

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

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**SENATE BILL 1152\***  
**Rules and Operations of the Senate Committee Substitute Adopted 7/16/04**  
**Third Edition Engrossed 7/16/04**  
**House Committee Substitute Favorable 7/18/04**

Short Title: Studies Act of 2004.

(Public)

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Sponsors:

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Referred to:

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May 18, 2004

A BILL TO BE ENTITLED

AN ACT CONCERNING STUDIES.

The General Assembly of North Carolina enacts:

**PART I. TITLE**

**SECTION 1.** This act shall be known as "The Studies Act of 2004".

**PART II. LEGISLATIVE RESEARCH COMMISSION**

**SECTION 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 2003 or 2004 Regular Session of the 2003 General Assembly. The Commission may consider the original bill or resolution in determining the nature, scope, and aspects of the study. The following groupings are for reference only:

(1) Government Regulatory Issues:

- a. Fire safety in local confinement facilities (H.B. 1050 – Frye)
- b. Regulating ticket brokers (H.B. 1072 – Miner, Gibson; S.B. 556 – Hoyle)
- c. Light pollution (Queen)
- d. Urban cores (Queen)
- e. Legislative and executive branch lobbying (Kinnaird; H.B. 1780 – Hackney, H.B. 1788 – Gibson, McComas, H.B. 1789)
- f. Alcoholic beverage control (Gibson)
- g. State fire protection (S.B. 1377 – Kinnaird; H.B. 1648 – Insko, Hackney)

- 1 h. Landscape/irrigation contractors (H.B. 947 – Gibson, McHenry)
- 2 i. Regulations regarding massage therapy (Gibson)
- 3 (2) Transportation Issues:
- 4 a. Purchasing alternative-fuel or low-emission school buses
- 5 (S.J.R. 768 – Bingham)
- 6 b. Commercial drivers license requirements and emergency
- 7 situations (Sloan)
- 8 c. Handheld cell phone use while driving (H.B. 623 – Bowie,
- 9 Luebke, McAllister)
- 10 d. State ports (H.B. 1249 – McComas)
- 11 e. Towing laws, salvage laws, and lienholder notification when
- 12 vehicles are abandoned or seized (Crawford)
- 13 (3) Consumer Issues:
- 14 a. Debt collection practices (Rand; H.B. 1039 – Weiss)
- 15 (4) Insurance Issues:
- 16 a. Workers' compensation/agricultural employment (S.B. 632 –
- 17 Clodfelter; H.B. 922 – Luebke)
- 18 b. Workers' compensation/trucking companies (H.B. 1370 –
- 19 Saunders; S.B. 1081 – Jenkins)
- 20 c. High-risk health insurance pools (H.B. 1494 – Insko, Bowie,
- 21 Justus, Allred; H.B. 1367 – Insko)
- 22 d. Health insurance mandates (H.B. 1476 – Owens, Bowie, Justus,
- 23 Blackwood)
- 24 e. Reduce workers' compensation premiums (H.B. 1626 –
- 25 Goodwin)
- 26 (5) Criminal Law Issues:
- 27 a. Review of sentencing guidelines
- 28 b. Judicial approval for pleas in certain cases (Clodfelter)
- 29 c. Reclassify statutory rape (H.B. 243 – Haire)
- 30 d. Amend habitual felon law (H.B. 242 – Haire)
- 31 e. Restructure prior criminal record points (H.B. 247 – Haire)
- 32 f. Sentence lengths (H.B. 264 – Haire)
- 33 g. Adjust penalties for B1 to E offenses (H.B. 246 – Haire)
- 34 h. Arson offenses (H.B. 244 – Haire)
- 35 i. Drug trafficking laws (H.B. 241 – Haire)
- 36 j. Giving notice of rights to contest mechanic's lien storage
- 37 charges of vehicles seized under the DWI forfeiture laws
- 38 (Lewis)
- 39 k. Youthful offenders (H.B. 1406 – Bordsen, Crawford)
- 40 l. Street gang terrorism prevention (H.B. 732 – Michaux)
- 41 (6) State/Local Government Employee Issues:
- 42 a. Pay equity (S.B. 747 – Lucas; H.B. 544 – Alexander, Clary,
- 43 Weiss, Insko)
- 44 b. Job sharing (H.J.R. 958 – Glazier)

- 1 c. Reemployment of retirees (S.B. 10 – Garwood; H.B. 219 –
- 2 Glazier; Rapp, Goodwin, McLawhorn)
- 3 d. Postretirement earnings (S.B. 1313 – Dorsett; H.B. 1658 –
- 4 Jeffus; H.B. 1505 – Rapp, Bell, McLawhorn)
- 5 e. State government employment (H.B. 861 – Earle, Wainwright)
- 6 f. Optional graduated 25-year retirement plan for local
- 7 governments (H.B. 1276 – Goodwin; Rapp, McLawhorn)
- 8 (7) Labor, Employment, and Economic Development Issues:
- 9 a. Loss of manufacturing businesses (Culpepper)
- 10 b. Film industry incentives (H.B. 1802 – McComas, Harrell)
- 11 c. Credit for hiring apprentices (H.B. 1437 – Goodwin)
- 12 d. Labor audit systems/incentives (H.B. 1599 – Goodwin)
- 13 e. Non-English speaking worker safety (H.B. 1627 – Goodwin)
- 14 (8) Health and Human Services Issues:
- 15 a. Dix Hospital property (H.B. 960 – Ross, Weiss, Munford,
- 16 Stam; S.B. 413 – Reeves)
- 17 b. Care and safety of residents of residential care facilities (H.B.
- 18 1431 – Farmer-Butterfield, Insko)
- 19 c. Promoting patient safety in the provision of health care (H.B.
- 20 1765 – L. Allen, England)
- 21 d. Provision of emergency medical services in rural counties and
- 22 their funding mechanisms (Wright)
- 23 (9) Other:
- 24 a. Immigration (S.J.R. 553 – Albertson)
- 25 b. Casino nights for nonprofit organizations (H.B. 149 – Owens)
- 26 c. Soil and water conservation issues (Brubaker)
- 27 d. Trafficking of persons (S.J.R. 1197 – Kinnaird; H.J.R. 1086 –
- 28 Alexander; H.J.R. 1576 – Justice, Womble)
- 29 e. Regulation of sellers of timeshares (Rand)
- 30 f. Attorney solicitation regulation (S.B. 1317 – Rand)
- 31 g. Compensation for eugenic sterilization (H.B. 1236 – Womble,
- 32 Parmon, Insko, Ross)
- 33 h. Authority and responsibility of homeowners associations
- 34 (Earle)
- 35 i. Charitable bingo/beach bingo (H.B. 1598 – Culpepper; H.B.
- 36 1637 – Gorman)
- 37 j. Agribusiness and agriculture teaching fellows (H.B. 1762 –
- 38 Goodwin)
- 39 k. Meeting IRS request for a defined retirement age (Rapp,
- 40 Goodwin, McLawhorn)

41 **SECTION 2.1.(a)** Size/Scope of Boards and Commissions (S.J.R. 924 –  
42 Rand; H.J.R. 1067 – Dockham, Owens) – The Commission may study boards and  
43 commissions. If this study is undertaken, the Commission shall establish a schedule for  
44 reviewing boards and commissions so that approximately twenty-five percent (25%) of

1 the total number of State boards and commissions are reviewed each year for the next  
2 four years. In reviewing boards and commissions, the Commission shall consider the  
3 following:

- 4 (1) The consolidation of boards and commissions, where appropriate.
- 5 (2) Reducing the number of members serving on boards and commissions.
- 6 (3) Reducing the number of meetings of boards and commissions.
- 7 (4) The scope and authority of boards and commissions.
- 8 (5) The elimination of boards and commissions, where appropriate.

9 **SECTION 2.1.(b)** Availability of Health Insurance for Small Businesses and  
10 Trade Associations (S.B. 758 – Rand, Clodfelter, Soles) – The Commission may study  
11 the availability of health insurance for small employers. The Commission shall  
12 examine the Small Employer Group Health Insurance Reform Act to determine whether  
13 its provisions should be revised to increase the availability of health insurance offered to  
14 small employers in North Carolina. The Commission shall also examine whether North  
15 Carolina laws conflict with federal law regarding the ability of a trade association to  
16 obtain health insurance through a commercial carrier.

17 **SECTION 2.1.(c)** Availability of Health Insurance for Uninsurable  
18 Individuals (Rand) – The Commission may study ways to make insurance available to  
19 individuals who have difficulty obtaining health insurance coverage. In conducting the  
20 study, the Commission shall consider methods employed by other states to meet this  
21 need, and possible administrative structures, funding mechanisms, and coverages.

22 **SECTION 2.1.(d)** Pawnbrokers (Glazier, Dickson) – The Commission may  
23 study the laws regulating pawnbrokers and those nonregulated retail outlets engaging in  
24 similar business and acting as pawnbrokers. If undertaken by the Commission, the study  
25 shall include an examination of the advisability, viability, and cost of all of the  
26 following modifications to existing law with the goal of more efficiently monitoring  
27 pawnshop businesses that are engaging in similar business and to more effectively aid in  
28 the speedy recovery of stolen property:

- 29 (1) Picture identification of sellers or pledgers.
- 30 (2) Thumbprints on each pawn or sales receipt.
- 31 (3) Machine-printed or otherwise legible pawn and sales receipts.
- 32 (4) Requirements for time and date on pawn or sales receipts.
- 33 (5) Recordation of any visible owner-applied numbers or markings on  
34 property.
- 35 (6) Prohibition on receipt and sale of new property.
- 36 (7) Authorization of fees to support local pawnbroker-related law  
37 enforcement.
- 38 (8) Computerization of pawnshop records.
- 39 (9) Requirement that pawnbroker records be made available to law  
40 enforcement.

41 **SECTION 2.1.(e)** Medicaid Funding (H.B. 540 – Daughtridge, Carney; H.B.  
42 1467 – Nye; Hunter) – The Commission may study the feasibility of eliminating county  
43 financial participation in the Medicaid program. In conducting the study, the  
44 Commission may consider alternative funding methods to ensure that the short- and

1 long-term impact on State funds of eliminating county financial participation in  
2 Medicaid is revenue neutral when calculated on a statewide basis. The Commission  
3 may also consider retaining the county contribution to administrative costs of the  
4 Medicaid program. In making its recommendations to the General Assembly, the  
5 Commission shall include a fiscal analysis of the impact on State revenue and Medicaid  
6 expenses estimated to result from eliminating county participation in the Medicaid  
7 program.

8 **SECTION 2.1.(f)** Study VoCATS – The Commission may study the  
9 VoCATS program, which is the accountability system for vocational education courses.  
10 If it undertakes this study, the Commission shall consider the following:

- 11 (1) Whether the State-developed tests are the appropriate means to  
12 measure student mastery of the knowledge and skills taught in  
13 vocational education courses, with specific focus on the agriculture  
14 curriculum.
- 15 (2) The system for development of appropriate tests and methods of  
16 measuring student achievement and program performance in  
17 vocational and technical education.
- 18 (3) The public school system of measuring student performance in the  
19 vocational and technical area as compared to the community college  
20 system of measuring student performance in the vocational and  
21 technical area.
- 22 (4) Alternatives to the current tests, methods, and techniques provided  
23 through VoCATS.

24 **SECTION 2.1.(g)** Availability and Delivery of Government Services to  
25 Hispanics (Reeves, Malone; Barnhart, McComas) – The Commission may study the  
26 current State and local policies regarding the availability and delivery of government  
27 services to the State's increasing Hispanic population, the issues confronted by  
28 governmental agencies in effectively delivering those services, and the issues  
29 confronted by members of the Hispanic community in obtaining those services. If it  
30 undertakes this study, the Commission shall focus particularly on services in the areas  
31 of education, health, and public safety. As part of its study, the Commission may  
32 consider how all of the following complicate the delivery and receipt of government  
33 services within the State's Hispanic community:

- 34 (1) Cultural differences.
- 35 (2) Language barriers.
- 36 (3) Difficulties encountered by members of the Hispanic community in  
37 obtaining the personal identification documents that are often required  
38 to obtain government services.
- 39 (4) Difficulties encountered by members of the Hispanic community in  
40 obtaining drivers licenses, occupational licenses, professional licenses,  
41 and other types of licenses required to qualify for governmental  
42 services or to do business in the State.
- 43 (5) Federal immigration laws, the failure to comply with those laws, and  
44 how the fear of discovery of noncompliance with federal immigration

1 laws affects the delivery and receipt of services, and in some instances  
2 even the willingness to apply for those services.

3 (6) The increasing economic, personnel, and time demands placed on  
4 State and local government agencies in responding to the growing  
5 needs for governmental services.

6 (7) Any other issue relevant to this study.

7 If it undertakes this study, the Commission shall also identify those issues  
8 that are best addressed at the local level, those that are best addressed at the State level,  
9 and those best addressed at the federal level.

10 **SECTION 2.1.(h)** Office of State Energy (Daughtridge) – The Commission  
11 may study the functions, duties, and responsibilities of the Office of State Energy and  
12 may make a determination of whether those functions, duties, and responsibilities  
13 support the legislative purpose for the Office or whether the purpose should be  
14 modified.

15 **SECTION 2.1.(i)** Comprehensive Statewide Emergency Communications  
16 Planning (Clodfelter; Culpepper) – The Commission may study and recommend  
17 legislation, funding needs, interoperability, and policy to:

18 (1) Enact a comprehensive first and second responder statewide  
19 communications goals list and plan that includes, at a minimum, law  
20 enforcement, fire, medical, utilities, and emergency management  
21 agencies.

22 (2) Coordinate and assist grant applications from State and local  
23 organizations for federal communications funding.

24 **SECTION 2.1.(j)** Naturopathy (S.B.1268 – Kinnaird; H.B. 1142 and H.B.  
25 1702 – Hill) – The Commission may study the practice of naturopathy in North Carolina  
26 and make recommendations as to whether it would be in the public interest for  
27 practitioners to be licensed or otherwise appropriately regulated.

28 In conducting the study, the Commission may consider the following:

29 (1) The definition and components of naturopathy and naturopathic  
30 therapies.

31 (2) The health, cultural, and social significance of naturopathy in North  
32 Carolina and nationally.

33 (3) The distinctions and similarities between naturopathic therapies and  
34 conventional medical treatments.

35 (4) The education and training of practitioners and the quality of that  
36 education and training, the extent to which the practice of naturopathy  
37 requires specialized skills or training, and the standards for  
38 determining the level of education and qualifications that should be  
39 required for licensure.

40 (5) The extent to which there is, and can be, integration and coordination  
41 of natural therapies and conventional medical treatments.

42 (6) The regulation and enforcement related to naturopathy in North  
43 Carolina and nationally, the need for regulation, and the extent and  
44 impact of previous regulatory efforts.

- 1 (7) Whether, without licensure, the general public possesses the ability to  
2 determine whether a practitioner is competent.
- 3 (8) Whether substantial harm to the public health, safety, and welfare  
4 exists if the practice of naturopathy is unregulated.
- 5 (9) The appropriate structure, composition, and responsibilities of a  
6 regulatory board pertaining to the practice of naturopathy, the extent to  
7 which the responsibilities of a board can be fulfilled, and whether  
8 board operations can reasonably be financed through licensing fees.
- 9 (10) The extent to which naturopathy is regulated in other states, and the  
10 impact of that regulation.
- 11 (11) The scope of practice applicable to practitioners of naturopathy.
- 12 (12) Whether practitioners of naturopathy in North Carolina have, or  
13 propose to have, a code of ethics, a voluntary certification program, or  
14 other measures to ensure minimum quality of service.
- 15 (13) The kinds of regulatory provisions that exist in other states.
- 16 (14) How the practice of naturopathy will be regulated, including the  
17 qualifications and disciplinary proceedings to be applied to  
18 practitioners.
- 19 (15) How the public will benefit from licensure or other regulation.
- 20 (16) The fiscal impact of licensure or other regulation upon the State.
- 21 (17) Any other information the Commission considers relevant.

22 **SECTION 2.1.(k)** Equity-Building Homes (S.B. 894 – Queen) – The  
23 Commission may study methods to substantially increase the number of North  
24 Carolinians who own equity-building homes. As part of the study, the Commission  
25 may:

- 26 (1) Determine the extent to which the public is knowledgeable about  
27 housing products that are likely to build equity over time.
- 28 (2) Identify State, federal, and local barriers to constructing  
29 equity-building homes in both high-demand locations and rural areas.
- 30 (3) Investigate the adequacy and funding of programs and counseling  
31 services that are available to educate consumers about home financing  
32 products, credit remediation, home maintenance, and foreclosure  
33 prevention strategies.

