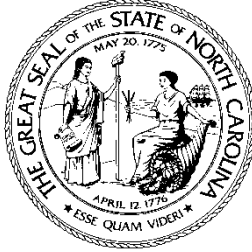


GENERAL ASSEMBLY OF NORTH CAROLINA



SPECIAL PROVISIONS
HOUSE APPROPRIATIONS, GENERAL GOVERNMENT REPORT

MAY 23, 2017

Report Last Updated: May 24, 2017 7:51 p.m.

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GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-MIL-H3E(S19.1)-P

Department of Military and Veterans Affairs
House Appropriations, General Government

1 **MILITARY AFFAIRS COMMISSION**

2 **SECTION 19.1.(a)** Section 24.1(a) of S.L. 2015-241 reads as rewritten:

3 **"SECTION 24.1.(a)** The Department of Military and Veterans Affairs is established as a
4 new executive department. All functions, powers, duties, and obligations vested in the
5 following agencies are transferred to, vested in, and consolidated within the Department of
6 Military and Veterans Affairs by a Type I transfer, as defined in G.S. 143A-6:

- 7 (1) The following components of the Department of Administration:
8 a. The Veterans' Affairs Commission.
9 b. The Governor's Jobs for Veterans Committee.
10 c. The Division of Veterans Affairs.
11 ~~(2) The North Carolina Military Affairs Commission in the Office of the~~
12 ~~Governor."~~

13 **SECTION 19.1.(b)** G.S. 143B-1310 reads as rewritten:

14 **"§ 143B-1310. Commission established; purpose; transaction of business.**

15 (a) Establishment. – There is established the North Carolina Military Affairs
16 Commission. The Commission shall be ~~established within assigned to~~ the Department of
17 Military and Veterans Affairs ~~Affairs~~ solely for purposes of G.S. 143B-14(a). As authorized by
18 G.S. 143B-14(b), the Commission shall exercise all its powers, duties, and functions
19 independently. Notwithstanding G.S. 143B-14(d), the Secretary of Military and Veterans
20 Affairs shall not perform any of the Commission's management functions. Consistent with
21 G.S. 143B-14(a), the Department of Military and Veterans Affairs shall provide the following
22 administrative services to the Commission:

- 23 (1) Noticing and providing space for meetings of the Commission and its
24 committees.
25 (2) Taking minutes of the Commission's meetings.
26 (3) Reimbursing per diem, subsistence, and travel expenses pursuant to
27 G.S. 143B-1311(h).
28 (4) Serving as a liaison among the committees of the Commission.
29 (5) Any other administrative services requested by the Commission.

30 (b) Purpose. – The Commission shall provide advice, counsel, and recommendations to
31 the General Assembly, the Secretary of Military and Veterans Affairs, and other State agencies
32 on initiatives, programs, and legislation that will continue and increase the role that North
33 Carolina's military installations, the National Guard, and Reserves play in America's defense
34 strategy and the economic health and vitality of the State. The Commission is authorized to do
35 all of the following, ~~as delegated by the Secretary of Military and Veterans Affairs:~~ following:

36 "...."

37 **SECTION 19.1.(c)** G.S. 143B-1211 reads as rewritten:

38 **"§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.**

39 It shall be the duty of the Department of Military and Veterans Affairs to do all of the
40 following:

41 ...

1 (12) Provide administrative, organizational, and funding support to ~~the NC~~
2 ~~Military Affairs Commission and the~~ Governor's Working Group for
3 Veterans.

4 (12a) Provide administrative services to the North Carolina Military Affairs
5 Commission pursuant to G.S. 143B-1310(a).

6"

7 **SECTION 19.1.(d)** Notwithstanding G.S. 143B-1214 and G.S. 143B-1217, the
8 funds appropriated in this act to the Military Presence Stabilization Fund for the 2017-2018
9 fiscal year may be used for the following purposes:

- 10 (1) Up to the sum of two hundred thousand dollars (\$200,000) may be used to
11 provide grants to local communities or military installations. These funds
12 shall only be used for actual project expenses and shall not be used to pay
13 for lobbying the North Carolina General Assembly, salaries, travel, or other
14 administrative costs. The North Carolina Military Affairs Commission shall
15 establish the guidelines for applying for these grants.
- 16 (2) Administrative expenses and reimbursements for members of the North
17 Carolina Military Affairs Commission.
- 18 (3) Federal advocacy and lobbying support.
- 19 (4) Updates to strategic planning analysis and strategic plan.
- 20 (5) Economic impact analyses.
- 21 (6) Public-public/public-private (P4) initiatives.
- 22 (7) Identification and implementation of innovated measures to increase the
23 military value of installations.
- 24 (8) Fully fund the position at the North Carolina Economic Development
25 Center.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-MIL-H2B-P

Department of Military and Veterans Affairs
House Appropriations, General Government

Requested by

1 **SCHOLARSHIPS FOR CHILDREN OF WAR VETERANS**

2 SECTION #.(a) G.S. 143B-1224 reads as rewritten:

3 **"§ 143B-1224. Definitions.**

4 As used in this Part the terms defined in this section shall have the following meaning:

5 ...
6 (7) "Veteran" means a person who served as a member of the Armed Forces in
7 active federal service during a period of war and who was either separated
8 from the Armed Forces under honorable conditions ~~other than~~
9 ~~dishonorable~~ or who is currently serving in a second or subsequent
10 enlistment. A person who was separated from the Armed Forces under
11 honorable conditions ~~other than dishonorable~~ and whose death or disability
12 was incurred (i) as a direct result of armed conflict or (ii) while engaged in
13 extra-hazardous service, including such service under conditions simulating
14 war, ~~shall also be deemed is also~~ a "veteran" and ~~such the~~ death or disability
15 ~~shall be considered is~~ wartime service-connected."

