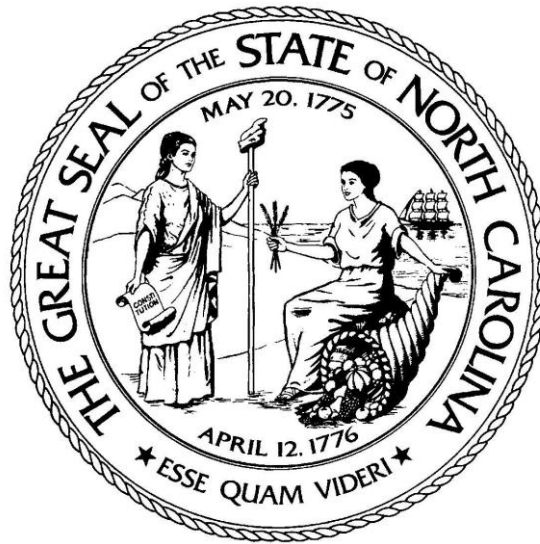


House Appropriations Committee on General Government

Proposed Special Provisions for S.B. 105, 2021 Appropriations Act



August 5, 2021

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GENERAL ASSEMBLY OF NORTH CAROLINA



SPECIAL PROVISIONS HOUSE APPROPRIATIONS, GENERAL GOVERNMENT REPORT

AUGUST 3, 2021

Report Last Updated: August 4, 2021 2:55 p.m.

2021-DOA-H1(S20.1)-P	1
MANAGEMENT OF STATE-OWNED AND STATE-LEASED REAL PROPERTY PORTFOLIO	
2021-DOA-H7(S20.2)-P	4
DOA DIVISION OF NONPUBLIC EDUCATION/REPORTING REQUIREMENT	
2021-DOA-H10A-P	5
DOA DIVISION OF NONPUBLIC EDUCATION ANNUAL REPORTING REQUIREMENT	
2021-DOA-H2(S20.3)I	7
NORTH CAROLINA COUNCIL FOR WOMEN AND YOUTH INVOLVEMENT DUTIES	
2021-DOA-H6(S20.5)-P	8
ECONOMIC ASSISTANCE FUNDS FOR ORGANIZATIONS THAT PROVIDE SERVICES TO VICTIMS OF DOMESTIC VIOLENCE AND SEXUAL ASSAULT	
2021-DOA-H3(S20.6)I	9
NORTH CAROLINA COUNCIL FOR WOMEN AND YOUTH INVOLVEMENT REPORTING REQUIREMENTS	
2021-DOA-H9(S20.7)-P	10
GRANTS FOR NONPROFIT ORGANIZATIONS PROVIDING SERVICES TO VICTIMS OF HUMAN TRAFFICKING	
2021-DOA-H4(S20.9)I	13
COUNCIL OF STATE REIMBURSEMENT FOR COMMUTING IN STATE-OWNED MOTOR VEHICLES	
2021-DOA-H5(S20.10)I	15
DOA LEASE LAKE WHEELER FIELD LAB PROPERTY TO USDA	
2021-DOA-H13-P	16
REVISE LAWS GOVERNING PROCEEDS OF PROPERTY SALES	
2021-DOA-H11-P	17
CONTRACTS FOR NONPROFIT WORK CENTERS FOR THE BLIND AND SEVERELY DISABLED	

2021-OSHR-H1-P	19
REPEAL STATE EMPLOYEE SUGGESTION PROGRAM	
2021-OAH-H1(S21.1)-P	20
OFFICE OF ADMINISTRATIVE HEARINGS/USE OF FUNDS FOR HUMAN RELATIONS SPECIALIST POSITION	
2021-OSBM-H1(S23.1)-P	21
EVIDENCE-BASED GRANTS	
2021-OSBM-H5(S23.2)-P	22
NCPRO/EXTENSION OF OPERATIONS	
2021-OSBM-H6A(S23.3)-P	23
LOCAL FISCAL RECOVERY FUNDS/TECHNICAL ASSISTANCE	
2021-OSBM-H7(S23.4)I	24
FUNDING FOR STATE RECOGNIZED INDIAN TRIBES	
2021-OSBM-H3A-P	25
STATE AGENCY PERFORMANCE MANAGEMENT	
2021-OSBM-H4-P	26
INTERNAL AUDITORS/DOA AND DMVA CONSULT OSBM	
2021-OSBM-H9A-P	27
EASTERN TRIAD WORKFORCE INITIATIVE	
2021-OSBM-H10-P	28
TRUCK DRIVER SHORTAGE	
2021-OSBM-H11-P	29
CONTRACTOR BUSINESS ACADEMY FOR HISTORICALLY UNDERUTILIZED BUSINESSES	
2021-OSBM-H12-P	30
CONSTRUCTION TRAINING AND APPRENTICESHIP PROGRAM	
2021-OSBM-H13-P	31
COVID-19 CONSTRUCTION HEALTH, SAFETY, AND EDUCATION	
2021-OSBM-H14-P	32
FUTURE CITY COMPETITION	
2021-OSBM-H15-P	33
HARNETT COUNTY NONPROFITS	
2021-CONT-H2(S25.1)I	34
OVERPAYMENT AUDITS	
2021-CONT-H1-P	35
DATA SHARING BETWEEN ENTERPRISE-LEVEL SYSTEMS	
2021-SBE-H1A-P	36
POSITIONS FUNDED WITH HAVA AND OTHER FEDERAL FUNDS	
2021-SBE-H2-P	37
POST-ELECTION INTEGRITY REPORT	
2021-GA-H3(S27.1)I	38
FUNDING TO MITIGATE COVID-19 PANDEMIC FISCAL IMPACT ON LEGISLATURE	

2021-HFA-H6(S29.2)I	39
BUDGETING AND REPORTING REQUIREMENTS	
2021-HFA-H7(S29.3)-P	42
STATE HOMEOWNER ASSISTANCE FUND	
2021-HFA-H9(S29.4.1)I	44
WORKFORCE HOUSING LOAN PROGRAM/REVOLVING LOANS	
2021-INS-H1(S30.1)-P	45
REGULATORY FEE AND INSURANCE REGULATORY FUND	
2021-INS-H2A(S30.2)-P	46
VOLUNTEER FIRE DEPARTMENT GRANT PROGRAM CHANGES	
2021-INS-H3(S30.3)I	48
WORKERS' COMPENSATION FUND FOR FIREFIGHTERS AND EMS/RESCUE WORKERS	
2021-MIL-H3(S33.1)I	49
ASSESSMENT OF AND LONG-TERM CARE PLANNING FOR VETERANS	
2021-MIL-H4(S33.2)I	50
REPORT ON STATE VETERANS HOMES	
2021-MIL-H8(S33.3)-P	51
VETERANS LIFE CENTER CHALLENGE GRANT	
2021-MIL-H5(S33.4)-P	52
REPORT ON SCHOLARSHIPS FOR CHILDREN OF WARTIME VETERANS	
2021-MIL-H1-P	53
VETERANS CEMETERIES TRUST FUND	
2021-MIL-H6-P	54
STATE EDUCATION ASSISTANCE AUTHORITY DISBURSE STATE'S SCHOLARSHIPS FOR CHILDREN OF WARTIME VETERANS	
2021-MIL-H7A-P	57
VETERANS JUSTICE INTERVENTION PILOT PROGRAM	
2021-REV-H1(S34.1)I	58
TAX COLLECTION ASSISTANCE FEE/SPECIAL FUND	
2021-REV-H2(S34.3)I	59
TAX FRAUD ANALYTICS	
2021-REV-H3-P	60
GROWER GRANT PROGRAM	
2021-REV-H4-P	62
DEPARTMENT OF REVENUE SYSTEMS PROJECTS UPDATE REPORT	
2021-TREAS-H1(S36.1)I	63
IMPROVE SYSTEM FOR MONITORING THE FISCAL HEALTH OF LOCAL GOVERNMENT UNITS	
2021-TREAS-H2-P	64
STATE TREASURER BUDGET/RECEIPTS DEPOSITED WITH STATE CONTROLLER AS NONTAX REVENUE	

2021-TREAS-H3-P.....	66
EXPAND THE TYPE OF CANCERS COVERED AS OCCUPATIONAL DISEASES FOR FIREFIGHTERS' DEATH BENEFITS	
2021-GA-H1(PART XXXVII)I.....	67
General Government Oversight Reporting Requirements	
DEPARTMENT OF ADMINISTRATION	
ETHICS COMMISSION	
OFFICE OF STATE HUMAN RESOURCES	
OFFICE OF STATE AUDITOR	
OFFICE OF STATE BUDGET AND MANAGEMENT	
STATE BOARD OF ELECTIONS	
DEPARTMENT OF INSURANCE	
INDUSTRIAL COMMISSION	
DEPARTMENT OF MILITARY AND VETERANS AFFAIRS	
DEPARTMENT OF REVENUE	
SECRETARY OF STATE	
DEPARTMENT OF STATE TREASURER	

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-DOA-H1(S20.1)-P

Department of Administration
House Appropriations, General Government

**MANAGEMENT OF STATE-OWNED AND STATE-LEASED REAL PROPERTY
PORTFOLIO**

SECTION 20.1.(a) G.S. 143-341.2 reads as rewritten:

"§ 143-341.2. Proactive management of State-owned and State-leased real property portfolio.

(a) Duties of the Department of Administration. – The Department of Administration shall have the following powers and duties:

(1) Development of comprehensive State facilities plan. – No later than ~~December 1, 2018,~~ April 1, 2023, and every five years thereafter, the Department of Administration shall develop and implement a plan to comprehensively manage, acquire, and dispose of the facilities and spaces required to fully support State government operations. The plan shall do all of the following:

...

f. Provide recommendations for disposing of existing State property and facilities, consolidating operations among existing facilities, and relocating State agencies from leased facilities to State-owned facilities.

g. Describe all changes made to space planning standards developed and distributed as provided in subdivision (4) of this subsection.

...

(3) Development of utilization measures. – ~~No later than December 1, 2016, the~~ The Department of Administration shall develop and distribute to State agencies procedures to be used to measure the utilization of State-owned and State-leased real property. The procedures developed pursuant to this subdivision shall be all of the following:

...

(4) Development and enforcement of space planning standards. – ~~No later than December 1, 2016, the~~ The Department of Administration shall develop and distribute to State agencies space planning standards to be used to determine workspace size and to govern the use of shared space. The standards developed pursuant to this subdivision shall be based on the Federal GSA's Office of Real Property Management Performance Measurement Division Workspace Utilization and Allocation Benchmark report unless the Department identifies another efficient industry standard upon which to base the space planning standards developed pursuant to this subdivision. The Department ~~shall annually shall:~~

a. Annually perform audits of a portion of State agencies to determine each agency's adherence to the space planning standards developed pursuant to this subdivision and shall send formal letters of admonishment to any agency that fails to justify, in the sole discretion of the Department, any deviation from those standards.

b. Update the space planning standards developed pursuant to this subdivision at least once every five years and distribute those changes to State agencies.

...

(7) Reporting. – The Department of Administration shall make the following reports:

a. No later than ~~December 1, 2018,~~ April 1, 2023, and every five years thereafter, the Department shall report the following to the Joint Legislative Commission on Governmental Operations, ~~to the Joint Legislative Oversight Committee on Capital Improvements, Joint Legislative Oversight Committee on General Government, and Fiscal Research Division of the General Assembly, and to the Program Evaluation Division of the General Assembly;~~ Division:

...

b. If any State agency fails to submit the information required by subdivision (b)(1) of this section, the Department shall report the failure to the chairs of the Joint Legislative Commission on Governmental ~~Operations and to Operations,~~ the chairs of the Joint Legislative Oversight Committee on Capital Improvements, and the chairs of the Joint Legislative Program Evaluation Oversight Committee on General Government within 30 days.

c. No later than ~~December 1, 2019,~~ April 1, 2024, and each year thereafter, the Department shall report to the Joint Legislative Commission on Governmental Operations, ~~to the Joint Legislative Oversight Committee on Capital Improvements, Joint Legislative Oversight Committee on General Government, and Fiscal Research Division of the General Assembly, and to the Program Evaluation Division of the General Assembly~~ on the State's portfolio of real property. This report shall include at least the following information:

...

8. A list of all audits performed that year pursuant to sub-subdivision a. of subdivision (4) of this subsection, a summary of the findings of each audit, and the agency's plans for addressing the findings of the audit.

(b) Duties of Other State Agencies. – Each State agency shall have the following powers and duties:

(1) Collection and reporting of information on property use. – No later than ~~July 1, 2018,~~ November 1, 2022, and each year thereafter, each State agency shall submit to the Department of Administration all of the information described in G.S. 143-341(4)b.1. through 15. for each building, facility, or space in any building or facility that the agency occupies. This shall be in addition to any reports required pursuant to G.S. 143-341(4)h.

...

(4) Development of five-year property management plan. – No later than ~~July 1, 2018,~~ November 1, 2022, and every five years thereafter, each State agency shall develop a five-year real property management plan and shall submit the plan to the Department of Administration for review. Each plan shall do all of the following:

...."

SECTION 20.1.(b) The Department of Administration, State Property Office, shall include in the April 1, 2023, comprehensive State facilities plan required by G.S. 143-341.2, as

1 enacted in subsection (a) of this section, a report on any changes to the space needs of State
2 agencies as a result of employees working from home due to the COVID-19 pandemic. The State
3 Property Office shall consult with the Office of State Human Resources in preparing the report,
4 which shall include all of the following:

- 5 (1) The percentage of employees in each State agency that, on average, worked
6 from home at least one day each week from March 1, 2021, to March 1, 2022.
- 7 (2) The percentage of employees in each State agency that, on average, worked
8 from home at least four days each week from March 1, 2021, to March 1,
9 2022.
- 10 (3) Information from State agencies about the continued duration of their
11 work-from-home policies, including anticipated termination of the policies.
- 12 (4) Recommendations for reducing or consolidating State agency facilities in
13 response to expanded State agency work-from-home policies.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

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SPECIAL PROVISION



2021-DOA-H7(S20.2)-P

Department of Administration
House Appropriations, General Government

DOA DIVISION OF NONPUBLIC EDUCATION/REPORTING REQUIREMENT

SECTION 20.2. The Department of Administration, Division of Nonpublic Education (Division), shall report to the Joint Legislative Oversight Committee on General Government, the Joint Legislative Oversight Committee on Education, and the Fiscal Research Division on the use of State Fiscal Recovery Funds appropriated in this act to the Division for the purpose of ensuring compliance with the provisions of G.S. 115C-552 and G.S. 115C-560. The report shall be compiled as follows:

- (1) An initial report submitted no later than February 1, 2022, which shall include all of the following:
 - a. A description of the increase in home school notice of intent filings as a result of the COVID-19 pandemic and the number of those home schools that have since submitted termination notices.
 - b. The current approach to tracking the number of operational home schools in the State.
 - c. Challenges in maintaining an accurate count of operational home schools.
 - d. Efforts underway to determine which home schools are no longer operational.
 - e. The current methodology for compiling annual statistical reports on operational home schools and any planned database improvements and changes to the statistical report methodology.
 - f. Year-to-date and planned expenditures.
- (2) A final report submitted no later than August 1, 2022, which shall be appended to the Division's annual statistical report on home schools and shall include all of the following:
 - a. An assessment of the long-term impact of the COVID-19 pandemic on the number of home schools in the State, including whether the increase in the number of home schools experienced during the pandemic is likely to continue to rise or decline and the factors contributing to those decisions.
 - b. An assessment of the accuracy of current data on the number of operational home schools.
 - c. An update on efforts undertaken to determine which home schools are no longer operational.
 - d. Any changes made to the way in which the annual statistical report is compiled, including any completed database improvements and changes to the statistical report methodology.
 - e. Recommendations on ways in which the collection and compilation of data on the number of operational home schools can be further improved.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

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SPECIAL PROVISION



2021-DOA-H10A-P

Department of Administration
House Appropriations, General Government

Requested by

DOA DIVISION OF NONPUBLIC EDUCATION ANNUAL REPORTING REQUIREMENT

SECTION #. G.S. 143-341 reads as rewritten:

"§ 143-341. Powers and duties of Department.

...

(12) Nonpublic Schools:

a. Via the Division of Nonpublic Education (Division), to submit reports to the Joint Legislative Oversight Committee on General Government, the Joint Legislative Oversight Committee on Education, and the Fiscal Research Division by July 15 of each year that include all of the following, including the methodology used to gather or estimate the information:

1. For schools to which Part 1 and Part 2 of Article 39 of Chapter 115C of the General Statutes relate, excluding home schools as defined in Part 3 of Article 39 of Chapter 115C of the General Statutes:

I. Statewide. –

A. Total number of all schools and total number of schools by type. For purposes of this subdivision, the term "type" means the school is operating as a private church school or school of religious charter under Part 1 or as a nonpublic school under Part 2 of Article 39 of Chapter 115C of the General Statutes.

B. Total student enrollment and total student enrollment by type of school.

C. Total student enrollment by grade.

D. Total student enrollment by sex.

II. For each county. –

A. Total number of all schools and total number of schools by type.

B. Total student enrollment and total student enrollment by type of school.

C. Total student enrollment by grade.

2. For home schools as that term is defined in Part 3 of Article 39 of Chapter 115C of the General Statutes:

I. Statewide. –

A. Total number of all home schools and total number of home schools electing to operate under Part 1 and total number electing to

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

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SPECIAL PROVISION



2021-DOA-H2(S20.3)i

Department of Administration
House Appropriations, General Government

NORTH CAROLINA COUNCIL FOR WOMEN AND YOUTH INVOLVEMENT DUTIES

SECTION 20.3. G.S. 143B-393 reads as rewritten:

"§ 143B-393. North Carolina Council for Women and Youth Involvement – creation; powers and duties.