34 As used in this section, the term "equity-building home" means a residential  
35 structure that will be the purchaser's primary residence and that meets the State and  
36 local building code standards in place at the time of construction, or if there were no  
37 building codes in effect at the time of construction, that was constructed on-site. An  
38 equity-building home will also have characteristics that are likely to cause it to  
39 appreciate in value over time.

40 **SECTION 2.1.(l)** Funding/Budgeting of Occupational Licensing Boards  
41 (Hagan) – The Commission may study the funding mechanisms of all of the  
42 occupational licensing boards and commissions in the State and shall consider options  
43 for funding and budgeting those boards and commissions more effectively and

1 efficiently, including funding and budgeting those boards and commissions through the  
2 General Fund.

3 **SECTION 2.1.(m)** State-Local Relationships (S.B. 1336 – Hoyle, Foxx) –  
4 The Commission may study the relationship between the State and local governments  
5 with respect to the provision of services. The study shall address the following issues:

- 6 (1) Mandates that the State has placed on local governments regarding the  
7 provision of services to State residents. This study shall include a  
8 review of which mandates are a result of State law, which mandates  
9 are a result of federal law, and which mandates are a result of a  
10 combination of State and federal law.
- 11 (2) Funding sources for local governments. The study shall include a  
12 review of all appropriations made from the State to local governments,  
13 all revenues shared between the State and local governments, and all  
14 methods of raising revenue allowed by the State to local governments.
- 15 (3) A comparison of the State-local relationship in North Carolina with the  
16 state-local relationships in other states. In particular, the study shall  
17 compare the percentage of the costs of services borne by the State in  
18 comparison to the percentage of similar cost borne by other states.
- 19 (4) A comparison of local governments with regard to the burden on local  
20 budgets of mandated programs. This study shall look at the property  
21 tax rates in different jurisdictions and the percentage of local budgets  
22 that support various programs.
- 23 (5) A comparison of the combined State-local tax burden on individuals  
24 and businesses in comparison with those in other states.

25 In considering appointees to the committee to study this matter, the  
26 appointing authorities shall consider inclusion of local government representatives.

27 **SECTION 2.1.(n)** Abandoned Junk Vehicles (Culpepper, Justus) – The  
28 Commission may study issues relating to the environmental, aesthetic, and other public  
29 benefits derived from the abatement and recycling of junked and abandoned  
30 automobiles. If it undertakes this study, the Commission shall consider:

- 31 (1) Whether the abatement program can best be undertaken on a  
32 county-by-county basis or a central statewide basis.
- 33 (2) The funding method for the abatement program.
- 34 (3) The process whereby junked vehicles might be delivered to scrap  
35 processors as expeditiously as possible.
- 36 (4) The merits of use of a tax credit so as to encourage the expedited  
37 collection and recycling of used and junked automobiles.
- 38 (5) Determination of the costs to the State and to local governments  
39 associated with abandoned and junked automobiles and landfilling of  
40 those automobiles.
- 41 (6) Any other related issues.

42 **SECTION 2.1.(o)** Single Administrator for State 401(k) and 457 Plans –  
43 The Commission may study the Supplemental Retirement Income Plan of North



1 Carolina and the North Carolina Public Employee Deferred Compensation Plan to  
2 determine whether these plans should be administered by a single administrator.

3 **SECTION 2.2.** For each Legislative Research Commission committee  
4 created during the 2003-2005 biennium, the cochairs of the Legislative Research  
5 Commission shall appoint the committee membership.

6 **SECTION 2.3.** For each of the topics the Legislative Research Commission  
7 decides to study under this part or pursuant to G.S. 120-30.17(1), the Commission may  
8 report its findings, together with any recommended legislation, to the 2005 General  
9 Assembly upon its convening.

10 **SECTION 2.4.** From the funds available to the General Assembly, the  
11 Legislative Services Commission may allocate additional monies to fund the work of  
12 the Legislative Research Commission.

13  
14 **PART III. JOINT LEGISLATIVE GROWTH STRATEGIES OVERSIGHT**  
15 **COMMITTEE**

16  
17 **SECTION 3.1.** The Joint Legislative Growth Strategies Oversight  
18 Committee may study the issues of:

- 19 (1) Delegating authority to cities and counties (S.B. 160 – Clodfelter).
- 20 (2) Modernizing city and county planning (S.B. 914 – Clodfelter).
- 21 (3) Transferable development rights.

22 **SECTION 3.2.** Section 3.3 of S.L. 2001-491 reads as rewritten:

23 "**SECTION 3.3.** This Part becomes effective January 15, 2002, and expires January  
24 16, ~~2005-2007~~. Prior to its expiration on January 16, ~~2005-2007~~, the Committee shall  
25 report to the General Assembly on its activities conducted pursuant to this Part."

26  
27 **PART IV. STUDY COMMISSION ON RESIDENTIAL AND URBAN**  
28 **DEVELOPMENT ENCROACHMENT ON MILITARY BASES AND TRAINING**  
29 **AREAS (Rand)**

30  
31 **SECTION 4.1.** There is created the Study Commission on Residential and  
32 Urban Development Encroachment on Military Bases and Training Areas. The  
33 Commission shall consist of 17 members as follows:

- 34 (1) Two county commissioners appointed by the President Pro Tempore of  
35 the Senate.
- 36 (2) Two county commissioners appointed by the Speaker of the House of  
37 Representatives.
- 38 (3) The commanding generals of Fort Bragg, Pope Air Force Base,  
39 Seymour Johnson Air Force Base, Camp Lejeune, and Cherry Point  
40 Air Station, or the general's designee.
- 41 (4) Three Senators appointed by the President Pro Tempore of the Senate.
- 42 (5) Three Representatives appointed by the Speaker of the House of  
43 Representatives.

1           (6) One elected or appointed municipal official appointed by the President  
2           Pro Tempore of the Senate.

3           (7) One elected or appointed municipal official appointed by the Speaker  
4           of the House of Representatives.

5           The Speaker of the House of Representatives shall appoint a cochair, and the  
6           President Pro Tempore of the Senate shall appoint a cochair for the Commission. The  
7           Commission may meet at any time upon the joint call of the cochairs. Vacancies on the  
8           Commission shall be filled by the same appointing authority as made the initial  
9           appointment.

10          **SECTION 4.2.** The Commission shall study the following concerning  
11          residential and urban development encroachment on military bases and training areas:

12           (1) Restricting the zoning in the areas around military bases and training  
13           areas.

14           (2) How encroachment affects deed registration.

15           (3) Protecting the areas around military bases and training areas by  
16           purchasing development rights and buffers using all available State  
17           trust funds and other available funding mechanisms.

18           (4) Any other issue the Commission considers relevant.

19          **SECTION 4.3.** The Commission, while in the discharge of its official duties,  
20          may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through  
21          G.S. 120-19.4. The Commission may contract for professional, clerical, or consultant  
22          services as provided by G.S. 120-32.02.

23          Subject to the approval of the Legislative Services Commission, the  
24          Commission may meet in the Legislative Building or the Legislative Office Building.  
25          The Legislative Services Commission, through the Legislative Services Officer, shall  
26          assign professional staff to assist the Commission in its work. The House of  
27          Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff  
28          to the Commission, and the expenses relating to the clerical employees shall be borne  
29          by the Commission. Members of the Commission shall receive subsistence and travel  
30          expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

31          **SECTION 4.4.** The Commission shall submit a final report of its findings  
32          and recommendations, including any legislative recommendations, to the 2005 General  
33          Assembly upon its convening. The Commission shall terminate upon the convening of  
34          the 2005 General Assembly.

35          **SECTION 4.5.** Of the funds appropriated to the General Assembly, the  
36          Legislative Services Commission shall allocate funds for the expenses of the  
37          Commission established by this Part.

38  
39          **PART V. LEGISLATIVE STUDY COMMISSION ON STATE PERSONNEL**  
40          **STATUTES (S.B. 1378 – Reeves; H.B. 1651 – Gibson)**

41  
42          **SECTION 5.1.** The General Assembly may study issues related to the State  
43          Personnel Act. The Speaker of the House of Representatives and the President Pro  
44          Tempore of the Senate shall designate an appropriate committee to conduct the study.

1 The Committee may make an interim report to the 2005 General Assembly and shall  
2 make its final report to the 2006 Regular Session of the 2005 General Assembly.

3  
4 **PART VI. ELECTRONIC RECORDATION AND REVISION OF NOTARY**  
5 **LAWS (S.B. 1094 – Berger)**

6  
7 **SECTION 6.1.** The General Statutes Commission shall study the issue of  
8 electronic recordation, specifically with regard to real property documents and other  
9 documents filed with registers of deeds. The Commission shall study methods for  
10 establishing uniform legal standards for the receipt, recordation, authentication,  
11 preservation, and retrieval of electronic documents. The Commission shall include in its  
12 study consideration of the Uniform Real Property Electronic Recordation Act drafted by  
13 the National Conference of Commissioners on Uniform State Laws as well as other  
14 resources on electronic recording standards from national organizations such as the  
15 Property Records Industry Association (PRIA) and the Mortgage Industry Standards  
16 Maintenance Organization (MISMO). The General Statutes Commission shall report its  
17 findings and recommendations and any legislative proposals to the 2005 General  
18 Assembly upon its convening.

19 **SECTION 6.2.** The Secretary of State shall study the issue of amending the  
20 notary public laws in order to modernize and simplify their administration. The study  
21 shall also address the issue of electronic notarization. The Secretary of State shall report  
22 its findings and recommendations and any legislative proposals to the 2005 General  
23 Assembly upon its convening.

24  
25 **PART VII. UNIFORM UNINCORPORATED NONPROFIT ASSOCIATION**  
26 **ACT**

27  
28 **SECTION 7.1.** The General Statutes Commission is directed to study the  
29 Uniform Unincorporated Nonprofit Association Act in consultation with interested  
30 parties and to report to the 2005 General Assembly on the Commission's  
31 recommendations and legislative proposals.

32  
33 **PART VIII. INNOVATIVE PEAT-BASED WASTEWATER SYSTEMS STUDY**  
34 **(Baker)**

35  
36 **SECTION 8.1.** The Commission for Health Services shall evaluate the  
37 desirability and feasibility of developing and implementing a pilot program whereby  
38 any individual seeking to use an innovative wastewater system, under  
39 G.S. 130A-343(g), that employs peat-based technology, at the individual's residence  
40 shall be required to use a wastewater system that satisfies all of the following:

- 41 (1) The peat-based wastewater system complies with Standard 40, a  
42 standard developed by the National Sanitation Foundation, Inc. (NSF),  
43 an independent testing and research organization.

- 1           (2) The peat-based wastewater system has a mandatory maintenance  
2 agreement developed by the manufacturer of the system that is part of  
3 the purchase contract for the system.

4           **SECTION 8.2.** As part of the evaluation required by Section 8.1 of this act,  
5 the Commission shall identify two or more counties that would participate in the pilot  
6 program.

7           **SECTION 8.3.** The Commission for Health Services shall report the results  
8 of its evaluation to the Senate and House of Representatives Appropriations  
9 Subcommittees on Natural and Economic Resources, the Fiscal Research Division, and  
10 the Environmental Review Commission on or before January 15, 2005.

11  
12 **PART IX. JOINT LEGISLATIVE UTILITY REVIEW COMMITTEE**

13  
14           **SECTION 9.1.** The Joint Legislative Utility Review Committee may study  
15 the economic, environmental, and social issues associated with the development and use  
16 of renewable and alternative energy in the State including, but not limited to, the  
17 following:

- 18           (1) The environmental benefits of renewable and alternative energy  
19 development, including the reduction of: emissions such as sulfur  
20 dioxides, nitrogen oxides, and mercury and greenhouse gases; waste  
21 ash in landfills; and water and air quality degradation associated with  
22 the extraction and transport of fossil fuels.
- 23           (2) The environmental benefits of conserving rural lands for traditional  
24 uses.
- 25           (3) The environmental challenges to renewable and alternative energy  
26 development in the State, including existing laws, aesthetic issues, the  
27 impact on birds and the ecology, and secondary development  
28 associated with alternate energy development.
- 29           (4) The potential for renewable and alternative energy to support rural  
30 economic development by broadening the tax base and creating new  
31 jobs.
- 32           (5) Initiatives taken in other states to address renewable and alternative  
33 energy development.
- 34           (6) Options for permitting renewable and alternative energy in the State,  
35 including suggestions for public involvement and environmental  
36 review.
- 37           (7) Opportunities for renewable and alternative energy pilot projects in the  
38 State.

39           In conducting the study, the Committee may solicit input from renewable and  
40 alternative energy industry representatives, utility representatives, the State Energy  
41 Office, conservationists, environmentalists, leaders in rural economic development,  
42 tourism industry representatives, academics, local elected officials, and legislators from  
43 the eastern and western regions of the State.

1 **PART X. NORTH CAROLINA BUILDING CODE COUNCIL STUDY**  
2 **(Culpepper; Queen)**

3  
4 **SECTION 10.1.** The General Assembly finds that the affordability of  
5 housing is an important issue and that the State should endeavor to ensure that State  
6 regulation does not unnecessarily increase the cost of housing. To that end, the North  
7 Carolina Building Code Council shall study the Residential Building Code to determine  
8 which provisions, if any, are unnecessary, outdated, overly stringent, or otherwise  
9 unduly increase the cost of housing.

10 **SECTION 10.2.** The Building Code Council may submit a report of the  
11 findings of its study, including any recommendations for statutory changes, to the 2005  
12 General Assembly upon its convening.

13  
14 **PART XI. LOCAL SCHOOL CONSTRUCTION FINANCING STUDY**  
15 **COMMISSION (S.B. 1372 – Clodfelter; H.B. 1778 – Yongue)**

16  
17 **SECTION 11.1.** Establishment of the Commission. – The Local School  
18 Construction Financing Study Commission is established.

19 **SECTION 11.2.** Membership. – The Commission shall be composed of 19  
20 members, as follows:

- 21 (1) One member appointed by the Governor, after consultation with the  
22 President Pro Tempore of the Senate and the Speaker of the House of  
23 Representatives, who shall serve as chair;
- 24 (2) Eight members appointed by the President Pro Tempore of the Senate:  
25 two members of the Senate from urban areas, two members of the  
26 Senate from rural areas, one member representing a large,  
27 fast-growing, urban school administrative unit that is a plaintiff in the  
28 Leandro school-financing litigation, one member from the financial  
29 services industry, one county commissioner, and one educator;
- 30 (3) Eight members appointed by the Speaker of the House of  
31 Representatives: two members of the House of Representatives from  
32 urban areas, two members of the House of Representatives from rural  
33 areas, one member representing a rural school administrative unit that  
34 is a plaintiff in the Leandro school-financing litigation, one member  
35 who is knowledgeable about municipal and school finance, one school  
36 board member, and one educator;
- 37 (4) The State Treasurer or the Treasurer's designee; and  
38 (5) The State Superintendent of Public Instruction or the Superintendent's  
39 designee.

40 Vacancies shall be filled by the appointing authority.

41 **SECTION 11.3.** Duties of the Commission. – The Commission shall  
42 examine the present system of local financing for school facilities and shall study  
43 alternative options for financing local school construction, renovation, repair, and  
44 maintenance. The Commission may study and consider public-private partnerships for

1 school construction and facility ownership, sale leaseback arrangements, private and  
2 commercial financing arrangements, design standards for school facilities that may  
3 facilitate alternative financing techniques, alternative local revenue sources for  
4 financing school facilities, the use of real estate investment trusts, State and local  
5 construction bond pools, and any other financing issues deemed pertinent by the  
6 Commission.

7 **SECTION 11.4.** Expenses of Members. – Members of the Commission shall  
8 receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1,  
9 138-5, or 138-6, as appropriate.

10 **SECTION 11.5.** Consultants and Other Staff. – The Commission may hire  
11 consultants to provide research, staff support, and information about school financing in  
12 other states to the Commission, in accordance with G.S. 120-32.02. The Legislative  
13 Services Office, with the prior approval of the Legislative Services Commission, shall  
14 also assign professional and clerical staff to assist the Commission in its work.

15 **SECTION 11.6.** Cooperation by Government Agencies. – The Commission  
16 may call upon any department, agency, institution, or officer of the State or any political  
17 subdivision of the State for facilities, data, or other assistance. All State departments and  
18 agencies, local governments, and their subdivisions shall cooperate with the  
19 Commission and, upon request, shall furnish the Commission and its staff any  
20 information in their possession or available to them.

21 **SECTION 11.7.** Meetings During Legislative Session. – The Commission  
22 may meet during a regular or extra session of the General Assembly.

23 **SECTION 11.8.** Meeting Location. – The Legislative Services Commission  
24 shall grant adequate meeting space to the Commission in the State Legislative Building  
25 or the Legislative Office Building. The Commission may also meet at various locations  
26 around the State in order to promote greater public participation in its deliberations.