16 SECTION #.(b) G.S. 143B-1226 reads as rewritten:

17 **"§ 143B-1226. Classes or categories of eligibility under which scholarships may be**
18 **awarded.**

19 (a) Scholarship Consideration. — A child, as defined in this Part, who falls within the
20 provisions of any eligibility class described ~~below in subsection (b) of this section~~ shall, upon
21 proper ~~application~~ application, be considered for a scholarship, subject to the provisions and
22 limitations set forth for the class under which the child is ~~considered~~ considered. A child ~~may~~
23 be considered for a scholarship under more than one eligibility class as long as the child falls
24 within the provisions, and is subject to the limitations, of each class for which the child is being
25 considered. A child may be awarded only one scholarship as provided in G.S. 143B-1225(a)(3).

26 (b) Scholarship Eligibility Classes. —

27 (1) Class I-A: Under this class a scholarship shall be awarded to any child
28 whose veteran parent

29"

30 SECTION #.(c) Of the funds appropriated in this act to the Department of Military
31 and Veterans Affairs for the 2017-2019 fiscal biennium, the sum of one million four hundred
32 thousand dollars (\$1,400,000) in recurring funds shall be used to increase the allowances for
33 room and board at State educational institutions for all eligible classes or categories under
34 which scholarships may be awarded under G.S. 143B-1226. These funds shall not be used to
35 supplant any other funds and may only be used to increase the allowances for room and board
36 at State educational institutions.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Drafting
SPECIAL PROVISION



2017-OAH-H1(S20.1)i

Office of Administrative Hearings
House Appropriations, General Government

1 ***OAH/LAWSUIT FUNDS***

2 **SECTION 20.1.** The Department of Public Instruction shall transfer the sum of
3 fifty thousand dollars (\$50,000) to the Office of Administrative Hearings to be allocated to the
4 Rules Review Commission, created by G.S. 143B-30.1, to pay for any litigation costs incurred
5 in the defense of *North Carolina State Board of Education v. The State of North Carolina and*
6 *The Rules Review Commission*, Wake County Superior Court, File No. 14 CVS 14791 (filed
7 November 7, 2014). These funds shall not revert at the end of the 2017-2018 fiscal year but
8 shall remain available during the 2018-2019 fiscal year for expenditure in accordance with the
9 provisions of this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-TREAS-H2-P

Department of State Treasurer
House Appropriations, General Government

Requested by

1 *ADD CERTAIN CANCERS AS OCCUPATIONAL DISEASES TO LINE-OF-DUTY*
2 *DEATH BENEFITS FOR FIREFIGHTERS*

3 SECTION #. G.S. 143-166.2(c) reads as rewritten:

4 "§ 143-166.2. Definitions.

5 ...
6 (c) The term "killed in the line of duty" shall apply to any law-enforcement officer,
7 firefighter, rescue squad worker who is killed or dies as a result of bodily injuries sustained or
8 of extreme exercise or extreme activity experienced in the course and scope of his official
9 duties while in the discharge of his official duty or duties. When applied to a senior member of
10 the Civil Air Patrol as defined in this Article, "killed in the line of duty" shall mean any such
11 senior member of the North Carolina Wing-Civil Air Patrol who is killed or dies as a result of
12 bodily injuries sustained or of extreme exercise or extreme activity experienced in the course
13 and scope of his official duties while engaged in a State requested and approved mission
14 pursuant to Article 13 of Chapter 143B of the General Statutes. For purposes of this Article,
15 when a law enforcement officer, firefighter, rescue squad worker, or senior Civil Air Patrol
16 member dies as the direct and proximate result of a myocardial infarction suffered while on
17 duty or within 24 hours after participating in a training exercise or responding to an emergency
18 situation, the law enforcement officer, firefighter, rescue squad worker, or senior Civil Air
19 Patrol member is presumed to have been killed in the line of duty. For the purposes of this
20 Article, when a firefighter dies as a direct and proximate result of any of the following cancers
21 that are occupationally related to firefighting, that firefighter is presumed to have been killed in
22 the line of duty:

- 23 (1) Mesothelioma.
24 (2) Testicular cancer.
25 (3) Intestinal cancer.
26 (4) Rectal cancer.
27 (5) Oral cavity cancer.
28 (6) Multiple myeloma cancer."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Drafting
SPECIAL PROVISION



2017-INS-H1(S22.1)i

Department of Insurance
House Appropriations, General Government

1 ***INSURANCE REGULATORY CHARGE***

2 **SECTION 22.1.** The percentage rate to be used in calculating the insurance
3 regulatory charge under G.S. 58-6-25 is six and one-half percent (6.5%) for the 2018 calendar
4 year.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-INS-H2-P

Department of Insurance
House Appropriations, General Government

Requested by

1 *DEPARTMENT OF INSURANCE END SUPPORT OF EIGHT OFFICE OF STATE*
2 *CONSTRUCTION ENGINEER POSITIONS IN DEPARTMENT OF*
3 *ADMINISTRATION*

4 **SECTION #.** Section 7 of S.L. 2009-474, as amended by Section 20.3 of S.L.
5 2012-142, is repealed.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-INS-H3-P

Department of Insurance
House Appropriations, General Government

Requested by

1 *ALLOW ADAPTIVE BEHAVIOR TREATMENT COVERED BY A HEALTH BENEFIT*
2 *PLAN TO BE PROVIDED OR SUPERVISED BY A BOARD CERTIFIED BEHAVIOR*
3 *ANALYST*

4 SECTION #.(a) G.S. 58-3-192(a)(1) reads as rewritten:

5 "§ 58-3-192. Coverage for autism spectrum disorder.

6 (a) As used in this section, the following definitions apply:

7 (1) Adaptive behavior treatment. – Behavioral and developmental interventions
8 that systematically manage instructional and environmental factors or the
9 consequences of behavior that have been shown to be clinically effective
10 through research published in peer reviewed scientific journals and based
11 upon randomized, quasi-experimental, or single subject designs. Both of the
12 following requirements must be met:

13 a. The intervention must be necessary to (i) increase appropriate or
14 adaptive behaviors, (ii) decrease maladaptive behaviors, or (iii)
15 develop, maintain, or restore, to the maximum extent practicable, the
16 functioning of an individual.

