

1999-2000

**SENATE
RULES
COMMITTEE**

MINUTES

SENATE

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

1999 SESSION

2000 "

Senator Anthony E. Rand
Chairman

Evelyn B. Costello
Committee Assistant

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

| | | |
|--------------------------------|----------|----------|
| Sen. Anthony E. Rand, Chairman | 300C LOB | 733-9892 |
| Sen. Charles W. Albertson | 525 LOB | 733-5705 |
| Sen. John H. Carrington | 515 LOB | 733-5653 |
| Sen. Roy A. Cooper III | 2010 LB | 733-5664 |
| Sen. Walter H. Dalton | 409 LOB | 714-3038 |
| Sen. James S. Forrester | 1121 LB | 733-5708 |
| Sen. Wib Gulley | 408 LOB | 715-3036 |
| Sen. Hamilton C. Horton, Jr. | 1117 LB | 733-7850 |
| Sen. David W. Hoyle | 300A LOB | 733-5734 |
| Sen. Luther H. Jordan | 407 LOB | 715-3034 |
| Sen. Ellie Kinnaird | 2115 LB | 733-5804 |
| Sen. Robert L. Martin | 410 LOB | 715-3040 |
| Sen. Stephen M. Metcalf | 520 LOB | 733-5748 |
| Sen. Aaron W. Plyler | 627 LOB | 733-5739 |
| Sen. Robert A. Rucho | 1113 LB | 733-5650 |
| Sen. R.C. Soles, Jr. | 2022 LB | 733-5963 |

SENATE

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

1999 SESSION

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February 8

SR 53 - Honor Bar Association
Favorable as to Committee Substitute Senate Joint Resolution

February 18

SB 117 - Expand Membership on the Governmental Operation Commission
Favorable Report

March 11

SB 289 -Royall Children's Vision Program
Favorable Report

May12

SB 96 - 17th Senate District Local Act (Scotland Stadium Civic Center Funds)
Favorable as to Committee Substitute

SB 150 - Yadkin Local Act (Yadkin Historical Society Funds)
Favorable as to Committee Substitute

SB 200 -Blank Appropriations Bill – 3 (Funds for Public Projects)
Favorable as to Committee Substitute

SB 202 -Blank Appropriations Bill – 5 (Terry Sanford Arts Legacy Funds)
Favorable as to Committee Substitute

May12 cont'd

- SB 541 - Amend State Law (Single Sisters Funds)
Favorable as to Committee Substitute
- SB 890 - Expand Health Care Access
Favorable as to Committee Substitute
- SR 1170 - Honoring Early Officers of the Town of Shallotte
Favorable Report
- SB 149 - Wilkes Local Act (Retired Highway Patrol Plate)
Favorable as to Committee Substitute
- SB 229 -Blank Appropriations Bill – 1 (Charlotte Repertory Theatre Funds)
Favorable as to Committee Substitute
- SB 778 - Future of Electric Service/ Members
Favorable as to Committee Substitute
- HB 253 - SIPS Name Change
No Action

June 8

- SB 509 - 11th Senate District Local Act - 1 (Seven Paths Fire Station Funds)
Favorable as to Committee Substitute
- SB 523 - 32nd Senatorial District Local Act – 1 (Modify Greensboro Room Tax)
Favorable as to Committee Substitute
- SB 524 -32nd Senatorial District Local Act – 1 (PT CAM Funds)
Favorable as to Committee Substitute

June 16, 1999

- HB 253 - IRMC Duties Amended
 Favorable as to Senate Committee Substitute
- SB 45 - Senate Dist. Local Act. (Jockey's Branch Improvement Funds)
 Favorable as to Committee Substitute
- SB 46 - Senate Dist. Local Act. (Tabor City Storm Damage Funds)
 Favorable as to Committee Substitute
- SB 327 - Senate District Local Act. – (Honoring Wrightsville Beach)
 Favorable as to Committee Substitute
- SJR 469 - Confirmation of Appointments to State Board of Ed.
 Favorable report
- SR- 1038 - Honoring 50th Anniversary of Surf City
 Favorable as to Committee Substitute for Senate Resolution

July 20, 1999

- HB 163 - 1999 Studies
 Favorable as to Senate Committee Substitute, as Amended
- HB 291 - Chief of Militia Powers/AB
 Favorable as to Senate Committee Substitute
- SB 437 - President Pro Tem.'s Appointments
 Favorable as to Committee Substitute

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June 6, 2000

- SJR 1495 - Honoring State Capitol's 160th Anniversary
 Favorable as to Committee Substitute Senate
 Joint Resolution

June 20, 2000

- H.B. 1593 - Extend Electric Service Comm.
 Favorable as to Committee Substitute
- S.R. 1107 - Honor 100th Anniversary of Town of Mt. Gilead
 Favorable as to Committee Substitute of SR 1107
 (Honoring the Veterans of the Korean War)
- S.B. 1351 - Senate District Local Act
 Favorable as to Committee Substitute S.R. 1351
 (Recognizing Benson's 80th Anniversary)

June 21, 2000

- S.B. 1489 - Senatorial District 28
 Favorable as to Committee Substitute SR 1489
 (Honoring Life and Memory of James McClure,
 former Member of the General Assembly and Congress)
- S.B. 1496 - State Property Transfer
 Favorable as to Committee Substitute
 (Transfer State Property in Burke County)

S.B. 1541 - Disposition of State Property
Favorable as to Committee Substitute
(Reallocates State Land in Wake County to the
Department of Cultural Resources for the North
Carolina Museum of Art.

June 27, 2000

H.B. 1855 - State Health Plan Changes
No Action

June 29, 2000

H.B. 1855 - State Health Plan
Favorable as to Senate Committee Substitute for
H.B. 1855

June 30, 2000

H.B. 1431 - Tobacco and Health Trust Funds
Favorable as to Senate Committee Substitute
for H.B. 1431

July 6, 2000

S.B. 1385 - Pro Tem Appointments
Favorable as to Committee Substitute

NORTH CAROLINA GENERAL ASSEMBLY
COMMITTEE SUMMARY REPORT

| BILL | INTRODUCER | SENATE: RULES & OPERATION OF THE SENATE | SHORT TITLE | LATEST ACTION ON BILL | IN DATE | OUT DATE |
|---------|------------|---|--------------------------------------|---------------------------|----------|----------|
| H 19 | REDWINE | *S -RE-REF COM ON RULES & | CASINO BOATS REGULATED | R -CH. RES 99-14 | 07-19-99 | 06-15-99 |
| H 76 | MOORE R | R -CH. SL 99-0395 | HONORING JOHN REED | *R -CH. SL 99-0347 | 07-19-99 | 07-20-99 |
| H 163= | OWENS | *R -CH. SL 99-0442 | 1999 STUDIES | R -CH. SL 99-0316 | 05-06-99 | 06-16-99 |
| H 253 | CULPEPPER | *R -CH. SL 99-0122 | SIPS NAME CHANGE/IRMC | S -RE-REF COM ON TRANSPRT | 07-19-99 | 07-20-99 |
| H 291 | BADDOUR | *R -CH. RES 99-21 | CHIEF OF NC GUARD | R -CH. RES 99-22 | 05-06-99 | 07-07-99 |
| H 319 | GOODWIN | R -CH. SL 99-0241 | ADD'L DUTY OF SEC. OF STATE | S -REF TO COM ON RULES & | 04-22-99 | 05-12-99 |
| H 778= | MCCOMAS | R -CH. RES 99-21 | FUTURE OF ELECTRIC SERVICE/MEMBERS | S -REF TO COM ON RULES & | 07-14-99 | 00-07-10 |
| H 815 | HENSLEY | R -CH. RES 99-21 | LEFT TURN ON RED | S -REF TO COM ON RULES & | 07-07-99 | 05-12-99 |
| H 848 | COLE | R -CH. RES 99-21 | NO CHARTER SCHOOL DEADLINE/ROCKINGHA | S -REF TO COM ON RULES & | 04-21-99 | 05-12-99 |
| H 863 | REDWINE | R -CH. RES 99-21 | ST. JAMES INCORPORATION | S -REF TO COM ON RULES & | 04-21-99 | 05-12-99 |
| H 930 | GOODWIN | R -CH. RES 99-21 | QUALIFICATIONS/CONSISTENCY | S -REF TO COM ON RULES & | 04-28-99 | 05-04-99 |
| H 1032= | CULPEPPER | R -CH. RES 99-21 | UNDERGROUND UTILITY DAMAGE AMEND. | S -REF TO COM ON RULES & | 05-04-99 | 00-06-30 |
| H 1431 | BRASWELL | R -CH. RES 99-21 | TOBACCO AND HEALTH TRUST FUNDS | S -REF TO COM ON RULES & | 07-12-99 | 00-07-12 |
| H 1463 | BAREFOOT | R -CH. RES 99-21 | HONOR DAVID CLARK | S -REF TO COM ON RULES & | 06-28-99 | 00-07-12 |
| H 1488= | COX | R -CH. RES 99-21 | HONORING H. D. MABE, JR. | S -REF TO COM ON RULES & | 07-15-99 | 07-21-99 |
| H 1489 | EDWARDS | R -CH. RES 99-21 | ADJOURNMENT RESOLUTION | S -REF TO COM ON RULES & | 07-20-99 | 07-21-99 |
| H 1588 | SMITH | R -CH. RES 99-21 | AUTHORIZE SPACEPORT BILL | S -REF TO COM ON RULES & | 00-06-28 | 00-06-20 |
| H 1593= | SMITH | R -CH. RES 99-21 | EXTEND ELECTRIC SERVICE COMM | S -REF TO COM ON RULES & | 00-06-13 | 00-06-20 |
| H 1807= | HAIRE | R -CH. RES 99-21 | HAYWOOD/NO SPOTLIGHTING DEER | S -REF TO COM ON RULES & | 00-06-12 | 00-06-20 |
| H 1855 | WRIGHT | R -CH. RES 99-21 | STATE HEALTH PLAN CHANGES-2 | S -REF TO COM ON RULES & | 00-06-22 | 00-06-29 |
| S 6= | RAND | R -CH. RES 99-21 | APPROVE TOBACCO SETT. NONPROFIT CORP | S -REF TO COM ON RULES & | 01-28-99 | 02-01-99 |
| S 24 | DALTON | R -CH. RES 99-21 | PRELITIGATION INS. INFO./MEDIATION | S -REF TO COM ON RULES & | 06-30-99 | 02-04-99 |
| S 28 | KERR | R -CH. RES 99-21 | WAYNE LOCAL ACT | S -REF TO COM ON RULES & | 02-04-99 | 02-04-99 |
| S 30 | KERR | R -CH. RES 99-21 | 8TH SENATE DISTRICT LOCAL ACT | S -REF TO COM ON RULES & | 02-04-99 | 02-04-99 |
| S 31 | KERR | R -CH. RES 99-21 | GREENE LOCAL ACT | S -REF TO COM ON RULES & | 02-04-99 | 02-04-99 |
| S 39= | KERR | R -CH. RES 99-21 | MEDICAID RECOVERY STUDY | S -REF TO COM ON RULES & | 02-04-99 | 02-04-99 |
| S 42 | PURCELL | R -CH. RES 99-21 | HONORING SCOTLAND COUNTY | S -ADOPTEED | 02-08-99 | 02-11-99 |
| S 44 | PURCELL | R -CH. RES 99-21 | LAKE WACCAMAW ANNEXATION | *R -CH. SL 99-0046 | 02-08-99 | 04-05-99 |
| S 45 | SOLES | R -CH. RES 99-21 | JOCKEY'S BRANCH IMPROVEMENT FUND | *S -RE-REF COM ON APPRPR | 02-08-99 | 06-16-99 |
| S 46 | SOLES | R -CH. RES 99-21 | TABOR CITY STORM DAMAGE FUNDS | *S -RE-REF COM ON APPRPR | 02-08-99 | 06-16-99 |