27 **SECTION 11.9.** Reports. – The Commission shall make an interim report to  
28 the 2005 General Assembly no later than January 31, 2005, and a final report to the  
29 2006 Regular Session of the 2005 General Assembly no later than March 31, 2006. The  
30 final report shall contain recommendations for legislation to implement  
31 recommendations made by the Commission. The interim report may also contain  
32 recommendations for legislation. The Commission shall terminate on March 31, 2006.

33 **SECTION 11.10.** Of the funds appropriated to the General Assembly, the  
34 Legislative Services Commission shall allocate funds for the expenses of the  
35 Commission established by this Part.

36  
37 **PART XII. VOTER PAPER TRAIL STUDY (S.B. 1415 – Kinnaird, Lucas; H.B.**  
38 **1748 – Insko, McGee)**

39  
40 **SECTION 12.1.** There is established the Electronic Voting Systems Study  
41 Commission. That Commission shall consist of nine members to be appointed as  
42 follows:

- 43 (1) Four members shall be appointed by the President Pro Tempore of the  
44 Senate. One shall be a county commissioner. One shall be a county

1 election director. One shall be a citizen of North Carolina who does  
2 not hold public office and who has been an active advocate on the  
3 issue of prohibiting direct record voting equipment without  
4 voter-verifiable paper records.

5 (2) Four members shall be appointed by the Speaker of the House of  
6 Representatives. One shall be a member of the State Board of  
7 Elections. One shall be a county election board member. One shall be  
8 a person with expertise in computer security.

9 (3) The Executive Director of the State Board of Elections.

10 **SECTION 12.2.** The Electronic Voting Systems Study Commission shall  
11 study the issue of whether direct record electronic (DRE) voting systems should be  
12 prohibited in North Carolina unless each unit of the system produces a voter-verifiable  
13 paper record that is suitable for a recount or a manual audit and that is equivalent or  
14 superior to the paper record produced by a paper ballot system.

15 In conducting the study, the Commission shall consider DRE voting systems,  
16 compliance with the Help America Vote Act of 2002 (HAVA) and with voting-systems  
17 standards to be adopted under HAVA, including providing sufficient opportunity for  
18 access and participation, and privacy and independence, to all voters regardless of  
19 disability. The Commission shall consider any other issue related to the use of electronic  
20 voting systems. The Commission shall make a final report to the 2005 General  
21 Assembly upon its convening. The report shall contain the Commission's findings and  
22 recommendations. The Commission shall terminate on the earlier of the filing of its  
23 final report or the convening of the 2005 General Assembly.

24 **SECTION 12.3.** The Speaker of the House of Representatives and the  
25 President Pro Tempore of the Senate shall each appoint a cochair for the Commission.  
26 The Commission may contract for consultant services as provided by G.S. 120-32.02.  
27 Upon approval by the Legislative Services Commission, the Legislative Services  
28 Officer shall assign professional and clerical staff to assist in the work of the  
29 Commission. Clerical staff shall be furnished to the Commission through the offices of  
30 the House of Representatives and Senate Supervisor of Clerks. The Commission may  
31 meet in the Legislative Building or the Legislative Office Building upon the approval of  
32 the Legislative Services Commission. The Commission, while in discharge of official  
33 duties, may exercise all the powers provided under the provisions of G.S. 120-19  
34 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and  
35 departments of the State to provide any information, data, or documents within their  
36 possession, ascertainable from their records, or otherwise available to them, and the  
37 power to subpoena witnesses. Members of the Commission shall receive per diem,  
38 subsistence, and travel allowances at the rate established in G.S. 120-3.1, 138-5, or  
39 138-6, as appropriate. Vacancies shall be filled by the appointing authority.

40 **SECTION 12.4.** Of the funds appropriated to the General Assembly, the  
41 Legislative Services Commission shall allocate funds for the expenses of the  
42 Commission established by this Part.  
43

1 **PART XIII. JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE**  
2 **STUDIES**

3  
4 **SECTION 13.1.** The Joint Legislative Education Oversight Committee may  
5 study the topics listed in this part and report its findings, together with any  
6 recommended legislation, to the 2005 Regular Session of the 2005 General Assembly  
7 upon its convening.

8 **SECTION 13.2.** Teacher assistant salary schedule (Holliman; H.B. 800 –  
9 Warner, Pate) – The Committee may study establishing a salary schedule for teacher  
10 assistants.

11 **SECTION 13.3.** Rural schools (S.B. 703 – Swindell, Holloman) – The  
12 Committee may study the unique issues that concern the rural schools in this State.

13 **SECTION 13.4.** Physical restraints/seclusion in schools (S.B. 977 – Dorsett)  
14 – The Committee may study the use of physical restraints and seclusion in public  
15 schools.

16 **SECTION 13.5.** High school graduation rate incentives (S.B. 949 – Lucas;  
17 H.B. 1251 – Glazier) – The Committee may study whether bonuses should be paid to  
18 principals for increased graduation rates.

19 **SECTION 13.6.** At-risk students single funding stream (S.B. 954 – Lucas;  
20 H.B. 1250 – Glazier) – The Committee may study whether a single funding stream  
21 should be targeted to at-risk students.

22 **SECTION 13.7.** Close achievement gap (S.B. 599 – Lucas; H.B. 938 –  
23 Michaux) – The Committee may study the best practices and methodologies for closing  
24 the achievement gap among children of various demographic groups who are  
25 performing below grade level.

26 **SECTION 13.8.** E-textbooks for students (H.B. 940 – Miller) – The  
27 Committee may study issues related to the availability and use of electronic copies of  
28 textbooks for public school students.

29 **SECTION 13.9.** Attracting teachers to become coaches (Nesbitt; H.B. 1786  
30 – Goodwin) – The Committee may study the need to attract teachers into assuming  
31 additional duties of coaching interscholastic athletic teams in middle and high schools.  
32 If it undertakes this study, the Committee shall consider the feasibility of establishing a  
33 coaching fellowship program to attract students preparing to enter teaching through  
34 higher education coursework into coaching.

35 **SECTION 13.10.** Kindergarten admission requirements (Pate) – The  
36 Committee may study the issue of modifying kindergarten admission requirements as it  
37 relates to student readiness to enter kindergarten.

38 **SECTION 13.11.** Update the job description for school counselors (H.B.  
39 463 – Bell) – The Committee may study updating and clarifying the job description for  
40 public school guidance counselors.

41 **SECTION 13.12.** Testing reform (Lucas, Apodaca) – The Committee may  
42 study the State's testing program. If it undertakes this study, the Committee shall  
43 consider:



- 1 (1) The number of tests currently mandated at the State level and the  
2 process and cost of developing, validating, and scoring them.
- 3 (2) Whether the State should consider the use of nationally developed tests  
4 as a substitute to State developed tests. In particular, the Committee  
5 shall determine whether this use would: affect the ABCs Program;  
6 adequately measure student achievement and performance; provide  
7 more than minimum levels of achievement; provide a better  
8 comparison to student achievement and performance in other states; be  
9 practical for high school courses or higher level courses; reduce the  
10 need for field testing; and offer any cost savings to the State.
- 11 (3) The number of grades in which State tests are given. The Committee  
12 shall determine the necessity for testing all grades in third through  
13 eighth grades, whether a reduction in the grades tested would affect the  
14 receipt of federal money, and the extent to which a reduction would  
15 impair the State's ability to identify schools under the ABCs Program.
- 16 (4) The high school courses for which State tests are given and whether  
17 there is an appropriate distribution of tests across grades nine through  
18 12 and that test an appropriate array of the minimum courses required  
19 for admission to the constituent institutions of The University of North  
20 Carolina. In addition, the Committee shall examine whether students  
21 who take higher level courses and students in 12<sup>th</sup> grade are held  
22 accountable for their academic growth and performance.
- 23 (5) The advantages and disadvantages of using a composite of  
24 end-of-course tests or other tests such as the SAT, AP tests, or other  
25 nationally standardized tests in high school rather than developing a  
26 high school exit exam. If the Committee finds a high school exit exam  
27 is preferable, then it shall determine whether it must be administered to  
28 all students or limited to certain students, for example, those who do  
29 not take the SAT or a certain number of courses for which there are  
30 end-of-course tests.
- 31 (6) The extent to which additional testing, including field testing, practice  
32 testing, and locally mandated testing, is occurring and whether this  
33 should be limited or prohibited.
- 34 (7) Evaluate alternative schools to determine how educational  
35 achievement is being advanced in these alternative school programs  
36 and that placement in these programs is to improve student  
37 performance rather than improve the performance of the school in  
38 which the student originally was assigned.
- 39 (8) The number of school days that are spent on testing.
- 40 (9) Any other issue the Committee considers relevant.

41 **SECTION 13.13.** Total Teacher Program – The Committee may study the  
42 Total Teacher Program, which is an instructional program designed to be used with the  
43 North Carolina public school curriculum. In the course of the study, the Committee  
44 may consider the effectiveness of the Program, the experience of schools in other states

1 in using the Program, the cost and potential cost savings due to the Program, and other  
2 matters related to the Program.

3 **SECTION 13.14.** School construction (Garrou) – The Committee may study  
4 issues relating to school construction and school capacity.

5 **SECTION 13.15.** Computer-based math and literacy programs for children  
6 under age six – The Committee may study ways to improve math and literacy skills in  
7 children age 18 months to six years of age through the use of innovative  
8 computer-based software.

9 **SECTION 13.16.** Appropriate education for students on long-term  
10 suspension – The Committee may study whether and to what extent North Carolina  
11 should mandate the following:

- 12 (1) Local school administrative units in North Carolina shall provide or  
13 cause to be provided an appropriate education for all students  
14 recommended for a long-term suspension.
- 15 (2) Each student recommended for long-term suspension shall receive a  
16 multidisciplinary assessment and evaluation to (i) ascertain his or her  
17 educational history, needs, and special learning problems and (ii)  
18 assess the risk the child poses to staff and other students. The  
19 assessment and evaluation shall include feedback and  
20 recommendations from local mental health and juvenile justice  
21 professionals.
- 22 (3) An individualized education and service plan shall be developed for all  
23 students recommended for long-term suspension by a committee that  
24 includes education, mental health, and juvenile justice professionals,  
25 the child's parent or guardian, and any other person the committee  
26 considers appropriate. The chair of the Juvenile Crime Prevention  
27 Council or a designee shall serve as chair of this committee.
- 28 (4) All efforts shall be made to reduce the risk the child poses to staff and  
29 other students and to allow the child to continue his or her education in  
30 his or her regular school without disruption. These efforts shall include  
31 the provision of related services and interventions from other agencies  
32 when considered necessary by the committee.
- 33 (5) During the first 10 days of suspension, the local school administrative  
34 unit shall place the student recommended for suspension in a  
35 diagnostic setting for purposes of ensuring there is no disruption to the  
36 student's education and to complete the assessment process.
- 37 (6) The local education agency shall contract with private or public  
38 agencies if an appropriate education cannot be provided within the  
39 school system. Funds appropriated to a local school administrative unit  
40 for the education of the child shall be used to pay for the program in  
41 which the child is placed.
- 42 (7) The child's parent or guardian shall have the right to appeal the  
43 recommendation for the long-term suspension or any placement  
44 decision made by the local school administrative unit.

1 (8) No child shall be rejected for education and services by a local school  
2 administrative unit unless a district court judge places the child in a  
3 juvenile justice program or facility. In that circumstance, the  
4 Department of Juvenile Justice and Delinquency Prevention is  
5 responsible for providing the child's education.

6 **SECTION 13.17.** School nutrition/physical activity – The Committee may  
7 study school nutrition and opportunities for physical activity to keep children healthy.

8 **SECTION 13.18.** Adequacy of Low-Wealth School Funds (H.B. 1706 –  
9 McLawhorn) – The Committee may study the issue of low-wealth school funding.

#### 10 **PART XIV. REVENUE LAWS STUDY COMMITTEE**

11 **SECTION 14.1.** The Revenue Laws Study Committee may study the topics  
12 listed in this part and report its findings, together with any recommended legislation, to  
13 the 2005 General Assembly upon its convening.

14 **SECTION 14.2.** Valuation of Lots in Subdivisions (S.B. 520 – Dalton; H.B.  
15 528 – Moore, Clary, England) – The Committee may study the valuation of partially  
16 improved, undeveloped lots in subdivisions.

17 **SECTION 14.3.** Private Activity Bonds (Rand) – The Committee may study  
18 private activity bonds.

19 **SECTION 14.4.** Conform Bank Expense Deduction (H.B. 1290 –  
20 McComas; H.B. 827 – Weiss, Luebke, Insko, Glazier) – The Committee may study  
21 whether the State income tax on banks should be conformed to the federal income tax.

22 **SECTION 14.5.** Subsidiary Dividend Taxes (H.B. 1291 – McComas) – The  
23 Committee may study whether the expense attribution law as it applies to deductible  
24 dividends should be modified.

25 **SECTION 14.6.** Income Tax Derived From Manufacturing (H.B. 1268 –  
26 Blackwood) – The Committee may study whether income derived from manufacturing  
27 should be exempt from income taxation.

28 **SECTION 14.7.** Tax Foreclosures (H.B. 981 – A. Williams) – The Property  
29 Tax Subcommittee of the Revenue Laws Study Committee may study the issue of  
30 foreclosures on tax liens, including proposals for expediting the foreclosure action.

31 **SECTION 14.8.** Comparative Tax Burden (H.B. 1247 – McComas) – The  
32 Committee may study the comparative tax burden on residents of South Carolina and  
33 residents of North Carolina.

34 **SECTION 14.9.** Tax Incentives to Promote Preservation of Open Spaces  
35 (S.B. 950 – Lucas; H.B. 887 – G. Allen, Hackney) – The Committee may study whether  
36 tax incentives should be provided to promote the preservation of open spaces.

37 **SECTION 14.10.** Sales and Use Tax Exemption (Kerr; Pate) – The  
38 Committee may study the issue of allowing local school administrative units a sales and  
39 use tax exemption instead of a sales and use tax refund and methods to fund this change.

40 **SECTION 14.11.** Tax Preferences (H.B. 959 – Glazier) – The Committee  
41 may study whether tax expenditures should be reviewed at least once every 10 years.  
42  
43

1           **SECTION 14.12.** Reduce Utility Equipment Sales Tax (H.B. 759 – Goforth)  
2 – The Committee may study whether light construction equipment should be given  
3 preferential sales and use tax treatment.

4           **SECTION 14.13.** Business Taxation (S.B. 1330 – Clodfelter) – The  
5 Committee may study comprehensive reform and simplification of the existing State  
6 taxes on business entities, including corporations, limited liability companies,  
7 partnerships, business trusts, associations, and other entities engaged in business. The  
8 elements of the plan to be studied shall include the following:

- 9           (1) Repealing the corporate income tax, Part 1 of Article 4 of Chapter 105  
10           of the General Statutes.
- 11           (2) Including all types of business entities under a revised form of the  
12           franchise tax, Article 3 of Chapter 105 of the General Statutes.
- 13           (3) Limiting the annual filing fee for all business entities to the amount of  
14           the filing fee for corporations.
- 15           (4) Revising the current franchise tax to include two components, an  
16           assessment based on asset values and an assessment based on gross  
17           income or receipts from business activities.
- 18           (5) The revised franchise tax would be calculated and applied on a  
19           consolidated basis for members of a related or affiliated group of  
20           business entities, allocated and apportioned to this State using existing  
21           formulas for allocating and apportioning corporate income.
- 22           (6) The tax rates to be applied to these components would be the rates that  
23           are determined to yield revenue equal to the current combined revenue  
24           from corporate income and franchise taxes.
- 25           (7) The Department of Revenue would annually review the revenue  
26           generated by the new simplified tax to determine if rate adjustments  
27           are necessary to preserve the revenue-neutrality of the simplification.
- 28           (8) Any other issues or elements the Study Committee considers  
29           appropriate.

30           **SECTION 14.14.** Travel and Tourism Capital Investment (H.B. 1316 –  
31 Earle, Miner, McComas) – The Commission shall study the establishment of a Travel  
32 and Tourism Capital Investment Program in the Department of Commerce.

33           **SECTION 14.15.** Small Business Health Insurance Credit (H.B. 1375 –  
34 Goforth; S.B. 1059 – Rand) – The Commission may study providing a tax credit for  
35 small businesses that provide employee health insurance.

36           **SECTION 14.16.** Tax Preferences to Support Military – The Commission  
37 may study allowing a full or partial motor fuel tax refund for motor fuel used on a  
38 military base and other preferences that would demonstrate this State's support for the  
39 military.

