

March 22, 2005

**S 758. UNC/AMEND UMSTEAD ACT. TO AMEND THE UMSTEAD ACT TO BROADEN THE SCOPE OF ACTIVITIES THAT MAY BE OFFERED BY THE UNIVERSITY OF NORTH CAROLINA PROVIDED THE ACTIVITIES ARE NOT, IN FACT, UNFAIR COMPETITION.**

Amends GS 66-58 to provide that notwithstanding the prohibition on sales and services set forth in subsection (a), the University of North Carolina may engage in activity to: (1) further its mission as stated in GS 116-1; (2) primarily serve students, employees or alumni; and (3) enable citizens to use University facilities, equipment or expertise so long as the activity is not unfair competition. Directs UNC Board of Governors to establish a panel to determine whether University activity is unfair competition. Panel's determination that activity is not unfair competition is an absolute defense in any prosecution brought under this section. Requires that proceeds from activities be placed in an institutional trust fund pursuant to GS 116-36.1. Permits expenditure of funds to continue the activity that generated the proceeds or to further the mission of the constituent institution or other University entity.

Further amends GS 66-58(b)(8) to provide that subsection (a) prohibition does not apply to University utilities and other services operated by it before January 1, 2005, (formerly subsection (a) did not apply to utilities and services "now operated") or to merchandise sold to education staff, students, and family members (formerly only merchandise worth 25 cents or less was excluded from subsection (a)).

**Intro. by Nesbitt.**

Ref. to Commerce

GS 66