17 b. The treatment must be ordered by a licensed physician or licensed
18 psychologist and the treatment must be provided or supervised by
19 one of the following ~~licensed~~ professionals, so long as the services or
20 supervision provided is commensurate with the ~~licensed~~
21 professional's training, experience, and scope of practice:

- 22 1. A licensed psychologist or psychological associate.
- 23 2. A licensed psychiatrist or developmental pediatrician.
- 24 3. A licensed speech and language pathologist.
- 25 4. A licensed occupational therapist.
- 26 5. A licensed clinical social worker.
- 27 6. A licensed professional counselor.
- 28 7. A licensed marriage and family therapist.
- 29 8. A board certified behavior analyst.

30 SECTION #.(b) This section becomes effective July 1, 2017, and applies to
31 insurance contracts issued, renewed, or amended on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-INS-H4-P

Department of Insurance
House Appropriations, General Government

Requested by

1 **ALLOW THE STATE FIRE MARSHAL TO INVESTIGATE ARSON**

2 **SECTION #.(a)** G.S. 58-79-1 reads as rewritten:

3 **"§ 58-79-1. Fires investigated; reports; records.**

4 The Director of the State Bureau of Investigation, through the State Bureau of
5 Investigation, the State Fire Marshal, and the chief of the fire department, or chief of police
6 where there is no chief of the fire department, in municipalities and towns, and the county fire
7 marshal and the sheriff of the county and the chief of the rural fire department where such fire
8 occurs outside of a municipality, are hereby authorized to investigate the cause, origin, and
9 circumstances of every fire occurring in such municipalities or counties in which property has
10 been destroyed or damaged, and shall specially make investigation whether the fire was the
11 result of carelessness or design. A preliminary investigation shall be made by the chief of fire
12 department or chief of police, where there is no chief of fire department in municipalities, and
13 by the county fire marshal and the sheriff of the county or the chief of the rural fire department
14 where such fire occurs outside of a municipality, and must be begun within three days,
15 exclusive of Sunday, of the occurrence of the fire, and the Director of the State Bureau of
16 Investigation, through the State Bureau of Investigation, shall have the right to supervise and
17 direct the investigation when he deems it expedient or necessary.

18 The officer making the investigation of fires shall forthwith notify the Director of the State
19 Bureau of Investigation, and must within one week of the occurrence of the fire furnish to the
20 Director of the State Bureau of Investigation a written statement of all facts relating to the
21 cause and origin of the fire, the kind, value and ownership of the property destroyed, and such
22 other information as is called for by the forms provided by the Director of the State Bureau of
23 Investigation. Departments capable of submitting the required information by the utilization of
24 computers and related equipment, by means of an approved format of standard punch cards,
25 magnetic tapes or an approved telecommunications system, may do so in lieu of the submission
26 of the written statement as provided for in this section. The Director of the State Bureau of
27 Investigation shall keep in his office a record of all reports submitted pursuant to this section.
28 These reports shall at all times be open to public inspection."

29 **SECTION #.(b)** This section is effective when this act becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Drafting
SPECIAL PROVISION



2017-GA-H2(S24.1)i

General Assembly
House Appropriations, General Government

1 *PED STUDY/MEASURABILITY ASSESSMENT OF DEPARTMENT OF*
2 *ADMINISTRATION ADMINISTRATIVE ACTIVITIES AND PROGRAMS*

3 **SECTION 24.1.** The Program Evaluation Division (hereinafter "Division") is
4 directed to conduct measurability assessments, as provided in Chapter 143E of the General
5 Statutes, and efficiency evaluations of programs and administrative activities of the Department
6 of Administration (hereinafter "Department") to improve Department accountability reporting
7 and to recommend potential cost-savings. Prior to conducting measurability assessments and
8 efficiency evaluations, the Division shall consult with the State Auditor, who shall recommend
9 potential programs or potentially high-cost Department activities that, with changes, may
10 produce cost-savings. Taking into account the recommendations of the State Auditor and the
11 results of the measurability assessments, the Division may select a contractor through a
12 noncompetitive bid process to assist the Division in identifying potential cost-savings. The
13 State Auditor shall review draft findings and recommendations and shall provide a written
14 response to be included in the Division's report. By March 30, 2018, the Division shall report
15 its findings and recommendations to the Joint Legislative Program Evaluation Oversight
16 Committee, Joint Legislative Education Oversight Committee, and Joint Legislative Oversight
17 Committee on General Government and, upon request, to other committees.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-GA-H4-P

General Assembly
House Appropriations, General Government

Requested by

1 ***STUDY RATES AND TRANSFERS/PUBLIC ENTERPRISES***

2 **SECTION #.(a)** The General Assembly finds that the ability of a city or county to
3 efficiently and effectively provide public enterprise services, particularly water and sewer
4 services, is challenged by that local government opting to use revenues of the public enterprise
5 for purposes other than:

- 6 (1) Paying the costs of operating the public enterprise.
- 7 (2) Making debt service payments.
- 8 (3) Investing in improvements to the infrastructure of that public enterprise.
- 9 (4) Reimbursing the unit of local government for actual direct services provided
10 to the public enterprise.

11 **SECTION #.(b)** The General Assembly further finds that any excess net revenues
12 should be used to lower rates, advance fund debt service, and fund infrastructure improvements
13 of that public enterprise.

14 **SECTION #.(c)** The Legislative Research Commission shall study the issues raised
15 in this section and make recommendations to the General Assembly on:

- 16 (1) Fee and charge setting by units of local government in the operation of a
17 water or sewer system, including collection rates of those fees and charges.
- 18 (2) Proper accounting controls to ensure transparency in budgeting and
19 accounting for expenditures and interfund transfers of public enterprise
20 services by units of local government.
- 21 (3) Legislation that may be necessary to ensure proper funding of infrastructure
22 maintenance and improvements for the provision of water and sewer
23 services, including whether regionalization could facilitate financially
24 healthy systems with lower fees and charges to customers.
- 25 (4) Legislation that may be necessary to ensure that units of local government
26 monitor aging water and sewer infrastructure to ensure proper maintenance
27 and repair, including how this responsibility impacts the financial health of
28 the public enterprise.

