

JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS

2015-2016 COMMISSION PROCEDURES

- **Purpose:** The Joint Legislative Commission on Governmental Operations was created in 1975 (G.S. 120-71 through 120-79) to provide ongoing legislative examination and review of public policies, expenditures and reorganization implementation between legislative sessions. The Commission's oversight function includes, but is not limited to, evaluation of program costs and benefits, managerial effectiveness, internal control, and compliance. Various general statutes and session laws also require State agencies and other entities to consult with the Governmental Operations Commission before taking action on a particular issue or to submit reports for its review.
- **Meeting Dates and Times:** The Commission will meet at the call of the Speaker of the House of Representatives and the President Pro Tempore of the Senate during the interim (between legislative sessions). All meetings will be noticed on the General Assembly's interim calendar at <http://www.ncleg.net/LegislativeCalendar/>.
- **Agenda:** Every effort will be made to publish the Commission's agenda on the General Assembly's website several days prior to the meeting. After the agenda has been posted, items may be added or deleted only with the joint approval of the Office of the Speaker of the House and the Office of the President Pro Tempore of the Senate.
- **Agency Deadline for Agenda Development is the Fifth Business Day of the Month:** State agencies and other entities that wish to have items considered for an agenda must submit their requests and all necessary documents to the Commission email address no later than 5:00 pm the fifth business day of the month of the scheduled meeting. After consulting with the Chairs of the Governmental Operations Commission, Fiscal Research Division staff will notify State agencies and other entities scheduled to appear before the Commission.
- **Commission Staff:** The Fiscal Research Division (FRD) serves as primary staff to the Governmental Operations Commission; attorneys from the Legislative Drafting and Research Divisions also staff the Commission. The Joint Budget Development Team in FRD serves as lead staff to the Speaker of the House and the President Pro Tempore of the Senate, who co-chair the Commission. Although there are no permanent or standing subcommittees of the Commission, the Chairs may appoint subcommittees as needed.

General Procedures

- **Responsibility for Reports and Consultations:** State agencies, institutions, boards, commissions, and other entities are solely responsible for complying with all reporting and consultation requirements mandated by State law.
- **Submission of Reports and Consultation Documents:** All reports and consultation documents must be submitted electronically to the Governmental Operations Commission email address (govops@ncleg.net) by the required date or within the appropriate timeframe

specified in statutes and session laws. If you are unsure of the required due date, please contact the Fiscal Research Division. If you do not have the capability to submit a document electronically, please contact Elise McDowell, Commission Assistant, at 919-715-3034 or the Fiscal Research Division at 919-733-4910.

- **Notice of Receipt of Consultation Requests:** All consultation requests submitted to the Commission e-mail address will receive an electronic response acknowledging receipt of the required report. When necessary, this response can be shared with the Codifier of the Rules to acknowledge compliance with the law.
- **Distribution of Submitted Documents:** Reports and consultation documents submitted to the Governmental Operations Commission e-mail address will be distributed to the Chairs of the Commission (i.e., Speaker of the House and President Pro Tempore of the Senate), the Commission Assistant, the Fiscal Research Division and, in the case of a fee/charge consultation, to all members of the Commission. Reports and consultations submitted to the Governmental Operations Commission email address will be posted to the Governmental Operations Commission website.
- **Copies for Meetings:** The Commission Assistant will be responsible for making copies of reports and consultation documents for Commission meetings. However, based on the type and length of the report, a reporting or consulting entity may be required to submit hard copies for distribution. In these instances, reporting or consulting entities will be notified of the number of copies required and the deadline for submission. Otherwise, it is not necessary to submit hard copies.
- **Communication with Fiscal Research Staff:** The email address of the Commission is for receiving submissions and confirming receipt of those submissions only. Please do not reply to this email address. If you have questions or require assistance, please contact a member of the Joint Budget Development Team of the Fiscal Research Division at (919) 733-4910.

Consultations

- **Definition of Consultation:** The requirements of a consultation can be found in G.S. 12-3.(15):
 - “(15) Requirement to consult with a committee or commission of the General Assembly. – All words purporting to require an individual or other entity to consult with a committee or commission of the General Assembly before taking an action shall be construed to require the entity to do all of the following:
 - a. Submit a report of the action under consideration to the chairs and staff of the committee or commission. The report shall include all information required by statute and the rules of that committee or commission. The staff of the committee or commission shall make the report available electronically to the members of the committee or commission and to the public.
 - b. Appear at a meeting of the committee or commission at which the matter is heard. Unless another period of time is specified by statute, the requirement to appear is satisfied if the committee or commission does not have a meeting at which the matter is heard within 90 days of receiving the required submission.”