40  
41 **PART XV. JOINT LEGISLATIVE HEALTH CARE OVERSIGHT**  
42 **COMMITTEE**  
43

1           **SECTION 15.1.** The Joint Legislative Health Care Oversight Committee  
2 may study the topics listed in this part and report its findings, together with any  
3 recommended legislation, to the 2005 General Assembly upon its convening.

4           **SECTION 15.2.** Benefits for State Employee Dependents (Rand) – The  
5 Committee may study alternative benefit plans for dependents of State employees.

6           **SECTION 15.3.** Consolidation of State Health Care Services (Rand) – The  
7 Committee may study whether a State entity should be established to purchase health  
8 care services provided with State funds and to administer data consolidation and claims  
9 processing systems in order to enhance quality of care, promote cost containment, and  
10 achieve administrative efficiency and effectiveness in the system of services provided  
11 by the State.

12           **SECTION 15.4.** State Cost of Prescription Drugs (H.B. 1234 – Insko,  
13 Glazier, Ross) – The Committee may study whether the State should establish a single  
14 State entity for negotiating the cost of prescription drugs paid for by the State.

15           **SECTION 15.5.** Miscellaneous Topics – The Committee may also study the  
16 following topics:

- 17           (1) Nursing shortage (S.J.R. 142 – Forrester, Purcell; H.B. 329 – Setzer)
- 18           (2) Medical errors (S.J.R. 634 – Forrester)
- 19           (3) Environmental causes of cancer (S.J.R. 143 – Forrester, Purcell; H.B.  
20           330 – Setzer)
- 21           (4) Educating the public on ovarian cancer risks and prevention (S.J.R.  
22           636 – Forrester)
- 23           (5) Reducing prescription drug costs (H.B. 1234 – Insko, Glazier, Ross)
- 24           (6) Bulk purchasing of pharmaceutical drugs (S.J.R. 968 – Kinnaird)
- 25           (7) Internet sale of prescription drugs (Rand)
- 26           (8) Pain management and palliative care (Luebke)

## 27 28 **PART XVI. STUDY OF VARIOUS WAYS TO PROMOTE GOVERNMENT** 29 **EFFICIENCY AND SAVINGS IN STATE SPENDING (Rand)**

30  
31           **SECTION 16.1.** The University of North Carolina (through the Office of the  
32 President), the Judicial Branch (through the Administrative Office of the Courts), the  
33 Executive Branch (through the Department of Administration), the Legislative Branch  
34 (through the Legislative Services Office), the Community College System (through the  
35 President's Office), and the Department of Public Instruction shall jointly study various  
36 ways to promote government efficiency and savings on State spending, including the  
37 following proposals:

- 38           (1) Consolidate Administrative Functions (S.B. 805, S.B. 808 – Rand;  
39           H.B. 1052 – Owens, Dockham)
- 40           (2) Statewide Benefit Committee Established (H.B. 1068 – Dockham,  
41           Owens)
- 42           (3) DMV-NCDL/Registration Extensions (S.B. 804 – Rand)
- 43           (4) Combine State Safety Programs (S.B. 807 – Rand)
- 44           (5) Increase Use of Public Defenders (S.B. 810 – Rand)

1 (6) Controller's Fee – (S.B. 813 – Rand)

2 (7) Deferred Retirement Option Program (S.B. 817 – Rand)

3 **SECTION 16.2.** The Department of Administration shall report the results  
4 of this study to the Legislative Research Commission by January 15, 2005.

5  
6 **PART XVII. JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT**  
7 **COMMITTEE STUDIES**

8  
9 **SECTION 17.1.** The Joint Legislative Transportation Oversight Committee  
10 may study the topics listed in this part and report its findings, together with any  
11 recommended legislation, to the 2005 General Assembly upon its convening.

12 **SECTION 17.2.** I-95 Tolls (Rand) – The Committee may study the  
13 feasibility of establishing tolls on Interstate 95 from the South Carolina to Virginia  
14 borders.

15 **SECTION 17.3.** Alternative Fuels (Daughtridge) – The Committee may  
16 study the use, availability, benefits, and disadvantages of alternative fuels. The study  
17 may include consideration of the following issues:

18 (1) The existence and availability of federal grants or other incentive  
19 programs for alternative fuels and alternative fuel vehicles and the  
20 impact of these programs on the need or desirability for a State  
21 program.

22 (2) The impact of increased alternative fuel vehicle use on the collection  
23 of motor fuel taxes and highway use taxes and whether the taxation of  
24 alternative fuels or vehicles using nonliquid or hybrid fuels needs to be  
25 modified.

26 **SECTION 17.4.** Comprehensive Transportation Issues (S.B. 1015 – Berger)  
27 – The Committee may study all aspects of transportation, including planning and  
28 scheduling of projects, legislative and executive oversight, revenues, funding, and  
29 expenditures of the Highway Fund, the Highway Trust Fund, and Federal Aid programs  
30 for transportation. The study shall include an examination of all the following:

31 (1) The effectiveness of legislative oversight of the Department of  
32 Transportation and all other transportation-related programs in North  
33 Carolina.

34 (2) The gap between transportation funding structures and the actual  
35 transportation needs of the State.

36 (3) Historical and projected application of funds within the several  
37 transportation funding sources.

38 (4) Deficiencies in matching funding and expenditures between the  
39 several Funds.

40 (5) Economic feasibility of alternate transportation modes, including  
41 cost/benefit comparisons of planning, construction, and operation of  
42 alternate transportation programs.

43 (6) Alternative methods of funding, financing, and planning transportation  
44 construction, maintenance, and operations.

1 (7) Delivery of construction and maintenance projects, including  
2 alternative management structures, outsourcing, and privatization.

3 (8) Any other issue related to transportation, transportation funding,  
4 project planning, and management of transportation programs.

5 **SECTION 17.5.** Registration of all-terrain vehicles (H.B. 473 – Baker) –  
6 The Committee may study whether all-terrain vehicles should be registered and  
7 regulated.

8 **SECTION 17.6.** Clarify disclosure of motor vehicle total loss claims (H.B.  
9 1152 – Cole) – The Committee may study whether any motor vehicle that is declared a  
10 total loss shall have the registration card and the back of the title marked total loss claim  
11 vehicle.

12  
13 **PART XVIII. STUDY FINANCING OF MENTAL HEALTH,**  
14 **DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES**

15  
16 **SECTION 18.1.** The Department of Health and Human Services shall study  
17 the financing of mental health, developmental disabilities, and substance abuse services.  
18 The study shall include the following:

19 (1) An examination of all sources of funds used in the delivery of mental  
20 health, developmental disabilities, and substance abuse services  
21 throughout the Department.

22 (2) An examination of alternative financing mechanisms for funding  
23 mental health, developmental disabilities, and substance abuse  
24 services, including Medicaid.

25 (3) Recommendations for feasible alternative financing mechanisms.

26 The Department shall report its findings and recommendations to the Legislative  
27 Oversight Committee on Mental Health, Developmental Disabilities, and Substance  
28 Abuse Services, the House of Representatives Appropriations Subcommittee on Health  
29 and Human Services, the Senate Appropriations Committee on Health and Human  
30 Services, and the Fiscal Research Division no later than July 1, 2005.

31  
32 **PART XIX. ENVIRONMENTAL REVIEW COMMISSION STUDIES**

33  
34 **SECTION 19.1.** The Environmental Review Commission may study the  
35 topics listed in this part and report its findings, together with any recommended  
36 legislation, to the 2005 General Assembly upon its convening.

37 **SECTION 19.2.** Effectiveness of Environmental Programs – The  
38 Commission may study the overall effectiveness of the State's efforts to protect the  
39 environment and conserve the natural resources of North Carolina. This study should  
40 include a comprehensive evaluation of the implementation of existing legal mandates  
41 and of the organizational structure of the Department of Environment and Natural  
42 Resources. This study should also consider:

- 1 (1) The adequacy of current funding levels, additional funding needs, and  
2 funding options, including increasing fees to cover the cost of  
3 permitting, inspections, and enforcement.
- 4 (2) Options to improve efficiency and reduce costs, including the  
5 consolidation of permitting, inspection, and enforcement functions.
- 6 (3) The adequacy of current staffing levels.
- 7 (4) Options to improve coordination among programs.
- 8 (5) The adequacy of current inspection and enforcement activities and  
9 options to improve compliance with environmental laws and rules,  
10 including improvements in the use of civil penalties.

11 **SECTION 19.3.** Plan to Share Floodplain Mapping Information (H.J.R.  
12 1157 – Daughtridge) – The Commission may study whether the information compiled  
13 on a regular basis by the Statewide Floodplain Mapping Unit would be useful and  
14 relevant to dam operators, local agencies, and State agencies with regard to making  
15 decisions about coordinating and controlling water releases from dams, flood control,  
16 floodplain management, and emergency evacuation procedures. If it undertakes this  
17 study, the Commission may consider the type of information compiled by the Statewide  
18 Floodplain Mapping Unit and the value of that information in assisting with decisions  
19 regarding flood control techniques, floodplain management, and the time, frequency,  
20 and manner of water releases from dams. The Commission may also consider the  
21 feasibility of making that information readily available to dam operators, appropriate  
22 local agencies, and appropriate State agencies. The Commission may also consider  
23 whether it is appropriate to incorporate the information available from the Statewide  
24 Floodplain Mapping Unit into local emergency management plans and downstream  
25 inundation maps. The Commission may also study any other issues relevant to this  
26 topic.

27 **SECTION 19.4.** Water Restriction Guidelines (Gibson) – The Commission  
28 may study water restriction guidelines created by the Department of Environment and  
29 Natural Resources and implemented by local governments. If it undertakes this study,  
30 the Commission shall consider the State's role and authority to regulate water usage  
31 during times of drought conditions and shall also consider:

- 32 (1) The economic impact of water conservation measures.
- 33 (2) The balance between protecting water supply and economic impact on  
34 local communities.
- 35 (3) Recommendations on establishing consistency across the State with  
36 respect to classes of water use, specifically the use of the terms  
37 essential and nonessential use.

38 **SECTION 19.5.** Regional Water Supplies (S.B. 1409 – Shaw) – The  
39 Commission may study the issue of the development and funding of regional water  
40 supply systems.

41 **SECTION 19.6.** Clean Air Trust Fund – The Commission may study  
42 establishing a Clean Air Trust Fund.

43 **SECTION 19.7.** Fair Bargain Act (S.B. 878 – Horton) – The Commission  
44 may study revocation of contracts under certain circumstances.



1           **SECTION 19.8.** Deterrents to Stormwater Runoff (Horton) – The  
2 Commission may study the feasibility of encouraging permeable surfaces as a deterrent  
3 to stormwater runoff.

4           **SECTION 19.9.** Protecting Property Owners Adjacent to Activities for  
5 which a Stormwater Permit is Issued (S.B. 888 – Rucho) – The Commission may study  
6 ways to protect a property owner whose land is adjacent to or downstream from a site  
7 on which alterations of the existing flow of stormwater will occur.

8           **SECTION 19.10.** Highway Use Tax Based on Efficiency/Vehicle  
9 Registration Based on Vehicle Miles Traveled (S.B. 1374 – Clodfelter) – The  
10 Commission shall study both of the following:

- 11           (1) Whether the State should modify the current highway use tax so that  
12 all or a portion of the highway use tax paid on a private passenger  
13 vehicle is based on the fuel efficiency rating of the vehicle.
- 14           (2) Whether the State should modify the current vehicle registration fee so  
15 that all or a portion of the annual vehicle registration renewal fee for a  
16 passenger vehicle is based on the vehicle miles traveled by the vehicle.

17           In its conduct of these studies, the Commission shall consider whether the  
18 modifications studied under subsection (a) of this section should be made on a  
19 revenue-neutral basis or should be made so as to generate additional revenue to be used  
20 to fund initiatives designed to improve air quality and the efficiency of the  
21 transportation system in the State.

22           **SECTION 19.11.** Stormwater Issues. – The Commission may study various  
23 approaches to prevent and reduce stormwater pollution throughout the State, including  
24 but not limited to: low impact design as a stormwater management technique; financial  
25 and regulatory incentives for the use of innovative stormwater management techniques;  
26 technical assistance for local governments in implementing successful stormwater  
27 management programs or collaborative regional programs; State and local efforts to  
28 reduce sedimentation pollution; potential funding sources for improved stormwater  
29 management; and protection of highly sensitive waters such as shellfishing and  
30 recreational waters and trout streams.

## 31 **PART XX. HIGHWAY TRUST FUND STUDY COMMITTEE EXTENDED**

32           **SECTION 20.1.** Section 29.12 of S.L. 2003-284 reads as rewritten:  
33

34           "**SECTION 29.12.(k)** Report. – The Study Committee may make interim reports  
35 and shall make a final report to the Joint Legislative Transportation Oversight  
36 Committee no later than ~~November 1, 2004.~~ January 31, 2005. Regardless of whether it  
37 has filed an interim or final report, the Committee shall terminate on ~~November 1,~~  
38 ~~2004.~~ January 31, 2005."  
39

## 40 **PART XXI. DEPARTMENT OF ADMINISTRATION STUDY (Nesbitt)**

1           **SECTION 21.1.** The Department of Administration may study retainage  
2 from payment on public construction projects. If it undertakes this study, the  
3 Department shall consider the following:

- 4           (1) Retainage by public owners from payment to contractors and retainage  
5           by those contractors from payment to subcontractors.
- 6           (2) Retainage from periodic progress payments and final payment,  
7           including a maximum allowable amount of retainage.
- 8           (3) A time certain for the owner's release of retainage, based upon the  
9           owner's occupancy, substantial completion of the work, or the owner's  
10          use of the improvements for the purposes intended.
- 11          (4) A time certain for the contractor's release of retainage to a  
12          subcontractor, based upon the contractor's receipt of retainage.
- 13          (5) Conditions permitting withholding of retention beyond the date of  
14          release, including those stated in G.S. 143-134.1(d), and limits on the  
15          amount of retainage for a condition permitting withholding.
- 16          (6) Interest on wrongfully withheld retainage and conditions for the  
17          payment of attorneys' fees for the collection of wrongfully withheld  
18          retainage.
- 19          (7) Line-item release of retainage, based upon a schedule of values, for  
20          specific work that has been completed by the contractor and approved  
21          by the owner.
- 22          (8) Any other matters relating to the withholding and release of retainage  
23          on public construction projects.

24           **SECTION 21.2.** The Department shall report the results of its study to the  
25 2005 General Assembly upon its convening.

## 27 **PART XXII. UNC BOARD OF GOVERNORS STUDY COMMISSION**

28  
29           **SECTION 22.1.** There is created the UNC Board of Governors Study  
30 Commission. The Commission shall consist of 10 members appointed as follows: five  
31 by the President Pro Tempore of the Senate and five by the Speakers of the House of  
32 Representatives. The Speakers of the House of Representatives shall appoint a cochair  
33 and the President Pro Tempore of the Senate shall appoint a cochair for the  
34 Commission. Vacancies on the Commission shall be filled by the appointing authority.  
35 The Commission shall meet upon the call of the chairs. A majority of the members of  
36 the Commission shall constitute a quorum.

37           **SECTION 22.2.** The Commission shall study the method of election or  
38 appointment of members of the Board of Governors, the length of members' terms, the  
39 number of terms a member may serve, and the size of the Board of Governors. As part  
40 of the study, the Commission may examine the governing boards of other states'  
41 institutions of higher education. The Commission shall report its findings and any  
42 recommendations to the 2005 Regular Session of the General Assembly.

1           **SECTION 22.3.** Members of the Commission shall receive per diem,  
2 subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as  
3 appropriate.

4           **SECTION 22.4.** Subject to the approval of the Legislative Services  
5 Commission, the Commission may meet in the State Legislative Building or the  
6 Legislative Office Building. The Legislative Services Commission, through the  
7 Legislative Services Officer, shall assign professional staff to assist in the work of the  
8 Commission. The House of Representatives' and the Senate's Supervisors of Clerks  
9 shall assign clerical staff to the Commission, and the expenses relating to the clerical  
10 employees shall be borne by the Commission. All State departments and agencies and  
11 local governments and their subdivisions shall furnish the Commission with information  
12 in their possession or available to them. Of the funds appropriated to the General  
13 Assembly, the Legislative Services Commission shall allocate funds for the expenses of  
14 the Commission established by this part.

15           **SECTION 22.5.** The Commission shall terminate upon the filing of its final  
16 report.

## 17 18 **PART XXIII. NORTH CAROLINA STUDY COMMISSION ON AGING** 19 **STUDIES**

20  
21           **SECTION 23.1.** The North Carolina Study Commission on Aging may  
22 study the topics listed in this part and report its findings, together with any  
23 recommended legislation, to the 2005 General Assembly upon its convening.

