

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 409
PROPOSED COMMITTEE SUBSTITUTE S409-PCS35262-ME-21

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

(Public)

Sponsors:

Referred to:

March 24, 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 ESCHEATS 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



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1 with G.S. 120-121. One member shall be representative of the aerospace and
2 aviation industry, one member shall be representative of the emergency
3 response and disaster relief industries, and one member shall be
4 representative of the defense and security industry.

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

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

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

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

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

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

24 (10) The Commissioner of Agriculture.

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

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

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

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

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

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

1 terms expiring each fourth June 30th thereafter. The second class shall consist of three persons,
2 two of whom shall be appointed upon recommendation of the President Pro Tempore of the
3 Senate and one of whom shall be appointed upon recommendation of the Speaker of the House
4 of Representatives, to serve an initial term expiring June 30, 2015, with subsequent terms
5 expiring each fourth June 30th thereafter."

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

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

12 **SECTION 2.(a)** There is hereby transferred from the General Fund to the Escheats
13 Fund the sum of seventeen million five hundred dollars (\$17,500,000) as a payment on the
14 outstanding loan from the Escheats Fund to the Global TransPark Authority authorized under
15 G.S. 63A-4(a)(22) and G.S. 147-69.2(b)(11).

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

18 "**SECTION 9.8.(a)** There is appropriated from the Escheat Fund income to the Board of
19 Governors of The University of North Carolina the sum of ~~thirty two million one hundred~~
20 ~~twenty two thousand two hundred forty two dollars (\$32,122,242)~~ forty-nine million six
21 hundred twenty-two thousand two hundred forty-two dollars (\$49,622,242) for the 2011-2012
22 fiscal year and the sum of thirty-two million one hundred twenty-two thousand two hundred
23 forty-two dollars (\$32,122,242) for the 2012-2013 fiscal year to be used for The University of
24 North Carolina Need-Based Financial Aid Program. Notwithstanding the provisions of the N.C.
25 Senate Appropriations Committee Report on the Continuation, Expansion, and Capital Budgets
26 dated May 31, 2011, the appropriation from the General Fund for the UNC Need-Based
27 Financial Aid Program shall be reduced by the sum of seventeen million five hundred thousand
28 dollars (\$17,500,000), nonrecurring, in fiscal year 2011-2012."

29 **SECTION 3.** Chapter 63A of the General Statutes is amended by adding a new
30 section to read as follows:

31 "**§ 63A-9.5. Repayment of loan from Escheat Fund.**

32 Starting on July 1, 2013, the State Treasurer shall transfer on a quarterly basis from the
33 General Fund to the Escheat Fund the sum of one million two hundred fifty thousand dollars
34 (\$1,250,000) and shall credit the payment toward the outstanding loan from the Escheat Fund
35 to the Global TransPark Authority authorized under G.S. 63A-4(a)(22) and
36 G.S. 147-69.2(b)(11). The State Treasurer shall continue to transfer the amount specified in this
37 section until the balance of the loan is less than the transfer amount specified, at which point
38 the State Treasurer shall make a final quarterly transfer from the General Fund to the Escheat
39 Fund in an amount to satisfy the obligation."

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

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

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

48 ...

49 (11) With respect to assets of the Escheat Fund, obligations of the North Carolina
50 Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed
51 twenty-five million dollars (\$25,000,000), that have a final maturity not later

1 than October 1, ~~2011~~. 2018. The obligations shall bear interest at the rate set
2 by the State Treasurer. No commitment to purchase obligations may be
3 made pursuant to this subdivision after September 1, 1993, and no
4 obligations may be purchased after September 1, 1994. In the event of a loss
5 to the Escheat Fund by reason of an investment made pursuant to this
6 subdivision, it is the intention of the General Assembly to hold the Escheat
7 Fund harmless from the loss by appropriating to the Escheat Fund funds
8 equivalent to the loss.

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

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