

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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HOUSE BILL 841\*  
Committee Substitute Favorable 6/8/11  
Third Edition Engrossed 6/9/11

Short Title: Global TransPark Gov. Reform & Loan Repayment.

(Public)

Sponsors:

Referred to:

April 7, 2011

A BILL TO BE ENTITLED

AN ACT TO REFORM THE GOVERNANCE OF THE NORTH CAROLINA GLOBAL  
TRANSPARK AND TO REPAY THE LOAN FROM THE ESCHEAT FUND TO THE  
GLOBAL TRANSPARK.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 63A-3(a) reads as rewritten:

"(a) Creation. The North Carolina Global TransPark Authority is created as a body corporate and politic having the powers and jurisdiction as provided under this Chapter or any other law. The Authority is a State agency created to perform essential governmental and public functions. The Authority shall be located within the Department of ~~Transportation~~, but shall exercise all of its powers, including the power to employ, direct, and supervise all personnel, independently of the Secretary of ~~Transportation~~ and, notwithstanding any other provision of law, Transportation and shall be subject to the direction and supervision of the Secretary only with respect to the management functions of coordinating and reporting Secretary."

**SECTION 1.(b)** G.S. 63A-3(b) reads as rewritten:

"(b) Board of Directors. The Authority shall be governed by a Board of Directors. The Board shall consist of at least the following 20 members:

- (1) ~~Seven~~ Six members appointed by the Governor. One member shall be representative of the economic development industry, two members shall be representative of commercial real estate development industry, two members shall be representative of the banking and finance industry, and one member shall be representative of environmental interests. Of the Governor's six appointments, at least one member shall come from each of the State's three regions: Western, Piedmont, and Eastern.
- (2) Three members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121. One member shall be representative of the aerospace and aviation industry, one member shall be representative of advanced manufacturing industries, and one member shall be representative of the logistics and supply chain management industry.
- (3) Three members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. One member shall be representative of the aerospace and aviation industry, one member shall be representative of the emergency



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1 response and disaster relief industries, and one member shall be  
2 representative of the defense and security industry.

3 (4) The State Treasurer, who shall serve as an ex officio nonvoting member.

4 (5) The President of the North Carolina System of Community Colleges,  
5 provided that the President of the North Carolina Community Colleges may  
6 instead appoint to the Board of Directors one member of the board of  
7 trustees of a community college or one president of a community college. If  
8 such an appointment is made, the appointee shall serve at the pleasure of the  
9 President.

10 (6) The President of The University of North Carolina, provided that the  
11 President of the University of North Carolina may instead appoint to the  
12 Board of Directors one member of the board of trustees of a constituent  
13 institution of The University of North Carolina, or one chancellor of a  
14 constituent institution of The University of North Carolina. If such an  
15 appointment is made, the appointee shall serve at the pleasure of the  
16 President.

17 (7) The Chairman of the State Ports Authority.

18 (8) One member appointed by the board of county commissioners of any county  
19 in which the cargo airport complex site is located.

20 (9) One member appointed by the city council of the city which is a county seat  
21 of any county in which the cargo airport complex site is located.

22 (10) The Commissioner of Agriculture.

23 (11) The Secretary of the Department of Commerce.

24 Within 90 days after the Authority acquires land, either by purchase or condemnation, for  
25 development as part of a cargo airport complex site, the board of county commissioners in any  
26 county in which a portion of the land is located and the city council of the city which is the  
27 county seat of the county shall, by resolution, each appoint a person to serve as a member of the  
28 Board. If the board of commissioners or the city council appoints one of its own members to  
29 the Board, the county commissioner or the member of the city council who is appointed is  
30 considered to be serving on the Board as an ex officio voting member as part of the duties of  
31 the office of county commissioner or the office of city council member, in accordance with  
32 G.S. 128-1.2, and is not considered to be serving in a separate office. Notwithstanding  
33 G.S. 116-31(h), a member of the board of trustees of a constituent institution of The University  
34 of North Carolina appointed to the Board of Directors under subdivision (6) of this subsection  
35 may concurrently serve on the board of trustees and the Board of Directors. Notwithstanding  
36 any other provision of law, the Governor may serve on the Board of Directors by his own  
37 appointment on or after July 16, 1991, under subdivision (1) of this subsection.

