

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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SENATE BILL 187  
Transportation Committee Substitute Adopted 4/6/11  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S187-PCS85315-LU-30

Short Title: Modifications/2012 Appropriations Act.

(Public)

Sponsors:

Referred to:

March 3, 2011

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE TECHNICAL, CLARIFYING, AND OTHER MODIFICATIONS TO  
3 THE CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS  
4 APPROPRIATIONS ACTS.

5 The General Assembly of North Carolina enacts:

6  
7 **PART I. GENERAL PROVISIONS**

8 **SECTION 1.1.** If House Bill 950, 2012 Regular Session becomes law, then the  
9 portion of Section 2.1 of that act relating to Education reads as rewritten:

10 **"SECTION 2.1.** Appropriations from the General Fund of the State for the maintenance of  
11 the State departments, institutions, and agencies, and for other purposes as enumerated, are  
12 adjusted for the fiscal year ending June 30, 2013, according to the schedule that follows.  
13 Amounts set out in parentheses are reductions from General Fund appropriations for the  
14 2012-2013 fiscal year.

15  
16 **Current Operations – General Fund** **2012-2013**

17  
18 **EDUCATION**

19 ...  
20  
21 University of North Carolina – Board of Governors

22 Appalachian State University 573,876

23 East Carolina University

24 Academic Affairs 4,447,287

25 Health Affairs 0

26 Elizabeth City State University 0

27 Fayetteville State University 473,656

28 NC A&T State University 0

29 NC Central University 0

30 NC State University

31 Academic Affairs 3,346,252

32 Agricultural Research 0

33 Agricultural Extension 0



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1	UNC-Asheville	0
2	UNC-Chapel Hill	
3	Academic Affairs	0
4	Health Affairs	<u>015,000,000</u>
5	AHEC	0
6	UNC-Charlotte	0
7	UNC-Greensboro	103,534
8	UNC-Pembroke	0
9	UNC-School of the Arts	0
10	UNC-Wilmington	434,038
11	Western Carolina University	0
12	Winston-Salem State University	0
13	General Administration	9,808,141
14	University Institution Programs	15,560,828
15	Related Educational Programs	(12,139,141)
16	UNC Financial Aid Private Colleges	4,500,000
17	NC School of Science & Math	0
18	UNC Hospitals	<del>(3,000,000)</del> (18,000,000)
19	Total University of North Carolina – Board of Governors	\$ 24,108,471

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**PART II. EDUCATION**

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**SECTION 1.2.** If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then that act is amended by adding a new section to read:

**"EXEMPTIONS FROM MANAGEMENT FLEXIBILITY REDUCTIONS**

**"SECTION 6.15.** Notwithstanding the provisions of Section 6.14 of this act and G.S. 143C-6-4, and unless otherwise specifically directed in this act or in S.L. 2011-145, additional funds appropriated for the 2012-2013 fiscal year to State agencies as defined by G.S. 143C-1-1(d)(24) shall not be used to offset management flexibility adjustments enacted in this act or in S.L. 2011-145."

**SECTION 2.1.** If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then that act is amended by adding a new section to read:

**"AUTHORITY TO ESTABLISH PERSONNEL POSITIONS TO ADMINISTER THE EXCELLENT PUBLIC SCHOOLS ACT**

**"SECTION 7A.11.** The Department of Public Instruction may establish 11 personnel positions to administer the provisions of Section 7A.1 of this act."

**SECTION 2.2.** If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then that act is amended by adding a new section to read:

**"FUNDING FOR BOWLES CENTER FOR ALCOHOL STUDIES**

**"SECTION 9.16.** G.S. 20-7(i1) reads as rewritten:

"(i1) Restoration Fee. – Any person whose drivers license has been revoked pursuant to the provisions of this Chapter, other than G.S. 20-17(a)(2) shall pay a restoration fee of fifty dollars (\$50.00). A person whose drivers license has been revoked under G.S. 20-17(a)(2) shall pay a restoration fee of one hundred dollars (\$100.00). The fee shall be paid to the Division prior to the issuance to such person of a new drivers license or the restoration of the drivers license. The restoration fee shall be paid to the Division in addition to any and all fees which may be provided by law. This restoration fee shall not be required from any licensee whose license was revoked or voluntarily surrendered for medical or health reasons whether or not a medical evaluation was conducted pursuant to this Chapter. The fifty-dollar (\$50.00) fee, and the first fifty dollars (\$50.00) of the one-hundred-dollar (\$100.00) fee, shall be deposited in the