(a) There is hereby created the North Carolina Council for Women and Youth Involvement of the Department of Administration. The Council shall ~~have~~perform the following functions and duties:

- (1) ~~To advise~~Advise the Governor, the principal State departments, and the State legislature concerning the education and employment of women in the State of North Carolina.
- (1a) ~~To advise~~Advise the Governor or Secretary of Administration upon any matter relating to the following programs and organizations:
 - a. North Carolina Internship Council and the North Carolina State Government Internship Program.
 - b. SADD (Students Against Destructive Decisions).
 - c. State Youth Councils.
- (2) ~~To advise~~Advise the Secretary of Administration upon any matter the Secretary may refer to the Council.
- (3) Repealed by Session Laws 2013-30.2(b), effective July 1, 2013.
- (4) Administer the Domestic Violence Center Fund, as provided in G.S. 50B-9.
- (5) Administer the Sexual Assault and Rape Crisis Center Fund, as provided in G.S. 143B-394.21.
- (6) Recommend a person to serve as State Coordinator of the office of Coordinator of Services for Victims of Sexual Assault, as provided in G.S. 143B-394.2.
- (7) Provide staff support to the Domestic Violence Commission, as provided in G.S. 143B-394.16.
- (8) Serve as a member of the North Carolina Child Fatality Task Force, as provided in G.S. 7B-1402.
- (9) Consult with the Department of Public Safety on a reporting system and database on certain domestic violence-related homicides, as provided in G.S. 143B-903.
- (10) Provide staff support for the North Carolina Internship Council and the State Youth Advisory Council, as provided in G.S. 143B-394.32 and G.S. 143B-394.26, respectively.

...."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

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SPECIAL PROVISION



2021-DOA-H6(S20.5)-P

Department of Administration
House Appropriations, General Government

***ECONOMIC ASSISTANCE FUNDS FOR ORGANIZATIONS THAT PROVIDE SERVICES
TO VICTIMS OF DOMESTIC VIOLENCE AND SEXUAL ASSAULT***

SECTION 20.5. Of the funds appropriated in this act from the State Fiscal Recovery Fund to the Department of Administration, North Carolina Council for Women and Youth Involvement (Council), the sum of eight million three hundred eight thousand two hundred eighteen dollars (\$8,308,218) in nonrecurring funds for the 2021-2022 fiscal year shall be used to reduce the negative economic impact of the COVID-19 pandemic on organizations that provide domestic violence and sexual assault services across the State. The Council shall allocate the funds as follows:

- (1) Four million one hundred fifty-four thousand one hundred nine dollars (\$4,154,109) to domestic violence organizations across the State eligible to receive grants pursuant to G.S. 50B-9(b). Eligible grant recipients shall receive an equal amount as provided in G.S. 50B-9(b).
- (2) Four million one hundred fifty-four thousand one hundred nine dollars (\$4,154,109) to sexual assault programs and organizations across the State eligible to receive grants pursuant to G.S. 143B-394.21. Eligible grant recipients shall receive an amount based on the formula provided in G.S. 143B-394.21.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

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SPECIAL PROVISION



2021-DOA-H3(S20.6)i

Department of Administration
House Appropriations, General Government

**NORTH CAROLINA COUNCIL FOR WOMEN AND YOUTH INVOLVEMENT
REPORTING REQUIREMENTS**

SECTION 20.6. G.S. 50B-9 reads as rewritten:

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

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

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

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

(c) ~~The~~ On or before September 1, the North Carolina Council for Women and Youth Involvement shall report on the quarterly distributions of the grants from the Domestic Violence Center Fund to the House and Senate chairs of the General Government Appropriations Committee ~~within five business days of distribution, and the Fiscal Research Division.~~ The report shall include the date, following:

- (1) Date, amount, and recipients of the fund disbursements. ~~The report shall also include any eligible~~
- (2) Eligible programs which are ineligible to receive funding during the relative reporting cycle as well as the reason of the ineligibility for that relative reporting cycle."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-DOA-H9(S20.7)-P

Department of Administration
House Appropriations, General Government

***GRANTS FOR NONPROFIT ORGANIZATIONS PROVIDING SERVICES TO VICTIMS
OF HUMAN TRAFFICKING***

SECTION 20.7.(a) Of the funds appropriated in this act from the State Fiscal Recovery Fund to the Department of Administration, North Carolina Council for Women and Youth Involvement (Council), the sum of six million six hundred thousand dollars (\$6,600,000) in nonrecurring funds for the 2021-2022 fiscal year shall be used to develop and implement a grant program to provide funds to eligible organizations for economic assistance and to enhance services to victims of human trafficking. The Council may use up to three hundred thousand dollars (\$300,000) of the funds appropriated in this section in each fiscal year of the 2021-2023 fiscal biennium to establish three time-limited positions to administer the grant program.

SECTION 20.7.(b) The following criteria shall apply to the grant program:

- (1) Grant applicants shall satisfy all of the following:
 - a. Be a nonprofit corporation.
 - b. Provide direct services to victims of human trafficking, which may include case management, client safety, client well-being, and other services, including health, transportation, housing, education, and employment assistance.
 - c. Demonstrate an economic loss resulting from the COVID-19 pandemic.
 - d. Be ineligible for a grant under the provisions of G.S. 50B-9 and G.S. 143B-394.21.
- (2) The Council shall coordinate outreach efforts with the North Carolina Human Trafficking Commission, State agencies, and local partners to make information regarding the grant funds available to eligible organizations within two weeks after this section becomes law.
- (3) The amount of the grant shall not exceed the organization's economic loss resulting from the COVID-19 pandemic.
- (4) The Council shall, upon receipt of all applications by the deadline set under grant program deadlines, expeditiously award and disburse grant funds.
- (5) Grant recipients shall comply with all reporting requirements in G.S. 143C-6-23 and the contract between the recipient and the Council.

SECTION 20.7.(c) If all funds appropriated as provided in subsection (a) of this section are not disbursed in the first round of grants, the Council shall award a second round of grants to eligible organizations for the purpose of developing, strengthening, or expanding human trafficking victim service programs to help mitigate the increased risk of human trafficking as a result of the COVID-19 pandemic. The following criteria shall apply to the second round of the grant program:

- (1) Grant applicants shall satisfy all of the following:
 - a. Be a nonprofit corporation.
 - b. Provide direct services to victims of human trafficking, which may include case management, client safety, client well-being, and other

- services, including health, transportation, housing, education, and employment assistance.
- c. Be ineligible for a grant under the provisions of G.S. 50B-9 and G.S. 143B-394.21.
- d. Submit a detailed proposal of its human trafficking service program which shall, at a minimum, include all of the following:
1. A description of the geographic area the organization serves and the needs of victims of human trafficking in that area.
 2. A plan to address the needs of victims, including the goals and objectives of each proposed initiative.
 3. The time line for implementing each proposed initiative to achieve the desired objective and the names of any partners with whom the organization will be working and the role of those partners in the proposed initiative.
 4. A list of the specific services each proposed initiative will deliver, which may include case management, client safety, client well-being, and other services, including health, transportation, housing, education, and employment assistance.
 5. The anticipated planning and administrative costs for each proposed initiative, sorted by type, including staffing, fixed costs, contracts, and information technology.
 6. A description of the organization's capacity to implement its plan to address the needs of victims, including the organization's staffing level, systems, partnerships, existing funding, and existing programs.
 7. A description of the applicant's plans and capability to continue each proposed initiative beyond June 30, 2022, if the applicant plans to do so.
 8. Any additional information deemed appropriate by the Council.
- (2) The Council shall, in consultation with the North Carolina Human Trafficking Commission, develop program guidelines and shall coordinate outreach efforts with the Commission, State agencies, and local partners to make information regarding the grant funds available to eligible organizations.
- (3) The Council shall set the maximum amount of each grant based upon the availability of funds.
- (4) No later than June 30, 2022, each grantee shall submit a report to the Council that includes all of the following:
- a. Progress on the development and implementation of each of its program initiatives.
 - b. Progress on meeting goals and objectives for each program initiative.
 - c. The number of human trafficking victims assisted through each program initiative.
 - d. A description and explanation of any delays in implementation of program initiatives.
 - e. A description and explanation of any changes in the proposal submitted pursuant to sub-subdivision d. of subdivision (1) of this subsection.

1 f. Planning and administrative costs to date for each program initiative,
2 sorted by type, including staffing, fixed costs, contracts, and
3 information technology.

4 g. Any additional information required by the Council.

5 (5) Grant recipients shall comply with all reporting requirements in
6 G.S. 143C-6-23 and the contract between the recipient and the Council.

7 (6) The Council shall post on its website the detailed proposal required by
8 sub-subdivision d. of subdivision (1) of this subsection and the report required
9 by subdivision (4) of this subsection.

10 **SECTION 20.7.(d)** Within 60 days of disbursing grants in the first round and the
11 second round, if applicable, the Council shall submit a report on the grants awarded to the Senate
12 Appropriations Committee on General Government and Information Technology, the House of
13 Representatives Appropriations Committee on General Government, the Joint Legislative
14 Oversight Committee on General Government, and the Fiscal Research Division that contains all
15 of the following:

16 (1) The number of applications received.

17 (2) The number of grants awarded.

18 (3) The names and locations of the grant recipients.

19 (4) The amount of each grant awarded.

20 (5) A description of the human trafficking program initiatives that were funded
21 by each grant awarded under subsection (c) of this section, including the
22 geographic area in which services were provided.

23 (6) The total number of victims of human trafficking that were served, to date, by
24 each recipient receiving a grant under subsection (c) of this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-DOA-H4(S20.9)i

Department of Administration
House Appropriations, General Government

**COUNCIL OF STATE REIMBURSEMENT FOR COMMUTING IN STATE-OWNED
MOTOR VEHICLES**

SECTION 20.9. G.S. 143-341 reads as rewritten:

"§ 143-341. Powers and duties of Department.

The Department of Administration has the following powers and duties:

...

(8) General Services:

...

i. To establish and operate a central motor fleet and such subsidiary related facilities as the Secretary may deem necessary, and to that end:

...

7a. ...

Every individual who uses a State-owned passenger motor vehicle, pickup truck, or van to drive between the individual's official work station and his or her home, shall reimburse the State for these trips at a rate computed by the Department. This rate shall ~~approximate~~ be derived from a method that approximates the benefit derived from the use of the vehicle as prescribed by federal ~~law~~ law, which may include the lease value rule described in Publication 15-B of the Internal Revenue Service. Reimbursement for a member of the Council of State shall be for the actual number of days the member uses the vehicle to commute during the month. Reimbursement for any other individual shall be for 20 days per month regardless of how many days the individual uses the vehicle to commute during the month. Reimbursement shall be made by payroll deduction. Funds derived from reimbursement on vehicles owned by the Motor Fleet Management Division shall be deposited to the credit of the Division; funds derived from reimbursements on vehicles initially purchased with appropriations from the Highway Fund and not owned by the Division shall be deposited in a Special Depository Account in the Department of Transportation, which shall revert to the Highway Fund; funds derived from reimbursement on all other vehicles shall be deposited in a Special Depository Account in the Department of Administration which shall revert to the General Fund. Commuting, for purposes of this sub-sub-subdivision, does not include those individuals whose office is in their home, as determined by the Department of Administration, Division of Motor Fleet Management. Also, this sub-sub-subdivision does not apply to the following

vehicles: (i) clearly marked police and fire vehicles, (ii) delivery trucks with seating only for the driver, (iii) flatbed trucks, (iv) cargo carriers with over a 14,000 pound capacity, (v) school and passenger buses with over 20 person capacities, (vi) ambulances, (vii) [Repealed]. (viii) bucket trucks, (ix) cranes and derricks, (x) forklifts, (xi) cement mixers, (xii) dump trucks, (xiii) garbage trucks, (xiv) specialized utility repair trucks (except vans and pickup trucks), (xv) tractors, (xvi) unmarked law-enforcement vehicles that are used in undercover work and are operated by full-time, fully sworn law-enforcement officers whose primary duties include carrying a firearm, executing search warrants, and making arrests, and (xvii) any other vehicle exempted under Section 274(d) of the Internal Revenue Code of 1954, and Federal Internal Revenue Service regulations based thereon. The Department of Administration, Division of Motor Fleet Management, shall report quarterly to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division of the Legislative Services Office on individuals who use State-owned passenger motor vehicles, pickup trucks, or vans between their official work stations and their homes, who are not required to reimburse the State for these trips.

...."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-DOA-H5(S20.10)i

Department of Administration
House Appropriations, General Government

DOA LEASE LAKE WHEELER FIELD LAB PROPERTY TO USDA

SECTION 20.10. The Department of Administration (Department) may lease to the United States Department of Agriculture, Agricultural Research Service (USDA ARS), for nominal monetary consideration, up to 15 acres of real property owned by the State and allocated to North Carolina State University as part of the University's Lake Wheeler Field Lab in the City of Raleigh near the intersection of Lake Wheeler Road and Inwood Road. The lease may be for a term of up to 40 years, including renewals, and may permit the construction, as well as the use and operation, by USDA ARS of an interdisciplinary plant research facility and related improvements to facilitate, encourage, and strengthen collaboration with university researchers in related fields. The lease shall provide that USDA ARS shall be responsible for all costs related to the construction, use, and operation of the facility. Notwithstanding the provisions of G.S. 146-29.1, the lease shall be effective upon execution and the satisfaction of any conditions precedent to its effectiveness stated in the lease. The Department shall comply with the reporting requirements of G.S. 146-29(c) prior to entering or renewing any lease under this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-DOA-H13-P

Department of Administration
House Appropriations, General Government

Requested by

- 1 ***REVISE LAWS GOVERNING PROCEEDS OF PROPERTY SALES***
- 2 **SECTION #.(a)** G.S. 146-30.2 is repealed.
- 3 **SECTION #.(b)** This section is effective retroactively to June 1, 2021. The net
- 4 proceeds of sales of State-owned real property closing on or after that date shall be distributed
- 5 by the Department of Administration as set forth in G.S. 146-30.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-DOA-H11-P

Department of Administration
House Appropriations, General Government

Requested by

**CONTRACTS FOR NONPROFIT WORK CENTERS FOR THE BLIND AND SEVERELY
DISABLED**

SECTION #.(a) G.S. 143-129.5 reads as rewritten:

"§ 143-129.5. Purchases from nonprofit work centers for the blind and severely disabled.

(a) Notwithstanding G.S. 143-129, a city, county, or other governmental entity subject to this Article may purchase goods and services directly from a nonprofit work center for the blind and severely disabled, as defined in G.S. 143-48.

(b) The Secretary of Administration shall, at least annually, canvass nonprofit work centers for the blind and severely disabled for goods and services required by the State government or any of its departments, institutions, or agencies and shall purchase or contract for the purchase, lease, or lease-purchase of those goods and services. The Secretary shall establish and enforce specifications that shall apply to all goods and services to be purchased or leased from nonprofit work centers for the use of the State government or any of its departments, institutions, or agencies. Except as provided in G.S. 148-134, where one or more sources of supply have been established by contract and certified by the Secretary of Administration to State departments, institutions, and agencies, it shall be the duty of all State departments, institutions, and agencies to make requisition or issue orders on forms to be prescribed by the Secretary of Administration for purchases required by them upon the sources of supply so certified. No State department, institution, or agency shall purchase from any sources other than those certified by the Secretary unless the requisition cannot be fulfilled because of insufficient availability of goods or services required. The Secretary shall, in any contract or lease, require that nonprofit work centers maintain the price of goods or services substantially in accord with that paid by governmental agencies for similar goods or services of equivalent quality. The provisions of G.S. 143-52 shall not apply to purchases made pursuant to this section. However, nothing in this section shall prohibit a nonprofit work center from submitting bids or making offers for contracts under G.S. 143-52.

(c) ~~The Department of Administration shall report annually to the Joint Legislative Commission on Governmental Operations Oversight Committee on General Government on its administration of this program.~~ the programs described in subsections (a) and (b) of this section."

SECTION #.(b) G.S. 143-48.2 reads as rewritten:

"§ 143-48.2. Procurement program for nonprofit work centers for the blind and the severely disabled.

(a) An agency subject to the provisions of this Article for the procurement of goods may purchase goods directly from a nonprofit work center for the blind and severely disabled, subject to the following provisions:

...

(2) The goods must not be available under a State requirements contract, contract, except as provided in G.S. 143-129.5, or available from Correction Enterprises as provided in G.S. 148-134.

...

1 (b) An agency subject to the provisions of this Article for the procurement of services
2 may purchase services directly from a nonprofit work center for the blind and severely disabled,
3 subject to the following provisions:

4 (1) The services must not be available under a State requirements
5 ~~contract~~contract, except as provided in G.S. 143-129.5, or available from
6 Correction Enterprises as provided in G.S. 148-134.

7"

8 **SECTION #.(c)** This section becomes effective October 1, 2021, and applies to
9 requisitions made on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSHR-H1-P

Office of State Human Resources
House Appropriations, General Government

Requested by

1 ***REPEAL STATE EMPLOYEE SUGGESTION PROGRAM***

2 **SECTION #.(a)** The State Employee Suggestion Program (NC-Thinks), being
3 Article 36A of Chapter 143 of the General Statutes, is repealed.