24           **SECTION 23.2.** Long-term care remediation (S.B. 206 – Swindell, Purcell)  
25 – The Commission may study the feasibility of implementing a remediation program for  
26 long-term care facilities in this State that is similar to the Collaborative Remediation  
27 Project in Michigan.

28           **SECTION 23.3.** Mentally ill long-term care residents (S.B. 1150 – Swindell;  
29 H.B. 1490 – Clary, Nye, Weiss) – The Commission may study issues related to mentally  
30 ill residents in long-term care facilities.

## 31 32 **PART XXIV. JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON** 33 **MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE** 34 **ABUSE SERVICES STUDIES**

35  
36           **SECTION 24.1.** The Joint Legislative Oversight Committee on Mental  
37 Health, Developmental Disabilities, and Substance Abuse Services may study the topics  
38 listed in this part and report its findings, together with any recommended legislation, to  
39 the 2005 General Assembly upon its convening.

40           **SECTION 24.2.** Integration of care for children with multiple system  
41 service needs (S.B. 262 – Foxx, Allran, Dannelly, Lucas, Purcell; H.B. 169 – Insko) –  
42 The Committee shall conduct a comprehensive review of the State's system of care for  
43 children with multiple system service needs. The purpose of the comprehensive review  
44 is to determine the extent to which children who need services from multiple State and

1 local agencies in this system are or are not receiving those services in a timely manner,  
2 the effectiveness of the services provided, the potential long-term impact on the  
3 children, their families, and State and local resources of not providing all services in a  
4 timely and cost-effective manner, and to make detailed recommendations on the system  
5 changes necessary to address the problems identified as quickly as possible.  
6 Recommendations on system changes shall include programmatic and funding changes,  
7 and an analysis and estimate of implementation costs and projected cost-savings to the  
8 State in future years. In order to ensure a dedicated focus and appropriate expertise for  
9 the comprehensive review, the Committee shall convene a task force to conduct the  
10 review. The task force shall be comprised of the cochairs of the Oversight Committee,  
11 the Joint Legislative Education Oversight Committee, the Joint Legislative Corrections,  
12 Crime Control, and Juvenile Justice Oversight Committee, the Joint Legislative Health  
13 Care Oversight Committee, and other individuals appointed by the cochairs of the  
14 Oversight Committee upon recommendation of the other members of the task force.

15 In conducting its review, the task force shall consider thoroughly all of the  
16 following:

- 17 (1) State-of-the-art approaches to services to children with multiple  
18 system service needs as the basis of reform in North Carolina.
- 19 (2) Evidence-based best practices in North Carolina and elsewhere for  
20 potential systemwide adoption.
- 21 (3) Barriers to access for developing a uniform access process to  
22 implement a "no wrong door" policy such that children and families  
23 may enter any service access point but will be afforded seamless  
24 access to all necessary services.
- 25 (4) Initiatives taken or under consideration in other states to ensure a  
26 unified approach to system services, including the feasibility of  
27 establishing a funding consortium for pooling resources of all involved  
28 agencies in order to streamline access to the system by children and  
29 involvement in the system by service providers.
- 30 (5) Ways to improve the multidisciplinary identification and evaluation of  
31 children's multiple service needs and the communication of those  
32 needs to all appropriate service providers.
- 33 (6) The extent to which children currently in the juvenile justice system  
34 have not received adequate and appropriate educational, mental health,  
35 or other health services, and the reasons why the children have not  
36 been adequately served.
- 37 (7) Information from the Department of Public Instruction and other  
38 organizations showing the number of children who have been  
39 suspended or expelled from public school, the reasons for the  
40 suspension or expulsion, the number of these children who have  
41 received alternative placements to ensure that they are being  
42 adequately and appropriately served by State and local service  
43 systems.

- 1           (8) Necessary changes to North Carolina service systems involving mental  
2 health, developmental disabilities, and substance abuse services, social  
3 services, education services, juvenile justice, and other related service  
4 systems that will enable these systems to work together to ensure  
5 effective and timely access to services for children and their families.

6           The Oversight Committee, subject to the provisions of G.S. 120-32.02, may  
7 hire a consultant to assist the task force in its comprehensive review. The Oversight  
8 Committee shall establish interim and final reporting time lines for the consultant's  
9 findings and recommendations, and, subject to the requirements of this section, for  
10 meetings and reports of the task force.

11           **SECTION 24.3.** Mental health in prisons (H.B. 1085 – Insko) – The  
12 Committee may study the incidence of mental illness and substance abuse problems  
13 among inmates in the North Carolina prison and juvenile justice systems.

14  
15 **PART XXV. JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND**  
16 **AQUACULTURE STUDY (H.B. 758 – Stiller)**

17  
18           **SECTION 25.1.** The Joint Legislative Commission on Seafood and  
19 Aquaculture may study whether it should be unlawful to take shrimp with trawl nets in  
20 certain inland waters. The Commission may report the results of its findings, together  
21 with any recommended legislation, to the 2005 General Assembly upon its convening.

22  
23 **PART XXVI. ADMINISTRATIVE OFFICE OF THE COURTS/DEPARTMENT**  
24 **OF CORRECTION STUDY (H.B. 890 – Eddins, Holliman)**

25  
26           **SECTION 26.1.** The Administrative Office of the Courts and the  
27 Department of Correction shall jointly study the processes for the collection and  
28 payment of restitution in this State, and shall determine methods for reducing the  
29 number of restitution payments that go unclaimed. The Administrative Office of the  
30 Courts and the Department of Correction shall report their findings and  
31 recommendations to the 2005 General Assembly upon its convening.

32  
33 **PART XXVII. UNC BOARD OF GOVERNORS STUDY FEASIBILITY OF**  
34 **FORGIVENESS OF STUDENT DEBT PROGRAM**

35  
36           **SECTION 27.1.** The Board of Governors of The University of North  
37 Carolina, in conjunction with the North Carolina State Education Assistance Authority,  
38 may study the feasibility of a program that would forgive student indebtedness for  
39 teachers who have continuing certification in and are teaching in the disciplines of  
40 mathematics, science, or special education. The Board shall report the results of its  
41 study to the Joint Legislative Education Oversight Committee by January 15, 2005.

42  
43 **PART XXVIII. STATE BOARD TEACHER RETENTION TASK FORCE**  
44

1           **SECTION 28.1.** The State Board of Education shall form a Task Force  
2 cochaired by the State Board of Education Chairman or designee and the Lt. Governor  
3 or designee to study issues related to effective recruitment and retention of teachers for  
4 the North Carolina public schools. The Task Force shall include practicing public  
5 school teachers, principals, superintendents, local boards of education, and  
6 representatives from the University System, the Community College System, and others  
7 as deemed appropriate by the cochairs. In the course of this study, the State Board of  
8 Education shall consider:

- 9           (1) Impediments to effective teacher recruitment and retention;  
10          (2) Strategies for increasing the effectiveness or recruitment and retention  
11             efforts;  
12          a. Modifications to teacher salaries and benefits that will ensure  
13             that teacher compensation in North Carolina remains at or  
14             above the national average, thereby better enabling the public  
15             schools to recruit and retain highly qualified teachers. The State  
16             Board may consider:  
17                 1. Increased salaries for beginning teachers to make the  
18                 profession more attractive at the entry level;  
19                 2. Increased salaries for teachers at those points at which  
20                 higher numbers of teachers leave the teaching  
21                 profession;  
22                 3. Retirement options for teachers with 30 years of  
23                 experience that will provide opportunities for those  
24                 highly skilled and experienced teachers to continue in  
25                 service;  
26                 4. Differentiated salary opportunities for teachers who  
27                 demonstrate exemplary teaching skills, work in certain  
28                 areas of certification, work in hard-to-staff schools, or  
29                 serve as mentors, school improvement team leaders, or  
30                 serve as leaders in a Quality Teacher as Leader Program;  
31                 5. Other modifications to teacher salaries and benefits  
32                 necessary to recruit and retain highly qualified teachers  
33                 in the public schools.  
34          b. Tax incentives to encourage experienced teachers to remain in  
35             the teaching profession;  
36          c. Locally designed initiatives to facilitate teacher recruitment and  
37             retention;  
38          d. Strategies for increasing the number of highly qualified  
39             beginning teachers such as:  
40                 1. Expanding teacher preparation programs;  
41                 2. Expanding scholarship loan programs for prospective  
42                 teachers to recruit the most qualified high school  
43                 students to the teaching profession; and

1                   3.     Ensuring that graduates of teacher preparation programs  
2                   are well prepared to meet teacher-certification  
3                   requirements.

4                   e.     Strategies for giving beginning teachers the opportunity to  
5                   develop into skilled professionals such as assigning them to  
6                   teach only in their area of certification and minimizing their  
7                   noninstructional duties;

8                   f.     Strategies for ensuring that school-based administrators are  
9                   adequately trained to provide support for both experienced and  
10                  inexperienced teachers and that they provide that support;

11                  g.     Strategies for ensuring that teachers are treated respectfully by  
12                  students, such as a Teachers' Bill of Rights;

13                  h.     Increased expectations regarding parental involvement in and  
14                  support of their children's education;

15                  i.     The availability of communications devices in the classroom;

16                  j.     Strategies for a Quality Teacher as Leader Program as a career  
17                  option that compensates teachers for accomplished teaching and  
18                  values teachers as leaders; and

19                  k.     Strategies for ensuring that schools are staffed appropriately  
20                  and teachers have the time necessary to meet the State, federal  
21                  and local demands for quality teaching and learning  
22                  environments.

23                  **SECTION 28.2.** The State Board of Education shall report its findings and  
24                  recommendations to the Joint Legislative Education Oversight Committee prior to  
25                  February 15, 2005. These recommendations may include changes to laws and policies.

26                  **SECTION 28.3.** The Department of Public Instruction shall provide staff to  
27                  support the work of the Task Force upon the request of the cochairs or staff and  
28                  consultants may be hired from funds designated to support the work of the Task Force.

29                  **SECTION 28.4.** The State Board of Education shall use federal funds to  
30                  support the work of the Task Force.

31  
32                  **PART XXIX. JOINT LEGISLATIVE CORRECTIONS, CRIME CONTROL,  
33                  AND JUVENILE JUSTICE OVERSIGHT COMMITTEE STUDIES**

34  
35                  **SECTION 29.1.** The Joint Legislative Corrections, Crime Control, and  
36                  Juvenile Justice Oversight Committee may study the topics listed in this part and report  
37                  its findings, together with any recommended legislation, to the 2005 Regular Session of  
38                  the 2005 General Assembly upon its convening.

39                  **SECTION 29.2.** Deter juvenile escapes (H.B. 956 – Haire) – The Committee  
40                  may study the issue of persons who escape from the custody of the Department of  
41                  Juvenile Justice and Delinquency Prevention (Department) and develop appropriate  
42                  sanctions for those persons. If it undertakes this study, the Committee shall consult with  
43                  the Department, the Administrative Office of the Courts, and the North Carolina  
44                  Sentencing and Policy Advisory Commission to develop a statutory scheme through

1 which both juveniles and persons who are over the age of 16 years shall be punished for  
2 escaping from the custody of the Department.

3 **SECTION 29.3.** Federal Structured Sentencing System (Culpepper) – The  
4 Committee may study the State's current system of structured sentencing and compare  
5 that with the federal system of structured sentencing. In its study, the Committee shall  
6 consider all of the following:

7 (1) A comparison of the role and responsibilities of the North Carolina  
8 Sentencing and Policy Advisory Commission with regard to structured  
9 sentencing with the role and responsibilities of the Commission's  
10 federal counterpart.

11 (2) The effectiveness of both the State and federal systems in adjusting the  
12 sentencing grid and the factors considered in the sentencing process so  
13 that the sentencing range available to the court is appropriate for the  
14 crime committed and also allows appropriate flexibility for the court to  
15 consider the circumstances on a case-by-case standard.

16 (3) The effect of the structured sentencing system at the State and federal  
17 levels on the number of prison beds required and whether regular  
18 periodic adjustments of the sentencing structure that take into account  
19 both the nature of the crimes most often committed, the effectiveness  
20 of the punishments imposed, and the increase or decrease in prison  
21 populations provides a more equitable and economic criminal justice  
22 system.

23 (4) Any other issue relevant to this study.

24 **SECTION 29.4.** Confinement of Incapacitated Inmates (S.B. 1014 – Berger)  
25 – The Committee may study the confinement of inmates who are irreversibly,  
26 physically incapacitated due to chronic illness or disability. The Committee's study may  
27 include, but is not limited to, a review of current policies, a calculation of potential  
28 population figures and medical care costs, a determination of possible alternatives to  
29 incarceration and accompanying costs, and a consideration of procedures for  
30 termination or commutation of sentences.

31 **SECTION 29.5.** The Committee shall report its findings and  
32 recommendations, including any proposed legislation, no later than the convening of the  
33 2005 General Assembly.

34  
35 **PART XXX. AGRICULTURE AND FORESTRY AWARENESS STUDY**  
36 **COMMISSION STUDIES**

37  
38 **SECTION 30.1.** The Agriculture and Forestry Awareness Study  
39 Commission may study the topics listed in this part and report its findings, together with  
40 any recommended legislation, to the 2005 General Assembly upon its convening.

41 **SECTION 30.2.** Agriculture Commodity Incentives (Albertson) – The  
42 Commission may study the possibility of establishing incentive programs to benefit  
43 firms purchasing additional large quantities of North Carolina farm commodity products



1 when an overabundance of a specific commodity is designated by the State Department  
2 of Agriculture and Consumer Services to be available for sale.

3 **SECTION 30.3.** Food Safety and Security (S.B. 834 – Albertson) – The  
4 Commission may study ways to protect the State's food supply system and the  
5 agricultural industry base.

6 **SECTION 30.4.** Dairy Industry (Albertson, Rand; H.B. 1143 – Hill) – The  
7 Commission shall study the condition of the dairy industry in the State. As a part of its  
8 study, the Commission shall examine:

- 9 (1) The short-term and long-term problems associated with maintaining a  
10 viable dairy industry and supplying the needed quantity of milk in the  
11 State.
- 12 (2) Ways to sustain the existing dairy industry in the State.
- 13 (3) Opportunities for expanding the dairy industry, including attracting  
14 both new dairy producers and new processors into the State.
- 15 (4) The contribution of dairy farmers to the maintenance of prime  
16 agricultural lands, and working lands, and the quality of life in the  
17 State.
- 18 (5) The need for programs that stabilize the pricing of milk at the farm  
19 level, such as counter-cyclical or safety net type programs in the Farm  
20 Security and Rural Investment Act of 2002, or a milk transportation  
21 grant program to maintain a local supply of fresh milk for processing  
22 and consumption, programs that facilitate the entry of young farmers  
23 into the dairy industry, and programs that preserve dairy green space  
24 along the urban fringe.
- 25 (6) Other factors impacting the dairy industry in North Carolina.

26  
27 **PART XXXI. COMMITTEE ON EMPLOYEE HOSPITAL AND MEDICAL**  
28 **BENEFITS STUDY NEWBORN COVERAGE (S.B. 1421 – Kinnaird; H.B. 1787 –**  
29 **Insko)**

30  
31 **SECTION 31.1.** The Committee on Employee Hospital and Medical  
32 Benefits may study the following issues pertaining to benefits under the Teachers' and  
33 State Employees' Comprehensive Major Medical Plan ("Plan"):

- 34 (1) Whether to repeal or otherwise modify G.S. 135-40.6(7) that limits  
35 coverage for examination and supervision of a normal newborn infant  
36 to only when the mother of the infant is receiving maternity benefits  
37 under the Plan.
- 38 (2) Whether to adopt a federally qualified health reimbursement  
39 arrangement as an additional component of the Plan.
- 40 (3) Whether deductibles and co-payment amounts applicable under the  
41 Plan should be based on income of the Plan member, with  
42 lower-income Plan members paying less than higher-income Plan  
43 members.

1 **PART XXXII. HURRICANE EVACUATION STANDARDS STUDY**  
2 **COMMISSION**

3  
4 **SECTION 32.1.** The Hurricane Evacuation Standards Study Commission is  
5 established. The Commission shall consist of six members to be appointed as follows:

- 6 (1) Three members of the House of Representatives to be appointed by the  
7 Speaker of the House of Representatives; and  
8 (2) Three members of the Senate to be appointed by the President Pro  
9 Tempore of the Senate.

10 **SECTION 32.2.** The Commission shall study the development and  
11 establishment of hurricane evacuation standards for the State. The Commission shall  
12 consider and recommend to the General Assembly those legislative actions necessary to  
13 implement its recommendations.