1 Highway Fund. Twenty-five dollars (\$25.00) of the one-hundred-dollar (\$100.00) fee shall be  
 2 used to fund a statewide chemical alcohol testing program administered by the Forensic Tests  
 3 for Alcohol Branch of the Chronic Disease and Injury Section of the Department of Health and  
 4 Human Services. The remainder of the one-hundred-dollar (\$100.00) fee shall be deposited in  
 5 the General Fund. The Office of State Budget and Management shall annually report to the  
 6 General Assembly the amount of fees deposited in the General Fund and transferred to the  
 7 Forensic Tests for Alcohol Branch of the Chronic Disease and Injury Section of the Department  
 8 of Health and Human Services under this subsection.

9 ~~It is the intent of the General Assembly to annually appropriate~~ Effective with the  
 10 2011-2012 fiscal year, from the funds deposited in the General Fund under this subsection the  
 11 sum of five hundred thirty-seven thousand four hundred fifty-five dollars (\$537,455) shall be  
 12 transferred to the Board of Governors of The University of North Carolina to be used for the  
 13 operating expenses of the Bowles Center for Alcohol Studies at The University of North  
 14 Carolina at Chapel Hill."

15 **SECTION 2.3.** If House Bill 950, 2012 Regular Session of the General Assembly,  
 16 becomes law, then that act is amended by adding a new section to read:

17 **"FUNDING FOR UNC MEDICAL SCHOOL**

18 **"SECTION 9.17.(a)** Notwithstanding any provision of law to the contrary, of the funds  
 19 appropriated by this act for the 2012-2013 fiscal year to the Board of Governors of The  
 20 University of North Carolina the sum of forty-four million eleven thousand eight hundred  
 21 eighty-two dollars (\$44,011,882) in recurring funds, the recurring reduction of those funds in  
 22 the amount of three million dollars (3,000,000), and the nonrecurring reduction of those funds  
 23 in the amount of twenty-six million eleven thousand eight hundred eighty-two dollars  
 24 (\$26,011,882) shall be transferred from the UNC Hospitals Budget Code 16095 to the UNC  
 25 School of Medicine Budget Code 16021 and shall be used for medical education. The transfer  
 26 of the appropriation of the sum of forty-four million eleven thousand eight hundred eighty-two  
 27 dollars (\$44,011,882) in recurring funds and the transfer of the recurring reduction of those  
 28 funds in the amount of three million dollars (3,000,000) shall be a permanent transfer of  
 29 appropriation and reduction in funds from the UNC Hospitals Budget Code 16095 to the UNC  
 30 School of Medicine Budget Code 16021 that shall be reflected in those budget codes for the  
 31 2012-2013 fiscal year and in the continuation budgets for those budget codes for each  
 32 subsequent fiscal year."

33 **SECTION 2.4.** If House Bill 950, 2012 Regular Session of the General Assembly,  
 34 becomes law, then Section 7.18 of that act is repealed.

35  
 36 **PART III. HEALTH AND HUMAN SERVICES**

37 **SECTION 3.1.(a)** If House Bill 950, 2012 Regular Session of the General  
 38 Assembly, becomes law, then the portion of Section 10.25(a) of that act setting forth the  
 39 allocation for County Departments of Social Services for Local Program Expenditures,  
 40 Divisions of Social Services and Aging and Adult Services, under the Social Services Block  
 41 Grant reads as rewritten:

42 **"SECTION 10.25.(a)** Appropriations from federal block grant funds are made for the  
 43 fiscal year ending June 30, 2013, according to the following schedule:

44 ...

45 **SOCIAL SERVICES BLOCK GRANT**

46  
 47 Local Program Expenditures

48  
 49 Divisions of Social Services and Aging and Adult Services

50  
 51 01. County Departments of Social Services \$ ~~32,249,206~~ \$30,452,068

1 (Transfer from TANF \$4,148,001)

2 ...."