4 **SECTION #.(b)** G.S. 126-3(b)(10) and G.S. 143-340(1) are repealed.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OAH-H1(S21.1)-P

Office of Administrative Hearings
House Appropriations, General Government

***OFFICE OF ADMINISTRATIVE HEARINGS/USE OF FUNDS FOR HUMAN
RELATIONS SPECIALIST POSITION***

SECTION 21.1. Of the funds appropriated in this act to the Office of Administrative Hearings for a new Human Relations Specialist position, the sum of two thousand five hundred dollars (\$2,500) in the 2021-2022 fiscal year may be used for start-up costs, including the purchase of furniture and other necessary equipment.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H1(S23.1)-P

Office of State Budget and Management
House Appropriations, General Government

EVIDENCE-BASED GRANTS

SECTION 23.1. Of the funds appropriated in this act to the Office of State Budget and Management (OSBM), the sum of five hundred thousand dollars (\$500,000) in nonrecurring funds in each year of the 2021-2023 fiscal biennium shall be used to provide grants to State agencies to do the following: (i) in partnership with research institutions, conduct research projects that will directly inform the agencies' policy and program decisions and (ii) pursuant to contract with an outside entity or in conjunction with OSBM, evaluate how well the agencies' programs are achieving their intended outcomes. OSBM shall develop guidelines and procedures for the administration and distribution of these funds to State agencies through a competitive process and shall, by June 30, 2022, and June 30, 2023, submit reports on the administration and use of the funds to the Joint Legislative Oversight Committee on General Government and the Fiscal Research Division. Each report shall include all of the following for both research projects and evaluation projects for each fiscal year:

- (1) The criteria used by OSBM to evaluate applications from State agencies for grant funds.
- (2) The number of applications received.
- (3) The number of applications accepted and rejected.
- (4) For each State agency, a description of the specific policies and/or programs that were included in the projects as well as the data and research methodology used.
- (5) The names of the research institutions that partnered with State agencies to conduct research projects.
- (6) The names of the outside entities with whom State agencies worked in conjunction to evaluate program outcomes.
- (7) The amount spent on each project.
- (8) The findings of each project.
- (9) A summary of all policy and program changes planned or enacted as a result of project findings.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H5(S23.2)-P

Office of State Budget and Management
House Appropriations, General Government

NCPRO/EXTENSION OF OPERATIONS

SECTION 23.2. Section 4.3 of S.L. 2020-4, as amended by Section 3.5 of S.L. 2021-1, reads as rewritten:

"SECTION 4.3.(a) OSBM shall establish a temporary North Carolina Pandemic Recovery Office (Office) to oversee and coordinate funds made available under COVID-19 Recovery Legislation. This Office shall also provide technical assistance and ensure coordination of federal funds received by State agencies and local governments and ensure proper reporting and accounting of all funds. The authorization set forth in this section expires on ~~December 31, 2021,~~ July 1, 2027, and the Office shall cease to operate upon expiration of the authorization.

...."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H6A(S23.3)-P

Office of State Budget and Management
House Appropriations, General Government

1 ***LOCAL FISCAL RECOVERY FUNDS/TECHNICAL ASSISTANCE***

2 **SECTION 23.3.(a)** Of the funds appropriated in this act from the State Fiscal
3 Recovery Fund to the Office of State Budget and Management, Pandemic Recovery Office, the
4 sum of thirty million dollars (\$30,000,000) in nonrecurring funds for the 2021-2022 fiscal year
5 shall be allocated equally to the North Carolina League of Municipalities, the North Carolina
6 Association of County Commissioners, and the North Carolina Association of Regional Councils
7 of Government to provide guidance and technical assistance to units of local government in the
8 administration of funds from the Local Fiscal Recovery Fund, as established in Section 2.6 of
9 S.L. 2021-25.

10 **SECTION 23.3.(b)** Of the funds appropriated in this act from the State Fiscal
11 Recovery Fund to the Office of State Budget and Management, Pandemic Recovery Office, the
12 sum of twenty-four million dollars (\$24,000,000) in nonrecurring funds for the 2021-2022 fiscal
13 year shall be allocated equally between the Town of Huntersville and the Town of Apex.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-OSBM-H7(S23.4)i

Office of State Budget and Management
House Appropriations, General Government

1 ***FUNDING FOR STATE RECOGNIZED INDIAN TRIBES***

2 **SECTION 23.4.** Of the funds appropriated in this act from the State Fiscal Recovery
3 Fund to the Office of State Budget and Management, Pandemic Recovery Office, the sum of ten
4 million dollars (\$10,000,000) in nonrecurring funds for the 2021-2022 fiscal year shall be
5 allocated to the American Indian tribes named in Chapter 71A of the General Statutes. The funds
6 shall be allocated based on the number of members enrolled in the tribes on July 1, 2021.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H3A-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

1 ***STATE AGENCY PERFORMANCE MANAGEMENT***

2 **SECTION #.(a)** The Program Analyst position established in this act in the Office
3 of State Budget and Management (OSBM) shall be used to support statewide performance
4 management initiatives in OSBM.

5 **SECTION #.(b)** The Program Analyst positions established in this act in the
6 Department of Administration and the Department of Military and Veterans Affairs shall be used
7 to implement evidence-based program design and management within the respective agencies.
8 Each department shall collaborate with OSBM on the recruitment, hiring, and onboarding of the
9 positions and shall, prior to filling the positions, consult with OSBM.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H4-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

1 ***INTERNAL AUDITORS/DOA AND DMVA CONSULT OSBM***

2 **SECTION #.** The Internal Auditor positions established in this act in the Department
3 of Administration (DOA) and the Department of Military and Veterans Affairs (DMVA) shall
4 be used to implement evidence-based program design and management within the respective
5 agencies. Each department shall collaborate with the Office of State Budget and Management on
6 the recruitment, hiring, and onboarding of the positions and shall, prior to filling the positions,
7 consult with OSBM.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H9A-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

EASTERN TRIAD WORKFORCE INITIATIVE

SECTION #. Of the funds appropriated in this act to the Office of State Budget and Management, the sum of four million five hundred thousand dollars (\$4,500,000) in nonrecurring funds for the 2022-2023 fiscal year shall be used to provide directed grants to support the Triad Workforce Solutions Collaborative as follows:

(1)	Alamance County	\$875,000
(2)	Guilford County	\$2,250,000
(3)	Rockingham County	\$625,000
(4)	Randolph County	\$750,000.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H10-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

TRUCK DRIVER SHORTAGE

SECTION #.(a) Of the funds appropriated in this act from the State Fiscal Recovery Fund to the Office of State Budget and Management, the sum of five million dollars (\$5,000,000) in nonrecurring funds for the 2021-2022 fiscal year shall be provided to the North Carolina Trucking Association Foundation (Foundation) to address the truck driver shortage in the State. In partnership with the CAGC Foundation, Inc., and the North Carolina Community College System, the Foundation shall use these funds as follows:

- (1) To create and conduct a truck driver shortage and image awareness campaign statewide targeting outreach to women and minorities.
- (2) To provide funds for community college instructor pay and equipment related to truck driver training programs in the State, particularly in rural and depressed areas.
- (3) To provide funds for tuition scholarships paid directly to schools in the State to provide opportunities for individuals that are unable to afford tuition for coursework related to truck driver training programs and to obtain commercial driver licensure.
- (4) To provide stipends to trucking company finishing schools in the State.
- (5) To provide hiring bonuses to retired truck drivers recruited as instructors to expand community college training programs in the State.
- (6) To encourage trucking companies to partner with community colleges in the State by offering conditional job placements prior to graduation from a truck driver training program.
- (7) To offer incentives to trucking companies to establish internships and pre-apprenticeships to high school students in the State.

SECTION #.(b) Funds appropriated for the program described in this section shall remain available until expended or until December 31, 2024, whichever is later.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H11-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

**CONTRACTOR BUSINESS ACADEMY FOR HISTORICALLY UNDERUTILIZED
BUSINESSES**

SECTION #.(a) Of the funds appropriated in this act from the State Fiscal Recovery Fund to the Office of State Budget and Management, the sum of three million dollars (\$3,000,000) in nonrecurring funds for the 2021-2022 fiscal year shall be provided to CAGC Foundation, Inc., (CAGC) to conduct Historically Underutilized Business Contractor Business Academies (Academies) in partnership with the Department of Administration, Office for Historically Underutilized Businesses (HUB), and the North Carolina Community Colleges System. In developing and administering the Academies, CAGC shall do the following:

- (1) In partnership with HUB and the North Carolina Community Colleges System, develop the content and training to be offered at the Academies.
- (2) Collaborate with nonprofit organizations, including, but not limited to, trade organizations and affinity groups, religious organizations, and State agencies, to recruit participants from rural-, minority-, and women-owned businesses in this State for the Academies.
- (3) Offer at least three Academies in various locations at historically black colleges and universities and community colleges in this State. The Academies shall provide instruction through a combination of in-person and virtual formats and shall be taught by construction industry experts and professionals.
- (4) Provide participation in the Academies free of charge to Disadvantaged Business Enterprise, Minority Business Enterprise, and Women Business Enterprise Program businesses.
- (5) Develop and teach small subcontractors and specialty contractors the basics of operating a successful construction company that can compete for State-funded projects.

SECTION #.(b) Funds appropriated for the program described in this section shall remain available until expended or until December 31, 2024, whichever is later.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H12-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

CONSTRUCTION TRAINING AND APPRENTICESHIP PROGRAM

SECTION #.(a) Of the funds appropriated in this act from the State Fiscal Recovery Fund to the Office of State Budget and Management, the sum of three million five hundred thousand dollars (\$3,500,000) in nonrecurring funds for the 2021-2022 fiscal year shall be provided as follows:

- (1) The sum of one million dollars (\$1,000,000) to be allocated to the Community Colleges System Office to develop an eight-week work-based learning program across the community college system on campuses where construction programs currently exist or where there is a demand to expand construction programs. The work-based learning program shall involve the construction industry and shall focus on core competencies, including applied hands-on skills, safety training, and soft skills training.
- (2) The sum of two million five hundred thousand dollars (\$2,500,000) to CAGC Foundation, Inc., (CAGC) to be used as follows:
 - a. One million five hundred thousand dollars (\$1,500,000) for outreach, recruitment, career coaching, placement, and grants to employers for internships, apprenticeships, and other work-based learning for eligible participants. For purposes of this sub-subdivision, the term "eligible participant" means a woman, minority, veteran, low-wealth individual, and an individual that has been previously incarcerated.
 - b. One million dollars (\$1,000,000) to provide financial assistance to individuals to pursue a career pathway through a registered apprenticeship or trade program once an individual has completed the eight-week work-based learning program described in subdivision (1) of this subsection.

SECTION #.(b) CAGC, in cooperation with the Community Colleges System Office, shall partner with nonprofit organizations, including, but not limited to, trade organizations and affinity groups, religious organizations, businesses, media organizations, State agencies, and other entities, to conduct outreach to low-wealth and rural high schools and minority and non-English speaking populations in this State for purposes of achieving the objectives prescribed by subsection (a) of this section.

SECTION #.(c) Funds appropriated for the program described in this section shall remain available until expended or until December 31, 2024, whichever is later.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H13-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

COVID-19 CONSTRUCTION HEALTH, SAFETY, AND EDUCATION

SECTION #.(a) Of the funds appropriated in this act from the State Fiscal Recovery Fund to the Office of State Budget and Management, the sum of four million dollars (\$4,000,000) in nonrecurring funds for the 2021-2022 fiscal year shall be provided to CAGC Foundation, Inc., (CAGC) to be used as follows:

- (1) The sum of one million dollars (\$1,000,000) for a statewide multilingual outreach and media campaign targeting construction employers and construction workers and their families that promotes the efficacy and safety of COVID-19 vaccines and the latest guidelines approved by the Centers for Disease Control and Prevention. The media campaign shall utilize various mediums to reach minority populations and individuals that lack proficiency in the English language.
- (2) The sum of two million dollars (\$2,000,000) to provide COVID-19 vaccination and medical services to construction workers at construction work sites via pop-up mobile medical units. Medical services available to construction workers shall include COVID-19 testing, COVID-19 vaccination, blood pressure screenings, body composition scans, A1C screening, stress tests, mental health screening, vision screening, and substance abuse screening. Referrals to community resources shall be provided for employee follow-up where necessary, including referrals to free or affordable health clinics, pharmaceutical companies, rent and utility assistance programs, food banks, and other community-based organizations.
- (3) The sum of one million dollars (\$1,000,000) to address mental health and substance abuse in the construction industry in this State by conducting a campaign to create awareness of mental health and substance abuse issues and to combat the opioid crisis in the construction industry. The campaign shall also proactively address suicide prevention through transformational strategies by providing resources to construction employers and their employees via safety events, counseling, training, and education.

SECTION #.(b) CAGC shall partner with nonprofit organizations, including, but not limited to, trade organizations and affinity groups, religious organizations, businesses, media organizations, State agencies, and other entities, to conduct outreach to rural, minority, and non-English speaking populations in the State for purposes of achieving the objectives prescribed by this section.

SECTION #.(c) Funds appropriated in subsection (a) of this section shall remain available until expended or until December 31, 2024, whichever is later.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H14-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

FUTURE CITY COMPETITION

SECTION #. Of the funds appropriated in this act to the Office of State Budget and Management, the sum of two hundred thousand dollars (\$200,000) in nonrecurring funds for the 2021-2022 fiscal year shall be used to provide a directed grant to the Professional Engineers of North Carolina Educational Foundation (Foundation), a nonprofit organization, to support the NC Future City competition, a statewide program for sixth, seventh, and eighth grade students that engages students in a hands-on future challenge to foster engineering skills and create interest in S.T.E.M. careers. Funds appropriated for the purposes described in this section shall not be used to fund any portion of the salary for any employee of the Foundation.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-OSBM-H15-P

Office of State Budget and Management
House Appropriations, General Government

Requested by

HARNETT COUNTY NONPROFITS

SECTION #. Of the funds appropriated in this act to the Office of State Budget and Management, the sum of sixty-six thousand seven hundred fifty dollars (\$66,750) in nonrecurring funds for the 2021-2022 fiscal year is provided as a directed grant to Harnett County to support the following nonprofit organizations:

- (1) Boys and Girls Club of Central Carolina, Inc.
- (2) Buddy Backpack Program for Harnett County, Incorporated.
- (3) Habitat for Humanity of Harnett County, Inc.
- (4) North Carolina Wildlife Federation, Inc.
- (5) Special Olympics North Carolina, Inc.
- (6) Triangle South Literacy Works, Inc.
- (7) Other nonprofit organizations serving Harnett County.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-CONT-H2(S25.1)i

Department of State Controller
House Appropriations, General Government

OVERPAYMENT AUDITS

SECTION 25.1.(a) During the 2021-2023 fiscal biennium, receipts generated by the collection of inadvertent overpayments by State agencies to vendors as a result of pricing errors, neglected rebates and discounts, miscalculated freight charges, unclaimed refunds, erroneously paid excise taxes, and related errors shall be deposited in Special Reserve Account 24172 as required by G.S. 147-86.22(c).

SECTION 25.1.(b) Of the funds appropriated in this act from the Special Reserve Account 24172, and for each fiscal year of the 2021-2023 fiscal biennium, two hundred fifty thousand dollars (\$250,000) of the funds shall be used by the Office of the State Controller for data processing, debt collection, or e-commerce costs.

SECTION 25.1.(c) The State Controller shall report annually to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on the revenue deposited into Special Reserve Account 24172 and the disbursement of that revenue.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-CONT-H1-P

Department of State Controller
House Appropriations, General Government

Requested by

1 ***DATA SHARING BETWEEN ENTERPRISE-LEVEL SYSTEMS***

2 **SECTION #.(a)** G.S. 143B-1376 reads as rewritten:

3 **"§ 143B-1376. Statewide security and privacy standards.**

4 ...

5 (d) With the approval of the State CIO, enterprise-level system owners may share data
6 between their secure systems and other enterprise-level secure systems to maximize State
7 government's effectiveness and productivity, unless sharing the data is expressly prohibited by
8 State or federal law. Sharing of data under this subsection shall include the transfer of PII or other
9 potentially sensitive data only when appropriate safeguards are in place for both the transfer of
10 the data and storage of the data in the receiving system and when consistent with the Statewide
11 Information Security Policy. For purposes of this subsection, the term "owner" means a State
12 agency having both (i) possession or control of data with the ability to access, create, modify,
13 transfer, or remove data and (ii) authority to assign access privileges to others."

14 **SECTION #.(b)** This section is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-SBE-H1A-P

State Board of Elections
House Appropriations, General Government

Requested by

POSITIONS FUNDED WITH HAVA AND OTHER FEDERAL FUNDS

SECTION #.(a) The State Board of Elections (Board) is authorized to continue funding 30 time-limited positions in each fiscal year of the 2021-2023 fiscal biennium using any remaining funds from the three million dollars (\$3,000,000) in nonrecurring Help America Vote Act (HAVA) funds that were appropriated in Section 5.7 of S.L. 2019-239 to the State Board of Elections Special Fund (28025) for each fiscal year of the 2019-2021 fiscal biennium.

SECTION #.(b) The full-time position of Chief Information Security Officer, authorized in S.L. 2018-5, shall not be phased out unless authorized by the General Assembly.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-SBE-H2-P

State Board of Elections
House Appropriations, General Government

Requested by

POST-ELECTION INTEGRITY REPORT

SECTION #. G.S. 163-182.12A reads as rewritten:

"§ 163-182.12A. Post-election audits.

