

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

H.B. 893
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HOUSE PRINCIPAL CLERK

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HOUSE DRH70281-MH-167 (03/28)

Short Title: Study Nonprofit Compensation. (Public)

Sponsors: Representatives Catlin, Bumgardner, and Millis (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO STUDY COMPENSATION FOR OFFICERS AND EMPLOYEES OF
3 NONPROFITS RECEIVING PASS-THROUGH STATE FUNDS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** The Study Commission on Nonprofit Compensation is created. The
6 Commission shall consist of five members of the House of Representatives, appointed by the
7 Speaker of the House of Representatives, and five members of the Senate, appointed by the
8 President Pro Tempore of the Senate. The Speaker of the House of Representatives and the
9 President Pro Tempore of the Senate shall each designate one member as a cochair. Vacancies
10 to the Commission shall be filled by the same appointing authority making the initial
11 appointment. The Commission will meet upon the call of the cochairs. A quorum shall be a
12 majority of the Commission members.

13 **SECTION 2.** The Commission may study the following:

- 14 (1) The benefits and negative impacts of a requirement prohibiting use of State
15 funds for salaries and requiring that all State pass-through appropriations to
16 nonprofits be dedicated to services.
17 (2) The benefits and negative impacts of a cap on the percentage of State
18 pass-through appropriations to State agencies that can be committed to
19 salaries.
20 (3) The benefits and negative impacts of a cap of one hundred thousand dollars
21 (\$100,000) in salary for any single employee that can be funded by State
22 pass-through appropriations to nonprofits.
23 (4) Overlaps and duplication of services between nonprofits receiving State
24 funds and other nonprofits or State agencies.

25 **SECTION 3.** The Commission, while in the discharge of its official duties, may
26 exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4.
27 The Commission may meet in the Legislative Building or the Legislative Office Building.
28 Members of the Commission shall receive subsistence and travel expenses at the rates set forth
29 in G.S. 120-3.1.

30 The Legislative Services Commission, through the Legislative Services Officer,
31 shall assign professional staff to assist the Commission in its work. The House of
32 Representatives shall assign clerical staff to the Commission, and the expenses relating to the
33 clerical employees shall be borne by the Commission. The Commission may contract for
34 professional, clerical, or consultant services, as provided by G.S. 120-32.02.

35 **SECTION 4.** The Commission may make an interim report, including any
36 proposed legislation, to the 2013 Regular Session of the General Assembly when it reconvenes



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1 in 2014. The Commission shall terminate upon filing its final report or upon the convening of
2 the 2015 Regular Session of the General Assembly, whichever is earlier.

3 **SECTION 5.** This act is effective when it becomes law.