3 **SECTION 3.1.(b)** If House Bill 950, 2012 Regular Session of the General  
4 Assembly, becomes law, then the portion of Section 10.25(a) of that act setting forth the  
5 allocation for Children's Health Services for Local Program Expenditures, Division of Public  
6 Health, under the Maternal and Child Health Block Grant reads as rewritten:

7 "**SECTION 10.25.(a)** Appropriations from federal block grant funds are made for the  
8 fiscal year ending June 30, 2013, according to the following schedule:

9 ...  
10 **MATERNAL AND CHILD HEALTH BLOCK GRANT**

11  
12 Local Program Expenditures

13  
14 Division of Public Health

15  
16 01. Children's Health Services \$ ~~8,487,547~~ \$ 8,569,465

17 ...."

18 **SECTION 3.1.(c)** If House Bill 950, 2012 Regular Session of the General  
19 Assembly, becomes law, then the portion of Section 10.25(a) of that act setting forth the  
20 allocation for HIV/STD Prevention and Community Planning for Local Program Expenditures,  
21 Division of Public Health, under the Preventive Health Services Block Grant reads as rewritten:

22 "**SECTION 10.25.(a)** Appropriations from federal block grant funds are made for the  
23 fiscal year ending June 30, 2013, according to the following schedule:

24 ...  
25 **PREVENTIVE HEALTH SERVICES BLOCK GRANT**

26  
27 Local Program Expenditures

28  
29 Division of Public Health

30  
31 01. HIV/STD Prevention and Community Planning  
32 (~~Transfer from Social Services Block Grant~~) 180,470

33 ...."

34 **SECTION 3.1.(d)** If House Bill 950, 2012 Regular Session of the General  
35 Assembly, becomes law, then Section 10.25(l) of that act reads as rewritten:

36 "**SECTION 10.25.(l)** The sum of ~~thirty-two million two hundred forty-nine thousand two~~  
37 ~~hundred six dollars (\$32,249,206)~~ thirty million four hundred fifty-two thousand sixty-eight  
38 dollars (\$30,452,068) appropriated in this section in the Social Services Block Grant to the  
39 Department of Health and Human Services, Division of Social Services, for the 2012-2013  
40 fiscal year shall be used for County Block Grants. The Division shall certify these funds in the  
41 appropriate State-level services based on prior year actual expenditures. The Division has the  
42 authority to realign the authorized budget for these funds among the State-level services based  
43 on current year actual expenditures."

44 **SECTION 3.1.(e)** If House Bill 950, 2012 Regular Session of the General  
45 Assembly, becomes law, then Section 10.25 of that act is amended by adding a new subsection  
46 to read:

47 "**SECTION 10.25.(r1)** The sum of two million seven hundred twenty-eight thousand  
48 dollars (\$2,728,000) appropriated in this section in the Social Services Block Grant for the  
49 2012-2013 fiscal year to the Department of Health and Human Services, Division of Social  
50 Services, shall be used for tobacco cessation and prevention. These funds are exempt from the  
51 provisions of 10A NCAC 71R .0201(3)."

1           **SECTION 3.2.(a)** If House Bill 950, 2012 Regular Session of the General  
2 Assembly, becomes law, then Section 10.4(a) of that act reads as rewritten:

3           **"SECTION 10.4.(a)** Of the funds appropriated to the Department of Health and Human  
4 Services, Division of Child Development and Early Education, for the North Carolina  
5 Partnership for Children, Inc., the sum of three million five hundred thousand dollars  
6 (\$3,500,000) for the 2012-2013 fiscal year shall be used by the North Carolina Partnership for  
7 Children, Inc., to develop and administer an early literacy initiative pilot program, to be known  
8 as "Read NC," hire four North Carolina Partnership for Children, Inc., development officers,  
9 and provide additional funds for rural ~~partnerships; provided, however, the Department shall~~  
10 ~~not expend the funds appropriated in this section for the 2012-2013 fiscal year until January 1,~~  
11 ~~2013, pending a determination by the Office of State Budget and Management that there is~~  
12 ~~adequate funding for the Medicaid budget for the 2012-2013 fiscal year, as provided in Section~~  
13 ~~10.9G of this act.~~partnerships. "Read NC" will focus on increasing the early literacy skills of  
14 children who are most at risk for reading below grade level. The pilot program shall be  
15 distributed geographically to ensure adequate representation of the diverse areas of the State."