29 **SECTION #.(d)** In making the study provided by this section, the Legislative
30 Research Commission shall consult with the Local Government Commission, the School of
31 Government, the Department of Environmental Quality, the North Carolina League of
32 Municipalities, the North Carolina County Commissioners Association, and others.

33 **SECTION #.(e)** The Legislative Research Commission shall make an interim
34 report to the 2017 Regular Session of the General Assembly prior to its reconvening in 2018
35 and shall make a final report to the 2019 Regular Session of the General Assembly.

36 **SECTION #.(f)** This section is effective when this act becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-OSBM-H1-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

1 ***SYMPHONY CHALLENGE GRANT***

2 **SECTION #.(a)** Of the funds appropriated in this act to the Office of State Budget
3 and Management, Special Appropriations, the sum of two million dollars (\$2,000,000) in
4 recurring funds for the 2017-2018 fiscal year and two million dollars (\$2,000,000) in recurring
5 funds for the 2018-2019 fiscal year shall be allocated to the North Carolina Symphony in
6 accordance with this section. It is the intent of the General Assembly that the North Carolina
7 Symphony raise at least nine million dollars (\$9,000,000) in non-State funds each year of the
8 2017-2019 fiscal biennium. The North Carolina Symphony cannot use funds transferred from
9 the organization's endowment to its operating budget to achieve the fund-raising targets set out
10 in subsections (b) and (c) of this section.

11 **SECTION #.(b)** For the 2017-2018 fiscal year, the North Carolina Symphony shall
12 receive allocations from the Office of State Budget and Management as follows:

- 13 (1) Upon raising the initial sum of four million dollars (\$4,000,000) in non-State
14 funding, the North Carolina Symphony shall receive the sum of six hundred
15 thousand dollars (\$600,000).
- 16 (2) Upon raising an additional sum of two million dollars (\$2,000,000) in
17 non-State funding for a total amount of six million dollars (\$6,000,000) in
18 non-State funds, the North Carolina Symphony shall receive the sum of
19 seven hundred thousand dollars (\$700,000).
- 20 (3) Upon raising an additional sum of three million dollars (\$3,000,000) in
21 non-State funding for a total amount of nine million dollars (\$9,000,000) in
22 non-State funds, the North Carolina Symphony shall receive the final sum of
23 seven hundred thousand dollars (\$700,000) in the 2017-2018 fiscal year.

24 **SECTION #.(c)** For the 2018-2019 fiscal year, the North Carolina Symphony shall
25 receive allocations from the Office of State Budget and Management as follows:

- 26 (1) Upon raising the initial sum of four million dollars (\$4,000,000) in non-State
27 funding, the North Carolina Symphony shall receive the sum of six hundred
28 thousand dollars (\$600,000).
- 29 (2) Upon raising an additional sum of two million dollars (\$2,000,000) in
30 non-State funding for a total amount of six million dollars (\$6,000,000) in
31 non-State funds, the North Carolina Symphony shall receive the sum of
32 seven hundred thousand dollars (\$700,000).
- 33 (3) Upon raising an additional sum of three million dollars (\$3,000,000) in
34 non-State funding for a total amount of nine million dollars (\$9,000,000) in
35 non-State funds, the North Carolina Symphony shall receive the final sum of
36 seven hundred thousand dollars (\$700,000) in the 2018-2019 fiscal year.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-OSBM-H3-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

1 **RESULTS FIRST FRAMEWORK**

2 **SECTION #.(a)** The General Assembly finds and declares that a nationally
3 recognized cost-benefit analysis model will allow the General Assembly to direct public
4 resources to cost-effective programs that deliver the best outcomes for residents. The Office of
5 State Budget and Management shall receive periodic updates that incorporate new research and
6 enhancements identified through work in participating states and practical technical assistance
7 to implement this cutting-edge approach for identifying policy and budget options. The General
8 Assembly also intends to provide necessary assistance for State agencies to align their
9 individual efforts and resources to achieve statewide priority outcomes.

10 **SECTION #.(b)** The Office of State Budget and Management may consult and
11 work with staff from the Pew-MacArthur Results First Initiative to implement a cost-benefit
12 analysis model for use in crafting policy and budget decisions. The goal of the project is to
13 obtain a model that will help the State invest in policies and programs that can be shown to
14 work.

15 The Office of State Budget and Management shall take the model into account in
16 developing the framework required by G.S. 143-47.32, as enacted in subsection (d) of this
17 section, to the extent the model has relevance to that framework.

18 **SECTION #.(c)** The Office of State Budget and Management shall file an interim
19 report with the Joint Legislative Commission on Governmental Operations, the Joint
20 Legislative Oversight Committee on General Government, and the Joint Legislative Program
21 Evaluation Oversight Committee by April 8, 2018, on progress in implementing the
22 cost-benefit analysis model and a final report by October 1, 2018. The reports may include
23 recommendations for legislation.

24 **SECTION #.(d)** Chapter 143 of the General Statutes is amended by adding a new
25 Article to read:

26 "Article 2E.

27 "Results First Framework.

28 **"§ 143-47.30. Definitions.**

29 The following definitions apply in this Article:

- 30 (1) Benchmark. – A broad societal indicator used for gauging ultimate outcomes
31 of programs, such as U.S. Census data. Multiple programs among several
32 agencies may be benchmarked to the same indicator.
33 (2) Efficiency. – The verifiable total direct and indirect cost per output and per
34 outcome.
35 (3) Evidence-based. – Having had multiple-site, random controlled trials across
36 heterogeneous populations that demonstrate that a program or practice is
37 effective for the populations.
38 (4) Non-State entity. – Any of the following that is not a State agency and that
39 must be discretely presented as a component unit in the State
40 Comprehensive Annual Financial Report by the Governmental Accounting

1 Standards Board: an individual, a firm, a partnership, an association, a
2 corporation, or any other organization or group acting as a unit. The term
3 does not include a local government unit or any other non-State entity that is
4 subject to the audit and other requirements of the Local Government
5 Commission.

6 (5) OSBM. – The Office of State Budget and Management.