- **Satisfying a Consultation Requirement (Except Fees and Charges):** Pursuant to G. S. 120-76.1, a consulting entity must submit a detailed report to the Chairs of the Commission, the Commission Assistant, and the Fiscal Research Division. If the Governmental Operations Commission does not meet to hear the consultation within 90 days after receiving the detailed report and the appropriate fiscal analyst determines that the report is complete, then the consultation requirement is deemed satisfied. If the Commission does meet within 90 days, Fiscal Research will contact the consulting entity about appearing before the Commission.

- **Consultations Regarding Fees and Charges:** Pursuant to G.S. 12-3.1, a consulting entity that adopts a rule to establish or increase a fee or charge must submit a request for consultation to all members of the Commission, the Commission Assistant, and the Fiscal Research Division on the same date the notice of the text of the rule is published. This request must contain a written report stating 1) the amount of the current fee or charge, if applicable, 2) the amount of the proposed new or increased fee or charge, 3) the statutory authority for the fee or charge, and 4) a detailed explanation of the need for the establishment or increase of the fee or charge. If the Commission does not meet to hear the consultation within 90 days after the text of the rule has been published and the consultation request has been submitted and determined to be complete by the appropriate fiscal analyst, the consultation requirement is deemed satisfied. If the Commission does meet within 90 days, Fiscal Research will contact the consulting entity about appearing before the Commission.

Section 6.2 of S.L. 2015-241, 2015 Appropriations Act, provides that an agency is not required to consult with the Governmental Operations Commission prior to establishing or increasing a fee authorized or anticipated in S.L. 2015-241.

- **Budget Deviations:** G.S. 143C-6-4 of the State Budget Act sets forth the limited circumstances under which an agency may spend more than was appropriated in the certified budget for a purpose or program. Prior consultation with the Commission is required when the overexpenditure results in the total requirements for a fund to exceed the agency's certified budget for the fiscal year by more than three percent (3%). The Director of the Budget must report all other overexpenditures allowed under G.S. 143C-6-4 accordingly.

- **2015 Appropriations Act, S.L. 2015-241**
 The 2015 Appropriations Act contains several requirements for consulting with the Commission prior to taking specific action. Listed below are those provisions from S.L. 2015-241 that affect all State agencies (provisions requiring individual agencies to consult with the Commission are not listed here).

1. **Other Receipts From Pending Grant Awards:** Section 5.1A of S.L. 2015-241 allows agencies, with the approval of the Director of the Budget, to spend funds from grants that meet the following conditions:
 - a. The grant is for less than \$2.5 million, and
 - b. The grant does not require State matching funds, and
 - c. The grant will not be used for a capital project.

The grant must be reported to the Governmental Operations Commission within 30 days of receipt.

All other grant awards require the Office of State Budget and Management to consult with the Commission prior to allowing State agencies to expend grant funds not previously appropriated by the 2015 Appropriations Act.

2. **Capital Projects:** Section 31.7 of S.L. 2015-241 requires State agencies to report on the status of capital projects to the Governmental Operations Commission by October 1, 2015 and every six months thereafter.

Contact Information

- **Joint Legislative Commission on Governmental Operations Email Address:** govops@ncleg.net This email address is only for the submission of reports and consultation documents. Please direct your inquiries/comments to the Fiscal Research staff or the Commission Assistant using the contact information below.
- **Commission Website:**
www.ncleg.net
 - Click on “Committees” in the navy blue bar at the top of the home page
 - Click on “Committee Websites” under the header “Browse Committees by Type”
 - Click on “[Governmental Operations, Joint Legislative Commission on](#)”
- **Commission Committee Assistant:**
Elise McDowell, (919) 715-3034
Room 300B, Legislative Office Building
brownla@ncleg.net
- **Fiscal Research Division:**
(919) 733-4910
Suites 203 and 619, Legislative Office Building
<http://www.ncleg.net/FiscalResearch/>
- **Legislative Drafting Division:**
(919) 733-6660
Suite 401, Legislative Office Building
<http://www.ncleg.net/LDD/>
- **Research Division:**
(919) 733-2578
Suite 545, Legislative Office Building
<http://www.ncleg.net/RD>