16           **SECTION 3.2.(b)** If House Bill 950, 2012 Regular Session of the General  
17 Assembly, becomes law, then Section 10.8(b) of S.L. 2011-145, as amended by Section 10.10  
18 of that act, reads as rewritten:

19           **"SECTION 10.8.(b)** Of the funds appropriated in this act to the Department of Health and  
20 Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse  
21 Services, the sum of twenty-nine million one hundred twenty-one thousand six hundred  
22 forty-four dollars (\$29,121,644) for the 2011-2012 fiscal year and the sum of thirty-eight  
23 million one hundred twenty-one thousand six hundred forty-four dollars (\$38,121,644) for the  
24 2012-2013 fiscal year shall be allocated for the purchase of local inpatient psychiatric beds or  
25 bed days; ~~provided, however, the Department shall not expend nine million dollars~~  
26 ~~(\$9,000,000) of the funds appropriated in this section for the 2012-2013 fiscal year until~~  
27 ~~January 1, 2013, pending a determination by the Office of State Budget and Management that~~  
28 ~~there is adequate funding for the Medicaid budget for the 2012-2013 fiscal year, as provided in~~  
29 ~~Section 10.9G of House Bill 950, 2012 Regular Session.~~days. In addition, at the discretion of  
30 the Secretary of Health and Human Services, existing funds allocated to LMEs for  
31 community-based mental health, developmental disabilities, and substance abuse services may  
32 be used to purchase additional local inpatient psychiatric beds or bed days. These beds or bed  
33 days shall be distributed across the State in LME catchment areas, including any catchment  
34 areas served by managed care organizations, and according to need as determined by the  
35 Department. The Department shall enter into contracts with the LMEs and community hospitals  
36 for the management of these beds or bed days. The Department shall work to ensure that these  
37 contracts are awarded equitably around all regions of the State. Local inpatient psychiatric beds  
38 or bed days shall be managed and controlled by the LME, including the determination of which  
39 local or State hospital the individual should be admitted to pursuant to an involuntary  
40 commitment order. Funds shall not be allocated to LMEs but shall be held in a statewide  
41 reserve at the Division of Mental Health, Developmental Disabilities, and Substance Abuse  
42 Services to pay for services authorized by the LMEs and billed by the hospitals through the  
43 LMEs. LMEs shall remit claims for payment to the Division within 15 working days of receipt  
44 of a clean claim from the hospital and shall pay the hospital within 30 working days of receipt  
45 of payment from the Division. If the Department determines (i) that an LME is not effectively  
46 managing the beds or bed days for which it has responsibility, as evidenced by beds or bed days  
47 in the local hospital not being utilized while demand for services at the State psychiatric  
48 hospitals has not reduced, or (ii) the LME has failed to comply with the prompt payment  
49 provisions of this subsection, the Department may contract with another LME to manage the  
50 beds or bed days, or, notwithstanding any other provision of law to the contrary, may pay the  
51 hospital directly. The Department shall develop reporting requirements for LMEs regarding the

1 utilization of the beds or bed days. Funds appropriated in this section for the purchase of local  
2 inpatient psychiatric beds or bed days shall be used to purchase additional beds or bed days not  
3 currently funded by or through LMEs and shall not be used to supplant other funds available or  
4 otherwise appropriated for the purchase of psychiatric inpatient services under contract with  
5 community hospitals, including beds or bed days being purchased through Hospital Utilization  
6 Pilot funds appropriated in S.L. 2007-323. Not later than March 1, 2012, the Department shall  
7 report to the House of Representatives Appropriations Subcommittee on Health and Human  
8 Services, the Senate Appropriations Committee on Health and Human Services, the Joint  
9 Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance  
10 Abuse Services, and the Fiscal Research Division on a uniform system for beds or bed days  
11 purchased (i) with local funds, (ii) from existing State appropriations, (iii) under the Hospital  
12 Utilization Pilot, and (iv) purchased using funds appropriated under this subsection."