7 (6) Outcome. – The verifiable quantitative effects or results attributable to a
8 program compared to a performance standard.

9 (7) Output. – The verifiable number of units of services or activities provided by
10 a program.

11 (8) Performance standards. – The metrics based upon best practices, generally
12 recognized standards, or comparisons with relevant peer entities in other
13 states or regions for gauging achievement of efficiency, output, and
14 outcomes.

15 (9) Principal executive officer. – Executive head of a State agency or non-State
16 entity.

17 (10) Program. – An activity or set of activities intended to achieve an outcome
18 that benefits the public.

19 (11) Promising practices. – Practices that present, based upon preliminary
20 information, potential for becoming research-based.

21 (12) Research-based. – Having some research demonstrating effectiveness that
22 does not yet meet the standard for being evidence-based.

23 (13) State agency. – Any department, institution, board, commission, committee,
24 division, bureau, board, council, or other entity for which the State has
25 oversight responsibility, including The University of North Carolina, the
26 Community College System, and any mental or specialty hospital.

27 **"§ 143-47.31. Purpose; scope.**

28 (a) The purpose of this Article is to require uniform, program-level accountability
29 information in State government that is readily accessible to the citizens of North Carolina.

30 (b) This Article applies to any State agency in the executive branch of State
31 government. This Article also applies to any non-State entity that receives State funds.

32 **"§ 143-47.32. Information framework.**

33 (a) OSBM shall design and establish a framework for providing the citizens of North
34 Carolina uniform, program-level accountability information in State government. As part of the
35 framework, OSBM shall adopt comprehensive standards, policies, and procedures, including
36 recurring oversight procedures, to implement the framework's use. OSBM shall consult and
37 coordinate with the State Auditor, the State Controller, the State Chief Information Officer, and
38 the Office of State Human Resources in designing and establishing the framework.

39 (b) The framework shall provide a way for each State agency and each non-State entity
40 to provide the following information in a uniform manner on a Web site:

41 (1) The mission, responsibilities, and activities of the State agency or non-State
42 entity.

43 (2) An inventory of programs administered by the State agency or non-State
44 entity, consisting of a title and a summary description of each program.

45 (3) For each program, a clear description of the problem the program is seeking
46 to remedy or the public service the program is seeking to provide.

47 (4) For each program, a statement identifying the program as evidence-based,
48 research-based, based on promising practices, or, if none of these apply, a
49 statement describing the basis for the program and the reasons why the
50 program is expected or perceived to be successful.

- 1 (5) Revenues by source and expenditures by purchasing category aligned with
2 each program individually.
3 (6) Organization charts in the format specified by the Office of State Human
4 Resources under G.S. 143-47.36. In addition to a comprehensive chart,
5 OSBM shall require each State agency and non-State entity to have separate
6 charts for each organizational division and in turn for each subordinate
7 division or work unit in sufficient detail that a citizen may determine the
8 organizational location of every employee position.
9 (7) At least one telephone number that complies with the requirements of
10 G.S. 143-162.1 that members of the public may use to contact the State
11 agency or non-State entity for service or information.
12 (8) A list of the reports required by law to be prepared and submitted by the
13 State agency or non-State entity, organized by recipient and by due date.
14 (9) Any additional information deemed necessary or appropriate by OSBM.
15 (c) The standards, policies, and procedures adopted by OSBM shall include all of the

16 following:

- 17 (1) Policies and standards to determine when a non-State entity may limit the
18 information required under this Article to those programs and activities for
19 which the non-State entity received State funds.
20 (2) A policy allowing State agencies and non-State entities to withhold or redact
21 information about individual employees, including telephone listings, when
22 the disclosure of the information would foreseeably result in harm to the
23 employee, when required by law or a court order, or for other good cause
24 described in the policy.

25 (d) OSBM shall design the framework to ensure that the information required in
26 subsection (b) of this section is accessible through the main State government Web site. The
27 framework shall require each State agency and non-State entity to include in its information
28 system a Web-based dashboard that uses a uniform format and reports all required performance
29 information in a graphical format. The format shall be sufficient to inform a citizen how the
30 State is investing money consistent with purposes described in subsection (b) of this section.

31 (e) OSBM shall provide an explanation in clear, simple language of key terms to be
32 used by State agencies.

33 **"§ 143-47.33. Opportunity for State agency and non-State entity comments on proposed**
34 **framework.**

35 After OSBM completes its initial framework design and draft of implementing standards,
36 policies, and procedures, OSBM shall cause the framework design and draft standards, policies,
37 and procedures to be posted on its Web site. OSBM shall then notify each State agency and
38 each non-State entity subject to this Article of the posting. The notification may be sent to (i)
39 the principal executive officer of a State agency or the principal executive officer of a non-State
40 entity, (ii) the State agency's rule-making coordinator, or (iii) another individual designated by
41 the State agency or non-State entity. OSBM shall allow a period of at least 30 days after the
42 notice required in this section is sent for a State agency or non-State entity to comment, and
43 OSBM shall review and consider all comments received before finalizing the framework and
44 the standards, policies, and procedures. OSBM in its discretion may allow other opportunities
45 for comment.

46 **"§ 143-47.34. Report.**

47 OSBM shall publish an annual report by January 1 of each year setting out the standards,
48 policies, and procedures to be used by agencies in providing and maintaining the information
49 required by this Article within the framework established by OSBM. OSBM shall provide a
50 copy of the report to each State agency and each non-State entity subject to this Article and to
51 the Program Evaluation and Fiscal Research Divisions of the General Assembly.

1 **"§ 143-47.35. Required State agency and non-State entity information.**

2 (a) Each State agency shall establish, implement, and maintain within that State agency
3 a system that provides the information required under G.S. 143-47.32 within the framework
4 established by OSBM. Each non-State entity, as a condition of receiving State funds, shall
5 establish, implement, and maintain within that non-State entity a system that provides the
6 information required pursuant to G.S. 143-47.32 within the framework established by OSBM.
7 The system shall comply with the framework design and the standards, policies, and procedures
8 established by OSBM.