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NORTH CAROLINA GENERAL ASSEMBLY
COMMITTEE SUMMARY REPORT

SENATE: RULES & OPERATION OF THE SENATE

Valid through 18-JUL-2000

| BILL | INTRODUCER | SHORT TITLE | LATEST ACTION ON BILL | IN DATE | OUT DATE |
|-------|----------------|---|------------------------------------|-----------------|-----------------|
| S 47 | JORDAN | MAPLE HILL INCORPORATION | S -RE-REF TO COM ON RULES & | 02-15-99 | |
| S 53= | COOPER | HONOR NC BAR ASSN | *R -CH. RES 99-02 | 02-08-99 | 02-08-99 |
| S 54= | BALLANTINE | COASTAL STUDY | S -REF TO COM ON RULES & | 02-08-99 | |
| S 70 | MARTIN R | 6TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 71 | MARTIN R | 6TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 72 | MARTIN R | GENERAL LAW CHANGE | S -REF TO COM ON RULES & | 02-15-99 | |
| S 77 | HOYLE | SURFACE TRANSPORTATION ACT/1999 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 80 | RAND | 24TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 81 | RAND | 24TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 82 | RAND | 24TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 83 | RAND | 24TH SENATE DIST. LOCAL ACT-4 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 85 | JORDAN | 7TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 86 | JORDAN | 7TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 87 | JORDAN | 7TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 88 | JORDAN | 7TH SENATE DIST. LOCAL ACT-4 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 89 | JORDAN | 7TH SENATE DIST. LOCAL ACT-5 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 96 | PURCELL | SCOTLAND STADIUM-CIVIC CTR FUNDS | *S -RE-REF TO COM ON APPROP | 02-15-99 | 05-12-99 |
| S 97 | PURCELL | 17TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 98 | PURCELL | 17TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 99 | PURCELL | 17TH SENATE DIST. LOCAL ACT-4 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 100 | PURCELL | 17TH SENATE DIST. LOCAL ACT-5 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 101 | PLYLER | 17TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 102 | PLYLER | 17TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 103 | PLYLER | 17TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 104 | PLYLER | 17TH SENATE DIST. LOCAL ACT-5 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 105 | PLYLER | 17TH SENATE DIST. LOCAL ACT-4 | S -REF TO COM ON RULES & | 02-15-99 | |
| S 117 | SOLES | EXPAND MEMBERSHIP/GOV OPS COMM | *R -CH. SL 99-0405 | 02-17-99 | 02-18-99 |
| S 120 | ALLRAN | UP SOME UNDERAGE SALES PENALTIES | R -CH. SL 99-0433 | 07-07-99 | 07-20-99 |
| S 122 | KINNAIRD | 16TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-18-99 | |
| S 123 | KINNAIRD | 16TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-18-99 | |

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| S 124 | KINNAIRD | 16TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 02-18-99 | |
| S 125 | KINNAIRD | AMEND STATE LAWS | S -REF TO COM ON RULES & | 02-18-99 | |
| S 138 | MOORE K | ALEXANDER LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 139 | MOORE K | ALEXANDER LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 140 | MOORE K | AVERY LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 141 | MOORE K | AVERY LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 142 | MOORE K | BURKE LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-22-99 | |
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| S 144 | MOORE K | CALWELL LOCAL ACT-1 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 145 | MOORE K | CALWELL LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-22-99 | |
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| S 147 | MOORE K | MITCHELL LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-22-99 | |
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| S 149 | MOORE K | SHP RETIREES LICENSE PLATES | *S -RE-REF COM ON FINANCE | 02-22-99 | 05-12-99 |
| S 150 | MOORE K | MATHIS HOUSE FUNDS | *S -RE-REF COM ON APPROPR | 02-22-99 | 05-12-99 |
| S 151 | MOORE K | YADKIN LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-22-99 | |
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| S 153 | SHAW R | 19TH SENATE DISTRICT LOCAL ACT-2 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 154 | SHAW R | 19TH SENATE DISTRICT LOCAL ACT-3 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 155 | SHAW R | 19TH SENATE DISTRICT LOCAL ACT-4 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 162= | HARTSELL | STUDY UCC ARTICLE 9 | S -REF TO COM ON RULES & | 02-22-99 | |
| S 168 | PURCELL | HONORING NOAH GIBSON-2 | S -ADOPTED | 02-24-99 | 02-24-99 |
| S 187 | ALBERTSON | TOWN OF WALLACE | S -REF TO COM ON RULES & | 03-01-99 | |
| S 199 | ODOM | BLANK APPROPRIATIONS BILL-2. | S -REF TO COM ON RULES & | 03-01-99 | |
| S 200 | ODOM | FUNDS FOR PUBLIC PROJECTS | *S -RE-REF COM ON APPROPR | 03-01-99 | 05-12-99 |
| S 201 | ODOM | BLANK APPROPRIATIONS BILL-4. | S -REF TO COM ON RULES & | 03-01-99 | |
| S 202 | ODOM | SANFORD ARTS LEGACY FUNDS | *S -RE-REF COM ON APPROPR | 03-01-99 | 05-12-99 |
| S 203 | PERDUE | THIRD SENATORIAL DISTRICT LOC. ACT-2 | S -REF TO COM ON RULES & | 03-02-99 | |
| S 204 | PERDUE | THIRD SENATORIAL DISTRICT LOC. ACT-1 | S -REF TO COM ON RULES & | 03-02-99 | |
| S 209 | COCHRANE | 38TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-02-99 | |

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| S 215 | DALTON | CLEVELAND COUNTY LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-02-99 | |
| S 216 | DALTON | RUTHERFORD COUNTY LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-02-99 | |
| S 217 | DALTON | CLEVELAND COUNTY LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-02-99 | |
| S 218 | DALTON | RUTHERFORD COUNTY LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-02-99 | |
| S 229 | PLYLER | CHARLOTTE REPERTORY THEATRE FUNDS | *S -RE-REF COM ON APPROPR | 03-04-99 | 05-12-99 |
| S 230 | PLYLER | BLANK APPROPRIATIONS BILL-7 | S -REF TO COM ON RULES & | 03-04-99 | |
| S 231 | PLYLER | BLANK APPROPRIATIONS BILL-8 | S -REF TO COM ON RULES & | 03-04-99 | |
| S 256 | FORRESTER | 39TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-08-99 | |
| S 257 | FORRESTER | 39TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-08-99 | |
| S 258 | FOXX | ALLEGHANY COUNTY LOCAL ACT | S -REF TO COM ON RULES & | 03-08-99 | |
| S 259 | FOXX | ASHE COUNTY LOCAL ACT | S -REF TO COM ON RULES & | 03-08-99 | |
| S 260 | FOXX | ROCKINGHAM CO. LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-08-99 | |
| S 261 | FOXX | ROCKINGHAM CO. LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-08-99 | |
| S 262 | FOXX | STOKES LOCAL ACT | S -REF TO COM ON RULES & | 03-08-99 | |
| S 263 | FOXX | SURRY COUNTY LOCAL ACT | S -REF TO COM ON RULES & | 03-08-99 | |
| S 264 | FOXX | WATAUGA COUNTY LOCAL ACT | S -REF TO COM ON RULES & | 03-08-99 | |
| S 281 | EAST | ROCKINGHAM CO. LOCAL ACT-3 | S -REF TO COM ON RULES & | 03-08-99 | |
| S 282 | GARWOOD | LOW-WEALTH SCHOOL FUNDING/STUDY | S -REF TO COM ON RULES & | 03-08-99 | |
| S 289= | PLYLER | ROYAL CHILDREN'S VISION PROGRAM | R -CH. SL 99-0022 | 03-09-99 | 03-11-99 |
| S 298 | CARPENTER R | SAPPHIRE VALLEY INCORPORATION | S -REF TO COM ON RULES & | 03-09-99 | |
| S 305 | ALBERTSON | DUPLIN LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-10-99 | |
| S 306 | ALBERTSON | JONES LOCAL ACT | S -REF TO COM ON RULES & | 03-10-99 | |
| S 307 | ALBERTSON | ONSLow LOCAL ACT-3 | S -REF TO COM ON RULES & | 03-10-99 | |
| S 308 | ALBERTSON | PENDER LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-10-99 | |
| S 309 | ALBERTSON | SAMPSON LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-10-99 | |
| S 312= | REEVES | INFO TECH PORTFOLIO MGMT ACT | S -REF TO COM ON RULES & | 03-11-99 | |
| S 314= | PLYLER | MINERAL SPRINGS INCORPORATED | R -CH. SL 99-0175 | 03-11-99 | 04-07-99 |
| S 327 | BALLANTINE | HONORING WRIGHTSVILLE BEACH | *S -ADOPTED | 03-11-99 | 06-14-99 |
| S 327 | BALLANTINE | HONORING WRIGHTSVILLE BEACH | *S -ADOPTED | 06-14-99 | 06-16-99 |
| S 330= | KINNAIRD | SPAY/NEUTER PROGRAM | *S -RE-REF COM ON RULES & | 07-07-99 | |