13 **SECTION 3.2.(c)** If House Bill 950, 2012 Regular Session of the General  
14 Assembly, becomes law, then Section 10.14(a)(5) of that act reads as rewritten:

15 "(5) Local health department ~~initiatives, provided, however, the Department shall~~  
16 ~~not use these funds for local health department initiatives until January 1,~~  
17 ~~2013, pending a determination by the Office of State Budget and~~  
18 ~~Management (OSBM) that there is adequate funding for the Medicaid~~  
19 ~~budget for the 2012-2013 fiscal year, as provided in Section 10.9G of this~~  
20 ~~act. Upon a determination by OSBM that there is adequate funding for the~~  
21 ~~Medicaid budget for the 2012-2013 fiscal year, local~~initiatives. Local  
22 health departments shall use these funds only for local community health and  
23 wellness initiatives to promote healthy behaviors, including, but not limited  
24 to, tobacco cessation, improved nutrition, increased physical activity, disease  
25 prevention, and school nurse positions. Funds received by local health  
26 departments pursuant to this section shall not supplant existing funds for  
27 local health and wellness programs or initiatives."

28 **SECTION 3.2.(d)** If House Bill 950, 2012 Regular Session of the General  
29 Assembly, becomes law, then Section 10.9G of that act is repealed.

30 **SECTION 3.3.** If House Bill 950, 2012 Regular Session of the General Assembly,  
31 becomes law, then Section 10.9A of that act reads as rewritten:

32 **"SECTION 10.9A.(a)** ~~The State Auditor shall conduct a performance audit of the North~~  
33 ~~Carolina Medicaid Program and the Division of Medical Assistance operated within the~~  
34 ~~Department of Health and Human Services. The audit shall examine the program's~~  
35 ~~effectiveness; results of the program; the utilization of outside vendor contracts, including the~~  
36 ~~number, cost, and duration of such contracts; fiscal controls and Medicaid forecasting; and~~  
37 ~~compliance with requirements of the Centers for Medicare and Medicaid Services and the~~  
38 ~~requirements of State law.~~audit the Department of Health and Human Services, Division of  
39 Medical Assistance, and the State Medicaid Program operated within the Department. The  
40 audit shall include the State Auditor's examination of at least all of the following:

- 41 (1) The administrative functions and responsibilities of permanent Division  
42 staff.
- 43 (2) The administrative functions that are performed either partially or entirely  
44 through contracts, cooperative agreements, Memorandums of Understanding  
45 (MOUs) with external entities, such as independent contractors, private  
46 vendors, universities, county governments, and other State or federal  
47 agencies. To identify these administrative functions, the State Auditor shall  
48 develop an inventory of all administrative contracts for purchased services,  
49 including a brief description of the scope of work, cost, and the period of  
50 performance for each contract.

- 1           (3)   The amount of funds, staff, and other resources dedicated to the performance  
2           of each administrative function of the Division.
- 3           (4)   The timeliness and compliance with State and federal mandates when  
4           carrying out the functions of the Division, including all of the following:
- 5           a.   The production of accurate, multiyear projections of Medicaid  
6           recipient participation, consumption of services, and costs.
- 7           b.   The oversight of the Medicaid program to ensure that program  
8           participation by Medicaid eligible recipients, consumption of  
9           services, and expenditures are within the budget authorized by the  
10          General Assembly for each fiscal year, including early detection of  
11          expenditure trends that indicate potential budget shortfalls.
- 12          c.   The timeliness of preparing and submitting Medicaid State Plan  
13          amendments to obtain approval from the Centers for Medicare and  
14          Medicaid Services to comply with State and federal laws and  
15          regulations.
- 16          d.   The collection, distribution, and maintenance of statistical data and  
17          other information on the Medicaid eligible population, eligible  
18          recipient participation, consumption of services, Medicaid patient  
19          health outcomes, provider participation and related issues, and costs.
- 20          e.   The timeliness of distribution and the presentation of complete and  
21          accurate information with supportive documentation to the Secretary  
22          of the Department of Health and Human Services, the Governor's  
23          Office, and the General Assembly regarding funding needs and  
24          policy issues.

