1997 General Assembly. Upon filing its final report, the Commission shall terminate, unless reauthorized by the General Assembly."

(b) Subsection (b) of Section 23.8B of Chapter 507 of the 1995 Session Laws is repealed.

(c) From funds appropriated to the General Assembly, the Legislative Services Commission may allocate funds for the expenses of the Legislative Study Commission on Welfare Reform under this Part.

PART XVIII.—-AGING COMMISSION STUDY (Pulley)

Sec. 18.1. (a) The Aging Study Commission shall study the issue of adult care home grading of those homes licensed under Chapter 131D of the General Statutes and shall report the results of this study, together with any legislative recommendations, in its report to the 1997 General Assembly.

(b) This study shall include consideration of the following:

(1) Determination of the appropriate level or levels of government and agency of the county departments of social services to perform the grading of adult care homes, determination of the appropriate form of the grading, and determination of the appropriate method used to report the grading results;

(2) The appropriateness of grading from "A" to "C";

(3) The conditions in each home to be graded, including:

a. Housekeeping, furnishings, buildings, and equipment;

b. Personnel;

c. Services;

d. Medical care;

e. Food service;

f. Program; and

g. Other conditions and situations the county departments, in cooperation with the Division of Facility Services, consider important in evaluating the homes for grading, including the attitude of the residents and their families towards the home and the home's programs and services;

(4) The appropriateness of having State Ombudsman and the Division of Aging train their workers in how to perform the grading evaluations and establish training requirements that must be met by any worker before that worker grades any home; and

(5) Any other items the Commission considers necessary to its study.

PART XIX.—-EFFECTIVE DATE AND APPLICABILITY

Sec. 19.1. Except as otherwise specifically provided, this act is effective July 1, 1996. If a study is authorized both in this act and the Current Operations Appropriations Act of 1996, the study shall be implemented in accordance with the Current Operations Appropriations Act of 1996 as ratified.

In the General Assembly read three times and ratified this the 3rd day of August, 1996.

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Dennis A. Wicker
President of the Senate

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Harold J. Brubaker
Speaker of the House of Representatives