(a) After conducting a post-election ~~audit~~, audit for each election as required by this Chapter, except for a general election, the State Board shall produce a report which summarizes the audit, including the rationale for and the findings of the audit. After conducting a post-election audit for a general election, the State Board shall produce a report which shall include all of the following:

- (1) A summary of the types of post-election audits required by law and the requirements for conducting each of the audits.
- (2) A summary of the results of each of the post-election audits described in subdivision (1) of this subsection.
- (3) A detailed description of each of the post-election audits described in subdivision (1) of this subsection, including any issues that could have affected the outcome of the election and the manner in which those issues were resolved.
- (4) A description of any systemic issues that were identified during the post-election audits and any recommendations on the manner in which those issues should be addressed to ensure election security and integrity.
- (5) The ways in which the public were allowed to observe and comment on the conduct of the post-election audits, as authorized by law.
- (6) Any other matters deemed appropriate by the State Board.

(b) ~~The~~ Each report required by subsection (a) of this section shall be submitted to the Joint Legislative Elections Oversight Committee and the Joint Legislative Oversight Committee on General Government within 10 business days of the date the audit is completed."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-GA-H3(S27.1)i

General Assembly
House Appropriations, General Government

FUNDING TO MITIGATE COVID-19 PANDEMIC FISCAL IMPACT ON LEGISLATURE

SECTION 27.1. Of the funds appropriated in this act from the State Fiscal Recovery Fund to the General Assembly, the sum of twenty-one million eight hundred thousand dollars (\$21,800,000) in nonrecurring funds for the 2021-2022 fiscal year to be used for the 2021-2023 fiscal biennium shall be allocated as follows:

- (1) Two million three hundred fifty thousand dollars (\$2,350,000) for premium pay and bonuses for essential workers.
- (2) Eleven million dollars (\$11,000,000) for staff resources dedicated to support legislative activities, including research and analysis, developing and drafting legislation, monitoring spending and compliance with State and federal requirements, and related activities.
- (3) Four hundred fifty thousand dollars (\$450,000) for replacing revenue lost by legislative food services due to the negative impact of the COVID-19 pandemic.
- (4) Eight million dollars (\$8,000,000) for making broadband and other information technology improvements in the legislative complex and for making improvements in the functionality of committee rooms.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-HFA-H6(S29.2)i

Housing Finance Agency
House Appropriations, General Government

BUDGETING AND REPORTING REQUIREMENTS

SECTION 29.2.(a) Chapter 122A of the General Statutes is amended by adding a new section to read:

"§ 122A-16.1. Budgeting requirements.

In addition to the requirements set forth in G.S. 143C-3-3 and G.S. 143C-3-5, the Agency shall include in the report required under G.S. 122A-16 a recommended base budget for operations of, and programs administered by, the Agency showing accounting detail corresponding to the Agency budget recommendation for each budget code and purpose or program. The recommended base budget required under this subsection shall meet all of the following requirements:

- (1) Employ the North Carolina Accounting System Uniform Chart of Accounts adopted by the State Controller to show both uses and sources of funds by line-item detail and shall display in separate parallel columns all of the following: (i) actual expenditures and receipts for the most recent fiscal year for which actual information is available, (ii) the certified budget for the preceding fiscal year, (iii) the currently authorized budget for the preceding fiscal year, (iv) program base budget requirements for the upcoming fiscal year, (v) proposed expenditures and receipts for the upcoming fiscal year, and (vi) proposed increases and decreases.
- (2) Identify all budget and fund code titles.
- (3) Include accurate projections of receipts, expenditures, and fund balances. Estimated receipts, including federal funds, shall be adjusted to reflect actual collections from the previous fiscal year, unless there is a more reasonable basis upon which to accurately project receipts. Revenue and expenditure detail provided in the Budget Support Document shall be no less detailed than the two-digit level in the North Carolina Accounting System Uniform Chart of Accounts as prescribed by the State Controller.
- (4) Clearly identify all proposed expenditures supported by existing or proposed appropriations, including statutory appropriations.
- (5) Include a list of budget adjustments made during the prior fiscal year that are included in the proposed base budget for the upcoming fiscal year. The list of budget adjustments shall identify the revision number, revision type, revision title, the purpose or programs affected, the amount of funds moving between the purpose or programs, and the justification for the adjustment."

SECTION 29.2.(b) G.S. 143C-1-1(b) reads as rewritten:

"(b) The provisions of this Chapter shall apply to every State agency, unless specifically exempted herein, and to every non-State entity that receives or expends any State funds. No State agency or non-State entity shall expend any State funds except in accordance with an act of appropriation and the requirements of this Chapter. Except for the provisions set forth in G.S. 143C-3-3 and G.S. 143C-3-5, the provisions of Chapter 122A of the General Statutes shall continue to apply to the North Carolina Housing Finance Agency created under Chapter 122A of

1 the General Statutes and to control its expenditures and, in the event of a conflict with the sections
2 of this Chapter other than G.S. 143C-3-3 and G.S. 143C-3-5, the provisions of Chapter 122A of
3 the General Statutes shall control. The provisions of Chapter 120 of the General Statutes shall
4 continue to apply to the General Assembly and to control its expenditures and in the event of a
5 conflict with this Chapter, the provisions of Chapter 120 of the General Statutes shall control.
6 Nothing in this Chapter abrogates or diminishes the inherent power of the legislative, executive,
7 or judicial branch."

8 **SECTION 29.2.(c)** G.S. 143C-3-3 is amended by adding a new subsection to read:

9 "(f) Applicability to Housing Finance Agency. – The provisions of this section apply to
10 the North Carolina Housing Finance Agency created under Chapter 122A of the General Statutes.
11 Nothing in this section shall be construed as requiring the Housing Finance Agency to receive
12 approval for the exercise of any of the powers granted by Chapter 122A of the General Statutes."

13 **SECTION 29.2.(d)** G.S. 143C-3-5(d) reads as rewritten:

14 "(d) Funds Included in Budget. – Consistent with requirements of the North Carolina
15 Constitution, Article 5, Section 7(1), the Governor's Recommended State Budget, together with
16 the Recommended Base Budget and Recommended Capital Improvements Budget Support
17 Document, shall include recommended expenditures of State funds from all Governmental and
18 Proprietary Funds, as those funds are described in G.S. 143C-1-3, and all funds established for
19 (i) The University of North Carolina and its constituent institutions that are subject to this
20 Chapter. Chapter and (ii) the North Carolina Housing Finance Agency created under Chapter
21 122A of the General Statutes that are appropriated from the State Treasury. Except where
22 provided otherwise by federal law, funds received from the federal government become State
23 funds when deposited in the State treasury and shall be classified and accounted for in the
24 Governor's budget recommendations no differently than funds from other sources. Nothing in
25 this section shall be construed as requiring the Housing Finance Agency to receive approval for
26 the exercise of any of the powers granted by Chapter 122A of the General Statutes."

27 **SECTION 29.2.(e)** G.S. 122A-16 reads as rewritten:

28 "**§ 122A-16. Oversight by committees of General Assembly; annual reports; report; audit;**
29 **construction of Chapter.**

30 (a) Oversight. – The Finance Committee of the House of ~~Representatives and~~
31 ~~Representatives,~~ the Finance Committee of the ~~Senate~~ Senate, and the Joint Legislative Oversight
32 Committee on General Government shall exercise continuing oversight of the Agency in order
33 to assure that the Agency is effectively fulfilling its statutory purpose; ~~provided, however, that~~
34 ~~nothing in this Chapter shall be construed as required by the Agency to receive legislative~~
35 ~~approval for the exercise of any of the powers granted by this Chapter.~~ purpose.

36 (b) Comprehensive Report. – The Agency shall, ~~promptly following the close of each~~
37 ~~fiscal year,~~ on or before December 1 of each year, submit an annual comprehensive report of its
38 activities for the preceding year to the Governor, the Office of State Budget and Management,
39 State Auditor, ~~the aforementioned committees of the General Assembly and the Local~~
40 ~~Government Commission. Each such Commission, the Joint Legislative Oversight Committee~~
41 on General Government, and the Fiscal Research Division. The comprehensive report required
42 under this subsection shall set forth a complete operating and financial statement of the Agency
43 during such year. include at least all of the following:

44 (1) The goals and objectives of each program administered by the Agency.

45 (2) The number and types of activities funded by the Agency.

46 (3) The number of individuals or families served for each program administered
47 by the Agency.

48 (4) The information required under G.S. 45-104, 122A-5.14, 122A-5.15,
49 122A-16.1, and Section 20.1 of S.L. 2005-276.

50 (c) Audit. – The Agency shall cause an audit of its books and accounts to be made at least
51 once in each year by an independent certified public accountant and the cost thereof may be paid

1 from any available moneys of the Agency. ~~The Agency shall on January 1 and July 1 of each~~
2 ~~year submit a written report of its activities to the Joint Legislative Commission on Governmental~~
3 ~~Operations. The Agency shall also at the end of each fiscal year submit a written report of its~~
4 ~~budget expenditures by line item to the Joint Legislative Commission on Governmental~~
5 ~~Operations.~~

6 (d) Construction. – Nothing in this Chapter shall be construed as requiring the Agency to
7 receive legislative approval for the exercise of any of the powers granted by this Chapter."

8 **SECTION 29.2.(f)** Section 20.1(a) of S.L. 2005-276 reads as rewritten:

9 "SECTION 20.1.(a) Funds appropriated in this act to the Housing Finance Agency for the
10 federal HOME Program shall be used to match federal funds appropriated for the HOME
11 Program. In allocating State funds appropriated to match federal HOME Program funds, the
12 Agency shall give priority to HOME Program projects, as follows:

- 13 (1) First priority to projects that are located in counties designated as Tier One,
14 Tier Two, or Tier Three Enterprise Counties under G.S. 105-129.3; and
- 15 (2) Second priority to projects that benefit persons and families whose incomes
16 are fifty percent (50%) or less of the median family income for the local area,
17 with adjustments for family size, according to the latest figures available from
18 the United States Department of Housing and Urban Development.

19 ~~The As part of the report required under G.S. 122A-16, the Housing Finance Agency shall~~
20 ~~report to the Joint Legislative Commission on Governmental Operations by April 1 of each year~~
21 ~~concerning on~~ the status of the HOME Program and shall include in the report information on
22 priorities met, types of activities funded, and types of activities not funded."

23 **SECTION 29.2.(g)** G.S. 45-104(f) reads as rewritten:

24 "(f) ~~The As part of the report required under G.S. 122A-16, the Housing Finance Agency~~
25 ~~shall report to the General Assembly describing on~~ the operation of the program established by
26 this act ~~not later than May 1 of each year~~ until the funds are completely disbursed from the State
27 Home Foreclosure Prevention Trust Fund. Information in the report shall be presented in
28 aggregate form and may include the number of clients helped, the effectiveness of the funds in
29 preventing home foreclosure, recommendations for further efforts needed to reduce foreclosures,
30 and provide any other aggregated information the Housing Finance Agency determines is
31 pertinent or that the General Assembly requests."

32 **SECTION 29.2.(h)** G.S. 122A-5.14(d) reads as rewritten:

33 "(d) Annual Report. – ~~By April 1 of each year, the As part of the report required under~~
34 ~~G.S. 122A-16, the Agency shall report to the House Appropriations Subcommittee on General~~
35 ~~Government and Senate Appropriations Subcommittee on General Government and Information~~
36 ~~Technology~~ on the effectiveness of the Program in accomplishing its purposes and provide any
37 other information the Agency determines is pertinent or that the General Assembly requests."

38 **SECTION 29.2.(i)** G.S. 122A-5.15(d) reads as rewritten:

39 "(d) ~~By February 1 of each year, the As part of the report required under G.S. 122A-16,~~
40 ~~the Agency shall report to the Joint Legislative Commission on Governmental Operations and~~
41 ~~the Fiscal Research Division~~ on the number of loans made under this section, the amount of each
42 loan, and whether the low-income housing development is located in a low-, moderate-, or
43 high-income county, as designated by the Agency."

44 **SECTION 29.2.(j)** Subsections (b) through (d) of this section become effective July
45 1, 2021, and apply beginning with the 2022-2023 fiscal year. Subsections (b) and (c) of
46 G.S. 122A-16, as amended by subsection (e) of this section, and subsections (f) through (i) of
47 this section become effective July 1, 2021, and apply to reports due on or after that date. The
48 remainder of this section becomes effective July 1, 2021.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-HFA-H7(S29.3)-P

Housing Finance Agency
House Appropriations, General Government

STATE HOMEOWNER ASSISTANCE FUND

SECTION 29.3.(a) The North Carolina Housing Finance Agency shall establish and administer the State Homeowner Assistance Fund (Fund) to mitigate financial hardships associated with the COVID-19 pandemic by providing funds for qualified expenses to eligible homeowners for the purpose of preventing mortgage delinquencies, defaults, foreclosures, loss of utilities or home energy services, and displacements of homeowners experiencing financial hardship after January 21, 2020. The Agency shall do all of the following:

- (1) Develop and submit a plan for the use of federal Housing Assistance Fund (HAF) funding in accordance with the guidelines established by the United States Department of the Treasury (Treasury).
- (2) Upon submission of the plan described in subdivision (1) of this subsection, submit a copy of the plan to the Joint Legislative Oversight Committee on General Government, the Senate Appropriations Committee on General Government and Information Technology, the House of Representatives Appropriations Committee on General Government, and the Fiscal Research Division.
- (3) Promptly notify the entities listed in subdivision (2) of this subsection upon receipt of decisions from the Treasury approving the plan, making recommendations to improve weaknesses in the plan prior to its approval, or any other decisions involving the receipt of federal funds for the purposes described in this section, including the schedule of disbursements of federal funds.
- (4) Allocate or expend funds from the Fund only in accordance with section 3206 of the American Rescue Plan Act (the HAF Statute) and the Guidance for the Homeowner Assistance Fund issued by the Treasury on April 14, 2021, as amended from time to time, and any other guidance issued by the Treasury regarding the HAF.
- (5) Beginning in 2022, on or before March 1 and September 1, and on those dates in each year thereafter until the federal HAF funds are fully expended, report to the entities listed in subdivision (2) of this subsection for each program administered under the Fund by providing, at a minimum, all of the following:
 - a. An overview and description of program goals.
 - b. The date the program was established and the duration of the program.
 - c. The program's target population and geographic area.
 - d. Homeowner eligibility requirements.
 - e. The number of participating homeowners, type and amount of assistance provided to those homeowners, and the duration of the assistance.
 - f. Progress in meeting program goals to date.
 - g. Interaction with other programs administered under the Fund.

- 1 h. Agency planning and administrative costs, sorted by type, including
- 2 staffing, fixed costs, contracts, and information technology.
- 3 i. Total of federal HAF funds spent to date, amount obligated, and
- 4 amount unobligated.

5 **SECTION 29.3.(b)** This section expires on September 30, 2025, unless the period

6 of performance under the federal HAF program is amended or extended by federal law.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-HFA-H9(S29.4.1)i

Housing Finance Agency
House Appropriations, General Government

WORKFORCE HOUSING LOAN PROGRAM/REVOLVING LOANS

SECTION 29.4.1.(a) G.S. 122A-5.15 reads as rewritten:

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

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

...."

SECTION 29.4.1.(b) This section is effective when it becomes law.

SECTION 29.4.2. Unless otherwise prohibited by federal law or guidelines, loans made from the Workforce Housing Loan Program using funds appropriated to the Program from the State Fiscal Recovery Fund shall be repaid to the Program for the purpose of making revolving loans as authorized by G.S. 122A-5.15.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-INS-H1(S30.1)-P

Department of Insurance
House Appropriations, General Government

REGULATORY FEE AND INSURANCE REGULATORY FUND

SECTION 30.1(a) Notwithstanding the provisions of G.S. 58-6-25(b), the percentage rate to be used in calculating the insurance regulatory charge under G.S. 58-6-25(b) is five percent (5%) for the 2022 calendar year.

SECTION 30.1(b) G.S. 58-6-25 reads as rewritten:
"§ 58-6-25. Insurance regulatory charge.

...

(b) Rates. – The rate of the charge for each taxable year shall be six and one-half percent (6.5%). When the Department prepares its budget request for each upcoming fiscal year, the Department shall propose a percentage rate of the charge levied in this section. The Governor shall submit that proposed rate to the General Assembly each fiscal year. It is the intent of the General Assembly ~~(i) that the percentage rate not exceed the rate necessary to generate funds sufficient to defray the estimated cost of the operations of the Department for each upcoming fiscal year, including a reasonable margin for a reserve fund, and (ii) that the amount of the reserve not exceed one-third of the estimated cost of operating the Department for each upcoming fiscal year.~~ that shall be used to provide for unanticipated expenditures requiring a budget adjustment as authorized by G.S. 143C-6-4. In calculating the amount of the reserve, the General Assembly shall consider all relevant factors that may affect the cost of operating the Department or a possible unanticipated increase or decrease in North Carolina premiums or other charge revenue.

...

(d) Use of Proceeds. – ~~The Insurance Regulatory Fund is created in the State treasury, under the control of the Office of State Budget and Management. The~~ as an interest-bearing special fund to which the proceeds of the charge levied in this section and all fees collected under Articles 69 through 71 of this Chapter and under Articles 9 and 9C of Chapter 143 of the General Statutes shall be credited to the Fund. The Fund shall be placed in an interest-bearing account and any interest or other income derived from the Fund shall be credited to the Fund. ~~credited. Moneys in the Fund may be spent only pursuant to appropriation by the General Assembly~~ Assembly, and in accordance with the line item budget enacted by the General Assembly. The ~~the Fund is subject to the provisions of the State Budget Act, except that no unexpended surplus of the Fund shall revert to the General Fund. Act.~~ All money credited to the Fund shall be used to reimburse the General Fund for the following:

...."