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| BILL | INTRODUCER | SHORT TITLE | LATEST ACTION ON BILL | IN DATE | OUT DATE |
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| S 346 | FORRESTER | STUDY SUICIDE PREVENTION | S - REF TO COM ON RULES & | 03-15-99 | |
| S 351 | ODOM | BLANK APPROPRIATIONS BILL-1 | S - REF TO COM ON RULES & | 03-15-99 | |
| S 352 | ODOM | MECKLENBURG LOCAL ACT | S - REF TO COM ON RULES & | 03-15-99 | |
| S 373= | HOYLE | FUTURE OF ELECTRIC SERVICE/MEMBERS | S - REF TO COM ON RULES & | 03-15-99 | |
| S 375 | WEBSTER | 21ST SENATE DIST. LOCAL ACT-1 | S - REF TO COM ON RULES & | 03-16-99 | |
| S 376 | WEBSTER | 21ST SENATE DIST. LOCAL ACT-2 | S - REF TO COM ON RULES & | 03-16-99 | |
| S 377 | WEBSTER | 21ST SENATE DIST. LOCAL ACT -3 | S - REF TO COM ON RULES & | 03-16-99 | |
| S 378 | WEBSTER | 21ST SENATE DIST. LOCAL ACT-4 | S - REF TO COM ON RULES & | 03-16-99 | |
| S 387 | RAND | UNC TRUSTEE APPOINTMENTS | S - REF TO COM ON RULES & | 03-16-99 | |
| S 395 | HARTSELL | CABARRUS COUNTY TOURISM | R - CH. SL 99-0097 | 03-17-99 | 04-26-99 |
| S 396 | HARTSELL | CABARRUS COUNTY LOCAL ACT-3 | S - REF TO COM ON RULES & | 03-17-99 | |
| S 397 | HARTSELL | CABARRUS COUNTY LOCAL ACT-4 | S - REF TO COM ON RULES & | 03-17-99 | |
| S 403 | GULLEY W | HONOR TERRY SANFORD | R - CH. RES 99-04 | 03-18-99 | |
| S 404 | REEVES | 14TH SENATE DIST. LOCAL ACT-1 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 405 | REEVES | 14TH SENATE DIST. LOCAL ACT-2 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 406 | REEVES | 14TH SENATE DIST. LOCAL ACT-3 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 407 | REEVES | 14TH SENATE DIST. LOCAL ACT-4 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 410 | WARREN E | 9TH SENATE DIST. LOCAL ACT-1 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 411 | WARREN E | 9TH SENATE DIST. LOCAL ACT-2 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 412 | WARREN E | 9TH SENATE DIST. LOCAL ACT-3 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 413 | WARREN E | 9TH SENATE DIST. LOCAL ACT-3 | S - REF TO COM ON RULES & | 03-18-99 | |
| S 416 | FOXX | HONOR SAMUEL ASHE | R - CH. RES 99-07 | 03-18-99 | 04-13-99 |
| S 429= | WELLONS | FEDERAL PATIENTS' RIGHTS | S - REF TO COM ON RULES & | 03-22-99 | |
| S 437 | RAND | APPOINTMENTS BILL | *R - CH. SL 99-0431 | 03-22-99 | 07-20-99 |
| S 444= | ALBERTSON | HONORING A.D GUY | S - REF TO COM ON RULES & | 03-22-99 | |
| S 451 | MARTIN W | STUDY SUBSTANCE ABUSE AFTERCARE | S - REF TO COM ON RULES & | 03-22-99 | |
| S 463 | RAND | CONTINUING MEDICAL EDUCATION | S - REF TO COM ON RULES & | 03-22-99 | |
| S 464= | DALTON | HONORING WADE B. MATHENY | R - CH. RES 99-12 | 03-23-99 | 06-02-99 |
| S 469 | LEE | ST. BD OF EDUC. CONFIRMATION | *R - CH. RES 99-17 | 06-10-99 | 06-16-99 |
| S 470 | LEE | ST. BD. OF EDUC. CONFIRMATION-2 | R - CH. RES 99-15 | 03-23-99 | 06-15-99 |

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| S 472 | GARROU | FORSYTH LOCAL ACT-1 | S -RE-REF COM ON FINANCE | 03-23-99 | 06-15-99 |
| S 473 | GARROU | FORSYTH LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-23-99 | |
| S 485 | ALBERTSON | BEULAVILLE LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-24-99 | |
| S 486 | ALBERTSON | KENANSVILLE LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-24-99 | |
| S 487 | ALBERTSON | MAGNOLIA LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-24-99 | |
| S 488 | ALBERTSON | WALLACE LOCAL ACT-3 | S -REF TO COM ON RULES & | 03-24-99 | |
| S 489 | ALBERTSON | WARSAW LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-24-99 | |
| S 490 | HARRIS | 15TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 491 | HARRIS | 15TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 492 | HARRIS | 15TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 493 | HARRIS | 15TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 495 | HARRIS | JOHNSTON COUNTY LOCAL ACT-4 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 496 | HOYLE | 25TH SENATE DIST. LOCAL ACT-1 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 497 | HOYLE | 25TH SENATE DIST. LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 509 | WELLONS | SEVEN PATHS FIRE STATION FUNDS | *S -RE-REF COM ON APPROPR | 03-25-99 | 06-08-99 |
| S 510 | WELLONS | 11TH SENATE DIST LOCAL ACT-2 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 511 | WELLONS | 11TH SENATE DIST. LOCAL ACT-3 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 512 | WELLONS | 11TH SENATE DIST. LOCAL ACT-4 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 514= | KERR | CHILD HEALTH INSURANCE INCENTIVE | S -RE-REF COM ON FINANCE | 03-25-99 | 04-13-99 |
| S 523 | HAGAN | MODIFY GREENSBORO ROOM TAX USE | *R -CH. SL 99-0302 | 03-25-99 | 06-08-99 |
| S 524 | HAGAN | PT CAM FUNDS | *S -RE-REF COM ON APPROPR | 03-25-99 | 06-08-99 |
| S 528 | ALLRAN | 26TH SENATORIAL DISTRICT-1 | S -RE-REF COM ON FINANCE | 03-25-99 | 04-14-99 |
| S 529 | ALLRAN | 26TH SENATORIAL DISTRICT-2 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 530 | ALLRAN | 26TH SENATORIAL DISTRICT-3 | S -REF TO COM ON RULES & | 03-25-99 | |
| S 532 | CARTER | ASHEVILLE CIVIL SERV. BD./ZONING REF | *R -CH. SL 99-0303 | 03-25-99 | 04-21-99 |
| S 533 | CARTER | HEALTH CARE PILOT PROGRAM | S -RE-REF COM ON INSURANC | 03-25-99 | 04-26-99 |
| S 535 | ALBERTSON | DUBLIN COUNTY LOCAL ACT | S -REF TO COM ON RULES & | 03-29-99 | |
| S 537 | PHILLIPS | 23RD SENATE DIST. LOCAL ACT | S -REF TO COM ON RULES & | 03-29-99 | |
| S 541 | HORTON | SINGLE SISTERS HOUSE FUNDS | *S -RE-REF COM ON APPROPR | 03-29-99 | 05-12-99 |
| S 542 | HORTON | FORSYTH LOCAL ACT 3 | S -RE-REF COM ON FINANCE | 03-29-99 | 04-21-99 |

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| S 543 | HORTON | FORSYTH AREA ZONING CHANGES | R-CH. SL 99-0098 | 03-29-99 | 04-21-99 |
| S 549 | RAND | SET DEPUTY INDUSTRIAL COMMSR. PAY | S-REF TO COM ON RULES & | 03-29-99 | |
| S 552 | LEE | 16TH SENATE DIST. LOCAL ACT 4 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 553 | LEE | 16TH SENATE DIST. LOCAL ACT 5 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 555 | LEE | 16TH SENATE DIST. LOCAL ACT 7 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 556 | LEE | 16TH SENATE DIST. LOCAL ACT 8 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 564 | SHAW L | CUMBERLAND COUNTY LOCAL ACT 3 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 565 | SHAW L | REAL ESTATE APPRAISERS | S-REF TO COM ON RULES & | 03-29-99 | |
| S 566 | KINNAIRD | CHAPEL HILL TRANSIT FINANCING | S-REF TO COM ON RULES & | 03-29-99 | |
| S 574 | CLODFELTER | CHARLOTTE/MECKLENBURG | S-REF TO COM ON RULES & | 03-29-99 | |
| S 587 | LEE | INCENTIVE BONUSES FOR TEACHERS/STUDY | S-REF TO COM ON RULES & | 03-29-99 | |
| S 609 | GULLEY W | 13TH SENATORIAL DISTRICT 1 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 610 | GULLEY W | 13TH SENATORIAL DISTRICT 2 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 611 | GULLEY W | 13TH SENATORIAL DISTRICT 3 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 612 | GULLEY W | 13TH SENATORIAL DISTRICT 4 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 613 | GULLEY W | 13TH SENATORIAL DISTRICT 5 | S-REF TO COM ON RULES & | 03-29-99 | |
| S 621 | KERR | 8TH SENATE DISTRICT ACT-2 | S-REF TO COM ON RULES & | 03-30-99 | |
| S 655 | GULLEY W | 13TH SENATORIAL DISTRICT-6 | S-REF TO COM ON RULES & | 03-30-99 | |
| S 665= | SOLES | DENTISTS/DENTAL HYGIENISTS | *S-RE-REF COM ON RULES & | 06-16-99 | |
| S 668 | METCALF | BUNCOMBE CO. LOCAL ACT-6 | S-REF TO COM ON RULES & | 03-31-99 | |
| S 669 | METCALF | BURKE CO. LOCAL ACT-4 | S-REF TO COM ON RULES & | 03-31-99 | |
| S 670 | METCALF | MADISON CO. LOCAL ACT | S-REF TO COM ON RULES & | 03-31-99 | |
| S 671 | METCALF | MCDOWELL CO. LOCAL ACT-3 | S-REF TO COM ON RULES & | 03-31-99 | |
| S 672 | METCALF | YANCEY CO. LOCAL ACT-2 | S-REF TO COM ON RULES & | 03-31-99 | |
| S 674 | RUCHO | PINEVILLE LOCAL ACT | S-REF TO COM ON RULES & | 03-31-99 | |
| S 691= | COCHRANE | BERMUDA RUN INCORPORATION | *R-CH. SL 99-0094 | 04-01-99 | 04-06-99 |
| S 694 | HARTSELL | RIMERTOWN INCORPORATION | *R-CH. SL 99-0284 | 04-01-99 | 04-14-99 |
| S 698 | KINNAIRD | HEBRON INCORPORATED | S-REF TO COM ON RULES & | 04-01-99 | |
| S 699 | HARRIS | ANGIER LOCAL ACT-2 | S-REF TO COM ON RULES & | 04-01-99 | |
| S 703 | BALLANTINE | HAMPSTEAD INCORPORATION | *S-RE-REF COM ON STLOCQVT | 04-01-99 | 04-07-99 |