14 **SECTION 32.3.** The following State employees shall attend each meeting of  
15 the Commission and shall provide technical support and expertise to the Commission to  
16 develop appropriate State hurricane evacuation standards:

- 17 (1) Director, Division of Emergency Management, Department of Crime  
18 Control and Public Safety.  
19 (2) Chief of Logistics, Division of Emergency Management, Department  
20 of Crime Control and Public Safety.  
21 (3) State Roadway Design Engineer, Department of Transportation.  
22 (4) Assistant State Roadway Design Engineer, Department of  
23 Transportation.  
24 (5) Division Engineer, Division 1, Department of Transportation.  
25 (6) Division Engineer, Division 2, Department of Transportation.  
26 (7) Division Engineer, Division 3, Department of Transportation.  
27 (8) Division Traffic Engineer, Division 1, Department of Transportation.  
28 (9) Division Traffic Engineer, Division 2, Department of Transportation.  
29 (10) Division Traffic Engineer, Division 3, Department of Transportation.

30 **SECTION 32.4.** Upon approval of the Legislative Services Commission, the  
31 Legislative Services Officer shall assign professional and clerical staff to assist in the  
32 work of the Commission. Clerical staff shall be furnished to the Commission through  
33 the offices of the House of Representatives and Senate Supervisors of Clerks. The  
34 Commission may meet in the Legislative Building or the Legislative Office Building  
35 upon the approval of the Legislative Services Commission. The members of the  
36 Commission, while in the discharge of official duties, may exercise all the powers  
37 provided under the provisions of G.S. 120-19 through G.S. 120-19.4, including the  
38 power to request all officers, agents, agencies, and departments of the State to provide  
39 any information, data, or documents within their possession, ascertainable from their  
40 records, or otherwise available to them, and the power to subpoena witnesses. Members  
41 of the Commission shall receive per diem, subsistence, and travel allowances at the rate  
42 established in G.S. 120-3.1.

43 **SECTION 32.5.** The Commission shall report its findings and any  
44 recommendations to the Governor and the Joint Legislative Transportation Oversight

1 Committee of the General Assembly by January 15, 2005. Upon the earlier of the filing  
2 of its final report or the convening of the 2005 General Assembly, the Commission shall  
3 terminate.

4 **SECTION 32.6.** From funds appropriated to the General Assembly, the  
5 Legislative Services Commission shall allocate funds for the expenses of the Hurricane  
6 Evacuation Standards Commission.

7  
8 **PART XXXIII. STREAM MAPPING (H.B. 1797 – Luebke)**  
9

10 **SECTION 33.1.** The Geographic Information Coordinating Council and the  
11 Department of Environment and Natural Resources shall develop and recommend a  
12 plan to improve the mapping and digital representation of surface waters in North  
13 Carolina, including intermittent and perennial streams, lakes, and ponds, to the General  
14 Assembly and the Environmental Review Commission on January 15, 2005.

15 **SECTION 33.2.** The plan shall include at a minimum: mapping  
16 specifications and standards; estimated budget and schedule for statewide  
17 implementation; and entry of the data into NC OneMap.

18 **SECTION 33.3.** The Geographic Information Coordinating Council and the  
19 Department shall include at a minimum the Division of Emergency Management in the  
20 Department of Crime Control and Public Safety, the Department of Commerce, the  
21 Department of Transportation, and the US Geological Survey in the development of the  
22 plan.

23 **SECTION 33.4.** The General Assembly encourages municipalities and  
24 counties to share the mapping and digital representation of surface waters that they have  
25 developed with the Geographic Information Coordinating Council, NC OneMap, and  
26 the public.

27  
28 **PART XXXIV. STUDY COMMISSION ON HEALTH CARE WORKFORCE**  
29 **DEVELOPMENT (H.B. 1498 – Tolson, Goforth, Allred, Bell)**  
30

31 **SECTION 34.1.** There is created the Health Care Workforce Study  
32 Commission ("Commission"). The Commission shall consist of 21 members appointed  
33 as follows:

- 34 (1) Five members appointed by the Governor, to include:  
35 a. One person who is a health care provider or a pharmacist in a  
36 rural community.  
37 b. One person who is a hospital administrator from  
38 recommendations provided by the North Carolina Hospital  
39 Association.  
40 c. One person who is a dental care provider.  
41 d. One person from the Office of Research, Demonstrations, and  
42 Rural Health Development of the Department of Health and  
43 Human Services.  
44 e. The Program Director of the North Carolina AHEC Program.

- 1 (2) Eight members appointed by the Speakers of the House of  
2 Representatives, to include:  
3 a. Four members of the House of Representatives.  
4 b. One person who is a nursing home administrator from  
5 recommendations provided by the NC Health Care Facilities  
6 Association.  
7 c. One person who is a community college president from  
8 recommendations provided by the President of the North  
9 Carolina Community College System.  
10 d. One person who is a physician.  
11 e. One person who is a home care administrator from  
12 recommendations provided by the Association of Home and  
13 Hospice Care of North Carolina.
- 14 (3) Eight members appointed by the President Pro Tempore of the Senate,  
15 to include:  
16 a. Four members of the Senate.  
17 b. One person who operates an adult care home from  
18 recommendations provided by the NC Association of Long  
19 Term Care Facilities.  
20 c. One person who is a university president from  
21 recommendations provided by the President of The University  
22 of North Carolina System.  
23 d. One person who is a health care provider with expertise in  
24 respiratory care.  
25 e. One person who is a nurse from recommendations provided by  
26 the North Carolina Nurses Association.

27 **SECTION 34.2.** The purpose of the Commission is to determine methods to  
28 increase the number of people providing health and dental care in this State and to  
29 overcome existing barriers contributing to the health care provider shortages. In  
30 undertaking this study, the Commission shall consider the following:

- 31 (1) How to cultivate an interest in health occupations programs at the  
32 secondary school level.  
33 (2) How to address the shortage of adequately prepared health care  
34 occupations faculty at community colleges, including designating  
35 health care occupation degrees as "high cost" programs and paying  
36 health care occupation faculty at a higher rate, designating a salary  
37 differential for faculty members who provide clinical or classroom  
38 training during evening, night, and weekend shifts, and offering other  
39 incentives to encourage masters trained professionals to teach at  
40 community colleges.  
41 (3) How to address the attrition rates for students in health care occupation  
42 curriculums in community colleges.  
43 (4) Resources available to assist community colleges with the purchase of  
44 equipment necessary to train students for health care occupations.

- 1 (5) Shortages of faculty at the university level.
- 2 (6) Restoring funding for university level Fast Track programs.
- 3 (7) Whether a curriculum program that offers a baccalaureate degree in
- 4 respiratory therapy should be established in The University of North
- 5 Carolina System.
- 6 (8) How to improve current programs responsible for addressing dentist
- 7 and physician shortages, particularly in the rural parts of the State.
- 8 (9) How to address nursing shortages, taking into consideration the
- 9 Institute of Medicine's Nursing Task Force recommendations.
- 10 (10) How to address shortages of pharmacists and other allied health care
- 11 providers.
- 12 (11) Completion of the articulation plan between the North Carolina
- 13 Community College System and The University of North Carolina
- 14 System's health care training programs.
- 15 (12) Any other issue the Commission considers relevant.

16 **SECTION 34.3.** The Speakers of the House of Representatives shall appoint  
17 a cochair and the President Pro Tempore of the Senate shall appoint a cochair for the  
18 Commission. The Commission may contract for consultant services as provided by  
19 G.S. 120-32.02. Upon approval of the Legislative Services Commission, the Legislative  
20 Services Officer shall assign professional and clerical staff to assist in the work of the  
21 Commission. Clerical staff shall be furnished to the Commission through the offices of  
22 the House of Representatives and Senate Supervisors of Clerks. The Commission may  
23 meet in the Legislative Building or the Legislative Office Building upon the approval of  
24 the Legislative Services Commission. The Commission, while in discharge of official  
25 duties, may exercise all the powers provided under the provisions of G.S. 120-19  
26 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and  
27 departments of the State to provide any information, data, or documents within their  
28 possession, ascertainable from their records, or otherwise available to them, and the  
29 power to subpoena witnesses. Members of the Commission shall receive per diem,  
30 subsistence, and travel allowances at the rate established in G.S. 120-3.1, 138-5, or  
31 138-6, as appropriate. Vacancies shall be filled by the appointing authority.

32 **SECTION 34.4.** The Commission shall submit an interim report to the 2005  
33 Regular Session of the 2005 General Assembly that contains its recommendations,  
34 legislative proposals, and cost analyses. The Commission shall make a final report to  
35 the 2006 Regular Session of the 2005 General Assembly and shall terminate upon the  
36 earlier of the filing of its final report or April 30, 2006.

37 **SECTION 34.5.** From the funds appropriated to the General Assembly, the  
38 Legislative Services Commission shall allocate funds for the expenses of the  
39 Commission established in this act.

#### 40 **PART XXXV. SMART START FUNDING STUDY (Hagan)**

41 **SECTION 35.1.** Commission Established. – There is established a Smart  
42 Start Funding Study Commission.  
43  
44

1           **SECTION 35.2.** Membership. – The Commission shall be composed of 21  
2 members as follows:

- 3           (1) Four members of the Senate appointed by the President Pro Tempore  
4           of the Senate.
- 5           (2) Four members of the House of Representatives appointed by the  
6           Speaker of the House of Representatives.
- 7           (3) North Carolina Partnership for Children board member appointed by  
8           the Speaker of the House of Representatives.
- 9           (4) President of the North Carolina Partnership for Children.
- 10          (5) Secretary of the Department of Health and Human Services or  
11          designee.
- 12          (6) North Carolina Budget and Tax Center representative appointed by the  
13          President Pro Tempore of the Senate.
- 14          (7) State Budget Director or designee.
- 15          (8) Department of Social Services County Director appointed by the  
16          Speaker of the House of Representatives.
- 17          (9) Department of Public Health County Director appointed by the  
18          President Pro Tempore of the Senate.
- 19          (10) County Commissioner appointed by the Speaker of the House of  
20          Representatives.
- 21          (11) Local Partnership for Children Executive Director appointed by the  
22          President Pro Tempore of the Senate.
- 23          (12) Local Partnership for Children board chair appointed by the Speaker of  
24          the House of Representatives.
- 25          (13) Two business leaders representing small and corporate business, one  
26          appointed by the President Pro Tempore of the Senate and one by the  
27          Speaker of the House of Representatives.
- 28          (14) Representative of the Rural Economic Development Center appointed  
29          by the President Pro Tempore of the Senate.

30           **SECTION 35.3.** Secretary of Health and Human Services. – The  
31 Commission shall invite the Secretary of Health and Human Services to attend each  
32 meeting of the Commission and encourage the Secretary's participation in the  
33 Commission's deliberations.

34           **SECTION 35.4.** Duties of Commission. – The Commission shall study the  
35 funding of the North Carolina Partnership for Children, Inc. In conducting the study,  
36 the Commission shall consider the following:

- 37           (1) The current funding system of the North Carolina Partnership for  
38           Children, Inc.
- 39           (2) Any strategies for achieving full funding and full service for North  
40           Carolina's young children and families.
- 41           (3) Funding equity among all counties and local partnerships.
- 42           (4) Any other information the Commission deems relevant.

43           **SECTION 35.5.** Vacancies. – Any vacancy on the Commission shall be  
44 filled by the appointing authority.

1           **SECTION 35.6.** Cochairs. – Cochairs of the Commission shall be  
2 designated by the President Pro Tempore of the Senate and the Speaker of the House of  
3 Representatives from among their respective appointees. The Commission shall meet  
4 upon the call of the chairs.

5           **SECTION 35.7.** Expenses of Members. – Members of the Commission shall  
6 receive per diem, subsistence, and travel allowances in accordance with G.S.120-3.1,  
7 138-5, or 138-6, as appropriate.

8           **SECTION 35.8.** Staff. – Upon the prior approval of the Legislative Services  
9 Commission, the Legislative Services Officer shall assign professional staff to the  
10 Commission to aid its work.

11           **SECTION 35.9.** Consultants. – The Commission may hire consultants to  
12 assist with the study. Before expending any funds for a consultant, the Commission  
13 shall report to the Joint Legislative Commission on Governmental Operations on the  
14 consultant selected, the work products to be provided by the consultant, and the cost of  
15 the contract, including an itemization of the cost components.

16           **SECTION 35.10.** Meetings During Legislative Session. – The Commission  
17 may meet during a regular or extra session of the General Assembly, subject to approval  
18 of the President Pro Tempore of the Senate and the Speaker of the House of  
19 Representatives.

20           **SECTION 35.11.** Meeting Location. – The Commission shall meet at  
21 various locations around the State in order to promote greater public participation in its  
22 deliberations. Subject to the approval of the Legislative Services Commission, the  
23 Commission may meet in the Legislative Building or the Legislative Office Building.

24           **SECTION 35.12.** Report. – The Commission shall make its findings and  
25 recommendations in a final report to the 2005 General Assembly. Upon the earlier of  
26 the filing of its final report or the convening of the 2005 General Assembly, the  
27 Commission shall terminate.

28           **SECTION 35.13.** Funding. – From funds appropriated to the General  
29 Assembly, the Legislative Services Commission shall allocate funds for the purpose of  
30 conducting the study provided for in this section.

## 31 32 **PART XXXVI. CHILD WELFARE SYSTEM REFORM (Nye, Barnhart, Clary)**

33  
34           **SECTION 36.1.** The Department of Health and Human Services shall  
35 transfer funds to the General Assembly to hire an independent consultant to evaluate  
36 North Carolina's Child Welfare System at the State and local levels and provide  
37 recommendations to reform that system.

38           **SECTION 36.2.** The Fiscal Research Division, through the Legislative  
39 Services Office, in consultation with the Department of Health and Human Services,  
40 shall issue a Request for Proposal (RFP) for an independent consultant with extensive  
41 experience in child welfare systems to develop recommendations for reforming the  
42 State's existing system. The contractor shall evaluate the overall administration and  
43 oversight of the existing system and make specific recommendations to strengthen the  
44 system. The contractor shall review North Carolina's historical performance in meeting

1 national performance outcome measurements and note any progress in taking corrective  
2 action to address the areas identified as weaknesses in the existing system. The  
3 contractor shall evaluate variances in resources, including staffing levels, at the local  
4 level as well as the administrative structure at the State level. The contractor shall  
5 review statewide abuse and neglect data to determine if the data is accurate and useful  
6 and make recommendations for improving the data collection system. The contractor's  
7 final report shall include recommendations to ensure accountability and consistency at  
8 both the State and local levels.

9         **SECTION 36.3.** The final report from the consultant shall be presented to  
10 the House of Representatives Appropriations Subcommittee on Health and Human  
11 Services, the Senate Appropriations Committee on Health and Human Services, and the  
12 Fiscal Research Division no later than October 1, 2005.

13  
14 **PART XXVII. GENERAL STATUTES COMMISSION STUDY (H.B. 1198 –**  
15 **Alexander)**

16  
17         **SECTION 37.1.** The General Statutes Commission may recommend  
18 legislation to amend the General Statutes to delete the words "handicap" and  
19 "handicapped" whenever they appear and substitute the appropriate phrase to describe  
20 persons with disabilities, unless the words are required by federal law or describe some  
21 other situation. If undertaken, the report shall be made to the General Assembly no later  
22 than January 15, 2005.

23  
24 **PART XXVIII. DEPARTMENT OF CULTURAL RESOURCES/COMMISSION**  
25 **OF INDIAN AFFAIRS STUDY (H.B. 747 – Sutton)**

26  
27         **SECTION 38.1.** The Department of Cultural Resources and the Commission  
28 of Indian Affairs of the Department of Administration may jointly study the future of  
29 the North Carolina Archaeological Collection, which is currently maintained by the  
30 Research Laboratories of Archaeology at the University of North Carolina at Chapel  
31 Hill. If the study is undertaken, the Department and the Commission shall consider the  
32 steps necessary to ensure the future preservation of the collection and the need to use  
33 the collection to its fullest potential as a resource for research, teaching, and other public  
34 programs.

35         **SECTION 38.2.** If the study is undertaken, the Department of Cultural  
36 Resources and the Department of Administration shall report their findings and  
37 recommendations to the 2004 Regular Session of the 2003 General Assembly and shall  
38 include a specific recommendation on a permanent home for the collection where it can  
39 be safely housed and where a permanent facility can be established in which the  
40 collection can be exhibited for the benefit of the public.

41  
42 **PART XXXIX. DEPARTMENT OF TRANSPORTATION STUDY WITH THE**  
43 **STATE TREASURER (McComas)**  
44



1           **SECTION 39.1.** The Department of Transportation and Department of State  
2 Treasurer shall jointly study and develop a proposal to provide appropriate debt  
3 financing to accelerate the construction schedule for the Wilmington Bypass project  
4 identified in G.S. 136-180(a). The study shall address financial, legal, and practical  
5 issues involved in various financing options including special indebtedness under  
6 Article 9 of Chapter 142 of the General Statutes, revenue bonds supported by toll  
7 revenues, and other appropriate types of debt.