SECTION 30.1(c) The Office of State Budget and Management shall, in conjunction with the North Carolina Industrial Commission, adjust the Commission's base budget for each fiscal year of the 2023-2025 fiscal biennium to use proceeds from the insurance regulatory charge established under G.S. 58-6-25 to reimburse the General Fund for operations of the Commission as authorized by G.S. 58-6-25(d)(11).

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-INS-H2A(S30.2)-P

Department of Insurance
House Appropriations, General Government

VOLUNTEER FIRE DEPARTMENT GRANT PROGRAM CHANGES

SECTION 30.2.(a) Grants Authorized. – Notwithstanding the provisions of G.S. 58-87-1, the Commissioner of Insurance shall use funds from the Volunteer Fire Department Fund to provide grants to eligible fire departments in accordance with this section. The Commissioner may use up to one percent (1%) of the Fund for staff and resources to administer the grant programs authorized by this section. For purposes of this section, the term "eligible fire department" has the same meaning as in G.S. 58-87-1(b).

SECTION 30.2.(b) Base Allocation Grants. – Of the funds appropriated in this act to the Department of Insurance, the sum of eight million dollars (\$8,000,000) from the State Fiscal Recovery Fund shall be used to provide eligible fire departments base allocation grants for purposes consistent with G.S. 58-87-1(a1)(3). An eligible fire department may apply to the Commissioner and shall be awarded a base allocation of ten thousand dollars (\$10,000) for the 2021-2022 fiscal year to help mitigate the financial impact of the COVID-19 pandemic and its impact on the department's ability to conduct fundraising and generate revenue. Base allocations do not require a match and shall be made as soon as practicable, but not later than August 1, 2021.

SECTION 30.2.(c) Supplemental Grants. – An eligible fire department may apply to the Commissioner for a supplemental grant to be used to purchase equipment, make capital improvements, and other related purposes outlined in G.S. 58-87-1(a1)(3). The grants shall be awarded only during the 2021-2022 fiscal year, shall not exceed thirty-five thousand dollars (\$35,000), and do not require a cash match. Grant funds shall be disbursed to eligible fire departments in single lump sum payments. The Commissioner shall award and release grant funds, as soon as practicable, and, to the extent possible, ensure an equitable distribution of grants across the State.

SECTION 30.2.(d) Emergency Reserve Grants. – The Commissioner shall reserve up to one million dollars (\$1,000,000) in each fiscal year of the 2021-2023 fiscal biennium to provide grants to eligible fire departments in the event of an emergency. For purposes of this subsection, the term "emergency" has the same meaning as in G.S. 166A-19.3. Emergency reserve grants shall not exceed fifty thousand dollars (\$50,000) and shall be used for purposes consistent with G.S. 58-87-1(a1)(3). Any unspent funds remaining in the emergency reserve on June 30 of each fiscal year of the 2021-2023 fiscal biennium shall revert to the Volunteer Fire Department Fund. If an eligible fire department is awarded an emergency reserve grant and thereafter receives a monetary settlement from its insurance carrier for the same loss or damages for which the grant was awarded, the fire department shall reimburse the State for the amount of the grant.

SECTION 30.2.(e) Report. – Within 60 days after all grants have been awarded under this section, the Commissioner shall submit a written report to the Senate Appropriations Committee on General Government and Information Technology, the House of Representatives Appropriations Committee on General Government, the Joint Legislative Oversight Committee on General Government, and the Fiscal Research Division which shall be posted on the Department of Insurance's website and shall contain all of the following:

- 1 (1) For base allocation grants under subsection (b) of this section, the total number
2 of grants awarded.
- 3 (2) For supplemental grants under subsection (c) of this section:
4 a. The total number of grants awarded, the average amount of the grants
5 awarded, and the range of the amounts of the grants awarded.
6 b. A description of the types of purchases made using grant funds and the
7 other ways in which grant funds were used.
- 8 (3) For emergency reserve grants under subsection (d) of this section:
9 a. A list of the eligible fire departments that were awarded grants.
10 b. The amount of the grant award to each eligible fire department.
11 c. A description of the emergency for which grant funds were awarded.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-INS-H3(S30.3)i

Department of Insurance
House Appropriations, General Government

***WORKERS' COMPENSATION FUND FOR FIREFIGHTERS AND EMS/RESCUE
WORKERS***

SECTION 30.3. Notwithstanding the provisions of G.S. 58-87-10, for the 2021-2022 fiscal year and the 2022-2023 fiscal year, the State Fire and Rescue Commission shall not set an amount to be paid by every eligible unit and eligible entity, as those terms are defined in G.S. 58-87-10(a), that elects to participate in the Workers' Compensation Fund (Fund) created pursuant to G.S. 58-87-10(b). For the 2021-2022 fiscal year and the 2022-2023 fiscal year, no eligible unit or eligible entity shall be required to submit to the State Fire and Rescue Commission any payment to participate in the Fund.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-MIL-H3(S33.1)i

Department of Military and Veterans Affairs
House Appropriations, General Government

ASSESSMENT OF AND LONG-TERM CARE PLANNING FOR VETERANS

SECTION 33.1.(a) Notwithstanding the provisions of G.S. 143B-1293, of the funds appropriated in this act to the Department of Military and Veterans Affairs (Department), the sum of two hundred fifty thousand dollars (\$250,000) in nonrecurring funds for the 2021-2022 fiscal year shall be used by the Department, in consultation with the Department of Health and Human Services (DHHS), to assess the long-term care needs of veterans across the State for the purpose of developing a plan to guide the State in enhancing long-term care and other services for veterans. The assessment and plan shall incorporate the following principles and objectives:

- (1) Use State-specific veterans' demographic information, including the geographical distribution of veterans across the State.
- (2) Allow for the fact that the needs of veterans are complex and broader than the traditional, institutional-based system of care.
- (3) Take into account the needs of pre- and post-Gulf War veterans in planning services and support.
- (4) Incorporate the presence and location of current State Veterans Homes, and the services they provide, in a larger long-term system of care to meet the needs of veterans in both rural and urban areas.
- (5) Enhance and develop new partnerships, including with the existing nursing home industry, to encourage and promote the location and certification of nursing homes in target areas so that those facilities can qualify for reimbursement from the U.S. Department of Veterans Affairs.
- (6) Explore partnerships with a broader system of nursing homes across the State to expand State resources.
- (7) Encourage partnerships of home- and community-based services with existing providers and the U.S. Department of Veterans Affairs for enhanced services.
- (8) Evaluate State planning to explore financially feasible and sustainable options for meeting veterans' needs.
- (9) Evaluate current resources by determining programmatic approaches to avoid new construction of State veterans' homes.
- (10) Consider alternate models of care prior to expanding veterans nursing homes.

SECTION 33.1.(b) To lead the assessment and develop the plan required by this section, the Department shall issue a request for proposals for an independent consultant with subject matter expertise in the field of long-term care planning for veterans. The provisions of Article 3 of Chapter 143 of the General Statutes shall apply to this subsection.

SECTION 33.1.(c) The Department, in consultation with DHHS, shall issue a progress report on the implementation of this section no later than December 1, 2021, and April 1, 2022, and a final report, including the results of the assessment and the plan required by this section, no later than October 1, 2022, to the Joint Legislative Oversight Committee on General Government, the Senate Appropriations Committee on General Government and Information Technology, the House of Representatives Appropriations Committee on General Government, and the Fiscal Research Division.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-MIL-H4(S33.2)i

Department of Military and Veterans Affairs
House Appropriations, General Government

REPORT ON STATE VETERANS HOMES

SECTION 33.2. Part 10 of Article 14 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-1301. Detailed annual report.

By March 1 of odd-numbered years and September 1 of even-numbered years, the Department of Military and Veterans Affairs shall report to the Joint Legislative Oversight Committee on General Government, the Senate Appropriations Committee on General Government and Information Technology, the House of Representatives Appropriations Committee on General Government, and the Fiscal Research Division on the status of the State Veterans Homes program by providing a general overview of the State Veterans Homes and a specific description of each facility which shall include, at a minimum, all of the following:

- (1) Facility location and date opened, which shall be included in the first report only, unless the information has changed.
- (2) Services available, including specialty services offered.
- (3) Staffing levels, including resident-to-nursing ratios.
- (4) Partnerships with outside organizations and governments in delivery of services.
- (5) Average daily census.
- (6) Number of beds, by type.
- (7) Admission eligibility, admission by type, such as long-term care and rehabilitation, and admissions by referral.
- (8) Description of residents, including:
 - a. Demographics by age, race, ethnicity, and gender.
 - b. Resident's home county where domiciled prior to admission to facility.
 - c. Number of admissions, discharges, and deaths.
- (9) Results of resident and family satisfaction surveys.
- (10) Waiting list data, including average length of wait time and priority for admission.
- (11) Certification and quality rating by independent organizations and State and federal government.
- (12) Daily rate by payor, including Medicare, Medicaid, Veterans Affairs, private pay, or any other source.
- (13) Average out-of-pocket payment per resident.
- (14) State administrative costs, sorted by type, including staffing, fixed costs, facility operation, and maintenance.
- (15) Total receipts collected, by source, including Medicare, Medicaid, Veterans Affairs, private pay, or any other source."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

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SPECIAL PROVISION



2021-MIL-H8(S33.3)-P

Department of Military and Veterans Affairs
House Appropriations, General Government

VETERANS LIFE CENTER CHALLENGE GRANT

SECTION 33.3.(a) Notwithstanding the provisions of G.S. 143B-1293, the Department of Military and Veterans Affairs (hereinafter "Department") shall use the sum of seven hundred fifty thousand dollars (\$750,000) in recurring funds for each year of the 2021-2023 fiscal biennium appropriated in this act from the North Carolina Veterans Home Trust Fund to the Department to create a challenge grant program for the Veterans Life Center of North Carolina (hereinafter "Center") as provided in this section. The funds shall be used by the Center for the purpose of providing rehabilitation and reintegration services and support to veterans across the State. To receive State funds under this section, the Center shall raise at least seven hundred fifty thousand dollars (\$750,000) in non-State funds for each fiscal year of the 2021-2023 fiscal biennium, which the Center shall demonstrate to the satisfaction of the Department prior to the allocation of State funds. The Department shall disburse State funds on a quarterly basis in an amount equal to the non-State funds raised by the Center in that quarter, but in no case shall the Department disburse State funds to the Center if it has not raised the required non-State funds. The Center cannot supplant, shift, or reallocate Center funds for the purpose of achieving the non-State fundraising target required by this section.

SECTION 33.3.(b) Not later than August 1, 2022, and August 1, 2023, the Department shall report to the Joint Legislative Oversight Committee on General Government and the Fiscal Research Division on the use of the funds authorized in subsection (a) of this section, including whether the Center achieved the fundraising targets in each fiscal year of the fiscal biennium to receive State funds. The report shall also detail the specific services that were provided to veterans as a result of the challenge grant program. The Center shall provide information, as requested by the Department, to prepare the report.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-MIL-H5(S33.4)-P

Department of Military and Veterans Affairs
House Appropriations, General Government

REPORT ON SCHOLARSHIPS FOR CHILDREN OF WARTIME VETERANS

SECTION 33.4. Part 2 of Article 14 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-1228. Report on scholarships.

By September 1 of each year, the Department of Military and Veterans Affairs shall report to the Joint Legislative Oversight Committee on General Government, the Senate Appropriations Committee on General Government and Information Technology, the House of Representatives Appropriations Committee on General Government, and the Fiscal Research Division the following data on the Scholarships for Children of Wartime Veterans program:

- (1) Description of the scholarship program, by year, including statutory establishment, purpose, and eligibility.
- (2) Number of scholarships awarded in each of the past five fiscal years and sorted by:
 - a. Number of full-time students receiving scholarships and grouped by public, private, and community colleges.
 - b. Number of new applicants for scholarships.
 - c. Number of new scholarship awards offered, denied, and accepted.
 - d. Range and average amount of scholarships awarded.
 - e. Actual amount of award provided.
 - f. Scholarship awards offered and accepted by county.
 - g. Number of scholarship recipients who completed the degree requirements for graduation.
 - h. Total expenditures for scholarship awards classified by source, including State funds and Escheats Fund.
 - i. Total costs of administering the scholarship program."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-MIL-H1-P

Department of Military and Veterans Affairs
House Appropriations, General Government

Requested by

VETERANS CEMETERIES TRUST FUND

SECTION #.(a) Notwithstanding the provisions of G.S. 143B-1293, the sum of fifteen million dollars (\$15,000,000) in nonrecurring funds for the 2021-2022 fiscal year transferred in this act from the North Carolina Veterans Home Trust Fund and appropriated to the North Carolina Veterans Cemeteries Trust Fund shall be used to provide a sustainable and recurring source of funds for the maintenance of each of the State's veterans cemeteries when each reaches full capacity.

SECTION #.(b) G.S. 143B-1293 reads as rewritten:

"§ 143B-1293. North Carolina Veterans Home Trust Fund.

...

(d) Miscellaneous. – The following provisions apply to the trust fund created in subsection (a) of this section:

(1) All funds deposited and all income earned on the investment or reinvestment of such funds shall be credited to the trust fund.

(1a) The Department of Military and Veterans Affairs shall transfer ten percent (10%) of the unspent receipts collected in each fiscal year from the trust fund to the North Carolina Veterans Cemeteries Trust Fund on or before June 30 of each fiscal year.

(2) ~~Any~~ Except as provided in subdivision (1a) of this subsection, monies remaining in the trust fund at the end of each fiscal year shall remain on deposit in the State treasury to the credit of the North Carolina Veterans Home Trust Fund.

(3) Nothing contained herein shall prohibit the establishment and utilization of special agency accounts by the Department of Military and Veterans Affairs or by the Veterans' Affairs Commission, for the receipt and disbursement of personal funds of the State veterans homes' residents or for receipt and disbursement of charitable contributions for use by and for residents."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-MIL-H6-P

Department of Military and Veterans Affairs
House Appropriations, General Government

Requested by

1 *STATE EDUCATION ASSISTANCE AUTHORITY DISBURSE STATE'S*
2 *SCHOLARSHIPS FOR CHILDREN OF WARTIME VETERANS*

3 SECTION #.(a) G.S. 116-204 reads as rewritten:

4 "§ 116-204. Powers of Authority.

5 The Authority is hereby authorized and empowered:

6 ...

7 (11a) To be responsible for the disbursement of the State's Scholarships for Children
8 of Wartime Veterans established by Part 2 of Article 14 of Chapter 143B of
9 the General Statutes.

10"

11 SECTION #.(b) G.S. 116B-7 reads as rewritten:

12 "§ 116B-7. Distribution of fund.

13 ...

14 (b) An amount specified in the Current Operations Appropriations Act shall be
15 transferred annually from the Escheat Fund to the ~~Department of Military and Veterans Affairs~~
16 Board of Governors of The University of North Carolina to be allocated to the State Education
17 Assistance Authority to partially fund the program of Scholarships for Children of War Veterans
18 established by Part 2 of Article 14 of Chapter 143B of the General Statutes. Those funds may be
19 used only for residents of this State who (i) are worthy and needy as determined by the
20 Department of Military and Veterans Affairs and (ii) are enrolled in public institutions of higher
21 education of this State."

22 SECTION #.(c) G.S. 143B-1211 reads as rewritten:

23 "§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.

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

26 ...

27 (11) Manage and maintain the State's Scholarships for Children of Wartime
28 Veterans in accordance with Part 2 of Article 14 of Chapter 143B of the
29 General Statutes and in support of the Veterans' Affairs
30 ~~Commission.~~ Commission; provided, however, the disbursement of
31 scholarships to the children of wartime veterans shall be performed by the
32 State Education Assistance Authority established pursuant to Article 23 of
33 Chapter 116 of the General Statutes.

34"

35 SECTION #.(d) G.S. 143B-1220 reads as rewritten:

36 "§ 143B-1220. Veterans' Affairs Commission – creation, powers and duties.

37 There is hereby created the Veterans' Affairs Commission of the Department of Military and
38 Veterans Affairs. The Veterans' Affairs Commission shall have the following functions and
39 duties, as delegated by the Secretary of Military and Veterans Affairs:

40 ...

(3) To promulgate rules and regulations concerning the awarding of scholarships for children of North Carolina veterans as provided by this Article. The Commission shall make rules and regulations consistent with the provisions of this Article. All rules and regulations not inconsistent with the provisions of this Chapter heretofore adopted by the State Board of Veterans' Affairs shall remain in full force and effect unless and until repealed or superseded by action of the Veterans' Affairs Commission. All rules and regulations adopted by the Commission shall be enforced by the Department of Military and Veterans Affairs and, in the disbursement of scholarships, the Authority, as directed by the Department on behalf of the Commission; and

...."

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

"§ 143B-1224. Definitions.

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

...

(2a) "Authority" means the State Education Assistance Authority established pursuant to Article 23 of Chapter 116 of the General Statutes.

...."

SECTION #.(f) G.S. 143B-1225 reads as rewritten:

"§ 143B-1225. Scholarship.

...

(b) The Veterans' Affairs Commission shall select recipients for scholarships and notify the Authority of the recipients for the disbursement of scholarships in accordance with the provisions of G.S. 143B-1227. If a child is awarded a scholarship under this Part, the Commission shall notify the recipient by May 1st of the year in which the recipient enrolls in college."