25           **"SECTION 10.9A.(b)** The State Auditor shall give a preliminary report on the  
26 ~~performance~~ audit required by this section to the Joint Legislative Commission on  
27 Governmental Operations and to the Fiscal Research Division by November 1, 2012, and shall  
28 complete the ~~performance~~ audit by February 1, 2013.

29           **"SECTION 10.9A.(c)** Of the funds appropriated to the Department of Health and Human  
30 Services, Division of Medical Assistance, from the General Fund for the 2012-2013 fiscal year  
31 to fund contracts, the Department shall transfer to the North Carolina Office of the State  
32 Auditor the amount of funds necessary to complete the ~~performance~~ audit required by this  
33 section."

34           **SECTION 3.4.** If House Bill 950, 2012 Regular Session of the General Assembly,  
35 becomes law, then Section 10.11(a) of that act is amended by adding a new subdivision to read:

- 36           "(4) The impact of implementing the 1915(b)/(c) Medicaid waiver and other  
37           mental health system reforms on public guardianship services, including at  
38           least all of the following:
- 39           a.   Guardianship roles, responsibilities, and procedures.
- 40           b.   The effect on existing relationships between guardians and wards.
- 41           c.   Recommended legislation to support the transition of public  
42           guardianship services from the Division of Mental Health,  
43           Developmental Disabilities, and Substance Abuse Services within the  
44           Department of Health and Human Services to county departments of  
45           social services."

46           **SECTION 3.5.** If House Bill 950, 2012 Regular Session of the General Assembly,  
47 becomes law, then Section 10.9E(a) of that act reads as rewritten:

48           **"SECTION 10.9E.(a)** ~~The~~ By September 15, 2012, the Department of Health and Human  
49 Services, Division of Medical Assistance, shall develop and submit to the Centers for Medicare  
50 and Medicaid Services an application for a home- and community-based services program  
51 under Medicaid State Plan 1915(i) authority for ~~elderly~~ individuals who (i) are typically served

1 in special care and memory care units that meet the criteria of the State-County Special  
2 Assistance Program and (ii) have been diagnosed with a progressive, degenerative, irreversible  
3 disease that attacks the brain and results in impaired memory, thinking, and behavior. The  
4 home- and community-based services program developed by the Department pursuant to this  
5 section shall focus on providing these ~~elderly~~ individuals with personal care services necessary  
6 to ameliorate the effects of gradual memory loss, impaired judgment, disorientation, personality  
7 change, difficulty in learning, and loss of language skills."  
8

#### 9 **PART IV. NATURAL AND ECONOMIC RESOURCES**

10 **SECTION 4.1.** If House Bill 950, 2012 Regular Session of the General Assembly,  
11 becomes law, then notwithstanding any provision of law to the contrary, the sum of two  
12 hundred eighty-two thousand four hundred twelve dollars (\$282,412) in recurring funds shall  
13 be transferred from the Department of Environment and Natural Resources to the Department  
14 of Health and Human Services to support Division of Environmental Health operations  
15 associated with the Department of Environment and Natural Resources' Regional Offices.

16 **SECTION 4.2.** If House Bill 950, 2012 Regular Session of the General Assembly,  
17 becomes law, then notwithstanding any provision of law to the contrary, 8.75 full-time  
18 equivalents shall be transferred from the Department of Environment and Natural Resources to  
19 the Department of Agriculture and Consumer Services for the restoration of Division of Soil  
20 and Water Conservation employees associated with Department of Environment and Natural  
21 Resources' Regional Offices.

22 **SECTION 4.3.** If House Bill 950, 2012 Regular Session of the General Assembly,  
23 becomes law, then that act is amended by adding a new section to read:

#### 24 **"SOIL AND WATER CONSERVATION CLARIFICATIONS**

25 **"SECTION 11.6.(a)** Of the funds appropriated in this act to the Soil and Water  
26 Conservation Division of the Department of Agriculture and Community Services for the  
27 Conservation Reserve Enhancement Program, the recurring sum of two hundred seventy-five  
28 thousand dollars (\$275,000) designated for the Roanoke and Pasquotank River basins and for  
29 the implementation of amended Conservation Reserve Enhancement Program agreements in  
30 the Neuse, Tar-Pamlico, Chowan, and Jordan Lake basins may be used for operation and  
31 implementation of the Conservation Reserve Enhancement Program in any of the State's river  
32 basins eligible for the Conservation Reserve Enhancement Program.