9 The information shall be updated on a timely basis. Each information system shall be
10 readily and easily accessible to the citizens of North Carolina.

11 (b) The principal executive officer of each State agency and the principal executive
12 officer of each non-State entity are responsible for ensuring that the State agency or non-State
13 entity, as appropriate, complies with the requirements of this Article.

14 (c) Except as permitted under a policy adopted by OSBM under G.S. 143-47.32(c)(2),
15 each State agency and non-State entity subject to this Article shall also list its employees in the
16 directory available through the main State government Web site.

17 **"§ 143-47.36. Availability of technical assistance from OSBM, the Office of State Human**
18 **Resources, and the Office of Information Technology.**

19 (a) The Office of State Human Resources shall adopt rules setting the standards and
20 format for the organization charts required by G.S. 143-47.32. The Office of State Human
21 Resources also shall provide templates and technical assistance to State agencies and non-State
22 entities as needed to assure the uniformity required by this Article.

23 (b) OSBM, the Office of State Human Resources, and the Office of Information
24 Technology shall also provide technical assistance and software to State agencies and non-State
25 entities as needed to assure the uniformity required by this Article."

26 **SECTION #.(e)** G.S. 150B-1(c) is amended by adding a new subdivision to read:

27 **"(9)** The Office of State Budget and Management with respect to acts pursuant to
28 Article 2E of Chapter 143 of the General Statutes."

29 **SECTION #.(f)** Each State agency or non-State entity subject to this act shall, if
30 necessary, revise its information system to comply with this act. Each State agency, whether
31 implementing a new information system or revising an existing system to bring it into
32 compliance with the provisions of this act, shall use the State agency's existing resources
33 allocated for computers and computer maintenance to comply with this act.

34 **SECTION #.(g)** The Office of State Budget and Management shall finalize the
35 framework and associated standards, policies, and procedures required under G.S. 143-47.32,
36 as enacted in subsection (d) of this section, no later than April 8, 2018, and shall file the initial
37 report required by G.S. 143-47.34, as enacted in subsection (d) of this section, by January 1,
38 2019.

39 **SECTION #.(h)** G.S. 143-47.35, as enacted in subsection (d) of this section,
40 becomes effective with respect to all State agencies and non-State entities subject to this act on
41 January 1, 2019.

42 **SECTION #.(i)** Except as otherwise provided, this section is effective when this
43 act becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-OSBM-H5-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

OSBM INCLUDE EXISTING DOA POSITIONS IN BASE BUDGET

SECTION #. The Office of State Budget and Management shall include in the Department of Administration's base budget for the 2019-2021 fiscal biennium on a recurring basis the following existing positions in the Office of State Construction:

	<u>Position</u>	<u>Title</u>
5	60013374	Engineer
6	60013375	Engineer
7	60089843	Engineer
8	60089845	Engineer
9	65009250	Engineering Technician
10	65009251	Engineering Technician
11	65009252	Engineering Technician
12	65009253	Engineering Technician
13		

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-OSBM-H6-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

1 *OSBM INCLUDE RECEIPT-SUPPORTED POSITIONS IN BASE BUDGET FOR*
2 *GENERAL ASSEMBLY*

3 **SECTION #.** The Office of State Budget and Management shall include in the base
4 budget for the North Carolina General Assembly, Budget Code 11000, for the 2019-2021 fiscal
5 biennium on a recurring basis the receipt-supported positions in fund codes 1120 and 1211.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-HFA-H2(S28.1)-P

Housing Finance Agency
House Appropriations, General Government

1 ***HFA/WORKFORCE HOUSING LOAN PROGRAM ESTABLISHED***

2 **SECTION 28.1.** Chapter 122A of the General Statutes is amended by adding a new
3 section to read as follows:

4 **"§ 122A-5.15. Workforce Housing Loan Program.**

5 (a) The North Carolina Housing Finance Agency shall establish and administer the
6 Workforce Housing Loan Program for the purpose of making loans for qualified low-income
7 housing development in the State. Funds appropriated to the North Carolina Housing Trust
8 Fund for the Workforce Housing Loan Program shall be used by the Agency only as provided
9 in this section.

10 (b) The following definitions apply in this section:

11 (1) Code. – As defined in G.S. 105-228.90.

12 (2) Qualified North Carolina low-income housing development. – A qualified
13 low-income project or building that is allocated a federal tax credit under
14 section 42(h)(1) of the Code.

15 (3) Qualified residential unit. – A housing unit that meets the requirements of
16 section 42 of the Code.

17 (c) A taxpayer allocated a federal low-income housing tax credit under section 42 of the
18 Code to construct or substantially rehabilitate a qualified North Carolina low-income housing
19 development is eligible for a loan under the Workforce Housing Loan Program if the taxpayer
20 satisfies the loan criteria established by the Agency. The loan criteria shall support the
21 financing of similar types of developments as provided in G.S. 105-129.42 and shall be
22 developed in partnership with developers of low-income housing in the State who receive a
23 federal low-income housing tax credit under section 42 of the Code. The Agency shall take into
24 consideration all eligible sources of funding for each development project, including whether
25 there are other eligible sources of funding available for the development project. No loan made
26 to a taxpayer under this section shall exceed two million dollars (\$2,000,000) if the low-income
27 housing development is located in a low-income county, as designated by the Agency; one
28 million five hundred dollars (\$1,500,000) in a moderate-income county, as designated by the
29 Agency; and two hundred fifty thousand dollars (\$250,000) in a high-income county, as
30 designated by the Agency.

31 (d) By February 1 of each year, the Agency shall report to the Joint Legislative
32 Commission on Governmental Operations and the Fiscal Research Division on the number of
33 loans made under this section, the amount of each loan, and whether the low-income housing
34 development is located in a low-, moderate-, or high-income county, as designated by the
35 Agency."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Drafting
SPECIAL PROVISION



2017-DOA-H1(S31.1)i

Department of Administration
House Appropriations, General Government

1 ***TRANSFER THE HUMAN RELATIONS COMMISSION***

2 **SECTION 31.1.(a)** The North Carolina Human Relations Commission is hereby
3 transferred from the Department of Administration to the Civil Rights Division of the Office of
4 Administrative Hearings. This transfer shall have all of the elements of a Type I transfer, as
5 described in G.S. 143A-6.