SECTION #.(g) G.S. 143B-1227 reads as rewritten:

"§ 143B-1227. Administration and funding.

(a) The administration of the scholarship program shall be vested in the Department of Military and Veterans Affairs, and the disbursing and accounting activities required shall be a the responsibility of the ~~Department of Military and Veterans Affairs~~ Authority. The Veterans' Affairs Commission shall determine the eligibility of applicants, select the scholarship recipients, establish the effective date of scholarships, and may notify the Authority of the need to suspend or revoke scholarships if the Veterans' Affairs Commission finds that the recipient does not comply with the registration requirements of the Selective Service System or does not maintain an adequate academic status, or if the recipient engages in riots, unlawful demonstrations, the seizure of educational buildings, or otherwise engages in disorderly conduct, breaches of the peace or unlawful assemblies. The Department of Military and Veterans Affairs shall maintain the primary and necessary records, and the Veterans' Affairs Commission shall promulgate such rules and regulations not inconsistent with the other provisions of this Part as it deems necessary for the orderly administration of the program. It may require of State or private educational institutions, as defined in this Part, such reports and other information as it may need to carry out the provisions of this Part. The ~~Department of Military and Veterans Affairs~~ Authority shall disburse scholarship payments for recipients certified eligible by the Department of Military and Veterans Affairs upon certification of enrollment by the enrolling institution.

(b) Funds for the support of this program shall be appropriated to the ~~Department of Military and Veterans Affairs~~ Board of Governors of The University of North Carolina to be allocated to the Authority as a reserve for payment of the allocable costs for room, board, tuition, and other charges, and shall be placed in a separate budget code from which disbursements shall be made. Funds to support the program shall be supported by receipts from the Escheat Fund, as provided by G.S. 116B-7, but those funds may be used only for worthy and needy residents of

1 this State who are enrolled in public institutions of higher education of this State. ~~In the event the~~
2 ~~said appropriation for any year is insufficient to pay the full amounts allocable under the~~
3 ~~provisions of this Part, such supplemental sums as may be necessary shall be allocated from the~~
4 ~~Contingency and Emergency Fund.~~ The method of disbursing and accounting for funds allocated
5 for payments under the provisions of this section shall be in accordance with those standards and
6 procedures prescribed by the Director of the Budget, pursuant to the State Budget Act.

7 (c) Allowances for room and board in State educational institutions shall be at such rate
8 as established by the Secretary of the Department of Military and Veterans Affairs.

9 (d) Scholarship recipients electing to attend a private educational institution shall be
10 granted a monetary allowance for each term or other academic period attended under their
11 respective scholarship awards. All recipients under Class I-B scholarship shall receive an
12 allowance at one rate, irrespective of course or institution; all recipients under Classes I-A, II, III
13 and IV shall receive a uniform allowance at a rate higher than for Class I-B, irrespective of course
14 or institution. The amount of said allowances shall be determined by the Director of the Budget
15 and made known prior to the beginning of each fall quarter or semester; provided that the Director
16 of the Budget may change the allowances at intermediate periods when in his judgment such
17 changes are necessary. Disbursements by the State shall be to the private institution concerned,
18 for credit to the account of each recipient attending said institution. The manner of payment to
19 any private institution shall be as prescribed by the ~~Department of Military and Veterans Affairs.~~
20 Authority. The participation by any private institution in the program shall be subject to the
21 applicable provisions of this Part and to examination by State auditors of the accounts of
22 scholarship recipients attending or having attended private institutions. The ~~Veterans' Affairs~~
23 ~~Commission Authority~~ may defer making an award or may suspend an award in any private
24 institution which does not comply with the provisions of this Part relating to said institutions.

25 (e) Irrespective of other provisions of this Part, the ~~Veterans' Affairs Commission~~
26 Authority may prescribe special procedures for adjusting the accounts of scholarship recipients
27 who for reasons of illness, physical inability to attend class or for other valid reason satisfactory
28 to the ~~Veterans' Affairs Commission Authority~~ may withdraw from State or private educational
29 institutions prior to the completion of the term, semester, quarter or other academic period being
30 attended at the time of withdrawal. Such procedures may include, but shall not be limited to,
31 paying the recipient the dollar value of his unused ~~entitlements~~ scholarship for the academic
32 period being attended, with a corresponding deduction of this period from his remaining
33 scholarship eligibility time."

34 **SECTION #.(h)** This section is effective when it becomes law and applies to
35 scholarships awarded for the 2021-2022 academic year.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-MIL-H7A-P

Department of Military and Veterans Affairs
House Appropriations, General Government

Requested by

VETERANS JUSTICE INTERVENTION PILOT PROGRAM

SECTION #.(a) Notwithstanding the provisions of G.S. 143B-1293, of the funds appropriated in this act from the Veterans Home Trust Fund to the Department of Military and Veterans Affairs, the sum of two million dollars (\$2,000,000) in nonrecurring funds for the 2021-2022 fiscal year shall be used to provide a directed grant to The Independence Fund, Inc., to establish and implement a pilot program to expand the Veterans Justice Intervention (VJI) program by working with law enforcement agencies all across the State. These funds may be used to contract with a subject matter expert for the assessment, coordination, and implementation of the VJI in each of the law enforcement departments.

SECTION #.(b) As a condition of receiving the funds authorized in subsection (a) of this section, The Independence Fund, Inc., shall do all of the following:

- (1) Partner with other nonprofits, State and local governments, and federal agencies to develop and assess each county's initial response to veterans in crises and develop an updated data collection process map for each county.
- (2) Educate first responders, local community support employees, and others on veteran-specific crisis intervention, suicide prevention, and VA resources available through the Veterans Affairs Administration.
- (3) Execute new training plans based on the data collection process maps developed pursuant to subdivision (1) of this subsection.
- (4) Monitor the pilot program and maintain regular contact with each county to ensure up-to-date training and availability and allocation of resources.
- (5) By June 30, 2022, report to the Joint Legislative Committee on General Government, the Joint Legislative Committee on Justice and Public Safety, and the Fiscal Research Division on the effectiveness of the pilot program, including the feasibility of expanding the program throughout the State.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-REV-H1(S34.1)i

Department of Revenue
House Appropriations, General Government

TAX COLLECTION ASSISTANCE FEE/SPECIAL FUND

SECTION 34.1. G.S. 105-243.1 reads as rewritten:

"§ 105-243.1. Collection of tax debts.

...

(e) Use. – The fee is a receipt of the Department and ~~must be applied to the costs of collecting and reducing the incidence of overdue tax debts. The proceeds of the fee must be credited to a special account within the Department and may be expended only as provided in this subsection. The proceeds of the fee may not be used for any purpose that is not directly and primarily related to collecting and reducing the incidence of overdue tax debts. The Department may apply the proceeds of the fee for the purposes listed in this subsection. The remaining proceeds of the fee may be spent only pursuant to appropriation by the General Assembly. The fee proceeds do not revert but remain in the special account until spent for the purposes listed in this subsection. The Department and the Office of State Budget and Management must account for all expenditures using accounting procedures that clearly distinguish costs allocable to the purposes listed in this subsection from costs allocable to other purposes and must demonstrate that none of the fee proceeds are used for any other purpose pursuant to appropriation by the General Assembly.~~

The Department may apply the fee proceeds for the following purposes:

- (1) ~~To pay (i) contractors for collecting overdue tax debts under subsection (b) of this section and (ii) auditors responsible for identifying overdue tax debts.~~
- (2) ~~To pay the fee the United States Department of the Treasury charges for setoff to recover tax owed to North Carolina.~~
- (3) ~~To pay for taxpayer locator services, not to exceed three hundred fifty thousand dollars (\$350,000) a year.~~
- (4) ~~To pay for postage or other delivery charges for correspondence directly and primarily relating to collecting overdue tax debts, not to exceed seven hundred fifty thousand dollars (\$750,000) a year.~~
- (5) ~~To pay for operating expenses for Project Collection Tax and the Taxpayer Assistance Call Center.~~
- (6) ~~To pay for expenses of the Examination and Collection Division directly and primarily relating to collecting overdue tax debts.~~
- (7) ~~To pay the direct and indirect expenses of information technology upgrades to the Department of Revenue computer systems that are intended to upgrade Department of Revenue capabilities to (i) allow for electronic filing of returns by taxpayers and the electronic issuance of refunds by the Department for all remaining tax schedules and (ii) accomplish other mission-critical information technology tasks of the Department as approved by the Office of State Budget and Management in consultation with the State CIO.~~

...."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-REV-H2(S34.3)i

Department of Revenue
House Appropriations, General Government

TAX FRAUD ANALYTICS

SECTION 34.3. Of the funds appropriated in this act to the Department of Revenue, the sum of four million four hundred thousand dollars (\$4,400,000) in recurring funds for each fiscal year of the 2021-2023 fiscal biennium shall be used to continue and expand the Department's tax fraud analysis contract through the Government Data Analytics Center (GDAC). These funds shall be used in each fiscal year to fund detection analytics, information reporting, collections case management, collections optimization, managed services, and technical infrastructure. The Department of Revenue shall continue to coordinate with the GDAC and utilize the subject matter expertise and technical infrastructure available through existing GDAC public-private partnerships for fraud detection and analytics infrastructure.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-REV-H3-P

Department of Revenue
House Appropriations, General Government

Requested by

GROWER GRANT PROGRAM

SECTION #.1.(a) Purpose; Use. – The purpose of this section is to use funds from the American Rescue Plan Act to aid businesses in North Carolina that suffered substantial economic damage from the COVID-19 pandemic for which they were not otherwise compensated.

SECTION #.1.(b) GROWER Grant Program. – The Department of Revenue is authorized to create and administer the Generating Recovery for Organizations Without Earlier Relief Grant Program (Program). The Department must provide a one-time grant to businesses that suffered economic damage from the COVID-19 pandemic and meet the conditions of this section.

SECTION #.1.(c) Eligibility. – A business is eligible for a grant under this Program if it meets all of the following conditions:

- (1) It is a business classified in NAICS Code 71 or 72.
- (2) It demonstrates that it suffered an economic loss of at least ten percent (10%).
- (3) It did not participate in a loan or grant program created or funded through the CARES Act, the Consolidated Appropriations Act, or the American Rescue Plan Act.

SECTION #.1.(d) Application. – A business must apply to the Department of Revenue for a grant on a form prescribed by the Department and must include any supporting documentation required by the Department. The application must be filed with the Department on or before the deadline prescribed by the Department, which must be at least 60 days after the effective date of this section but no more than 90 days after the effective date of this section. The Department may not accept late applications.

SECTION #.1.(e) Grant Amount. – The grant amount is equal to the applicant's economic loss, subject to the reduction in subsection (f) of this section.

SECTION #.1.(f) Grant Program Limit. – The total of all funds granted under this Program, including the amount the Department of Revenue may use for administration of the Program, may not exceed five hundred million dollars (\$500,000,000). The Department must calculate the total amount of grants requested from the applications timely filed under subsection (d) of this section. If the total amount of grants requested exceeds the maximum amount of funds available under this subsection, the Department must reduce each grant award on a proportionate basis. The Department's grant determinations based on applications timely filed are final.

SECTION #.1.(g) Clawback. – If a business receives a grant under this program for which it is ineligible, the business forfeits the grant awarded under this section and is liable for the amounts received.

SECTION #.1.(h) Definitions. – The following definitions apply in this section:

- (1) American Rescue Plan Act. – The American Rescue Plan Act of 2021, P.L. 117-2.
- (2) Business. – An entity subject to income tax under Article 4 of Chapter 105 of the General Statutes.

- (3) CARES Act. – The federal Coronavirus Aid, Relief, and Economic Security Act, P.L. 116-136.
- (4) Consolidated Appropriations Act. – The Consolidated Appropriations Act of 2021, P.L. 116-260.
- (5) COVID period. – The period beginning April 1, 2020, and ending December 31, 2020.
- (6) Economic loss. – The economic damage experienced in connection with the COVID-19 pandemic, determined as the difference between the business's gross receipts for the COVID period and its gross receipts for the equivalent time frame in 2019.
- (7) Gross receipts. – The sum of the North Carolina gross receipts listed on line 1 of Form E-500, Sales and Use Tax Return, for sales occurring during a specified time period.
- (8) NAICS. – The North American Industry Classification System adopted by the United States Office of Management and Budget as of December 31, 2020.

SECTION #1.(i) Outreach. – The Department of Administration, Office for Historically Underutilized Businesses, is directed to inform and educate minority-owned businesses that may be eligible to apply for the grants provided by the Program as soon as practicable so they may have the opportunity to access the grants provided by it. The Department of Revenue is not required to advertise or provide any specific outreach on the Program except for posting relevant Program information on its website.

SECTION #1.(j) Allocation of Funds for the GROWER Grant Program. – Of the funds appropriated in this act from the State Fiscal Recovery Fund to the Department of Revenue, the sum of five hundred million dollars (\$500,000,000) in nonrecurring funds for the 2021-2022 fiscal year is allocated for the Generating Recovery for Organizations Without Earlier Relief Grant Program to be used as provided in this section. The Department of Revenue may use up to two million five hundred thousand dollars (\$2,500,000) of the funds allocated in this subsection for the administration of this section. The Department shall remit any funds remaining after disposition of all timely filed applications under this section to the Office of State Budget and Management which shall deposit the funds into the State Fiscal Recovery Reserve. Amounts deposited into the Reserve under this section are receipts that do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.

SECTION #1.(k) This section is effective when it becomes law.

SECTION #2.(a) G.S. 105-130.5(b) reads as rewritten:

"(b) The following deductions from federal taxable income shall be made in determining State net income:

...

(31a) To the extent included in federal taxable income, the amount received by a taxpayer under the Generating Recovery for Organizations Without Earlier Relief Grant Program."

SECTION #2.(b) G.S. 105-153.5(b) reads as rewritten:

"(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may deduct from the taxpayer's adjusted gross income any of the following items that are included in the taxpayer's adjusted gross income:

...

(14a) The amount received by a taxpayer under the Generating Recovery for Organizations Without Earlier Relief Grant Program."

SECTION #2.(c) This section is effective for taxable years beginning on or after January 1, 2021, and applies to amounts received by a taxpayer on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-REV-H4-P

Department of Revenue
House Appropriations, General Government

Requested by

DEPARTMENT OF REVENUE SYSTEMS PROJECTS UPDATE REPORT

SECTION #. Section 8.1 of S.L. 2019-246 reads as rewritten:

"SECTION 8.1.(a) The Department of Revenue shall update its electronic tax systems to store and recognize power of attorney registrations to ensure that notices generated by the Department are simultaneously sent to both the taxpayer and the person designated in the taxpayer's power of attorney registration. By January 31, 2020, the Department shall report to the Joint Legislative Oversight Committee on General Government on its progress in updating its electronic tax systems to store and recognize power of attorney registrations.

"SECTION 8.1.(b) By October 1, 2021, and monthly thereafter, the Department of Revenue shall submit a written report on the status of the power of attorney registration project required by subsection (a) of this section to the chairs of the House Appropriations Committee on General Government and the Senate Appropriations Committee on General Government and Information Technology and the Fiscal Research Division. The monthly report shall also include an update on the status of the Collections Case Management system implementation and the IBM 4100 replacement project currently underway in the Department."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-TREAS-H1(S36.1)i

Department of State Treasurer
House Appropriations, General Government

IMPROVE SYSTEM FOR MONITORING THE FISCAL HEALTH OF LOCAL GOVERNMENT UNITS

SECTION 36.1.(a) The Department of State Treasurer, State and Local Government Finance Division, in consultation with the Local Government Commission (hereinafter "Commission"), shall evaluate the State's current system for monitoring the financial operations of local government units (hereinafter "unit" or "units") and approving their requests to issue new debt and amend current debt. For purposes of this section, the term "unit" has the same meaning as in G.S. 159-7(b)(15). The Department shall develop a plan to transition to a system for monitoring the financial operations of units that does all of the following:

- (1) Uses a "value added" approach to reviewing the State's current practices and policies.
- (2) Directs current Commission staffing resources to the units in greatest need and away from units with adequate governance, staff, resources, and technical expertise.
- (3) Implements a schedule of reporting to the Commission based on a unit's financial health.
- (4) Standardizes training of unit officials and staff, as deemed appropriate by the Commission.
- (5) Authorizes the Commission to compel units to comply with Commission directives.
- (6) Incorporates a clear definition of the term "fiscal distress."
- (7) Implements a new fiscal warning system for units at risk of fiscal distress.
- (8) Expands the criteria and parameters for measuring a unit's fiscal health to incorporate economic and demographic factors.
- (9) Incorporates factors impacting a unit's fiscal health, including changes in population, tax base, and business and economic indicators.

SECTION 36.1.(b) The Department shall submit an interim report on the implementation of this section no later than December 15, 2021, and a final report and plan by April 1, 2022, to the Joint Oversight Committee on General Government, Senate Appropriations Committee on General Government and Information Technology, House Appropriations Committee on General Government, and Fiscal Research Division. The reports shall contain any recommendations for legislation deemed appropriate to implement the provisions of this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-TREAS-H2-P

Department of State Treasurer
House Appropriations, General Government

Requested by

**STATE TREASURER BUDGET/RECEIPTS DEPOSITED WITH STATE CONTROLLER
AS NONTAX REVENUE**

SECTION #.1.(a) G.S. 105-501 reads as rewritten:

"§ 105-501. Distribution of additional taxes.

...