38 As the holder of an office, each member of the Board shall take the oath required by Article  
39 VI, § 7 of the North Carolina Constitution before assuming the duties of a Board member."

40 **SECTION 1.(c)** G.S. 63A-3(c) is repealed.

41 **SECTION 1.(d)** G.S. 63A-3 is amended by adding a new subsection to read as  
42 follows:

43 "(d1) Notwithstanding the terms of board members appointed by the General Assembly as  
44 specified in subsection (d) of this section, terms of board members appointed by the General  
45 Assembly shall end June 30, 2011. After June 30, 2011, the six members appointed by the  
46 General Assembly shall be divided into two classes. The first class shall consist of three  
47 persons, two of whom shall be appointed upon recommendation of the Speaker of the House of  
48 Representatives and one of whom shall be appointed upon recommendation of the President  
49 Pro Tempore of the Senate, to serve an initial term expiring June 30, 2013, with subsequent  
50 terms expiring each fourth June 30th thereafter. The second class shall consist of three persons,  
51 two of whom shall be appointed upon recommendation of the President Pro Tempore of the

Senate and one of whom shall be appointed upon recommendation of the Speaker of the House of Representatives, to serve an initial term expiring June 30, 2015, with subsequent terms expiring each fourth June 30th thereafter."

**SECTION 1.(e)** G.S. 63A-24(3) reads as rewritten:

"(3) Except for G.S. 146-29.1, 146-79, and 146-80, Chapter 146 of the General Statutes does not apply to the Authority. Notwithstanding this exemption from Chapter 146 of the General Statutes, the Secretary of Transportation may designate employees of the Authority as subject to Chapter 146 of the General Statutes."

**SECTION 2.(a)** There is appropriated to Statewide Reserves the sum of seventeen million five hundred thousand dollars (\$17,500,000) for payment to the Escheat Fund. The Office of State Budget and Management shall remit to the Escheat Fund the sum of seventeen million five hundred thousand dollars (\$17,500,000) as payment on the outstanding loan from the Escheat Fund to the Global TransPark Authority authorized under G.S. 63A-4(a)(22) and G.S. 147-69.2(b)(11).

**SECTION 2.(b)** If House Bill 200 of the 2011 Regular Session becomes law, then Section 9.8(a) of that act reads as rewritten:

"**SECTION 9.8.(a)** There is appropriated from the Escheat Fund income to the Board of Governors of The University of North Carolina the sum of ~~thirty-two million one hundred twenty-two thousand two hundred forty-two dollars (\$32,122,242)~~ forty-nine million six hundred twenty-two thousand two hundred forty-two dollars (\$49,622,242) for the 2011-2012 fiscal year and the sum of thirty-two million one hundred twenty-two thousand two hundred forty-two dollars (\$32,122,242) for the 2012-2013 fiscal year to be used for The University of North Carolina Need-Based Financial Aid Program."

**SECTION 2.(c)** If House Bill 200 of the 2011 Regular Session becomes law, then Section 2.1 of that act reads as rewritten:

"**SECTION 2.1.** Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated, are made for the fiscal biennium ending June 30, 2013, according to the following schedule:

<b>Current Operations – General Fund</b>	<b>2011-2012</b>	<b>2012-2013</b>
<b>EDUCATION</b>		
Community Colleges System Office	\$ 985,000,000	\$ 985,000,000
Department of Public Instruction	7,464,492,057	7,450,000,000
University of North Carolina – Board of Governors		
Appalachian State University	145,563,319	145,680,676
East Carolina University		
Academic Affairs	247,397,807	247,397,807
Health Affairs	65,196,439	65,196,439
Elizabeth City State University	38,226,042	38,398,361
Fayetteville State University	56,925,951	56,925,951
NC A&T State University	105,355,805	105,794,754
NC Central University	94,342,683	94,342,683
NC State University		
Academic Affairs	434,563,241	434,677,423
Agricultural Research	59,239,461	59,239,461
Agricultural Extension	43,539,609	43,539,609
UNC-Asheville	42,004,444	42,004,444
UNC-Chapel Hill		
Academic Affairs	309,481,584	312,843,120
Health Affairs	219,507,009	222,570,732