6 **SECTION 31.1.(b)** The Office of State Budget and Management, the Office of
7 Administrative Hearings, and the Department of Administration shall work together to identify
8 unexpended and unencumbered funds from the 2016-2017 fiscal year to pay for one-time
9 start-up costs, including office space retrofitting, directly associated with the transfer.

10 **SECTION 31.1.(c)** Article 60 of Chapter 7A of the General Statutes is amended by
11 adding a new section, G.S. 7A-761, entitled "North Carolina Human Relations Commission,"
12 and (i) G.S. 143B-391 is recodified as subsection (a) of G.S. 7A-761, and (ii) subsections (a)
13 through (d) of G.S. 143B-392 are recodified as subsections (b) through (e) of G.S. 7A-761.

14 **SECTION 31.1.(d)** G.S. 7A-761, as enacted by subsection (c) of this section, reads
15 as rewritten:

16 **"§ 7A-761. North Carolina Human Relations Commission.**

17 (a) There is hereby created the North Carolina Human Relations Commission of the
18 ~~Department of Administration~~ Civil Rights Division of the Office of Administrative Hearings.
19 The North Carolina Human Relations Commission shall have the following functions and
20 duties:

- 21 (1) To study problems concerning human relations;
- 22 (2) To promote equality of opportunity for all citizens;
- 23 (3) To promote understanding, respect, and goodwill among all citizens;
- 24 (4) To provide channels of communication among the races;
- 25 (5) To encourage the employment of qualified people without regard to race;
- 26 (6) To encourage youths to become better trained and qualified for employment;
- 27 (7) To receive on behalf of the ~~Department of Administration~~ Civil Rights
28 Division of the Office of Administrative Hearings and to recommend
29 expenditure of gifts and grants from public and private donors;
- 30 (8) To enlist the cooperation and assistance of all State and local government
31 officials in the attainment of the objectives of the Commission;
- 32 (9) To assist local good neighborhood councils and biracial human relations
33 committees in promoting activities related to the functions of the
34 Commission enumerated above;
- 35 (10) To advise the ~~Secretary of Administration~~ Chief Administrative Law Judge
36 upon any matter the ~~Secretary~~ Chief Administrative Law Judge may refer to
37 it;
- 38 (11) To administer the provisions of the State Fair Housing Act as outlined in
39 Chapter 41A of the General Statutes;
- 40 (12) To administer the provisions of Chapter 99D of the General Statutes.

1 (b) The Human Relations Commission of the ~~Department of Administration~~Civil Rights
2 Division of the Office of Administrative Hearings shall consist of 22 members. The Governor
3 shall appoint one member from each of the 13 congressional districts, plus five members at
4 large, including the chairperson. The Speaker of the North Carolina House of Representatives
5 shall appoint two members to the Commission. The President Pro Tempore of the Senate shall
6 appoint two members to the Commission. The terms of four of the members appointed by the
7 Governor shall expire June 30, 1988. The terms of four of the members appointed by the
8 Governor shall expire June 30, 1987. The terms of four of the members appointed by the
9 Governor shall expire June 30, 1986. The terms of four of the members appointed by the
10 Governor shall expire June 30, 1985. The terms of the members appointed by the Speaker of
11 the North Carolina House of Representatives shall expire June 30, 1986. The terms of the
12 members appointed by the Lieutenant Governor shall expire June 30, 1986. The initial term of
13 office of the person appointed to represent the 12th Congressional District shall commence on
14 January 3, 1993, and expire on June 30, 1996. At the end of the respective terms of office of the
15 initial members of the Commission, the appointment of their successors shall be for terms of
16 four years. No member of the commission shall serve more than two consecutive terms. A
17 member having served two consecutive terms shall be eligible for reappointment one year after
18 the expiration of his second term. Any appointment to fill a vacancy on the Commission
19 created by the resignation, dismissal, death, or disability of a member shall be filled in the
20 manner of the original appointment for the unexpired term.

21 (c) Members of the Commission shall receive per diem and necessary travel and
22 subsistence expenses in accordance with the provisions of G.S. 138-5.

23 (d) A majority of the Commission shall constitute a quorum for the transaction of
24 business.

25 (e) All clerical and support services required by the Commission shall be supplied by
26 the ~~Secretary of the Department of Administration~~Office of Administrative Hearings."

27 **SECTION 31.1.(e)** G.S. 143-422.3 reads as rewritten:

28 "**§ 143-422.3. Investigations; conciliations.**

29 The Human Relations Commission in the ~~Department of Administration~~Civil Rights
30 Division of the Office of Administrative Hearings shall have the authority to receive charges of
31 discrimination from the Equal Employment Opportunity Commission pursuant to an agreement
32 under Section 709(b) of Public Law 88-352, as amended by Public Law 92-261, and investigate
33 and conciliate charges of discrimination. Throughout this process, the agency shall use its good
34 offices to effect an amicable resolution of the charges of discrimination."

35 **SECTION 31.1.(f)** G.S. 143-422.13 reads as rewritten:

36 "**§ 143-422.13. Investigations; conciliations.**

37 The Human Relations Commission in the ~~Department of Administration~~Civil Rights
38 Division of the Office of Administrative Hearings shall have the authority to receive,
39 investigate, and conciliate complaints of discrimination in public accommodations. Throughout
40 this process, the Human Relations Commission shall use its good offices to effect an amicable
41 resolution of the complaints of discrimination. This Article does not create, and shall not be
42 construed to create or support, a statutory or common law private right of action, and no person
43 may bring any civil action based upon the public policy expressed herein."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-DOA-H2A(S31.2)-P

Department of Administration
House Appropriations, General Government

1 **COUNCIL FOR WOMEN/DOMESTIC VIOLENCE GRANTS**

2 **SECTION 31.2.(a)** G.S. 50B-9 reads as rewritten:

3 **"§ 50B-9. Domestic Violence Center Fund.**

4 (a) The Domestic Violence Center Fund is established within the State Treasury. The
5 fund shall be administered by the Department of Administration, North Carolina Council for
6 Women, and shall be used to make grants to centers for victims of domestic violence and to
7 The North Carolina Coalition Against Domestic Violence, Inc. This fund shall be administered
8 in accordance with the provisions of the Executive Budget Act. The Department of
9 Administration shall make quarterly grants to each eligible domestic violence center and to The
10 North Carolina Coalition Against Domestic Violence, Inc. Effective July 1, 2017, and each
11 fiscal year thereafter, the Department of Administration shall send the contracts to grantees
12 within 10 business days of the date the Current Operations Appropriations Act, as defined in
13 G.S. 143C-1-1, is certified for that fiscal year.