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| S 704= | WELLONS | NORTH CLEVELAND INCORPORATION | S -REF TO COM ON RULES & | 04-01-99 | |
| S 706 | HOYLE | LOCAL FINANCE CHANGES | S -REF TO COM ON RULES & | 04-01-99 | |
| S 714 | CARTER | YANCEY COUNTY LOCAL ACT | S -REF TO COM ON RULES & | 04-01-99 | |
| S 721 | ALBERTSON | SAMPSON LOCAL ACT-7 | S -REF TO COM ON RULES & | 04-01-99 | |
| S 722 | KINNAIRD | CHAPEL HILL LOCAL ACT-3 | S -REF TO COM ON RULES & | 04-01-99 | |
| S 727= | HOYLE | RAILROAD CORRIDOR ECON DEVELOPMENT | S -REF TO COM ON RULES & | 04-01-99 | |
| S 743 | DALTON | SPECIAL ASSIST./REDUCE COUNTY SHARE | S -RE-REF COM ON RULES & | 07-07-99 | |
| S 762= | CARTER | HIGH SCHOOL GRADUATION STDS/STUDY | S -REF TO COM ON RULES & | 04-06-99 | |
| S 763 | WEBSTER | COMMENT ALAMANCE COUNTY | S -ADOPTED | 04-06-99 | 04-19-99 |
| S 781= | FORRESTER | HONOR EDMUND STRUDWICK | S -RE-REF COM ON RULES & | 04-07-99 | 05-04-99 |
| S 781= | FORRESTER | HONOR EDMUND STRUDWICK | S -RE-REF COM ON RULES & | 05-19-99 | |
| S 797 | KERR | FINANCE LAW CHANGES | S -REF TO COM ON RULES & | 04-12-99 | |
| S 798 | KERR | AMEND TAX LAWS | S -REF TO COM ON RULES & | 04-12-99 | |
| S 815 | KINNAIRD | RESPIRE CARE STUDY | S -REF TO COM ON RULES & | 04-12-99 | |
| S 819= | COCHRANE | HONOR W.D. WIZELL | R -CH. RES 00-05 | 04-12-99 | 00-06-06 |
| S 820 | GULLEY W | AMEND NC LAW-1 | S -REF TO COM ON RULES & | 04-12-99 | |
| S 821 | GULLEY W | AMEND NC LAW-2 | S -REF TO COM ON RULES & | 04-12-99 | |
| S 822 | GULLEY W | AMEND NC LAW-3 | S -REF TO COM ON RULES & | 04-12-99 | |
| S 823 | SHAW L | GENERAL LAW ACT-1 | S -REF TO COM ON RULES & | 04-12-99 | |
| S 824 | SHAW L | GENERAL LAW ACT-2 | S -REF TO COM ON RULES & | 04-12-99 | |
| S 846 | LEE | UNC PROPERTY | S -REF TO COM ON RULES & | 04-13-99 | |
| S 847 | LEE | MICS, UNC MATTERS | S -REF TO COM ON RULES & | 04-13-99 | |
| S 848 | LEE | AUTHORIZE UNC DEVEL. PROJECTS | S -REF TO COM ON RULES & | 04-13-99 | |
| S 849 | LEE | FINANCE UNC CAPITAL IMPROVEMENTS | S -REF TO COM ON RULES & | 04-13-99 | |
| S 850 | LEE | UNC NONAPPROPRIATED CAPITAL PROJ. | S -RE-REF COM ON APPROP | 04-13-99 | 05-27-99 |
| S 861 | RAND | UNCLAIMED PROPERTY | S -REF TO COM ON RULES & | 04-13-99 | |
| S 862 | KINNAIRD | STUDENT BOG MEMBER | S -REF TO COM ON RULES & | 04-13-99 | |
| S 863 | GULLEY W | AMEND NC LAW-1 | S -REF TO COM ON RULES & | 04-13-99 | |
| S 865 | GULLEY W | TRANSIT AUTHORITY CORRECTION | S -RE-REF COM ON FINANCE | 04-13-99 | 04-20-99 |
| S 873 | DALTON | IMPROVE REGISTERED DOCUMENTS | *S -RE-REF COM ON RULES & | 07-07-99 | |

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| S 881 | GULLEY W | CAMPAIGN REFORM ACT | *R-CH. SL 99-0453 | 04-13-99 | 05-26-99 |
| S 882 | GULLEY W | CLEAN ELECTION ACT | S-RE-REF COM ON JUDICI | 04-13-99 | 06-15-99 |
| S 890 | METCALF | EXPAND HEALTH CARE ACCESS | *S-RE-REF COM ON APPROP | 04-13-99 | 05-12-99 |
| S 905 | LEE | UNC FINANCING-1 | S-REF TO COM ON RULES & | 04-14-99 | |
| S 912 | RAND | BONDS FOR HIGHER EDUCATION | *R-CH. SL 00-0003 | 04-14-99 | 06-24-99 |
| S 914 | RAND | IRC STUDY OF JUVENILE CRIME | S-REF TO COM ON RULES & | 04-14-99 | |
| S 924 | MILLER B | AMEND STATUTES | S-REF TO COM ON RULES & | 04-14-99 | |
| S 940 | WARREN E | STUDY NONDEPOSITORY TRUST CO. | S-REF TO COM ON RULES & | 04-14-99 | |
| S 943= | MARTIN W | MINORITY AND AT-RISK STUDENT/STUDY | S-REF TO COM ON RULES & | 04-14-99 | |
| S 944= | MARTIN W | STUDY HUNGER AND NUTRITION | S-REF TO COM ON RULES & | 04-14-99 | |
| S 955 | DALTON | PROPER TRIAL DIVISION/COUNSEL FEES | S-RE-REF COM ON RULES & | 04-28-99 | |
| S 958 | WEBSTER | INTERSTATE TAX COOPERATION | S-REF TO COM ON RULES & | 04-15-99 | |
| S 965 | CLODFELTER | METRO PLANNING ORGANIZATIONS | S-REF TO COM ON RULES & | 04-15-99 | |
| S 971 | WELLONS | JUDICIAL PUBLIC FINANCING | S-REF TO COM ON RULES & | 04-15-99 | |
| S 984 | MILLER B | ACCOUNTANT/CPA AUDITS | *S-RE-REF COM ON FINANCE | 04-15-99 | 04-26-99 |
| S 985 | MILLER B | AMEND 1 | S-REF TO COM ON RULES & | 04-15-99 | |
| S 986 | MILLER B | AMENDMENTS-5 | S-REF TO COM ON RULES & | 04-15-99 | |
| S 988 | MILLER B | AMENDMENTS 2 | S-REF TO COM ON RULES & | 04-15-99 | |
| S1010 | HOYLE | INVESTMENT ADVISER STUDY | S-REF TO COM ON RULES & | 04-15-99 | |
| S1022 | CLODFELTER | STUDY SALES TAX | S-REF TO COM ON RULES & | 04-15-99 | |
| S1031= | REEVES | STATE EMPLOYEE COMP STUDY | S-REF TO COM ON RULES & | 04-15-99 | |
| S1034 | PERDUE | LISA JAN PARKER MEMORIAL | S-REF TO COM ON RULES & | 04-15-99 | |
| S1038 | BALLANTINE | HONOR SURF CITY | *SA-ADOPTED | 04-15-99 | 05-04-99 |
| S1038 | BALLANTINE | HONOR SURF CITY | *SA-ADOPTED | 04-15-99 | 06-16-99 |
| S1039 | PLYLER | HONOR SURF CITY | *SA-ADOPTED | 04-15-99 | 04-27-99 |
| S1043 | RAND | ANSON-UNION COMMUNITY COLLEGES | R-CH. SL 99-0060 | 04-15-99 | |
| S1047 | ALBERTSON | INTANGIBLES TAX SETTLEMENT | *R-CH. SL 99-0327 | 04-15-99 | 07-08-99 |
| S1048 | ALBERTSON | PROTECT CERTAIN CULTCH PLANTING AREA | *R-CH. SL 99-0143 | 04-15-99 | 04-22-99 |
| S1049 | ALBERTSON | AMEND FISHERY RESOURCE GRANT PROGRAM | *R-CH. SL 99-0162 | 04-15-99 | 04-22-99 |
| S1051 | ALBERTSON | NEUSE RIVER BUFFER AMENDS | *R-CH. SL 99-0448 | 04-15-99 | 04-22-99 |
| | | AMEND ENV. & NAT. RESOURCES LAWS-6 | S-REF TO COM ON RULES & | 04-15-99 | |

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| S1052 | ALBERTSON | AMEND ENV. & NAT. RESOURCES LAWS-7 | S - REF TO COM ON RULES & | 04-15-99 | |
| S1053 | ALBERTSON | AMEND ENV. & NAT. RESOURCES LAWS-8 | S - REF TO COM ON RULES & | 04-15-99 | |
| S1059 | CLODFELTER | DEVELOPMENT RIGHTS TRANSFER STUDY | S - REF TO COM ON RULES & | 04-15-99 | |
| S1066 | RAND | HEALTH CARE IMPROVEMENT ACT | S - RE-REF TO COM ON COMMERCE | 04-15-99 | 04-26-99 |
| S1079 | ALBERTSON | AMEND ENV. & NAT. RESOURCES LAWS-5 | S - REF TO COM ON RULES & | 04-15-99 | |
| S1086 | CARPENTER R | RESTRAINTS/DEATHS IN FACILITIES | *S - RE-REF TO COM ON RULES & | 04-28-99 | |
| S1107= | PLYLER | HONOR KOREAN WAR VETERANS | *S - ADOPTED | 04-15-99 | 00-06-20 |
| S1113 | KERR | WORKERS' COMP/MED. PROVIDER CONTACT | *R - CH. SL 99-0150 | 04-15-99 | 04-26-99 |
| S1114 | KERR | UTILITY UNDERGROUNDING | S - REF TO COM ON RULES & | 04-15-99 | |
| S1118 | CARTER | TEACHER ASS'T SALARY SCHEDULE FUNDS | S - REF TO COM ON RULES & | 04-15-99 | |
| S1123 | LEE | BLUE RIBBON GROWTH STUDY COMMISSION | S - REF TO COM ON RULES & | 04-15-99 | |
| S1133 | ALBERTSON | ENVIRONMENTAL EXCELLENCE AGREEMENTS | S - REF TO COM ON RULES & | 04-15-99 | |
| S1139 | HORTON | NATURE & HISTORIC PRESERVE | *R - CH. RES 99-18 | 04-15-99 | 04-20-99 |
| S1150 | BALLANCE | DRUG TREATMENT COURT | S - REF TO COM ON RULES & | 04-15-99 | |
| S1155 | LEE | SCHOOL CENTRAL OFFICE ADMIN./STUDY | S - REF TO COM ON RULES & | 04-15-99 | |
| S1158 | HARTSELL | FOOD INSPECTIONS | S - REF TO COM ON RULES & | 04-15-99 | |
| S1169 | LEE | HONORING MEMORY DR. DENISON OLMSTED | R - CH. RES 99-19 | 04-21-99 | 04-28-99 |
| S1170 | SOLES | HONOR TOWN OF SHALLOTTE 100TH ANNIV. | *SA-ADOPTED | 04-28-99 | 05-12-99 |
| S1171= | MARTIN R | HONORING GEORGE WASHINGTON/BICENTENN | R - CH. RES 99-20 | 05-10-99 | 07-08-99 |
| S1173 | PHILLIPS | HONORING JAMES IREDELL | *S - ADOPTED | 06-24-99 | 07-15-99 |
| S1174= | HARRIS | HONORING HENDERSON D. MABE, JR. | HF-POSTPONED INDEFINITELY | 07-13-99 | 07-14-99 |
| S1175 | HARRIS | HONOR BENSON'S MULE DAY/50TH ANNIV | S - ADOPTED | 07-15-99 | 07-15-99 |
| S1203 | SOLES | 18TH SENATE DISTRICT LOCAL ACT-4 | S - REF TO COM ON RULES & | 00-05-10 | |
| S1204 | SOLES | 18TH SENATE DISTRICT LOCAL ACT-2 | S - REF TO COM ON RULES & | 00-05-10 | |
| S1205 | SOLES | 18TH SENATE DISTRICT LOCAL ACT-3 | S - REF TO COM ON RULES & | 00-05-10 | |
| S1206 | SOLES | 18TH SENATE DISTRICT LOCAL ACT-1 | S - REF TO COM ON RULES & | 00-05-10 | |
| S1207 | WEINSTEIN | 30TH SENATE DISTRICT LOCAL ACT | S - REF TO COM ON RULES & | 00-05-11 | |
| S1208 | WEINSTEIN | LUMBERTON LOCAL ACT | S - REF TO COM ON RULES & | 00-05-11 | |
| S1217= | PHILLIPS | MENTAL HEALTH SYSTEM REFORM | S - RE-REF TO COM ON RULES & | 00-06-07 | |
| S1218 | PURCELL | 17 SENATE DISTRICT LOCAL ACT-1 | S - REF TO COM ON RULES & | 00-05-11 | |