1	AHEC	49,747,851	49,747,851
2	UNC-Charlotte	216,455,073	217,471,216
3	UNC-Greensboro	173,180,926	173,180,926
4	UNC-Pembroke	61,534,005	62,277,254
5	UNC-School of the Arts	27,796,473	27,796,473
6	UNC-Wilmington	105,943,181	107,138,757
7	Western Carolina University	90,591,556	91,070,460
8	Winston-Salem State University	76,496,951	76,496,950
9	General Administration	38,186,863	27,628,722
10	University Institution Programs	(375,153,400)	(383,808,914)
11	Related Educational Programs	<del>85,679,060</del> 68,179,060	115,272,420
12	UNC Financial Aid Private Colleges	91,635,664	86,534,065
13	NC School of Science & Math	18,937,535	18,937,535
14	UNC Hospitals	18,000,000	18,000,000
15	Total University of North Carolina –		
16	Board of Governors	\$ 2,540,375,132	\$ 2,551,672,698

**HEALTH AND HUMAN SERVICES**

20	Department of Health and Human Services		
21	Division of Central Management and Support	\$ 50,177,377	\$ 44,577,987
22	Division of Aging and Adult Services	37,019,667	37,019,667
23	Division of Services for Blind/Deaf/Hard of Hearing	8,389,110	8,372,886
24	Division of Child Development	266,102,933	266,102,933
25	Division of Health Service Regulation	16,133,031	16,133,031
26	Division of Medical Assistance	2,958,388,184	2,907,276,302
27	Division of Mental Health,		
28	Developmental Disabilities, and		
29	Substance Abuse Services	665,712,232	710,712,232
30	NC Health Choice	79,452,317	83,717,865
31	Division of Public Health	190,443,245	157,538,834
32	Division of Social Services	186,183,068	186,183,068
33	Division of Vocational Rehabilitation	37,125,788	37,528,128
34	Total Health and Human Services	\$ 4,495,126,952	\$ 4,455,162,933

**NATURAL AND ECONOMIC RESOURCES**

38	Department of Agriculture and Consumer Services	\$ 65,460,864	\$ 62,198,634
40	Department of Commerce		
41	Commerce	50,852,340	33,250,463
42	Commerce State-Aid	32,851,025	30,151,984
43	NC Biotechnology Center	17,551,710	17,551,710
44	Rural Economic Development Center	25,376,729	25,376,729
46	Department of Environment and Natural Resources	165,784,887	148,148,105
48	DENR Clean Water Management Trust Fund	11,250,000	11,250,000
50	Department of Labor	15,836,887	15,836,887
52	Wildlife Resources Commission	18,000,000	17,221,179

**JUSTICE AND PUBLIC SAFETY**

56	Department of Correction	\$ 1,337,816,346	\$ 1,348,410,793
58	Department of Crime Control and Public Safety	225,258,795	215,164,518

**General Assembly Of North Carolina****Session 2011**

1	Judicial Department	438,920,048	435,141,107
2	Judicial Department – Indigent Defense	110,091,526	112,748,733
3			
4	Department of Justice	80,704,013	80,864,138
5			
6	Department of Juvenile Justice and Delinquency Prevention	135,593,692	131,140,565
7			
8	<b>GENERAL GOVERNMENT</b>		
9	Department of Administration	\$ 63,607,330	\$ 65,511,460
10			
11	Department of State Auditor	11,857,574	10,676,035
12			
13	Office of State Controller	28,368,957	28,368,957
14			
15	Department of Cultural Resources		
16	Cultural Resources	63,524,857	61,697,001
17	Roanoke Island Commission	1,805,236	1,203,491
18			
19	State Board of Elections	5,186,603	5,126,603
20			
21	General Assembly	53,259,495	50,104,208
22			
23	Office of the Governor		
24	Office of the Governor	4,741,157	4,741,157
25	Office of State Budget and Management	5,848,663	5,848,663
26	OSBM – Reserve for Special Appropriations	1,940,612	440,612
27	Housing Finance Agency	9,673,051	9,673,051
28			
29	Department of Insurance		
30	Insurance	36,393,921	36,393,921
31	Insurance – Volunteer Safety Workers' Compensation	2,294,000	2,623,654
32			
33	Office of Lieutenant Governor	695,324	695,324
34			
35	Office of Administrative Hearings	4,983,871	4,983,871
36			
37	Department of Revenue	78,199,538	78,199,538
38			
39	Department of Secretary of State	10,654,563	10,654,563
40			
41	Department of State Treasurer		
42	State Treasurer	6,657,031	6,621,750
43	State Treasurer –		
44	Retirement for Fire and Rescue Squad Workers	17,812,114	17,812,114
45			
46	<b>RESERVES, ADJUSTMENTS, AND DEBT SERVICE</b>		
47			
48	Contingency and Emergency Fund	\$ 5,000,000	\$ 5,000,000
49			
50	State Retirement System Contribution	248,100,000	336,000,000
51			
52	Judicial Retirement System Contribution	6,800,000	7,800,000
53			
54	Firemen's & Rescue Squad Workers' Pension Fund	4,318,042	5,366,928
55			
56	State Health Plan	7,119,541	102,151,104
57			
58	Information Technology Fund	4,458,142	6,158,142
59			