8           **SECTION 39.2.** The two Departments shall jointly report their findings and  
9 recommendations, including proposed legislation, by January 15, 2005, to the Speakers  
10 of the House of Representatives, the President Pro Tempore of the Senate, the cochairs  
11 of the Joint Legislative Transportation Oversight Committee, and the Legislative  
12 Library.

13  
14 **PART XL. LEGISLATIVE STUDY COMMISSION ON FINANCING**  
15 **INFRASTRUCTURE FOR INDUSTRIAL CORRIDORS (McComas, Justice)**

16  
17           **SECTION 40.1.** Creation. – There is created the Legislative Study  
18 Commission on Financing Infrastructure for Industrial Corridors. The purposes of the  
19 Commission are to investigate and identify State, federal, and local funding sources for  
20 proposed water and sewer infrastructure improvements for the Highway 421 Industrial  
21 Corridor in Pender and New Hanover Counties, to foster interlocal cooperation to  
22 enhance economic development in the region, and to recommend any legislative  
23 changes necessary to enhance available resources for development.

24           **SECTION 40.2.** Members. – The Commission shall consist of 12 members  
25 as provided in this subsection. The following individuals shall serve ex officio: (i) the  
26 chair of the Pender County Board of Commissioners or another member of the board  
27 designated by the chair and (ii) the chair of the New Hanover County Board of  
28 Commissioners or another member of the board designated by the chair. Five members  
29 shall be appointed by the Speaker of the House of Representatives as follows: two  
30 members of the House of Representatives, an individual nominated by the Cape Fear  
31 Regional Growth Team, an individual from New Hanover County who represents  
32 Wilmington Industrial Development, Inc., also known as the Wilmington Committee of  
33 100, and an owner of property abutting the Highway 421 Industrial Corridor in New  
34 Hanover County. Five members shall be appointed by the President Pro Tempore of the  
35 Senate as follows: two members of the Senate, an individual nominated by the Cape  
36 Fear Regional Growth Team, an individual from Pender County who represents  
37 Wilmington Industrial Development, Inc., also known as the Wilmington Committee of  
38 100, and an owner of property abutting the Highway 421 Industrial Corridor in Pender  
39 County.

40           **SECTION 40.3.** Administration. – The Speakers of the House of  
41 Representatives shall designate one Representative as cochair, and the President Pro  
42 Tempore of the Senate shall designate one Senator as cochair. Any vacancy on the  
43 Commission shall be filled by the appointing authority that made the initial  
44 appointment. The Commission shall expire upon delivering its final report.

1 The Commission, while in the discharge of its official duties, may exercise all  
2 powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The  
3 Commission may meet at any time upon the joint call of the cochairs. The Commission  
4 may meet in the Legislative Building or the Legislative Office Building. The  
5 Commission may contract for professional, clerical, or consultant services as provided  
6 by G.S. 120-32.02.

7 The Legislative Services Commission, through the Legislative Services  
8 Officer, shall assign professional staff to assist the Commission in its work. The House  
9 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to  
10 the Commission, and the expenses relating to the clerical employees shall be borne by  
11 the Commission. Members of the Commission shall receive subsistence and travel  
12 expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

13 **SECTION 40.4.** Study. – In conducting the study, the Commission shall  
14 consider the following:

- 15 (1) The feasibility of proposed water and sewer infrastructure  
16 improvements for the Highway 421 Industrial Corridor in light of soil  
17 quality, existing development, and other relevant factors.
- 18 (2) Available funding sources through State programs administered by the  
19 Department of Commerce, including eligibility requirements and  
20 potential legislation to clarify or adjust these requirements.
- 21 (3) Federal funding sources through federal block grants and other  
22 sources, including eligibility requirements and their applicability to the  
23 proposed infrastructure improvements.
- 24 (4) Available funding sources through private individuals or entities.
- 25 (5) Options for interlocal agreements to provide regional cooperation in  
26 enhancing funding resources for the proposed infrastructure  
27 improvements and related projects.
- 28 (6) Options for ownership and administration of the infrastructure  
29 improvements by Pender County or by an authority.
- 30 (7) The measurable economic development benefits to the area from  
31 making the proposed water and sewer improvements.
- 32 (8) Any other issues the Commission considers relevant.

33 **SECTION 40.5.** Report. – The Legislative Study Commission on Financing  
34 Infrastructure for Industrial Corridors shall report to the 2005 General Assembly upon  
35 its convening. The Commission shall terminate the earlier of the filing of its report or  
36 the convening of the 2005 General Assembly.

37 **SECTION 40.6.** Cooperation. – All State departments and agencies and  
38 local governments and their subdivisions shall, upon request, furnish the Commission  
39 with any information in their possession or available to them.

40 **SECTION 40.7.** From the funds appropriated to the General Assembly, the  
41 Legislative Services Commission shall allocate funds to support the expenses of the  
42 Commission established by this Part.

## 43 **PART XLI. WILMINGTON RACE RIOT COMMISSION (Wright)**

1  
2           **SECTION 41.1.** Section 17.1(c) of S.L. 2000-138, as amended by Section  
3 3.1 of S.L. 2002-180, reads as rewritten:

4           **"Section 17.1.(c)** The Commission shall consist of 13 members, each of whom shall  
5 serve a ~~four-year~~ five-year term. Commission members shall be appointed on or before  
6 September 1, 2000, as follows:

7           (1) The President Pro Tempore of the Senate shall appoint three members.

8           (2) The Speaker of the House of Representatives shall appoint three  
9 members.

10          (3) The Governor shall appoint three public members, one of whom shall  
11 be a historian.

12          (4) The Mayor and City Council of the City of Wilmington shall appoint  
13 two members.

14          (5) The New Hanover County Commissioners shall appoint two members.

15 The Commission shall terminate on December 31, ~~2004.~~ 2005."

16           **SECTION 41.2.** Section 17.1(e) of S.L. 2000-138, as amended by S.L.  
17 2002-180, reads as rewritten:

18           **"Section 17.1.(e)** The Commission may remove any of its members for neglect of  
19 duty, incompetence, or unprofessional conduct. Members serve at the pleasure of the  
20 appointing authority. A member subject to disciplinary proceedings shall be  
21 disqualified from participating in the official business of the Commission until the  
22 charges have been resolved."

23           **SECTION 41.3.** Section 17.1(f) of S.L. 2000-138, as amended by S.L.  
24 2002-180, reads as rewritten:

25           **"Section 17.1.(f)** Members of the Commission ~~shall not~~ may receive per diem or  
26 reimbursement for travel or subsistence. From funds appropriated to the General  
27 Assembly, the Legislative Services Commission shall allocate funds for the per diem of  
28 the Commission."

29           **SECTION 41.4.** Section 17.1(g) of S.L. 2000-138, as amended by Section  
30 3.2 of S.L. 2002-180, reads as rewritten:

31           **"Section 17.1.(g)** The Commission's officers shall consist of two cochairs, a  
32 vice-chair, and other officers deemed necessary by the Commission to carry out the  
33 purposes of this Article. The President Pro Tempore of the Senate and the Speaker of  
34 the House of Representatives shall appoint the cochairs of the Commission. All other  
35 officers shall be elected by the Commission. All officers shall serve for ~~four-year~~  
36 five-year terms and shall serve until their successors are elected and qualified."

37           **SECTION 41.5.** Section 17.1(j) of S.L. 2000-138, as amended by Section  
38 3.3 of S.L. 2002-180, reads as rewritten:

39           **"Section 17.1.(j)** The Commission may submit to the General Assembly an interim  
40 report of its findings and recommendations. The Commission shall submit to the  
41 General Assembly a final report of its findings and recommendations no later than  
42 ~~December 31, 2004.~~ December 31, 2005. The final report may include suggestions for a  
43 permanent marker or memorial of the riot and whether to designate the event as with  
44 historic site."

1  
2 **PART XLII. OFFICE OF STATE PERSONNEL STUDY (Albertson)**  
3

4 **SECTION 42.1.** The Office of State Personnel shall conduct a  
5 reclassification study of all sworn law enforcement officers employed in the Division of  
6 Parks and Recreation of the Department of Environment and Natural Resources. The  
7 Office of State Personnel shall report the results of this study to the General Assembly  
8 and the Fiscal Research Division of the General Assembly by January 3, 2005.  
9

10 **PART XLIII. CRAVEN AND PAMLICO TECHNICAL HIGH SCHOOL TASK**  
11 **FORCE STUDIES (Gorman)**  
12

13 **SECTION 43.1.** The State Board of Community Colleges, the State Board  
14 of Education, Craven Community College, and the Craven County Schools may  
15 establish a task force to develop a plan to expand students' educational opportunities  
16 within the public school system by creating a technical high school. If the task force is  
17 established, in developing the plan, the task force shall consider similar programs  
18 currently operated in the State, including, but not limited to, the Middle College  
19 program in Guilford County and the Technical High School in Union County. The task  
20 force shall also take into account the State's high school graduation requirements. If the  
21 task force is established, the task force shall report to the Joint Legislative Education  
22 Oversight Committee no later than January 15, 2005.

23 **SECTION 43.2.** The State Board of Community Colleges, the State Board  
24 of Education, Pamlico Community College, and the Pamlico County Schools may  
25 establish a task force to develop a plan to expand students' educational opportunities  
26 within the public school system by creating a technical high school. If the task force is  
27 established, in developing the plan, the task force shall consider similar programs  
28 currently operated in the State, including, but not limited to, the Middle College  
29 program in Guilford County and the Technical High School in Union County. The task  
30 force shall also take into account the State's high school graduation requirements. If the  
31 task force is established, the task force shall report to the Joint Legislative Education  
32 Oversight Committee no later than January 15, 2005.  
33

34 **PART XLIV. NORTH CAROLINA SENTENCING AND POLICY ADVISORY**  
35 **COMMISSION STUDY**  
36

37 **SECTION 44.1.** The North Carolina Sentencing and Policy Advisory  
38 Commission, pursuant to its statutory responsibilities under Article 4 of Chapter 164 of  
39 the General Statutes, shall study the North Carolina Structured Sentencing Act in light  
40 of the United States Supreme Court's decision in *Blakely v. Washington*, decided June  
41 24, 2004. The Commission shall report its findings and recommendations, including  
42 any proposed legislation, to the 2005 General Assembly upon its convening.  
43

1 **PART XLV. LEGISLATIVE STUDY COMMISSION ON STATE**  
2 **GUARDIANSHIP LAWS (H.B. 1409 – Nye, Weiss, G. Wilson; S.B. 1152 –**  
3 **Swindell)**

4  
5 **SECTION 45.1.** There is created the Legislative Study Commission on State  
6 Guardianship Laws. The purpose of the Commission is to review State law pertaining to  
7 guardianship and its relationship to other pertinent State laws such as the health care  
8 power of attorney, the right to a natural death, and durable power of attorney.

9 **SECTION 45.2.** The Commission shall consist of 16 members as follows:

- 10 (1) Four members of the House of Representatives appointed by the  
11 Speaker of the House of Representatives.
- 12 (2) Four members of the Senate appointed by the President Pro Tempore  
13 of the Senate.
- 14 (3) The Director of the Administrative Office of the Courts, or the  
15 Director's designee.
- 16 (4) The Director of the Division of Aging in the Department of Health and  
17 Human Services, or the Director's designee.
- 18 (5) A county director of social services appointed by the President Pro  
19 Tempore of the Senate.
- 20 (6) A clerk of superior court appointed by the Speaker of the House of  
21 Representatives.
- 22 (7) A physician who specializes in geriatrics appointed by the President  
23 Pro Tempore of the Senate.
- 24 (8) An attorney who has experience in guardianship matters appointed by  
25 the Speaker of the House of Representatives.
- 26 (9) A representative of the Governor's Advocacy Council for Persons  
27 With Disabilities.
- 28 (10) An area authority or county program director for mental health,  
29 developmental disabilities, and substance abuse services, appointed by  
30 the Speaker of the House of Representatives.

31 In addition, representatives designated by the following organizations shall  
32 serve as ex officio, nonvoting members of the Commission:

- 33 (1) The North Carolina Bar Association.
- 34 (2) The Arc of North Carolina.
- 35 (3) North Carolina Guardianship Association.
- 36 (4) Alzheimer's Association – Western Chapter.
- 37 (5) Alzheimer's Association – Eastern Chapter.
- 38 (6) Carolina Legal Assistance.
- 39 (7) The Area Agencies on Aging.
- 40 (8) County Departments of Aging.
- 41 (9) Friends of Residents in Long Term Care.

42 The Speaker of the House of Representatives shall designate one  
43 Representative as cochair, and the President Pro Tempore shall designate one Senator as  
44 cochair. Vacancies on the Commission shall be filled by the same appointing authority

1 as made the initial appointment. The Commission shall expire upon delivering its final  
2 report.

3 The Commission, while in the discharge of its official duties, may exercise all  
4 powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The  
5 Commission may meet at any time upon the joint call of the cochairs. The Commission  
6 may meet in the Legislative Building or the Legislative Office Building. The  
7 Commission may contract for professional, clerical, or consultant services as provided  
8 by G.S. 120-32.02.

9 The Legislative Services Commission, through the Legislative Services  
10 Officer, shall assign professional staff to assist the Commission in its work. The House  
11 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to  
12 the Commission, and the expenses relating to the clerical employees shall be borne by  
13 the Commission. Members of the Commission shall receive subsistence and travel  
14 expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

15 **SECTION 45.3.** In conducting the study, the Commission shall consider the  
16 following:

- 17 (1) Whether guardianship should be a remedy of last resort used only if  
18 less restrictive alternatives are insufficient.
- 19 (2) The definition of incompetency.
- 20 (3) Whether courts should be required to make express findings regarding  
21 the extent of a person's incapacity and limit the scope of the  
22 guardianship accordingly.
- 23 (4) Legal rights retained or lost as a result of being adjudicated  
24 incompetent.
- 25 (5) The proper role of attorneys and guardians ad litem in guardianship  
26 proceedings.
- 27 (6) The role of public human services agencies in providing guardianship  
28 services.
- 29 (7) Legal procedures and protections in guardianship proceedings.
- 30 (8) Public monitoring of guardianship.
- 31 (9) Funding for guardianship services provided by public and nonprofit  
32 agencies.
- 33 (10) Educating citizens with respect to guardianship and alternatives to  
34 guardianship.
- 35 (11) Prudent investor rules.
- 36 (12) Powers, duties, and liabilities of guardians.
- 37 (13) Review of the State's adult protective services law.
- 38 (14) Enactment of the Uniform Guardianship and Protective Proceedings  
39 Act (UGPPA).
- 40 (15) Whether guardianship statutes need revision to provide greater  
41 protection of the health and welfare of incapacitated adults.
- 42 (16) Whether the State should track the number of people under private  
43 guardianship and, if so, proposed methods for the tracking.

1           **SECTION 45.4.** The Legislative Study Commission on State Guardianship  
2 Laws may make an interim report to the 2005 General Assembly not later than the  
3 convening of the 2005 General Assembly, and shall make its final report to the 2006  
4 Regular Session of the 2005 General Assembly upon its convening.

5           **SECTION 45.5.** All State departments and agencies and local governments  
6 and their subdivisions shall furnish the Commission with any information in their  
7 possession or available to them.

8           **SECTION 45.6.** Of the funds appropriated to the General Assembly, the  
9 Legislative Services Commission shall allocate funds for the expenses of the  
10 Commission.

11  
12 **PART XLVI.           TWENTY-FIRST CENTURY REVENUE SYSTEM STUDY**  
13 **COMMISSION (Daughtridge)**

14  
15           **SECTION 46.1.** Findings. – The General Assembly finds the following:

- 16           (1) In recent years, several legislative study commissions have examined  
17 North Carolina's tax system and found that restructuring is needed to  
18 achieve fairness, efficiency, and simplicity in light of the changing  
19 economics and changing needs of our State.
- 20           (2) The Governor's Commission to Modernize State Finances built on  
21 those studies, outlining in its 2002 report the new realities of the State  
22 and the ways in which the finance structure should be revised in order  
23 to respond to modern conditions so that economic growth can continue  
24 while adequate services are provided and the tax burden is shared  
25 equitably.
- 26           (3) These studies found that the State and local tax laws have grown  
27 increasingly Byzantine and unwieldy as each year new laws pile on  
28 additional adjustments, requirements, exceptions, and calculations,  
29 many of which are perceived as unfair preferences for special interests  
30 leaving ordinary citizens to shoulder more than their share of rising  
31 taxes. The overarching recommendation of the Governor's  
32 Commission that tax rates be lowered and tax bases broadened is a  
33 vital step toward solving these problems.
- 34           (4) The budget shortfalls of recent years have emphasized the inadequacy  
35 of the current revenue structure to meet the State's needs. This  
36 weakness will worsen with the upcoming sunset of two major revenue  
37 sources, reinforcing the findings of legislative and executive  
38 commissions that long-term and fundamental changes are required to  
39 establish a stable, fair, and simple system for raising revenue for public  
40 services.