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| S1219 | PURCELL | 17 SENATE DISTRICT LOCAL ACT-3 | S - REF TO COM ON RULES & | 00-05-11 | |
| S1220 | PURCELL | 17 SENATE DISTRICT LOCAL ACT-2 | S - REF TO COM ON RULES & | 00-05-11 | |
| S1225 | GARWOOD | HONORING REV. EDGAR TUFTS | HF-POSTPONED INDEFINITELY | 00-05-15 | 00-06-27 |
| S1228= | PLYLER | HONORING LORD ANSON | S - ADOPTED | 00-05-15 | 00-05-18 |
| S1229 | MARTIN R | 6TH SENATE DISTRICT LOCAL ACT-1 | S - REF TO COM ON RULES & | 00-05-15 | |
| S1231 | MARTIN R | 6TH SENATE DISTRICT LOCAL ACT-2 | S - REF TO COM ON RULES & | 00-05-15 | |
| S1239 | RAND | FAYETTEVILLE/CUMBERLAND LOCAL ACT | S - REF TO COM ON RULES & | 00-05-16 | |
| S1240 | RAND | CUMBERLAND/FAYETTEVILLE LOCAL ACT | S - REF TO COM ON RULES & | 00-05-16 | |
| S1248 | ODOM | MECKLENBURG LOCAL ACT | S - REF TO COM ON RULES & | 00-05-16 | |
| S1249 | ODOM | CHARLOTTE LOCAL ACT | S - REF TO COM ON RULES & | 00-05-16 | |
| S1250 | ODOM | CHARLOTTE-MECK BD. OF ED. LOCAL ACT | S - REF TO COM ON RULES & | 00-05-16 | |
| S1251 | ODOM | MECKLENBURG TOWNS LOCAL ACT | S - REF TO COM ON RULES & | 00-05-16 | |
| S1273 | JORDAN | AUTHORIZE CIVIL RIGHTS STUDY BILL | S - REF TO COM ON RULES & | 00-05-17 | |
| S1274 | JORDAN | CIVIL RIGHTS STUDY | S - REF TO COM ON RULES & | 00-05-17 | |
| S1288 | CLODFELTER | MECKLENBURG MUNICIPAL ZONING | *R - CH. SL 00-0084 | 00-05-17 | 00-06-05 |
| S1289 | CLODFELTER | MECKLENBURG COUNTY ZONING | *R - CH. SL 00-0077 | 00-05-17 | 00-06-05 |
| S1291 | HOYLE | INCREASE TAX POLICY COMM. MEMBERSHIP | S - RE-REF COM ON RULES & | 00-05-25 | |
| S1294 | WELLONS | 11TH SENATE DIST. LOCAL ACT-1 | S - REF TO COM ON RULES & | 00-05-18 | |
| S1295 | WELLONS | 11TH SENATE DIST. LOCAL ACT-2 | S - REF TO COM ON RULES & | 00-05-18 | |
| S1296 | WELLONS | 11TH SENATE DIST. LOCAL ACT-3 | S - REF TO COM ON RULES & | 00-05-18 | |
| S1297 | WELLONS | 11TH SENATE DIST. LOCAL ACT-4 | S - REF TO COM ON RULES & | 00-05-18 | |
| S1304 | HARTSELL | PROPERTY TAX COMMISSION TRAINING | S - RE-REF COM ON APPROPR | 00-05-18 | 00-06-21 |
| S1306= | HOYLE | EXTEND ELECTRIC SERVICE COMM | S - REF TO COM ON RULES & | 00-05-18 | |
| S1322= | CLODFELTER | REVISIONS TO CONSUMER LENDING | S - REF TO COM ON RULES & | 00-05-18 | |
| S1337= | ODOM | FLOOD HAZARD PREVENTION ACT OF 2000 | S - RE-REF COM ON RULES & | 00-05-30 | |
| S1342= | ALBERTSON | BEAUFORT SMALL FAMILY FARM PRES. COMM | S - REF TO COM ON RULES & | 00-05-18 | |
| S1349 | WARREN E | BEAUFORT LOCAL ACT | S - REF TO COM ON RULES & | 00-05-22 | |
| S1350 | HAGAN | 32ND SENATE DISTRICT LOCAL ACT-1 | S - REF TO COM ON RULES & | 00-05-22 | |
| S1351 | HARRIS | HONOR BENSON SINGING CONVENTION | *S - ADOPTED | 00-05-22 | 00-06-20 |
| S1352 | HARRIS | 15TH SENATE DISTRICT LOCAL ACT-2 | S - REF TO COM ON RULES & | 00-05-22 | |

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NORTH CAROLINA GENERAL ASSEMBLY
COMMITTEE SUMMARY REPORT

SENATE: RULES & OPERATION OF THE SENATE

Valid Through 18-JUL-2000

| BILL | INTRODUCER | SHORT TITLE | LATEST ACTION ON BILL | IN DATE | OUT DATE |
|-------|----------------|---|-------------------------------------|-----------------|----------|
| S1353 | HAGAN | 32ND SENATE DISTRICT LOCAL ACT-2 | S -REF TO COM ON RULES & | 00-05-22 | |
| S1356 | JORDAN | 7TH SENATE DISTRICT LOCAL ACT-1 | S -REF TO COM ON RULES & | 00-05-22 | |
| S1357 | JORDAN | 7TH SENATE DISTRICT LOCAL ACT-2 | S -REF TO COM ON RULES & | 00-05-22 | |
| S1358 | COOPER | 10TH SENATE DISTRICT LOCAL ACT | S -REF TO COM ON RULES & | 00-05-22 | |
| S1359 | HORTON | WINSTON-SALEM LOCAL ACT | *R -CH. SL 00-0104 | 00-05-22 | 00-06-14 |
| S1360 | HORTON | FORSYTH ACT | S -REF TO COM ON RULES & | 00-05-22 | |
| S1366 | PURCELL | SCOTTLAND LOCAL ACT | S -REF TO COM ON RULES & | 00-05-22 | |
| S1367 | PURCELL | APPROPRIATIONS ACT | S -REF TO COM ON RULES & | 00-05-22 | |
| S1368 | PLYLER | FAIRVIEW LOCAL ACT | S -REF TO COM ON RULES & | 00-05-22 | |
| S1369 | MOORE K | 27th SENATE DISTRICT LOCAL ACT-1 | S -REF TO COM ON RULES & | 00-05-23 | |
| S1370 | MOORE K | 27TH SENATE DISTRICT LOCAL ACT-2 | S -REF TO COM ON RULES & | 00-05-23 | |
| S1375 | BALLANCE | 2ND SENATE DISTRICT LOCAL ACT-1 | S -REF TO COM ON RULES & | 00-05-23 | |
| S1376 | BALLANCE | 2ND DISTRICT LOCAL ACT-2 | S -REF TO COM ON RULES & | 00-05-23 | |
| S1380 | KERR | 8TH SENATE DISTRICT LOCAL ACT | S -REF TO COM ON RULES & | 00-05-23 | |
| S1385 | RAND | PRO TEM/SPEAKER APPOINTMENTS | *S -PRES. TO GOV. 07-13 | 00-05-23 | 00-07-06 |
| S1394 | MARTIN W | 19TH, 31ST, 32ND SENATE DIST. ACT | S -REF TO COM ON RULES & | 00-05-23 | |
| S1396 | ALLRAN | HICKORY LOCAL ACT | S -REF TO COM ON RULES & | 00-05-23 | |
| S1401 | PERDUE | 3RD SENATE DISTRICT LOCAL ACT | S -REF TO COM ON RULES & | 00-05-23 | |
| S1404 | JORDAN | 7TH SENATE DISTRICT LOCAL ACT-3 | S -REF TO COM ON RULES & | 00-05-24 | |
| S1405 | JORDAN | 7TH SENATE DISTRICT LOCAL ACT-4 | S -REF TO COM ON RULES & | 00-05-24 | |
| S1406 | JORDAN | 7TH SENATE DISTRICT LOCAL ACT-5 | S -REF TO COM ON RULES & | 00-05-24 | |
| S1408 | WARREN E | PITT LOCAL ACT | S -REF TO COM ON RULES & | 00-05-24 | |
| S1409 | WARREN E | LENOIR LOCAL ACT | S -REF TO COM ON RULES & | 00-05-24 | |
| S1411 | HARTSELL | 22ND SENATE DISTRICT LOCAL ACT-1 | S -REF TO COM ON RULES & | 00-05-24 | |
| S1412 | HARTSELL | 22ND SENATE DISTRICT LOCAL AT-3 | S -REF TO COM ON RULES & | 00-05-24 | |
| S1413 | HARTSELL | 22ND SENATE DISTRICT LOCAL ACT-3 | S -REF TO COM ON RULES & | 00-05-24 | |
| S1416 | GARROU | FORSYTH LOCAL ACT | S -REF TO COM ON RULES & | 00-05-24 | |
| S1417 | GARROU | 20TH SENATE DISTRICT LOCAL ACT | S -REF TO COM ON RULES & | 00-05-24 | |
| S1429 | DALTON | SELF-INSURED BENEFIT PLAN STUDY FUND | S -REF TO COM ON RULES & | 00-05-25 | |
| S1438 | GULLEY W | DURHAM LOCAL ACT -4 | S -REF TO COM ON RULES & | 00-05-25 | |