33 **"SECTION 11.6.(b)** G.S. 139-4 reads as rewritten:

#### 34 **"§ 139-4. Powers and duties of Soil and Water Conservation Commission generally.**

35 ...

36 (d) In addition to the duties and powers hereinafter conferred upon the Soil and Water  
37 Conservation Commission, it shall have the following duties and powers:

38 ...

- 39 (12) To develop and approve best management practices for the Agriculture Cost  
40 Share Program for Nonpoint Source Pollution Control and for use in ~~the~~  
41 water quality protection and water use efficiency, availability, and storage  
42 programs of the Department of Environment and Natural Resources and to  
43 adopt rules that establish criteria governing approval of these best  
44 management practices.

45 ...."

46 **"SECTION 11.6.(c)** Section 3.3 of S.L. 1999-329, as amended by Section 6 of S.L.  
47 2001-254, Section 1.2 of S.L. 2002-176, Section 6.2 of S.L. 2003-340, and Section 12.7(b) of  
48 S.L. 2005-276, reads as rewritten:

49 **"SECTION 3.3.** The Department of ~~Environment and Natural Resources, Agriculture and~~  
50 Consumer Services, in consultation with both the Division of Water Quality of the Department  
51 of Environment and Natural Resources and the Division of Soil and Water Conservation, shall

1 submit semiannual interim reports no later than 15 April and 15 October of each year beginning  
2 15 October 1999 to the Environmental Review Commission, the Fiscal Research Division, and  
3 the Appropriations Subcommittees on Natural and Economic Resources in both the Senate and  
4 the House of Representatives. These reports shall indicate whether the pilot program has  
5 increased the effectiveness of the annual inspections program or the response to complaints and  
6 reported problems, specifically whether the pilot program had resulted in identifying violations  
7 earlier, taking corrective actions earlier, increasing compliance with the animal waste  
8 management plans and permit conditions, improving the time to respond to discharges,  
9 complaints, and reported problems, improving communications between farmers and  
10 Department employees, and any other consequences deemed pertinent by the Department.  
11 These reports shall also compare the costs of conducting operations reviews and inspections  
12 under the pilot program with the costs of conducting operations reviews and inspections  
13 pursuant to G.S. 143-215.10D and G.S. 143-215.10F and the resources that would be required  
14 to expand the pilot program to all counties.""

15 **SECTION 4.4.** If House Bill 950, 2012 Regular Session of the General Assembly,  
16 becomes law, then that act is amended by adding a new section to read:

17 **"CLARIFY USE OF FUNDS FROM NATURAL HERITAGE TRUST FUND**

18 **"SECTION 12.10.** G.S. 113-77.9(c) reads as rewritten:

19 "(c) Other Purposes. – The Trustees may authorize expenditures from the Fund to pay  
20 for the inventory of natural areas conducted under the Natural Heritage Program established  
21 pursuant to the Nature Preserves Act, Article 9A of Chapter 113A of the General Statutes. The  
22 Trustees may also authorize expenditures from the Fund to pay for conservation and protection  
23 planning and for informational programs for owners of natural areas, as defined in  
24 G.S. 113A-164.3. The Trustees shall authorize expenditures from the Fund not to exceed  
25 seventy-five thousand dollars (\$75,000) to pay the cost of the Department of Agriculture and  
26 Consumer Services to administer the Plant Conservation Program. The Trustees shall authorize  
27 expenditures from the Fund not to exceed three hundred twenty-five thousand dollars  
28 (\$325,000) to pay the cost of supporting staff in the Office of Conservation Planning and  
29 Community Affairs of the Department of Environment and Natural ~~Resources~~Resources for  
30 activities in addition to those conducted in support of the purposes set forth in this section."

31 **SECTION 4.5.** If House Bill 950, 2012 Regular Session of the General Assembly,  
32 becomes law, then Section 13.9A of that act is amended by adding a new subsection to read:

33 **"SECTION 13.9A.(c)** The Department of Commerce shall transfer to the Department of  
34 Agriculture and Consumer Services position 60080945. This position shall be supported from  
35 funds appropriated for the 2012-2013 fiscal year in this act to the Department of Agriculture  
36 and Consumer Services for the North Carolina Wine and Grape Growers Council on a  
37 nonrecurring basis."