1	Reserve for Job Development Investment Grants (JDIG)	15,400,000	27,400,000
2			
3	Continuation Review Reserve	0	35,576,758
4			
5	Comprehensive Review of Compensation Plans	2,000,000	0
6			
7	Compensation Adjustment and Performance Pay Reserve	0	121,105,840
8			
9	Severance Expenditure Reserve	69,000,000	0
10			
11	Automated Fraud Detection Development	1,000,000	7,000,000
12			
13	Controller – Fraud Detection Development	500,000	500,000
14			
15	Debt Service		
16	General Debt Service	688,957,188	759,984,974
17	Federal Reimbursement	1,616,380	1,616,380
18			
19	<u>Payment to Escheat Fund</u>	<u>17,500,000</u>	
20			
21	<b>TOTAL CURRENT OPERATIONS –</b>		
22	<b>    GENERAL FUND</b>	<b>\$ 19,678,116,193</b>	<b>\$ 19,943,327,275".</b>

23  
 24           **SECTION 3.** Any monies received from a grant made on or after July 1, 2011, by  
 25 The Golden Leaf (Long-Term Economic Advancement Foundation), Inc., to the Global  
 26 TransPark Authority shall be first applied to the payment of any outstanding loan from the  
 27 Escheat Fund to the Global TransPark Authority authorized under G.S. 63A-4(a)(22) and  
 28 G.S. 147-69.2(b)(11).

29           **SECTION 4.(a)** If House Bill 200 of the 2011 Regular Session becomes law, then  
 30 Section 6.10 of that act is repealed.

31           **SECTION 4.(b)** G.S. 147-69.2(b)(11), as amended by Section 7 of S.L. 2005-144,  
 32 Section 2 of S.L. 2005-201, Section 28.17 of S.L. 2005-276, Section 27.7 of S.L. 2007-323,  
 33 and Section 25.2 of S.L. 2009-451, reads as rewritten:

34           "(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated  
 35 in subsection (a) of this section in excess of the amount required to meet the current needs and  
 36 demands on such funds, selecting from among the following:

- 37           ...
- 38           (11) With respect to assets of the Escheat Fund, obligations of the North Carolina  
 39 Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed  
 40 twenty-five million dollars (\$25,000,000), that have a final maturity not later  
 41 than October 1, ~~2011~~2012. The obligations shall bear interest at the rate set  
 42 by the State Treasurer. No commitment to purchase obligations may be  
 43 made pursuant to this subdivision after September 1, 1993, and no  
 44 obligations may be purchased after September 1, 1994. In the event of a loss  
 45 to the Escheat Fund by reason of an investment made pursuant to this  
 46 subdivision, it is the intention of the General Assembly to hold the Escheat  
 47 Fund harmless from the loss by appropriating to the Escheat Fund funds  
 48 equivalent to the loss.

49           If any part of the property owned by the North Carolina Global  
 50 TransPark Authority now or in the future is divested, proceeds of the  
 51 divestment shall be used to fulfill any unmet obligations on an investment  
 52 made pursuant to this subdivision."

53           **SECTION 5.** This act becomes effective July 1, 2011.