14 (b) Each grant recipient shall receive the same amount. To be eligible to receive funds
15 under this section, a domestic violence center must meet the following requirements:

- 16 (1) It shall have been in operation on the preceding July 1 and shall continue to
17 be in operation.
18 (2) It shall offer all of the following services: a hotline, transportation services,
19 community education programs, daytime services, and call forwarding
20 during the night and it shall fulfill other criteria established by the
21 Department of Administration.
22 (3) It shall be a nonprofit corporation or a local governmental entity.

23 (c) The North Carolina Council for Women shall report on the quarterly distributions of
24 the grants from the Domestic Violence Center Fund to the House and Senate chairs of the
25 General Government Appropriations Committee within five business days of distribution. The
26 report shall include the date, amount, and recipients of the fund disbursements. The report shall
27 also include any eligible programs which are ineligible to receive funding during the relative
28 reporting cycle as well as the reason of the ineligibility for that relative reporting cycle."

29 **SECTION 31.2.(b)** The Department of Information Technology shall review the
30 grants management process of the North Carolina Council for Women and Youth Involvement
31 Office and provide a report on online grants management options for the Domestic Violence
32 and Sexual Assault grants programs to the chairs of the Joint Legislative Oversight Committee
33 on General Government prior to or on April 1, 2018.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-REV-H1-P

Department of Revenue
House Appropriations, General Government

Requested by

1 ***CRIMINAL RECORD CHECKS FOR THE DEPARTMENT OF REVENUE***

2 SECTION #. Subpart D of Part 4 of Article 13 of Chapter 143B of the General
3 Statutes is amended by adding a new section to read as follows:

4 "**§ 143B-967. Criminal record checks for the Department of Revenue.**

5 (a) The Department of Public Safety shall, upon request, provide to the Department of
6 Revenue from the State and National Repositories of Criminal Histories the criminal history of
7 any of the following individuals:

8 (1) A current or prospective permanent or temporary employee.

9 (2) A contractor with the Department.

10 (3) An employee or agent of a contractor with the Department.

11 (4) Any other individual otherwise engaged by the Department who will have
12 access to federal tax information.

13 (b) Along with the request, the Department of Revenue shall provide to the Department
14 of Public Safety the fingerprints of the individual whose record is being sought, a form signed
15 by the individual consenting to the criminal record check and use of fingerprints and other
16 identifying information required by the State and National Repositories, and any additional
17 information required by the Department of Public Safety. The individual's fingerprints shall be
18 forwarded to the State Bureau of Investigation for a search of the State's criminal history record
19 file, and the State Bureau of Investigation shall forward a set of fingerprints to the Federal
20 Bureau of Investigation for a national criminal history record check. The Department of
21 Revenue shall keep all information obtained pursuant to this section confidential.

22 (c) The Department of Public Safety may charge a fee to offset the cost incurred by it to
23 conduct a criminal record check under this section. The fee shall not exceed the actual cost of
24 locating, editing, researching, and retrieving the information."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Proofed
SPECIAL PROVISION



2017-REV-H2-P

Department of Revenue
House Appropriations, General Government

Requested by

1 ***DOR TAX FRAUD ANALYTICS***

2 **SECTION #.(a)** Of the funds appropriated in this act to the Department of
3 Revenue, the sum of four million four hundred thousand dollars (\$4,400,000) in nonrecurring
4 funds for the 2017-2018 fiscal year shall be used to continue and expand the Department's tax
5 fraud analysis contract. These funds shall be used as follows:

- 6 (1) \$1,300,000 to expand and enhance eNC3.
7 (2) \$2,000,000 to pay for fraud detection analytics.
8 (3) \$1,100,000 for hosting infrastructure.

9 **SECTION #.(b)** The Department of Revenue shall continue to coordinate with the
10 Government Data Analytics Center (GDAC) and utilize the subject matter expertise and
11 technical infrastructure available through existing GDAC public-private partnerships for fraud
12 detection analytics and infrastructure.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2017

Drafting
SPECIAL PROVISION



2017-CONT-H1(S33.1)i

Department of State Controller
House Appropriations, General Government

1 **OVERPAYMENTS AUDIT**

2 **SECTION 33.1.(a)** During the 2017-2019 fiscal biennium, receipts generated by
3 the collection of inadvertent overpayments by State agencies to vendors as a result of pricing
4 errors, neglected rebates and discounts, miscalculated freight charges, unclaimed refunds,
5 erroneously paid excise taxes, and related errors shall be deposited in Special Reserve Account
6 24172 as required by G.S. 147-86.22(c).

7 **SECTION 33.1.(b)** Of the funds appropriated in this act from the Special Reserve
8 Account 24172, and for each year of the 2017-2019 fiscal biennium, five hundred thousand
9 dollars (\$500,000) of the funds shall be used by the Office of the State Controller for data
10 processing, debt collection, or e-commerce costs.

11 **SECTION 33.1.(c)** All funds available in Special Reserve Account 24172 on June
12 30 of each year of the 2017-2019 fiscal biennium shall revert to the General Fund on that date.

13 **SECTION 33.1.(d)** The State Controller shall report quarterly to the Joint
14 Legislative Commission on Governmental Operations and the Fiscal Research Division on the
15 revenue deposited in Special Reserve Account 24172 and the disbursement of that revenue.