38 **SECTION 4.6.** If House Bill 950, 2012 Regular Session of the General Assembly,  
39 becomes law, then that act is amended by adding a new section to read:

40 **"BIOFUELS CENTER OF NORTH CAROLINA/TVA FUNDS**

41 **"SECTION 13.12AA.** Subsections (a) and (b) of Section 14.14 of S.L. 2011-145 are  
42 repealed."

43  
44 **PART V. GENERAL GOVERNMENT**

45 **SECTION 5.1.** If House Bill 950, 2012 Regular Session of the General Assembly,  
46 becomes law, then that act is amended by adding a new Part to read:

47 **"PART XVIA. DEPARTMENT OF ADMINISTRATION**

48  
49 **"NORTH CAROLINA STERILIZATION VICTIMS FOUNDATION FUNDING**

50 **"SECTION 16A.1.** Of the funds appropriated to the Department of Administration, the  
51 sum of one hundred twenty-eight thousand six hundred eighteen dollars (\$128,618) for the

1 2012-2013 fiscal year shall be used for the continued operation of the North Carolina  
2 Sterilization Victims Foundation on a nonrecurring basis."  
3

#### 4 **PART VI. TRANSPORTATION**

5 **SECTION 6.1.** If House Bill 950, 2012 Regular Session of the General Assembly,  
6 becomes law, then that act is amended by adding a new section to read:

#### 7 **"DEPARTMENT OF TRANSPORTATION RELOCATION OF MUNICIPAL** 8 **UTILITIES**

9 **"SECTION 24.22.** Article 2 of Chapter 136 of the General Statutes is amended by adding  
10 a new section to read:

#### 11 **"§ 136-27.3. Relocation of municipalities' utilities by Department; repayment by** 12 **municipalities.**

13 When requiring municipalities to relocate utilities under its power granted in  
14 G.S. 136-18(10), the Department may enter into agreements with municipalities to provide that  
15 the necessary engineering and utility construction be accomplished by the Department on a  
16 reimbursement basis as follows:

- 17 (1) Reimbursement to the Department shall be due after completion of the work  
18 and within 60 days after date of invoice.  
19 (2) Interest shall be paid on any unpaid balance due at a variable rate of the  
20 prime rate plus one percent (1%)."

21 **SECTION 6.2.** If House Bill 950, 2012 Regular Session, becomes law, then  
22 Section 24.18(b) of that act reads as rewritten:

23 ~~**"SECTION 24.18.(b)** The Department of Transportation shall disregard Executive Order~~  
24 ~~No. 116, or any other executive order pertaining to ferry tolls, and shall collect the tolls~~  
25 ~~required by S.L. 2011-145 and this section, except for the Cherry Branch/Minnesott Beach~~  
26 ~~route, for which the Department of Transportation shall not collect the increased tolls required~~  
27 ~~by S.L. 2011-145 during fiscal year 2012-2013. Notwithstanding the clarifying amendment to~~  
28 ~~G.S. 136-82 made by subsection (a) of this section and notwithstanding the increase in ferry~~  
29 ~~toll revenue required by S.L. 2011-145, the Department of Transportation, Ferry Division, shall~~  
30 ~~not collect the increased tolls required by S.L. 2011-145 during the 2012-2013 fiscal year.~~  
31 ~~Notwithstanding any other provision of this act, the appropriation to the Department of~~  
32 ~~Transportation, Ferry Division, provided elsewhere in this act is increased by the sum of two~~  
33 ~~million five hundred thousand dollars (\$2,500,000), nonrecurring, and the amount provided~~  
34 ~~elsewhere in this act for the Reserve for General Maintenance in the Highway Fund is~~  
35 ~~decreased by the sum of two million five hundred thousand dollars (\$2,500,000),~~  
36 ~~nonrecurring."~~

#### 37 38 **PART VII. EFFECTIVE DATE**

39 **SECTION 7.1.** Except as otherwise provided, this act becomes effective July 1,  
40 2012.