(b) Deductions. – The costs incurred by the State to provide the functions listed in this subsection that support local governments are deductible from the collections to be allocated each month for distribution.

...

(1a) The Department of State Treasurer's costs for personnel and operations of the Local Government ~~Commission~~. Commission must be deducted and credited to the State Controller as a General Fund nontax revenue.

...."

SECTION #.1.(b) G.S. 116B-6 reads as rewritten:

"§ 116B-6. Administration of Escheat Fund; Escheat Account.

...

(h) Expenditures. – ~~The Treasurer may expend the funds in the Escheat Fund, other than funds in the Escheat Account, for~~ On or before June 30 of each fiscal year, the Treasurer shall transfer from the Escheat Fund to the State Controller as a General Fund nontax revenue the funds needed to cover the cost of conducting the following activities: the payment of claims for refunds to owners, holders and claimants under G.S. 116B-4; for the payment of costs of maintenance and upkeep of abandoned or escheated property; the costs of preparing lists of names of owners of abandoned property to be furnished to clerks of superior court; the costs of notice and publication; the costs of appraisals; the payment of fees of persons employed pursuant to G.S. 116B-8 costs involved in determining whether a decedent died without heirs; the payment of fees of persons employed pursuant to G.S. 116B-8 to conduct audits; the costs of a title search of real property that has escheated; and the costs of auction or sale under this Chapter. All other costs, The cost under this subsection, including salaries of personnel, necessary to carry out the duties of the Treasurer under this Chapter, shall be appropriated from the funds of the Escheat Fund pursuant to the provisions of Chapter 143C of the General Statutes.

...."

SECTION #.1.(c) G.S. 135-48.5 reads as rewritten:

"§ 135-48.5. Health benefit trust funds created.

...

All premiums, fees, charges, rebates, refunds or any other receipts including, but not limited to, earnings on investments, occurring or arising in connection with health benefits programs established by this Article, shall be deposited into the Public Employee Health Benefit Fund. Disbursements from the Fund shall include any and all amounts required to pay the benefits ~~and administrative costs of such the~~ programs as may be determined by the Executive Administrator and Board of Trustees. The cost of administering the programs shall not be disbursed from the

1 Fund to the Office of State Treasurer but shall instead be transferred to the State Controller to be
2 deposited as a General Fund nontax revenue.

3"

4 **SECTION #1.(d)** G.S. 135-91 reads as rewritten:

5 **"§ 135-91. Administration.**

6 ...
7 (e) The administrative costs of the Plan may be charged to members or deducted from
8 members' accounts in accordance with nondiscriminatory procedures established by the
9 Department of State Treasurer and Board of ~~Trustees~~. Trustees and shall be deposited with the
10 State Controller as a General Fund nontax revenue.

11"

12 **SECTION #1.(e)** G.S. 147-68 reads as rewritten:

13 **"§ 147-68. To receive and disburse moneys; to make reports.**

14 (a) It is the duty of the Treasurer ~~to~~ to:

15 (1) ~~receive~~ Receive all moneys which shall from time to time be paid into the
16 treasury of this State; and to pay all warrants legally drawn on the Treasurer.

17 (2) On or before June 30 of each fiscal year, transfer all receipts to offset the
18 operating expenses of divisions of the Office of State Treasurer to the State
19 Controller to be deposited as a General Fund nontax revenue.

20"

21 **SECTION #1.(f)** G.S. 147-68.1 reads as rewritten:

22 **"§ 147-68.1. Banking operations.**

23 The cost of administration, management, and operations of the banking operations of the
24 Department of State Treasurer shall be apportioned equitably among the funds and programs
25 using these services, and the costs so apportioned shall be deposited with the State ~~Treasurer~~
26 Controller as a ~~general fund~~ General Fund nontax revenue. The cost of administration,
27 management and operations of the banking operations of the Department of State Treasurer shall
28 be covered by an appropriation to the State Treasurer for this purpose in the Current Operations
29 Appropriations Act."

30 **SECTION #1.(g)** G.S. 147-69.3 reads as rewritten:

31 **"§ 147-69.3. Administration of State Treasurer's investment programs.**

32 ...
33 (f) The cost of administration, management, and operation of investment programs
34 established pursuant to this section shall be apportioned equitably among the programs ~~in such~~
35 ~~manner as may be prescribed by the State Treasurer, such and the costs to shall~~ be paid from each
36 ~~program, and to the extent not otherwise chargeable directly to the income or assets of the specific~~
37 ~~investment program or pooled investment vehicle, shall be program~~ and deposited with the State
38 ~~Treasurer~~ Controller as a General Fund nontax revenue. The cost of administration, management,
39 and operation of investment programs established pursuant to this section ~~and not directly paid~~
40 ~~from the income or assets of such program~~ shall be covered by an appropriation to the State
41 Treasurer for this purpose in the Current Operations Appropriations Act.

42"

43 **SECTION #1.(h)** This section becomes effective July 1, 2023.

44 **SECTION #2.(a)** The Office of State Budget and Management shall, in conjunction
45 with the Department of State Treasurer, adjust the Department's base budget for each fiscal year
46 of the 2023-2025 fiscal biennium to comply with the provisions of this section.

47 **SECTION #2.(b)** The Department of State Treasurer shall not make any
48 adjustments to its budget for any fiscal year of the 2021-2023 fiscal biennium that increases the
49 Department's total requirements above the amounts included in the budget enacted by the General
50 Assembly for the 2021-2023 fiscal biennium.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Proofed
SPECIAL PROVISION



2021-TREAS-H3-P

Department of State Treasurer
House Appropriations, General Government

Requested by

***EXPAND THE TYPE OF CANCERS COVERED AS OCCUPATIONAL DISEASES FOR
FIREFIGHTERS' DEATH BENEFITS***

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

"§ 143-166.2. Definitions.

The following definitions apply in this Article:

...

(6) Killed in the line of duty. – This term shall apply to all of the following deaths:

...

e. When the death of a firefighter occurs as a direct and proximate result of any of the following cancers that are occupationally related to firefighting, that firefighter is presumed to have been killed in the line of duty:

1. Mesothelioma.
2. Testicular cancer.
3. ~~Intestinal cancer.~~ Cancer of the small intestine.
4. Esophageal cancer.
5. Oral cavity cancer.
6. Pharynx cancer.

...."

SECTION #.(b) This section is effective when it becomes law and applies to deaths occurring on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Drafting
SPECIAL PROVISION



2021-GA-H1(PART XXXVII)i

General Assembly
House Appropriations, General Government

PART XXXVII. GENERAL GOVERNMENT

GENERAL GOVERNMENT OVERSIGHT REPORTING REQUIREMENTS

DEPARTMENT OF ADMINISTRATION

SECTION 37.1.(a) G.S. 116D-4 reads as rewritten:

"§ 116D-4. Minority and historically underutilized business participation.

(a) Minority Business Participation. – The goals set by G.S. 143-128 for participation in projects by minority businesses apply to projects funded by the proceeds of bonds or notes issued under this section. The following State agencies shall monitor compliance with this requirement and shall report to the ~~General Assembly~~ Joint Legislative Oversight Committee on General Government by January 1 of each year on the participation by minority businesses in these projects. The State Construction Office, Department of Administration, shall monitor compliance with regard to projects funded by the proceeds of university improvement general obligation bonds and notes and special obligation bonds and notes; the Board of Governors of The University of North Carolina shall provide the State Construction Office any information required by the State Construction Office to monitor compliance. The Community Colleges System Office shall monitor compliance with regard to projects funded by the proceeds of community college general obligation bonds and notes.

...."

SECTION 37.1.(b) G.S. 143-48 reads as rewritten:

"§ 143-48. State policy; cooperation in promoting the use of small contractors, minority contractors, physically handicapped contractors, and women contractors; purpose; required annual reports.

...

(d) The Department of Administration shall collect and compile the data described in this section and report it annually to the ~~General Assembly~~ Joint Legislative Oversight Committee on General Government.

...."

SECTION 37.1.(c) G.S. 143-128.3 reads as rewritten:

"§ 143-128.3. Minority business participation administration.

(a) All public entities subject to G.S. 143-128.2 shall report to the Department of Administration, Office of Historically Underutilized Business, the following with respect to each building project:

...

The reports shall be in the format and contain the data prescribed by the Secretary of Administration. The University of North Carolina and the State Board of Community Colleges shall report quarterly and all other public entities shall report semiannually. The Secretary of the Department of Administration shall make reports every six months to the Joint Legislative Committee on Governmental Operations and the Joint Legislative Oversight Committee on General Government on information reported pursuant to this subsection.

1 ...
2 (c) The Secretary shall study and recommend to the ~~General Assembly~~ Joint Legislative
3 Oversight Committee on General Government and other State agencies ways to improve the
4 effectiveness and efficiency of the State capital facilities development, minority business
5 participation program and good faith efforts in utilizing minority businesses as set forth in
6 G.S. 143-128.2, and other appropriate good faith efforts that may result in the increased
7 utilization of minority businesses.

8 (d) The Secretary shall appoint an advisory board to develop recommendations to
9 improve the recruitment and utilization of minority businesses. The Secretary, with the input of
10 its advisory board, shall review the State's programs for promoting the recruitment and utilization
11 of minority businesses involved in State capital projects and shall recommend to the ~~General~~
12 ~~Assembly,~~ Joint Legislative Oversight Committee on General Government, the State
13 Construction Office, The University of North Carolina, and the community colleges system
14 changes in the terms and conditions of State laws, rules, and policies that will enhance
15 opportunities for utilization of minority businesses on these projects. The Secretary shall provide
16 guidance to these agencies on identifying types of projects likely to attract increased participation
17 by minority businesses and breaking down or combining elements of work into economically
18 feasible units to facilitate minority business participation.

19 ...
20 (g) ~~The~~ Annually, on or before September 1, beginning September 1, 2022, the Secretary
21 shall report findings and recommendations—recommendations, as required under this section
22 section, to the Joint Legislative Committee on Governmental Operations annually on or before
23 June 1, beginning June 1, 2002, and the Joint Legislative Oversight Committee on General
24 Government and shall post the report findings and recommendations on the Department's
25 website."

26 **SECTION 37.1.(d)** G.S. 143-341 reads as rewritten:

27 **"§ 143-341. Powers and duties of Department.**

28 The Department of Administration has the following powers and duties:

29 ...
30 (8) General Services:

- 31 ...
32 i. To establish and operate a central motor fleet and such subsidiary
33 related facilities as the Secretary may deem necessary, and to that end:
34 ...
35 11. To report annually to the ~~General Assembly~~ Joint Legislative
36 Oversight Committee on General Government on any rules
37 adopted, amended or repealed under sub-sub-subdivisions 3.,
38 7., or 7a. of this sub-subdivision.

39 ...
40 (12) Report on Vehicles Managed. – Beginning on September 1, 2021, and
41 semiannually thereafter, the Department of Administration shall provide a
42 report to the Joint Legislative Oversight Committee on General Government
43 and the Joint Legislative Oversight Committee on Justice and Public Safety
44 on the status of all motor vehicles managed by the Department of
45 Administration for the Department of Public Safety. The report shall include
46 all of the following information:

- 47 a. The number of motor vehicles managed by the Department of
48 Administration for the Department of Public Safety.
49 b. The condition of each motor vehicle, including the mileage on each
50 motor vehicle.
51 c. The average amount of time taken to repair or replace a motor vehicle.

d. The number and condition of any backup motor vehicles managed by the Department of Administration and available for use by the Department of Public Safety, including the location and condition of each motor vehicle."

SECTION 37.1.(e) Section 27.6(c) of S.L. 2015-241 is repealed.

SECTION 37.1.(f) G.S. 143-747 reads as rewritten:

"§ 143-747. Council of Internal Auditing.

...
(c) The Council shall:

...
(12) ~~Issue an annual report including, but not limited to, No later than November 1 of each year, issue a report that shall include, but not be limited to, service efforts and accomplishments of State agency internal auditors and to propose proposed legislation for consideration by the Governor and General Assembly. The annual report shall be prepared by the Office of State Budget and Management and shall be submitted to the Joint Legislative Oversight Committee on General Government."~~

SECTION 37.1.(g) G.S. 143B-394.16(b) reads as rewritten:

"(b) Report. – The Commission shall report its findings and recommendations, including any legislative or administrative proposals, to the ~~General Assembly~~ Joint Legislative Oversight Committee on General Government no later than April 1 each year."

SECTION 37.1.(h) G.S. 143B-394.21 is amended by adding a new subsection to read:

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

SECTION 37.1.(i) G.S. 143B-409 reads as rewritten:

"§ 143B-409. North Carolina State Commission of Indian Affairs – reports.

The Commission shall prepare a written annual report giving an account of its proceedings, transactions, findings, and recommendations. This report shall be submitted to the ~~Governor and the legislature~~ Governor and the Joint Legislative Oversight Committee on General Government. The report will become a matter of public record and will be maintained in the State Historical Archives. It may also be furnished to such other persons or agencies as the Commission may deem proper."

SECTION 37.1.(j) G.S. 143B-410 reads as rewritten:

"§ 143B-410. North Carolina State Commission of Indian Affairs – fiscal records; clerical staff.

Fiscal records shall be kept by the Secretary of Administration. The audit report will become a part of the annual report and will be submitted in accordance with the regulations governing preparation and submission of the annual report. The Commission shall submit the annual report to the Joint Legislative Oversight Committee on General Government."

SECTION 37.1.(k) G.S. 143B-411.2 reads as rewritten:

"§ 143B-411.2. North Carolina Advisory Council on the Eastern Band of the Cherokee – purpose or creation; powers and duties.

The purpose of the Council is to study on a continuing basis the relationship between the Eastern Band of the Cherokee and the State of North Carolina in order to resolve any matters of concern to the State or the Tribe. It shall be the duty of the Council:

- (1) Identify existing and potential conflicts between the State of North Carolina and the Eastern Band of Cherokee ~~Indians;Indians.~~
- (2) Propose State and federal legislation and agreements between the State of North Carolina and the Cherokee Tribe to resolve existing and potential ~~conflicts;conflicts.~~
- (3) To study and make recommendations concerning any issue referred to the Council by any official of the Eastern Band of the Cherokee, the State of North Carolina, or the government of Haywood, Jackson, Swain, Graham, or Cherokee Counties.
- (4) Study other issues of mutual concern to the Eastern Band of the ~~Cherokee;Cherokee.~~
- ~~(5) Make a report with recommendations as needed, but not less often than biannually to the Governor, the Chief of the Eastern Band of the Cherokee, the General Assembly, and the Tribal Council of the Eastern Band of the Cherokee."~~

SECTION 37.1.(I) The North Carolina Farmworker Council, enacted as Part 26 of Article 9 of Chapter 143B of the General Statutes, is repealed.

ETHICS COMMISSION

SECTION 37.2. G.S. 138A-10 reads as rewritten:

"§ 138A-10. Powers and duties.

(a) In addition to other powers and duties specified in this Chapter, the Commission shall:

- ...
- (11) Report annually to the ~~General Assembly~~ Joint Legislative Oversight Committee on General Government and the Governor on the Commission's activities and generally on the subject of public disclosure, ethics, and conflicts of interest, including recommendations for administrative and legislative action, as the Commission deems appropriate.

...."

OFFICE OF STATE HUMAN RESOURCES

SECTION 37.3. G.S. 143-583 reads as rewritten:

"§ 143-583. Model program; technical assistance; reports.

...

(c) Reports. – The Office of State Human Resources shall report annually to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Oversight Committee on General Government on the safety, health, and workers' compensation activities of State agencies, compliance with this Article, and the fines levied against State agencies pursuant to Article 16 of Chapter 95 of the General Statutes."

OFFICE OF STATE AUDITOR

SECTION 37.4. G.S. 147-64.11 reads as rewritten:

"§ 147-64.11. Review of office.

The Auditor may, on ~~his~~ the Auditor's own initiative and as often as ~~he~~ the Auditor deems necessary, or as requested by the General ~~Assembly~~ Assembly or the Joint Legislative Oversight Committee on General Government, cause to be made a quality review audit of the operations of ~~his~~ the Auditor's office. Such a "peer review" shall be conducted in accordance with standards prescribed by the accounting profession. Upon the recommendation of the Joint Legislative Commission on Governmental ~~Operations~~ Operations, the Auditor may contract with an independent public accountant, qualified management consultant, or other professional person to

1 conduct a financial and compliance, economy and efficiency, and program result audit of the
2 State Auditor."

3
4 **OFFICE OF STATE BUDGET AND MANAGEMENT**

5 **SECTION 37.5.(a)** Article 6 of Chapter 143C of the General Statutes is amended by
6 adding a new section to read:

7 **"§ 143C-6-13. Results first annual report.**

8 By October 1 of each year, the Office of State Budget and Management shall submit an
9 annual report to the Joint Legislative Commission on Governmental Operations, Joint Legislative
10 Oversight Committee on General Government, and Joint Legislative Program Evaluation
11 Oversight Committee on the progress in implementing the cost-benefit analysis model for use in
12 crafting policy and budget decisions. The report may include recommendations for legislation."

13 **SECTION 37.5.(b)** Section 26.3(c) of S.L. 2017-57 is repealed.

14 **SECTION 37.5.(c)** G.S. 143C-6-23 reads as rewritten:

15 **"§ 143C-6-23. State grant funds: administration; oversight and reporting requirements.**

16 ...
17 (h) Report on Grant Recipients That Failed to Comply. – ~~Not later than May 1, 2007, and~~
18 ~~by May 1 of every succeeding year, the~~ The Office of State Budget and Management shall ~~report~~
19 ~~to the Joint Legislative Commission on Governmental Operations and the Fiscal Research~~
20 ~~Division on~~ post online at regular intervals a list of all grantees or subgrantees that failed to
21 comply with this section with respect to grant funds received in the prior fiscal year.