41           **SECTION 46.2.** Commission Created. – There is created the Legislative  
42 Study Commission on a 21st Century Revenue System. The purpose of the Commission  
43 is to build on the recommendations of past legislative and executive branch  
44 commissions to design a realignment of the State and local revenue system in

1 accordance with a clear, consistent tax policy in light of modern economic, social, and  
2 political conditions.

3       **SECTION 46.3.** Membership. – The Commission consists of 12 members as  
4 follows:

5           (1) Six Senators appointed by the President Pro Tempore of the Senate.

6           (2) Six Representatives appointed by the Speaker of the House of  
7 Representatives.

8       **SECTION 46.4.** Cochairs. – The President Pro Tempore must designate one  
9 Senator as cochair, and the Speaker must designate one Representative as cochair.  
10 Vacancies on the Commission must be filled by the same appointing authority as made  
11 the initial appointment.

12       **SECTION 46.5.** Administration. – The Commission, while in the discharge  
13 of its official duties, may exercise all powers provided for under G.S. 120-19 and  
14 G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon the  
15 joint call of the cochairs. The Commission may meet in the Legislative Building or the  
16 Legislative Office Building. The Commission may contract for professional, clerical, or  
17 consultant services as provided by G.S. 120-32.02.

18       The Legislative Services Commission, through the Legislative Services  
19 Officer, must assign professional staff to assist the Commission in its work. The House  
20 of Representatives' and the Senate's Supervisors of Clerks must assign clerical staff to  
21 the Commission, and the expenses relating to the clerical employees must be borne by  
22 the Commission. Members of the Commission are entitled to receive subsistence and  
23 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

24       **SECTION 46.6.** Duties. – The Commission must:

25           (1) Establish the principles of taxation upon which a sound State and local  
26 tax structure should be built for the 21st century.

27           (2) Recommend changes in the State and local tax structure to align it with  
28 these benchmark tax principles.

29           (3) Recommend changes to simplify and consolidate existing taxes to  
30 provide uniformity; to ease the administrative burden on the taxpayer;  
31 to provide low tax rates applied to broad tax bases; and to reduce the  
32 costs of collecting and administering taxes.

33       **SECTION 46.7.** Report. – The Commission may make an interim report to  
34 the 2005 General Assembly not later than its convening, and must make its final report  
35 to the 2006 Regular Session of the 2005 General Assembly upon its convening. The  
36 Commission shall terminate the earlier of the filing of its final report or upon the  
37 convening of the 2006 Regular Session of the 2005 General Assembly.

38       **SECTION 46.8.** Of the funds appropriated to the General Assembly, the  
39 Legislative Services Commission shall allocate funds for the expenses of the  
40 Commission.

41  
42 **PART XLVII. CONTINUE JOINT COMMITTEE ON EXECUTIVE**  
43 **BUDGET ACT REVISIONS/ADDITIONAL STUDY (Culpepper)**  
44



1           **SECTION 47.1.** Section 6.12(b) of S.L. 2003-284 reads as rewritten:

2           **"SECTION 6.12.(b)** The Committee shall consider contemporary financial  
3 management practices in reviewing the current budget process. The Committee shall  
4 recommend any changes to the Executive Budget Act that are needed to modernize and  
5 improve the processes of budget preparation, budget adoption, budget execution, and  
6 program evaluation. The Committee shall report its recommendations to the 2003-2005  
7 General Assembly on or before April 1, 2004, its convening."

8           **SECTION 47.2.** The Joint Committee on Executive Budget Act Revisions  
9 shall consider the issues raised by the provisions contained in House Bill 1218, 2003  
10 Regular Session, and Senate Bill 726, 2003 Regular Session, and include in its report  
11 any recommendations concerning those issues.

12  
13 **PART XLVIII. NORTH CAROLINA CENTRAL UNIVERSITY STUDY**  
14 **(H.B. 826 – Earle, Wainwright)**

15  
16           **SECTION 48.1.** North Carolina Central University, in conjunction with its  
17 Department of Sociology, may study whether there is an overrepresentation of minority  
18 youth in North Carolina youth development centers. If it undertakes the study, the  
19 University shall:

- 20           (1) Compile and analyze data of youth development center commitments  
21 for the years 1992 to 2002, including data of the race, age, gender, and  
22 level of offense of all juveniles committed to youth development  
23 centers in all 100 counties of the State during those years;
- 24           (2) Survey all programs throughout the State that serve as prevention  
25 programs and alternatives to commitment for juveniles adjudicated  
26 delinquent in order to analyze the impact these programs have in  
27 deterring minority youth commitment;
- 28           (3) Assess the availability and accessibility of prevention programs and  
29 programs that serve as alternatives to commitment to minority and  
30 at-risk youth in all 100 counties of the State, including the percentage  
31 of minority and at-risk youth adjudicated delinquent who are placed in  
32 programs that serve as alternatives to commitment; and
- 33           (4) Test data for variables contributing to minority youth  
34 overrepresentation in State youth development centers, including data  
35 related to the role of the court system in either committing juveniles to  
36 youth development centers or placing them in alternative programs.

37           **SECTION 48.2.** If it undertakes this study, North Carolina Central  
38 University shall present its findings, including policy recommendations and legislative  
39 proposals, to the Department of Juvenile Justice and Delinquency Prevention and the  
40 General Assembly on or before January 15, 2005.

41  
42 **PART XLIX. STUDY COMMISSION ON ECONOMIC DEVELOPMENT**  
43 **INFRASTRUCTURE (Harrell)**

1           **SECTION 49.1.** There is created the Study Commission on Economic  
2 Development Infrastructure. The Commission shall consist of 32 members as follows:

3           (1) 16 members appointed by the President Pro Tempore of the Senate.

4           (2) 16 members appointed by the Speaker of the House of  
5 Representatives.

6           **SECTION 49.2.** At least half of the members appointed to the Commission  
7 by the President Pro Tempore of the Senate and at least half of the members appointed  
8 to the Commission by the Speaker of the House of Representatives shall be persons who  
9 are not members of the General Assembly and who are either actively engaged in  
10 economic development or C-Level Executives of private corporations.

11           **SECTION 49.3.** The President Pro Tempore of the Senate shall appoint two  
12 cochairs of the Commission and the Speaker of the House of Representatives shall  
13 appoint two cochairs of the Commission. The Commission may meet at any time upon  
14 the joint call of the cochairs. Vacancies on the Commission shall be filled by the same  
15 appointing authority as made the initial appointment.

16           **SECTION 49.4.** The Commission shall examine the existing infrastructure  
17 for the delivery of economic development, including the many entities involved in  
18 economic development. The Commission shall develop a plan to restructure and  
19 consolidate the infrastructure for the delivery of economic development to improve its  
20 organization and effectiveness. The Commission shall specifically examine the role of  
21 the following in the delivery of economic development:

22           (1) The Department of Commerce.

23           (2) The regional councils of government created pursuant to  
24 G.S. 160A-470.

25           (3) The Economic Development Board created pursuant to  
26 G.S. 143B-434. The Commission shall consider whether the Economic  
27 Development Board, which is currently advisory in nature, should be  
28 reconstituted and given responsibility for policy development or  
29 regulatory authority.

30           (4) The regional planning and economic development commissions  
31 created pursuant to Article 2 of Chapter 158 of the General Statutes.  
32 The Commission shall consider whether regional planning and  
33 economic development commissions should be given greater  
34 responsibility for marketing and business recruitment.

35           **SECTION 49.5.** The Commission, while in the discharge of its official  
36 duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1  
37 through G.S. 120-19.4. The Commission may contract for professional, clerical, or  
38 consultant services as provided by G.S. 120-32.02.

39           **SECTION 49.6.** Subject to the approval of the Legislative Services  
40 Commission, the Commission may meet in the Legislative Building or the Legislative  
41 Office Building. The Legislative Services Commission, through the Legislative Services  
42 Officer, shall assign professional staff to assist the Commission in its work. The House  
43 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support  
44 staff to the Commission, and the expenses relating to the clerical employees shall be

1 borne by the Commission. Members of the Commission shall receive subsistence and  
2 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

3 **SECTION 49.7.** The Commission shall submit a final report of its findings  
4 and recommendations, including any legislative recommendations, to the 2005 General  
5 Assembly upon its convening. The Commission shall terminate upon the convening of  
6 the 2005 General Assembly.

7 **SECTION 49.8.** Of the funds appropriated to the General Assembly, the  
8 Legislative Services Commission shall allocate funds for the expenses of the  
9 Commission established by this Part.

10  
11 **PART L. STUDY COMMISSION ON THE ORGANIZATION, POWERS,  
12 DUTIES, FUNCTIONS, FUNDING, AND POTENTIAL CONSOLIDATION OR  
13 ELIMINATION OF STATE BOARDS, COMMISSIONS, AND COUNCILS  
14 (Harrell)**

15  
16 **SECTION 50.1.** There is created the Study Commission on State Boards,  
17 Commissions, and Councils. The Commission shall consist of 28 members as follows:

- 18 (1) 14 members appointed by the President Pro Tempore of the Senate.  
19 (2) 14 members appointed by the Speaker of the House of  
20 Representatives.

21 **SECTION 50.2.** The President Pro Tempore of the Senate shall appoint two  
22 cochairs of the Commission and the Speaker of the House of Representatives shall  
23 appoint two cochairs of the Commission. The Commission may meet at any time upon  
24 the joint call of the cochairs. Vacancies on the Commission shall be filled by the same  
25 appointing authority as made the initial appointment.

26 **SECTION 50.3.** The Commission shall examine the organization, powers,  
27 duties, functions, and funding of State boards, commissions, and councils. The  
28 Commission shall specifically consider the following:

- 29 (1) Whether the boards, commissions, or councils should be eliminated or  
30 consolidated with one or more other boards, commissions, or councils.  
31 (2) Whether the number of members serving on boards, commissions, and  
32 councils or the manner in which members are selected should be  
33 altered.  
34 (3) Whether the number and frequency of meetings of boards,  
35 commissions, and councils should be altered.  
36 (4) The cost of supporting each board, commission, or council, including  
37 salaries, per diem, travel, clerical and administrative support, and other  
38 expenses.  
39 (5) The productivity and effectiveness of the boards, commissions, and  
40 councils.

41 **SECTION 50.4.** The Commission, while in the discharge of its official  
42 duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1  
43 through G.S. 120-19.4. The Commission may contract for professional, clerical, or  
44 consultant services as provided by G.S. 120-32.02.

1           **SECTION 50.5.** Subject to the approval of the Legislative Services  
2 Commission, the Commission may meet in the Legislative Building or the Legislative  
3 Office Building. The Legislative Services Commission, through the Legislative Services  
4 Officer, shall assign professional staff to assist the Commission in its work. The House  
5 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support  
6 staff to the Commission, and the expenses relating to the clerical employees shall be  
7 borne by the Commission. Members of the Commission shall receive subsistence and  
8 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

9           **SECTION 50.6.** The Commission shall submit a final report of its findings  
10 and recommendations, including any legislative recommendations, to the 2005 General  
11 Assembly upon its convening. The Commission shall terminate upon the convening of  
12 the 2005 General Assembly.

13           **SECTION 50.7.** Of the funds appropriated to the General Assembly, the  
14 Legislative Services Commission shall allocate funds for the expenses of the  
15 Commission established by this Part.

## 16 17 **PART LI. STUDY COMMISSION ON WORKER RETRAINING (Harrell)**

18  
19           **SECTION 51.1.** There is created the Study Commission on Worker  
20 Retraining. The Commission shall consist of 32 members as follows:

- 21           (1) 16 members appointed by the President Pro Tempore of the Senate.
- 22           (2) 16 members appointed by the Speaker of the House of  
23 Representatives.

24           **SECTION 51.2.** At least half of the members appointed to the Commission  
25 by the President Pro Tempore of the Senate and at least half of the members appointed  
26 to the Commission by the Speaker of the House of Representatives shall be persons who  
27 are not members of the General Assembly and who are actively engaged in worker  
28 retraining or welfare reform as either private citizens, administrators of State agencies,  
29 or administrators or faculty at community colleges in the State.

30           **SECTION 51.3.** The President Pro Tempore of the Senate shall appoint two  
31 cochairs of the Commission and the Speaker of the House of Representatives shall  
32 appoint two cochairs of the Commission. The Commission may meet at any time upon  
33 the joint call of the cochairs. Vacancies on the Commission shall be filled by the same  
34 appointing authority as made the initial appointment.

35           **SECTION 51.4.** The Commission shall examine:

- 36           (1) Business incentives that encourage employers to support efforts by  
37 employees to retrain in order to qualify for higher paying or  
38 non-exportable jobs by allowing employees time off, reimbursing  
39 employees for education expenses, or providing other support.
- 40           (2) Successful retraining incentive programs in this and other states.

41           **SECTION 51.5.** The Commission, while in the discharge of its official  
42 duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1  
43 through G.S. 120-19.4. The Commission may contract for professional, clerical, or  
44 consultant services as provided by G.S. 120-32.02.

1           **SECTION 51.6.** Subject to the approval of the Legislative Services  
2 Commission, the Commission may meet in the Legislative Building or the Legislative  
3 Office Building. The Legislative Services Commission, through the Legislative Services  
4 Officer, shall assign professional staff to assist the Commission in its work. The House  
5 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical support  
6 staff to the Commission, and the expenses relating to the clerical employees shall be  
7 borne by the Commission. Members of the Commission shall receive subsistence and  
8 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

9           **SECTION 51.7.** The Commission shall submit a final report of its findings  
10 and recommendations, including any legislative recommendations, to the 2005 General  
11 Assembly upon its convening. The Commission shall terminate upon the convening of  
12 the 2005 General Assembly.

13           **SECTION 51.8.** Of the funds appropriated to the General Assembly, the  
14 Legislative Services Commission shall allocate funds for the expenses of the  
15 Commission established by this Part.

## 16 17 **PART LII. NORTH CAROLINA BLUE RIBBON COMMISSION ON** 18 **MEDICAID REFORM**

19  
20           **SECTION 52.1.** S.L. 2003-284, Section 6.14A.(b) reads as rewritten:

21           **"SECTION 6.14A.(b)** The Commission shall consist of ~~12~~16 members appointed  
22 as follows:

- 23           (1) ~~Six~~Eight members appointed by the Speaker of the House of  
24 Representatives, including one member who shall be designated as  
25 House Cochair. No more than ~~three~~ five may be legislators.
- 26           (2) ~~Six~~Eight members appointed by the President Pro Tempore of the  
27 Senate, including one member who shall be designated as Senate  
28 Cochair. No more than ~~three~~ five may be legislators.

29           The appointing officer shall fill vacancies. The Commission shall meet at the call of  
30 the Cochairs. Members of the Commission shall receive per diem, subsistence, and  
31 travel expenses as provided in G.S. 120-3.1, 138-5, or 138-6, as appropriate. The  
32 Commission may contract for consultant services as provided in G.S. 120-32.02. Upon  
33 approval of the Legislative Services Commission, the Legislative Services Officer shall  
34 assign professional staff to assist the Commission in its work. Clerical staff shall be  
35 furnished to the Commission through the offices of the House of Representatives and  
36 Senate Directors of Legislative Assistants. The Commission may meet in the Legislative  
37 Building or the Legislative Office Building. The Commission may exercise all of the  
38 powers provided under G.S. 120-19 through G.S. 120-19.4 while in the discharge of its  
39 official duties. The funds appropriated by this act to the Reserve for the Blue Ribbon  
40 Commission on Medicaid Reform shall be transferred to the Department of Health and  
41 Human Services in order to draw down federal match funds to be used to cover the cost  
42 of the Commission's work."

## 43 44 **PART LIII. BILL AND RESOLUTION REFERENCES**

1  
2           **SECTION 53.1.** The listing of the original bill or resolution in this act is for  
3 reference purposes only and shall not be deemed to have incorporated by reference any  
4 of the substantive provisions contained in the original bill or resolution.

5  
6 **PART LIV. EFFECTIVE DATE AND APPLICABILITY**

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8           **SECTION 54.1.** Except as otherwise specifically provided, this act is  
9 effective when it becomes law. If a study is authorized both in this act and in the  
10 Current Operations and Capital Improvements Appropriations Act of 2004, the study  
11 shall be implemented in accordance with the Current Operations and Capital  
12 Improvements Appropriations Act of 2004 as ratified.