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NORTH CAROLINA GENERAL ASSEMBLY
COMMITTEE SUMMARY REPORT
 SENATE: RULES & OPERATION OF THE SENATE

| BILL | INTRODUCER | SHORT TITLE | LATEST ACTION ON BILL | IN DATE | OUT DATE |
|-------|------------|--------------------------------------|----------------------------|----------|----------|
| S1439 | GUILLEY W | DURHAM LOCAL ACT-1 | S -REF TO COM ON RULES & | 00-05-25 | |
| S1440 | GUILLEY W | DURHAM LOCAL ACT-2 | S -REF TO COM ON RULES & | 00-05-25 | |
| S1441 | GUILLEY W | DURHAM LOCAL ACT-3 | S -REF TO COM ON RULES & | 00-05-25 | |
| S1442 | GUILLEY W | DURHAM LOCAL ACT-5 | S -REF TO COM ON RULES & | 00-05-25 | |
| S1464 | HOYLE | TREASURER INVEST IN RURAL SBIC | S -REF TO COM ON RULES & | 00-05-25 | |
| S1465 | HOYLE | VENTURE CAPITAL INVESTMENT | S -REF TO COM ON RULES & | 00-05-25 | |
| S1489 | METCALF | MEMORIALIZING JAMES MCCLURE CLARKE | *S -ADOPTED | 00-05-25 | 00-06-21 |
| S1490 | KINNAIRD | 16TH SENATE DISTRICT LOCAL ACT | S -REF TO COM ON RULES & | 00-05-25 | |
| S1491 | KINNAIRD | 16TH SENATE DISTRICT LOCAL ACT-2 | S -REF TO COM ON RULES & | 00-05-25 | |
| S1493 | COCHRANE | TEACHER LIABILITY/FRIVOLOUS LAWSUITS | S -REF TO COM ON RULES & | 00-05-25 | |
| S1495 | RAND | MEET AT STATE CAPITOL | *R -CH. RES 00-02 | 00-05-30 | 00-06-06 |
| S1496 | METCALF | STATE PROPERTY TRANSFER | *HF-POSTPONED INDEFINITELY | 00-05-30 | 00-06-21 |
| S1503 | PERDUE | PRESCRIPTION DRUGS PLANT/FUNDS | S -REF TO COM ON RULES & | 00-05-30 | |
| S1504 | ALBERTSON | HONORING LORD DUPLIN | S -ADOPTED | 00-05-30 | 00-06-05 |
| S1505 | RAND | NC HEALTH CHOICE FUNDS | S -REF TO COM ON RULES & | 00-05-30 | |
| S1508 | DALTON | COMMUNITY COLLEGE SYSTEM CHANGES | S -REF TO COM ON RULES & | 00-05-30 | |
| S1509 | PLYLER | BLANK APPROPRIATIONS BILL-2 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1510 | WEBSTER | SIMPLIFY TAX LAWS | S -REF TO COM ON RULES & | 00-05-30 | |
| S1511 | KERR | WATER USE FEES | S -REF TO COM ON RULES & | 00-05-30 | |
| S1512 | LEE | UNC-CH AMENDMENTS-1 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1522 | LEE | UNC-CH AMENDMENTS-2 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1523 | LEE | UNC-CH AMENDMENTS-3 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1524 | LEE | PERSONAL PRIVACY PROTECTION ACT | S -REF TO COM ON RULES & | 00-05-30 | |
| S1530 | DALTON | BLANK APPROPRIATIONS BILL-1 | S -REF TO COM ON JUDICI | 00-05-30 | 00-06-21 |
| S1537 | PLYLER | BLANK APPROPRIATIONS BILL-3 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1539 | PLYLER | DISPOSITION OF STATE PROPERTY | *HF-POSTPONED INDEFINITELY | 00-05-30 | 00-06-21 |
| S1541 | RAND | BLANK APPROPRIATIONS BILL-4 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1546 | ODOM | BLANK APPROPRIATIONS BILL-5 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1547 | ODOM | BLANK APPROPRIATIONS BILL-2 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1548 | ODOM | VISION 2030 | S -REF TO COM ON RULES & | 00-05-30 | |
| S1551 | REEVES | | | | |

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NORTH CAROLINA GENERAL ASSEMBLY
COMMITTEE SUMMARY REPORT

1999-2000 Biennium

SENATE: RULES & OPERATION OF THE SENATE

Valid Through 18-JUL-2000

| <u>BILL</u> | <u>INTRODUCER</u> | <u>SHORT TITLE</u> | <u>LATEST ACTION ON BILL</u> | <u>IN DATE</u> | <u>OUT DATE</u> |
|-------------|-------------------|-------------------------------|------------------------------|----------------|-----------------|
| S1553 | HOYLE | TRUCK MANUFACTURERS AMENDMENT | S - REF TO COM ON RULES & | 00-05-30 | |
| S1555 | PERDUE | BLANK APPROPRIATION BILL-7 | S - REF TO COM ON RULES & | 00-05-30 | |
| S1556 | PERDUE | BLANK APPROPRIATIONS-8 | S - REF TO COM ON RULES & | 00-05-30 | |
| S1557 | PERDUE | BLANK APPROPRIATIONS BILL-9 | S - REF TO COM ON RULES & | 00-05-30 | |

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RULES AND OPERATIONS OF THE SENATE COMMITTEE

Monday, February 8, 1999, 7:05 p.m.
Chamber

MINUTES


The Senate Committee on Rules and Operations of the Senate met in the Chamber on Monday, February 8, 1999 at 7:05 p.m. during a recess of the evening Session. Twelve members of the committee were present.

Senator Cooper moved the adoption of a committee substitute for SR 53, Honor Bar Association. The motion carried. Senator Cooper explained that, after consultation with the House, the Senate Simple Resolution was made into a Senate Joint Resolution, honoring the first president of the Bar Association, Mr. Platt D. Walker, as well as the Bar Association. Senator Plyler moved to give the committee substitute a favorable report. The motion carried unanimously.

The meeting adjourned at 7:10 p.m.



Senator Anthony E. Rand, Chair



Dot Waugaman, Acting Committee
Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chairman**

AMENDED REPORT #2

Monday, February 08, 1999

SENATOR RAND,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO SENATE RESOLUTION, BUT FAVORABLE AS TO C.S. SENATE JOINT RESOLUTION

| | | | |
|------|----|-----------------------|---------|
| S.R. | 53 | Honor Bar Association | |
| | | Draft Number: | PCS1519 |
| | | Sequential Referral: | None |
| | | Recommended Referral: | None |
| | | Long Title Amended: | Yes |

TOTAL REPORTED: 1

Committee Clerk Comment: Changes from Senate Simple Resolution to Senate Joint Resolution

SENATE
GENERAL ASSEMBLY OF NORTH CAROLINA COMMITTEE SUBSTITUTE

SESSION 1999

FEB 8 1999

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ADOPTED

SENATE RESOLUTION 53
Proposed Rules Committee Substitute Senate Joint Resolution S53-PCS1519-LR1

Sponsors:

Referred to:

February 8, 1999

1 A JOINT RESOLUTION HONORING THE MEMORY OF PLATT D. WALKER,
2 THE FIRST PRESIDENT OF THE NORTH CAROLINA BAR ASSOCIATION,
3 ON THE ONE HUNDREDTH ANNIVERSARY OF THE NORTH CAROLINA
4 BAR ASSOCIATION.

5 Whereas, the North Carolina Bar Association was founded on February
6 10, 1899, by a group of 62 lawyers, who convened in Raleigh at the North Carolina
7 Supreme Court; and

8 Whereas, Platt D. Walker was elected the first President on February 10,
9 1899 at the first organizational meeting of the Association; and

10 Whereas, the Association was organized to promote the administration of
11 justice throughout the State, advance the science of jurisprudence, maintain the
12 standard of honor in the profession, and establish cordial intercourse among the
13 members; and

14 Whereas, the 1899 General Assembly enacted a statute on March 6, 1899,
15 incorporating and bestowing upon the Association legal status as a recognized
16 professional association within the State; and

17 Whereas, the Association held its first annual meeting July 5-7, 1899, in
18 Morehead City, with 114 lawyers in attendance; and

19 Whereas, since its formation, the Association has used its resources to
20 support lawyers and local Bar organizations throughout North Carolina; and

21 Whereas, the Association has enhanced the quality of life for all citizens
22 of the State and advanced the public confidence in the legal profession; and

23 Whereas, many lawyers serving our State in the General Assembly and its
24 leadership have been members of the Association; and

1 Whereas, during its 100 years of service, the Association has been
2 instrumental in providing leadership and encouraging the highest standards of
3 integrity, competence, civility, and well-being of all members of the legal profession;
4 and

5 Whereas, the goals of the Association during the celebration of its
6 centennial are:

- 7 (1) To inspire lawyers to the highest ideals of professionalism and
8 service.
9 (2) To foster and protect the fundamental role of lawyers to sustain
10 the rule of law in our free society.
11 (3) To challenge all citizens to strengthen our system of justice for the
12 21st century.
13 (4) To assist the General Assembly in its important duty of enacting
14 sound legislation for the betterment of all North Carolinians
15 through drafting, and research and as a resource; and

16 Whereas, it is only fitting that the Association be commended for its 100
17 years of continuous service; Now, therefore,

18 Be it resolved by the Senate, the House of Representatives concurring:

19 Section 1. The General Assembly honors the life and memory of Platt D.
20 Walker and expresses appreciation for the contributions he made to the North
21 Carolina Bar Association. The General Assembly recognizes the historic
22 accomplishments of the North Carolina Bar Association and congratulates the
23 organization on 100 years of dedicated commitment to serve the public and the legal
24 profession by promoting the administration of justice and encouraging the highest
25 standards of integrity, competence, civility, and well-being of all members of the
26 profession. The General Assembly further wishes to thank the volunteers and staff
27 who have contributed to the growth and development of this distinguished
28 Association.

29 Section 2. The Secretary of State shall transmit a certified copy of this
30 resolution to the President of the North Carolina Bar Association.

31 Section 3. This resolution is effective upon ratification.

GENERAL ASSEMBLY OF NORTH CAROLINA FILED - SENATE

SESSION 1999

53 FEB 4 1999
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PRINCIPAL CLERK

SENATE RESOLUTION DRSR3513-LG022(2.2)

Sponsors: Senator Cooper.

Referred to:

1 A SENATE RESOLUTION HONORING THE ONE HUNDREDTH
2 ANNIVERSARY OF THE NORTH CAROLINA BAR ASSOCIATION.

3 Whereas, the North Carolina Bar Association was founded on February
4 10, 1899, by a group of 62 lawyers, who convened in Raleigh at the North Carolina
5 Supreme Court; and

6 Whereas, the North Carolina Bar Association was organized to promote
7 the administration of justice throughout the State, advance the science of
8 jurisprudence, maintain the standard of honor in the profession, and establish cordial
9 intercourse among the members; and

10 Whereas, the 1899 General Assembly enacted a statute on March 6, 1899,
11 incorporating and bestowing upon the North Carolina Bar Association legal status as
12 a recognized professional association within the State; and

13 Whereas, the North Carolina Bar Association held its first annual meeting
14 July 5-7, 1899, in Morehead City, with 114 lawyers in attendance; and

15 Whereas, since its formation, the North Carolina Bar Association has
16 used its resources to support lawyers and local Bar organizations throughout North
17 Carolina; and

18 Whereas, the North Carolina Bar Association has enhanced the quality of
19 life for all citizens of the State and continues to work to advance the public
20 confidence in the legal profession; and

21 Whereas, many lawyers serving our State in the General Assembly and its
22 leadership have historically been and are currently members of the North Carolina
23 Bar Association; and

24 Whereas, during its 100 years of service, the North Carolina Bar
25 Association has been instrumental in providing leadership and encouraging the

1 highest standards of integrity, competence, civility, and well-being of all members of
2 the legal profession; and

3 Whereas, the goals of the North Carolina Bar Association during the
4 celebration of its centennial are:

5 (1) To inspire lawyers to the highest ideals of professionalism and
6 service;

7 (2) To foster and protect the fundamental role of lawyers to sustain
8 the rule of law in our free society;

9 (3) To challenge all citizens to strengthen our system of justice for the
10 21st century; and

11 (4) To assist the General Assembly, through drafting, research and as a
12 resource, in its important duty of enacting sound legislation for the
13 betterment of all North Carolinians; and

14 Whereas, it is only fitting that the North Carolina Bar Association be
15 commended for its 100 years of continuous service; Now, therefore,

16 Be it resolved by the Senate:

17 Section 1. The Senate recognizes the historic accomplishments of the
18 North Carolina Bar Association and congratulates the organization on 100 years of
19 dedicated commitment to serve the public and the legal profession by promoting the
20 administration of justice and encouraging the highest standards of integrity,
21 competence, civility, and well-being of all members of the profession. The Senate
22 further wishes to thank the volunteers and staff who have contributed to the growth
23 and development of this distinguished Association.