22"

23 **SECTION 37.5.(d)** G.S. 143-194 is repealed.

24
25 **STATE BOARD OF ELECTIONS**

26 **SECTION 37.6.(a)** G.S. 66-58 reads as rewritten:

27 **"§ 66-58. Sale of merchandise or services by governmental units.**

28 ...
29 (c) The provisions of subsection (a) of this section shall not prohibit:

30 ...
31 (17) The sale by the State Board of Elections to political committees and candidate
32 committees of computer software designed by or for the State Board of
33 Elections to provide a uniform system of electronic filing of the campaign
34 finance reports required by Article 22A of Chapter 163 of the General Statutes
35 and to facilitate the State Board's monitoring of compliance with that Article.
36 ~~This computer software for electronic filing of campaign finance reports shall~~
37 ~~not exceed a cost of one hundred dollars (\$100.00) to any political committee~~
38 ~~or candidate committee without the State Board of Elections first notifying in~~
39 ~~writing the Joint Legislative Commission on Governmental Operations.~~

40"

41 **SECTION 37.6.(b)** G.S. 163-165.9 reads as rewritten:

42 **"§ 163-165.9. Voting systems: powers and duties of county board of elections.**

43 ...
44 (b) After the acquisition of any voting system, the county board of elections shall comply
45 with any requirements of the State Board of Elections regarding training and support of the voting
46 system by completing all of the following:

47 ...
48 (2) The county board of elections shall annually maintain software license and
49 maintenance agreements necessary to maintain the warranty of its voting
50 system. A county board of elections may employ qualified personnel to

1 maintain a voting system in lieu of entering into maintenance agreements
2 necessary to maintain the warranty of its voting system. State Board of
3 Elections is not required to provide routine maintenance to any county board
4 of elections that does not maintain the warranty of its voting system. If the
5 State Board of Elections provides any maintenance to a county that has not
6 maintained the warranty of its voting system, the county shall reimburse the
7 State for the cost. The State Board of Elections shall ~~annually~~ report annually
8 by January 15 to the House and Senate Committees on Appropriations, to the
9 Fiscal Research Division, to the Joint Legislative Oversight Committee on
10 General Government, and to the Joint Legislative Commission on
11 Governmental Operations on implementation of this subdivision. If requested
12 by the county board of elections, the State Board of Elections may enter into
13 contracts on behalf of that county under this subdivision, but such contracts
14 must also be approved by the county board of elections. Any contract entered
15 into under this subdivision shall be paid from non-State funds. Neither a
16 county nor the State Board of Elections shall enter into any contract with any
17 vendor for software license and maintenance agreements unless the vendor
18 agrees to (i) operate a training program for qualification of county personnel
19 under this subsection with training offered within the State of North Carolina
20 and (ii) not dishonor warranties merely because the county is employing
21 qualified personnel to maintain the voting system as long as the county:
22"
23

24 **DEPARTMENT OF INSURANCE**

25 **SECTION 37.7.(a)** G.S. 58-2-120 reads as rewritten:

26 **"§ 58-2-120. Reports of Commissioner to the Governor and General Assembly.**

27 The Commissioner shall, from time to time, report to the Governor and ~~the General Assembly~~
28 the Joint Legislative Oversight Committee on General Government any change or changes that
29 in the Commissioner's opinion should be made in the laws relating to insurance and other subjects
30 pertaining to the Department."

31 **SECTION 37.7.(b)** G.S. 58-42-45 reads as rewritten:

32 **"§ 58-42-45. Article subject to Administrative Procedure Act; legislative oversight of plans.**

33 ...

34 (b) At the same time the Commissioner issues a notice of hearing under G.S. 150B-38,
35 the Commissioner shall provide copies of the notice to the Joint Regulatory Reform Committee
36 ~~and to Committee,~~ the Joint Legislative Commission on Governmental Operations. ~~Operations,~~
37 and the Joint Legislative Oversight Committee on General Government. The Commissioner shall
38 provide the ~~Committee-Committees~~ and Commission with copies of any plan promulgated by or
39 approved by the Commissioner under G.S. 58-42-1(1) or (2)."

40 **SECTION 37.7.(c)** G.S. 58-79-20 reads as rewritten:

41 **"§ 58-79-20. Inspection of premises; dangerous material removed.**

42 The Commissioner of Insurance, or the chief of fire department or chief of police where there
43 is no chief of fire department, or the city or county building inspector, electrical inspector, heating
44 inspector, or fire prevention inspector has the right at all reasonable hours, for the purpose of
45 examination, to enter into and upon all buildings and premises in their jurisdiction. When any of
46 such officers find in any building or upon any premises overcrowding in violation of occupancy
47 limits established pursuant to the North Carolina State Building Code, combustible material or
48 inflammable conditions dangerous to the safety of such building or premises they shall order the
49 same to be removed or remedied, and this order shall be forthwith complied with by the owner
50 or occupant of such buildings or premises. The owner or occupant may, within twenty-four hours,
51 appeal to the Commissioner of Insurance from the order, and the cause of the complaint shall be

1 at once investigated by ~~his-the Commissioner's~~ direction, and unless by ~~his-the Commissioner's~~
2 authority the order of the officer above named is revoked it remains in force and must be forthwith
3 complied with by the owner or occupant. The Commissioner of Insurance, fire chief, or building
4 inspector, electrical inspector, heating inspector, or fire prevention inspector shall make an
5 immediate investigation as to the presence of combustible material or the existence of
6 inflammable conditions in any building or upon any premises under their jurisdiction upon
7 complaint of any person having an interest in such building or premises or property adjacent
8 thereto. The Commissioner may, in person or by deputy, visit any municipality or county and
9 make such inspections alone or in company with the local officer. The Commissioner shall
10 submit annually, as early as consistent with full and accurate preparation, and not later than the
11 first day of June, a detailed report of ~~his-the Commissioner's~~ official action under this Article,
12 and it shall be embodied in ~~his-the~~ report to the ~~General Assembly~~. Joint Legislative Oversight
13 Committee on General Government."

14 **SECTION 37.7.(d)** G.S. 58-87-1 reads as rewritten:

15 **"§ 58-87-1. Volunteer Fire Department Fund.**

16 ...

17 (c) Report. – The Commissioner must submit a written report to the ~~General Assembly~~
18 Joint Legislative Oversight Committee on General Government within 60 days after the grants
19 have been made. This report must contain the following:

20"

21 **SECTION 37.7.(e)** G.S. 58-87-5 reads as rewritten:

22 **"§ 58-87-5. Volunteer Rescue/EMS Fund.**

23 ...

24 (e) Report. – The Commissioner must submit a written report to the ~~General Assembly~~
25 Joint Legislative Oversight Committee on General Government within 60 days after the grants
26 have been made. This report must contain the following:

27"

28 **SECTION 37.7.(f)** G.S. 58-92-15(n) reads as rewritten:

29 "(n) The Commissioner shall review the effectiveness of this section and report every three
30 years to the ~~General Assembly~~ Joint Legislative Oversight Committee on General Government
31 the Commissioner's findings, and if appropriate, recommendations for legislation to improve the
32 effectiveness of this Article. The report and legislative recommendations shall be submitted no
33 later than June 30 following the conclusion of each three-year period."

35 **INDUSTRIAL COMMISSION**

36 **SECTION 37.8.(a)** G.S. 97-78 reads as rewritten:

37 **"§ 97-78. Salaries and expenses; administrator, executive secretary, deputy commissioners,**
38 **and other staff assistance; annual report.**

39 ...

40 (e) No later than October 1 of each year, the Commission shall publish annually for free
41 distribution a report of the administration of this Article, together with such recommendations as
42 the Commission deems advisable. No later than October 1 of each year, the Commission shall
43 submit this report to the Joint Legislative Oversight Committee on ~~Agriculture and Natural and~~
44 ~~Economic Resources, the Senate Appropriations Committee on Agriculture, Natural, and~~
45 ~~Economic Resources, and the chairs of the House of Representatives Appropriations Committee~~
46 ~~on Agriculture and Natural and Economic Resources.~~ General Government, the Senate
47 Appropriations Committee on General Government and Information Technology, and the House
48 Appropriations Committee on General Government.

49 (f) ~~No later than April 1, 2008, the~~ Every four years beginning April 1, 2022, the
50 Commission shall prepare and implement a strategic plan for accomplishing all of the following:

51 ...

1 (g) The Commission shall demonstrate its success in implementing its strategic plan
2 under subsection (f) of this section by including all of the following in its annual report under
3 subsection (e) of this section:

4 (1) The total number of claims made during the preceding ~~calendar~~-fiscal year,
5 the total number of claims in which compliance was not timely made, and, for
6 each claim, the date the claim was filed, the date by which compliance was
7 required, the date of actual compliance, and any sanctions or other remedial
8 action imposed by the Commission.

9 (2) The total number of requests for, and disputes involving, medical
10 compensation under G.S. 97-25 in which final disposition was not made
11 within 75 days of the filing of the motion with the Commission, and, for each
12 such request or dispute, the date the motion or other initial pleading was filed,
13 the date on which final disposition was ~~made and, where reasonably~~
14 ~~ascertainable, the date on which any ordered medical treatment was actually~~
15 ~~provided.~~made."

16 **SECTION 37.8.(b)** G.S. 143-788(b) reads as rewritten:

17 "(b) No later than October 1 of each year, the Section shall publish annually to the Office
18 of the Governor and to the Joint Legislative Commission on Governmental Operations a report
19 of the administration of this Article, together with any recommendations as the Section deems
20 advisable. This report shall include, at a minimum, the number of reports of employee
21 misclassification received, the number of cases referred to each State agency, the number and
22 amount of back taxes, wages, benefits, penalties, or other monies ~~assessed, assessed, and, where~~
23 ~~reasonably ascertainable,~~ the amount of back taxes, wages, benefits, penalties, or other monies
24 ~~collected, and the number of cases referred to each State agency collected."~~
25

26 **DEPARTMENT OF MILITARY AND VETERANS AFFAIRS**

27 **SECTION 37.9.(a)** G.S. 144-9 reads as rewritten:

28 "**§ 144-9. Retirement of a flag of the United States of America or the State of North**
29 **Carolina.**

30 ...

31 (b) The Division of Veterans Affairs shall accept, at no charge, a worn, tattered, or
32 otherwise damaged flag of the United States of America or the State of North Carolina from a
33 citizen of the State and shall make arrangements for its respectful disposal. The Division shall
34 establish a flag retirement program to encourage citizens to send in or drop off such flags at the
35 Division's office in Raleigh and at any Veterans Home or Veterans Cemetery in the State and
36 may establish other locations for flag drop-off as it deems appropriate. The Division shall
37 advertise the flag retirement program on its Web site and by printed posters placed at all flag
38 drop-off locations. ~~On or before December 31, 2016, and annually thereafter, the Division shall~~
39 ~~report the number of flags received under the program to the Joint Legislative Committee on~~
40 ~~Governmental Operations.~~

41"

42 **SECTION 37.9.(b)** G.S. 143B-1300(a) reads as rewritten:

43 "(a) The Assistant Secretary for Veterans Affairs shall report annually to the Secretary of
44 the Department of Military and Veterans Affairs and the Joint Legislative Oversight Committee
45 on General Government on the activities of the State Veterans Homes Program. This report shall
46 contain an accounting of all monies received and expended, statistics on residents in the homes
47 during the year, recommendations to the Secretary, the Governor, and the General Assembly as
48 to the program, and such other matters as may be deemed pertinent."

49 **SECTION 37.9.(c)** G.S. 143B-1310 reads as rewritten:

50 "**§ 143B-1310. Commission established; purpose; transaction of business.**

51 ...

(c) Transaction of Business. – The Commission shall meet, at a minimum, at least once during each quarter and shall provide a report on military affairs to the Secretary of Military and Veterans Affairs and to the General Assembly Affairs and the Joint Legislative Oversight Committee on General Government at least every six months. Prior to the start of a Regular Session of the General Assembly, the Commission shall report to the General Assembly Joint Legislative Oversight Committee on General Government with recommendations, if any, for legislation. Priority actions or issues may be submitted at any time.

...."

DEPARTMENT OF REVENUE

SECTION 37.10. G.S. 105-256 reads as rewritten:

"§ 105-256. Publications prepared by Secretary of Revenue; report on fraud prevention progress.

(a) Publications. – The Secretary shall prepare and publish the following:

...

(6) On an annual basis, a report on the quality of services provided to taxpayers through the Taxpayer Assistance Call Center, walk-in assistance, and taxpayer education. The report must be submitted to the Joint Legislative Commission on Governmental ~~Operations~~ Operations and the Joint Legislative Oversight Committee on General Government.

...

(8) By ~~January 1 and July 1~~ February 15 and August 15 of each year, a semiannual report on the Department's activities listed in this subdivision. The report must be submitted to the Joint Legislative Commission on Governmental ~~Operations~~ Operations, to the Joint Legislative Oversight Committee on General Government, and to the Revenue Laws Study Committee.

...."

SECRETARY OF STATE

SECTION 37.11.(a) G.S. 64-1.1 is repealed.

SECTION 37.11.(b) G.S. 147-54.5 reads as rewritten:

"§ 147-54.5. Investor Protection and Education Trust Fund; administration; limitations on use of the Fund.

...

(f) Beginning January 1, 1997, the Department of the Secretary of State shall report annually to the ~~General Assembly's~~ Fiscal Research Division and to ~~of the General Assembly,~~ the Joint Legislative Commission on Governmental ~~Operations~~ Operations, and the Joint Legislative Oversight Committee on General Government on the expenditures from the Investor Protection and Education Trust Fund and on the effectiveness of investor awareness education efforts of the Department of the Secretary of State."

DEPARTMENT OF STATE TREASURER

SECTION 37.12.(a) G.S. 147-68 reads as rewritten:

"§ 147-68. To receive and disburse moneys; to make reports.

...

~~(d2) After consulting with the Select Committee on Information Technology and the Joint Legislative Commission on Governmental Operations and after consultation with and approval of the Information Resources Management Commission, the Department of State Treasurer may spend departmental receipts for the 2000-2001 fiscal year to continue improvement of the Department's investment banking operations system, retirement payroll systems, and other~~

1 information technology infrastructure needs. The Department of State Treasurer shall report by
2 January 1, 2001, and annually thereafter to the following regarding the amount and use of the
3 departmental receipts: the Joint Legislative Commission on Governmental Operations, the Chairs
4 of the General Government Appropriations Subcommittees of both the House of Representatives
5 and the Senate, and the Joint Legislative Committee on Information Technology.

6"

7 **SECTION 37.12.(b)** G.S. 147-69.2A reads as rewritten:

8 "**§ 147-69.2A. Investments; special funds held by the State Treasurer.**

9 ...

10 (b) Organization and Reporting. – All documents of the Governor or the State Treasurer
11 concerning the Fund are public records governed by Chapter 132 of the General Statutes and any
12 applicable provisions of the General Statutes protecting confidential information.

13 The State Treasurer and the Governor shall jointly develop and adopt an investment policy
14 statement for the Fund.

15 The State Treasurer and Governor shall jointly adopt a common policy to prevent conflicts
16 of interests such that (i) the designees of the State Treasurer and Governor who selected the
17 third-party investment management firm, (ii) the staff of the State Treasurer overseeing the Fund,
18 and (iii) the third-party investment management firm's employees selecting or overseeing Fund
19 investments do not provide services for compensation (as an employee, consultant, or otherwise),
20 within two years after the end of their service to the Fund, to any entity in which an investment
21 from the Fund was made.

22 ~~By October 1, 2015, and at least semiannually thereafter, the State Treasurer shall submit a~~
23 ~~report to the Governor, the Office of State Budget and Management, the Joint Legislative~~
24 ~~Commission on Governmental Operations, and the Fiscal Research Division on investments~~
25 ~~made from the Fund and any return on investment. This report shall be made for the Fund in lieu~~
26 ~~of the reports required by G.S. 147-69.8 and G.S. 147-69.12(b).~~

27"

28 **SECTION 37.12.(c)** G.S. 147-69.12 reads as rewritten:

29 "**§ 147-69.12. Reporting on the State Treasurer's investment programs.**

30 (a) No later than the tenth day of February, May, August, and November of each year,
31 the State Treasurer shall report on all investments for which the State Treasurer is in any way
32 ~~responsible.~~ responsible, including investments made from the Escheat Fund and return on
33 investment as provided in G.S. 147-69.2A. This report shall be made for the Escheat Fund in lieu
34 of the report required by G.S. 147-69.8. The State Treasurer's quarterly report shall include each
35 of the following:

36 ...

37 (c) The Treasurer shall report to the Governor annually ~~and to the General Assembly at~~
38 ~~the beginning of each biennial session~~ the exact balance in the treasury to the credit of the State,
39 with a summary of the receipts and payments of the treasury during the preceding fiscal year,
40 and so far as practicable an account of the same down to the termination of the current calendar
41 year.

42"

43 **SECTION 37.12.(d)** G.S. 147-86.45 is repealed.

44 **SECTION 37.12.(e)** G.S. 147-86.62 is repealed.

45 **SECTION 37.12.(f)** G.S. 147-86.84 is repealed.

46 **SECTION 37.13.** This Part is effective when this act becomes law and applies to
47 reports submitted on or after that date.