24 Section 2. The Principal Clerk shall transmit a certified copy of this
25 resolution to the President of the North Carolina Bar Association.

26 Section 3. This resolution is effective upon adoption.

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

February 18, 1999

MINUTES

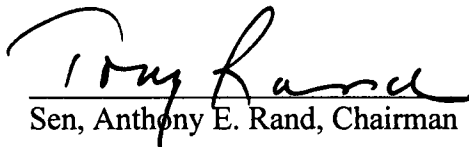
The Committee on Rules and Operations of the Senate met at 11:00 a.m. on February 18, 1999 in the 300 Conference Room of the Legislative Office Building. Senator Rand chaired the meeting. Twelve members of the committee were present.

S.B. 117 – EXPAND MEMBERSHIP/GOVOPS COMMISSION.

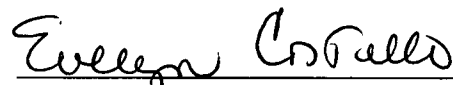
Senator Soles explained the bill to the Committee. The bill expands membership on the Governmental Operations Commission from 30 to 34 members. The President Pro Tempore of the Senate and the Speaker of the House will each appoint 2 additional members.

Senator Soles moved for a favorable report on S.B. 117. Senator Albertson seconded the motion. S.B. 117 received a favorable report.

The meeting adjourned at 11:15 a.m.



Sen, Anthony E. Rand, Chairman



Evelyn Costello,
Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Tony Rand, Chairman**

Thursday, February 18, 1999

SENATOR RAND,
submits the following with recommendations as to passage:

FAVORABLE

S.B. 117 Expand Membership/Gov Ops Commission.
 Sequential Referral: None
 Recommended Referral: None

TOTAL REPORTED: 1

Committee Clerk Comment: None

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

FILED - SENATE

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S 1 17

FEB 1^D 1999

SENATE DRS7523-LE046(2.16)

PRINCIPAL CLERK

Short Title: Expand Membership/GovOps Commission.

(Public)

Sponsors: Senator Soles.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXPAND THE MEMBERSHIP OF THE JOINT LEGISLATIVE
3 COMMISSION ON GOVERNMENTAL OPERATIONS.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 120-74 reads as rewritten:

6 "**§ 120-74. Appointment of members; terms of office.**

7 The Commission shall consist of ~~30~~ 34 members. The President pro tempore of the
8 Senate, the Speaker pro tempore of the House, and the Majority Leader of the Senate
9 and the Speaker of the House shall serve as ex officio members of the Commission.
10 The Speaker of the House of Representatives shall appoint ~~13~~ 15 members from the
11 House. The President pro tempore of the Senate shall appoint ~~13~~ 15 members from
12 the Senate. Vacancies created by resignation or otherwise shall be filled by the
13 original appointing authority. Members shall serve two-year terms beginning and
14 ending on January 15 of the odd-numbered years, ~~except that initial appointments~~
15 ~~shall begin on July 1, 1975.~~ years. Members shall not be disqualified from completing
16 a term of service on the Commission because they fail to run or are defeated for
17 reelection. Resignation or removal from the General Assembly shall constitute
18 resignation or removal from membership on the Commission. ~~The terms of the initial~~
19 ~~members of the Commission shall expire January 15, 1977."~~

20 Section 2. The initial terms of the four additional members of the Joint
21 Legislative Commission on Governmental Operations that are added to the
22 Commission in Section 1 of this act shall begin on appointment.

23 Section 3. This act is effective when it becomes law.

VISITOR REGISTRATION SHEET

Rules & Operations of the Senate

February 18, 1999

Name of Committee

Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

John Beardish

Zeb Alley P.A.

LISA REYES

The Insider

Laura DeVito

DENR

Kevin Howell

Gov's office

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

Thursday, March 11, 1999

MINUTES

The Senate Committee on Rules and Operations of the Senate met in the 300 Conference Room of the Legislative Office Building. Twelve members of the committee were present.

S. B. 289 – ROYALL CHILDREN 'S VISION PROGRAM

Senator Plyler explained S.B. 289 which names the NC Children's Vision Screening Improvement Program for Kenneth C. Royall, Jr. Senator Plyler moved for a favorable report.

Senator Soles asked if this was a new program or part of the Department of Health and Human Resources?

Terry Sullivan, staff for the Research Division, stated that this is a private foundation that is funded and administered through the Department of Health and Human Resources.

The bill received a favorable report by the committee. The meeting adjourned at 10:45 a.m.



Sen, Anthony E. Rand, Chairman



Evelyn Costello, Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Thursday, March 11, 1999

SENATOR ANTHONY E. RAND,
submits the following with recommendations as to passage:

FAVORABLE

S.B. **289** Royall Children's Vision Program.
 Sequential Referral: None
 Recommended Referral: None

TOTAL REPORTED: 1

Committee Clerk Comment: None

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 289*

Short Title: Royall Children's Vision Program.

(Public)

Sponsors: Senators Plyler, Purcell, Rand, Soles, Perdue, Odom, Lee, Kinnaird, Warren, Martin of Pitt, Martin of Guilford, Gulley, Lucas, Hartsell, Phillips; Albertson, Allran, Basnight, Carpenter, Carrington, Cochrane, Cooper, Dannelly, Forrester, Foxx, Garrou, Garwood, Hagan, Harris, Hoyle, Jordan, Kerr, Metcalf, Miller, Moore, Reeves, Robinson, Rucho, Shaw of Cumberland, and Shaw of Guilford.

Referred to: Appropriations/Base Budget.

March 8, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO NAME THE NORTH CAROLINA CHILDREN'S VISION
3 SCREENING IMPROVEMENT PROGRAM IN HONOR OF KENNETH C.
4 ROYALL, JR.

5 The General Assembly of North Carolina enacts:

6 Section 1. The North Carolina Children's Vision Screening Improvement
7 Program of the Department of Health and Human Services is a program administered
8 through Prevent Blindness North Carolina that trains and certifies vision screeners
9 who assess children in North Carolina schools. This program is hereby designated
10 the Kenneth C. Royall, Jr. Children's Vision Screening Improvement Program in
11 recognition of Kenneth C. Royall, Jr.'s 32 years of leadership in Prevent Blindness
12 North Carolina and his commitment to children's vision screening.

13 Section 2. This act is effective when it becomes law.

MINUTES

SENATE COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

May 12, 1999

The Senate Committee on Rules and Operations of the Senate met at 9:00 a.m. in Room 422 of the Legislative Office Building. Senator Rand presided. Eleven members of the committee were present.

SB 96 - 17th Senate Dist. Local Act

A proposed Committee Substitute was presented to the Committee by Senator Plyler – Scotland Stadium-Civic Ctr. Funds. Upon motion of Senator Horton and a second by Senator Plyler the proposed Committee Substitute was adopted.. The Committee voted unanimously to adopt the Committee Substitute for S.B. 96. The bill was referred to Appropriations.

SB 150- Yadkin Local Act

Senator Ruccho presented the proposed Committee Substitute for S.B. 150 – Yadkin Historical Society Funds to the Committee. Senator Horton moved for a favorable report for the Committee Substitute and this was seconded by Senator Hoyle. The Committee Substitute was unanimously adopted by the committee and referred Appropriations.

SB 200 – Blank Appropriations Bill – 3. – Funds for Public Projects SB 202 – Blank Appropriations Bill – 5 - Terry Sanford Arts Legacy Funds

Senator Albertson moved for a favorable report of the proposed Committee Substitutes for both of these bills introduced by Senator Odom. This was seconded by Senator Soles and the Committee Substitutes were unanimously adopted by the committee and both bills were referred to Appropriations.

SB 541 – Amend State Law

Senator Horton explained his proposed Committee Substitute for SB 541 – Single Sisters House Funds. Senator Hoyle moved that the committee substitute be

adopted and the committee unanimously voted to adopt the Committee Substitute. SB 541 was referred to Appropriations.

SB 890 – Expand Health Care Access

Senator Metcalf explained the proposed Committee Substitute for SB 890. This bill would appropriate funds to support public-private pilot projects to expand access to health care by securing the voluntary participation of health care providers. Senator Soles moved that the proposed Committee Substitute be adopted. This was seconded by Senator Kinnaird. The Committee Substitute was unanimously adopted by the committee and the committee gave it a favorable report. The bill was sent to Appropriations.

S.R. 1170 – Honoring Early Officers of the Town of Shallotte

Senator Soles moved that S.R. 1170 be given a favorable report. Senator Forrester seconded the motion and S.R. 1170 received a favorable report.

SB 149 – Wilkes Local Act

Senator Ruccho presented the proposed Committee Substitute for SB 149 – Retired Highway Patrol Plate.

Senator Hoyle moved for a favorable report for the proposed Committee Substitute and this was seconded by Senator Forrester. The Committee Substitute was unanimously adopted by the Rules Committee and referred to Finance.

S.B. 229 Blank Appropriations Bill-1

Senator Plyler moved for adoption of a proposed Committee Substitute for S.B. 229 – Charlotte Repertory Theatre Funds. This was seconded by Senator Horton and the bill received a favorable report from the Rules Committee and was sent to Appropriations.

S.B. 778 – Future of Electric Service/Members

Senator Hoyle explained the bill and offered an amendment. Senator Hoyle explained that due to the complexity of this issue, that four more members were needed on this Study Commission. Senator Rand suggested that a committee substitute be prepared and the committee voted to accept a proposed committee substitute and the committee gave the proposed Committee Substitute a Favorable Report.

H.B. 253 – SIPS Name Change

Senator Horton stated that he had submitted an amendment on this bill to change the name of the North Carolina Museum of History to the North Carolina Museum of Folklore and Popular Culture. The committee discussed the bill and decided to do a proposed Senate Committee Substitute for this bill and send it to Secretary of Cultural Resources, Betty R. McCain for her comments. The meeting adjourned at 9:45 a.m.


Sen. Anthony E. Rand, Chairman


Evelyn Costello, Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Wednesday, May 12, 1999

SENATOR ANTHONY E. RAND,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. BILL

| | | | |
|------|-----|-----------------------|---------|
| S.B. | 149 | Wilkes Local Act | |
| | | Draft Number: | PCS7685 |
| | | Sequential Referral: | None |
| | | Recommended Referral: | Finance |
| | | Long Title Amended: | Yes |

| | | | |
|------|-----|-------------------------------|----------------|
| S.B. | 229 | Blank Appropriations Bill - 1 | |
| | | Draft Number: | PCS2765 |
| | | Sequential Referral: | None |
| | | Recommended Referral: | Appropriations |
| | | Long Title Amended: | Yes |

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO SENATE C.S. BILL

| | | | |
|------|-----|------------------------------------|---------|
| H.B. | 778 | Future of Electric Service/Members | |
| | | Draft Number: | PCS4264 |
| | | Sequential Referral: | None |
| | | Recommended Referral: | None |
| | | Long Title Amended: | Yes |

TOTAL REPORTED: 3

Committee Clerk Comment:

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair

Wednesday, May 12, 1999

SENATOR ANTHONY E. RAND,
submits the following with recommendations as to passage:

FAVORABLE

S.R. 1170 Honoring Early Officers of the Town of Shallotte
Sequential Referral: None
Recommended Referral: None

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. BILL

S.B. 96 17th Senate Dist. Local Act
Draft Number: PCS8602
Sequential Referral: None
Recommended Referral: Appropriations
Long Title Amended: Yes

S.B. 150 Yadkin Local Act
Draft Number: PCS1709
Sequential Referral: None
Recommended Referral: Appropriations
Long Title Amended: Yes

S.B. 200 Blank Appropriations Bill-3.
Draft Number: PCS3813
Sequential Referral: None
Recommended Referral: Appropriations
Long Title Amended: Yes

S.B. 202 Blank Appropriations Bill -5.
Draft Number: PCS6674
Sequential Referral: None
Recommended Referral: Appropriations
Long Title Amended: Yes

S.B. 541 Amend State Law
Draft Number: PCS1734
Sequential Referral: None
Recommended Referral: Appropriations
Long Title Amended: Yes

S.B. 890

Expand Health Care Access-

| | |
|-----------------------|----------------|
| Draft Number: | PCS4698 |
| Sequential Referral: | None |
| Recommended Referral: | Appropriations |
| Long Title Amended: | Yes |

TOTAL REPORTED: 7

Committee Clerk Comment: None

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

SENATE
COMMITTEE SUBSTITUTE

S

MAY 12 1999 D

SENATE BILL 96
Proposed Committee Substitute S96-PCS8602-LG

ADOPTED

Short Title: Scotland Stadium-Civic Ctr Funds.

(Public)

Sponsors:

Referred to:

February 15, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS FOR CAPITAL IMPROVEMENTS OF THE
3 SCOTLAND COUNTY STADIUM-CIVIC CENTER.
4 The General Assembly of North Carolina enacts:
5 Section 1. There is appropriated from the General Fund to Scotland
6 County Stadium-Civic Center, Inc., a nonprofit corporation, the sum of seventy-five
7 thousand dollars (\$75,000) for the 1999-2000 fiscal year to construct a much needed
8 addition to the Scotland County Stadium-Civic Center, which will allow for the
9 expansion of the kitchen, storage area, and meeting room facilities.
10 Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

S

1

SENATE BILL 149

Short Title: Wilkes Local Act.

(Local)

Sponsors: Senators Moore and Garwood.

Referred to: Rules and Operations of the Senate.

February 22, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT RELATING TO THE GOVERNANCE OF WILKES COUNTY.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act applies to Wilkes County only.
5 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SENATE
COMMITTEE SUBSTITUTE

SESSION 1999

MAY 12 1999

S

D

ADOPTED

SENATE BILL 149
Proposed Committee Substitute S149-PCS7685-LK

Short Title: Retired Highway Patrol Plate.

(Public)

Sponsors:

Referred to:

February 22, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO ISSUE
3 SPECIAL LICENSE PLATES TO MEMBERS OF THE NORTH CAROLINA
4 HIGHWAY PATROL RETIREES ASSOCIATION, INC.
5 The General Assembly of North Carolina enacts:
6 Section 1. G.S. 20-79.4(b) reads as rewritten:
7 "(b) Types. -- The Division shall issue the following types of special registration
8 plates:
9 . . .
10 "(36a) Retired Highway Patrol. -- Issuable to a member of the North
11 Carolina Highway Patrol Retirees Association, Inc. A plate issued
12 pursuant to this subdivision shall bear the phrase 'SHP, Retired.'
13 The Division shall not issue a plate authorized by this subdivision
14 unless it receives at least 300 applications for the plate."
15 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 150

Short Title: Yadkin Local Act.

(Local)

Sponsors: Senators Moore and Garwood.

Referred to: Rules and Operations of the Senate.

February 22, 1999

1 A BILL TO BE ENTITLED
2 AN ACT RELATING TO THE GOVERNANCE OF YADKIN COUNTY.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act applies only to Yadkin County.
5 Section 2. This act is effective when it becomes law.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999**

S

1

SENATE BILL 200

Short Title: Blank Appropriations Bill-3.

(Public)

Sponsors: Senator Odom.

Referred to: Rules and Operations of the Senate.

March 1, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA SENATE
SESSION 1999 COMMITTEE SUBSTITUTE

MAY 12 1999

S

D

SENATE BILL 200
Proposed Committee Substitute S200-PCS3813-LG

ADOPTED

Short Title: Funds for Public Projects.

(Public)

Sponsors:

Referred to:

March 1, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS FOR CULTURAL DEVELOPMENT,
3 PARKLAND ACQUISITION, AND FOR SUSTAINABLE DEVELOPMENT.

4 The General Assembly of North Carolina enacts:

5 Section 1. There is appropriated from the General Fund to the City of
6 Charlotte the sum of five hundred thousand dollars (\$500,000) for the 1999-2000
7 fiscal year to be allocated to the Afro-American Cultural Center to study and assess
8 the future of the Center, to prepare a concept design to define the various functions,
9 needs, size, and other special requirements for each space within the proposed new
10 building, and to study the feasibility of the community's readiness for a capital
11 campaign to expand the Center.

12 Section 2. There is appropriated from the General Fund to the North
13 Carolina Technological Development Authority, Inc., the sum of seven hundred fifty
14 thousand dollars (\$750,000) for the 1999-2000 fiscal year for the development of a
15 business incubator in Yancey County.

16 Section 3. There is appropriated from the General Fund to the
17 Department of Environment and Natural Resources, Division of Parks and
18 Recreation, the sum of five million dollars (\$5,000,000) for the 1999-2000 fiscal year
19 to assist in the acquisition of additional parklands at Lake James State Park for
20 outdoor recreation and conservation.

21 Section 4. There is appropriated from the General Fund to Mars Hill
22 College the sum of fifty thousand dollars (\$50,000) for the 1999-2000 fiscal year for

- 1 the Appalachian Institute for Sustainability to promote sustainable economic
2 development in Western North Carolina.
3 Section 5. This act becomes effective July 1, 1999.

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999**

S

1

SENATE BILL 202

Short Title: Blank Appropriations Bill-5.

(Public)

Sponsors: Senator Odom.

Referred to: Rules and Operations of the Senate.

March 1, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 229

Short Title: Blank Appropriations Bill-1.

(Public)

Sponsors: Senator Plyler.

Referred to: Rules and Operations of the Senate.

March 4, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 541

Short Title: Amend State Law.

(Public)

Sponsors: Senator Horton.

Referred to: Rules and Operations of the Senate.

March 29, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT AMENDING THE LAWS OF NORTH CAROLINA.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act amends the laws of North Carolina.
5 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

SENATE
COMMITTEE SUBSTITUTE

S

SENATE BILL 541
Proposed Committee Substitute S541-PCS1734-LRQ

MAY 12 1999

ADOPTED

Short Title: Single Sisters House Funds.

(Public)

Sponsors:

Referred to:

March 29, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS FOR THE REHABILITATION OF SINGLE
3 SISTERS HOUSE, THE STATE'S OLDEST COLLEGE BUILDING AND THE
4 NATION'S OLDEST COLLEGE RESIDENCE FOR WOMEN.
5 The General Assembly of North Carolina enacts:
6 Section 1. There is appropriated from the General Fund to The Salem
7 Academy and College, a nonprofit corporation, the sum of four hundred thousand
8 dollars (\$400,000) for the 1999-2000 fiscal year for a planning and site development
9 grant (Phase I) for the rehabilitation of Single Sisters House (1785) in Winston-Salem.
10 Single Sisters House, an historic landmark in the development of women's education
11 in America, is the State's oldest college building and the nation's oldest college
12 residence for women.
13 Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

SENATE
COMMITTEE SUBSTITUTE

MAY 12 1999

H

D

HOUSE BILL 778*
Proposed Senate Committee Substitute H778-PCS4264 RA

ADOPTED

Short Title: Future of Electric Service/Members.

(Public)

Sponsors:

Referred to:

March 31, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO ADD SIX MEMBERS TO THE STUDY COMMISSION ON THE
3 FUTURE OF ELECTRIC SERVICE IN NORTH CAROLINA.
4 The General Assembly of North Carolina enacts:
5 Section 1. Section 1 of S.L. 1997-40 reads as rewritten:
6 "Section 1. The Study Commission on the Future of Electric Service in North
7 Carolina is created. The Commission shall consist of ~~23~~ 29 voting members as
8 follows:
9 (1) ~~Six~~ Nine members of the Senate to be appointed by the President
10 Pro Tempore of the Senate;
11 (2) ~~Six~~ Nine members of the House of Representatives to be appointed
12 by the Speaker of the House of Representatives;
13 (3) The Chief Executive Officer of the North Carolina Electric
14 Membership Corporation or the Chief Executive Officer's
15 designee;
16 (4) The Chief Executive Officer of ElectriCities of North Carolina or
17 the Chief Executive Officer's designee;
18 (5) The Chief Executive Officer of Duke Power Company or the Chief
19 Executive Officer's designee;
20 (6) The Chief Executive Officer of Carolina Power and Light
21 Company or the Chief Executive Officer's designee;

- 1 (7) Two residential consumers of electricity, one to be appointed by
2 the President Pro Tempore of the Senate and one to be appointed
3 by the Speaker of the House of Representatives;
4 (8) One commercial consumer of electricity to be appointed by the
5 President Pro Tempore of the Senate;
6 (9) Two industrial consumers of electricity, one to be appointed by the
7 Speaker of the House of Representatives and one to be appointed
8 by the President Pro Tempore of the Senate;
9 (10) One member of the environmental community to be appointed by
10 the Governor; and
11 (11) One person representing a nationwide electric power marketer to
12 be appointed by the Speaker of the House of Representatives.

13 The President Pro Tempore of the Senate and the Speaker of the House of
14 Representatives shall each designate a cochair from the General Assembly
15 membership serving on the Commission. The Commission shall meet upon the call
16 of the cochairs. A majority of the Commission shall constitute a quorum for the
17 transaction of business."

18 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 778*

Short Title: Future of Electric Service/Members.

(Public)

Sponsors: Representative McComas.

Referred to: Rules, Calendar and Operations of the House.

March 31, 1999

A BILL TO BE ENTITLED

AN ACT TO ADD FOUR MEMBERS TO THE STUDY COMMISSION ON THE FUTURE OF ELECTRIC SERVICE IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

Section 1. Section 1 of S.L. 1997-40 reads as rewritten:

"Section 1. The Study Commission on the Future of Electric Service in North Carolina is created. The Commission shall consist of ~~23~~ 27 voting members as follows:

- (1) ~~Six~~ Eight members of the Senate to be appointed by the President Pro Tempore of the Senate;
- (2) ~~Six~~ Eight members of the House of Representatives to be appointed by the Speaker of the House of Representatives;
- (3) The Chief Executive Officer of the North Carolina Electric Membership Corporation or the Chief Executive Officer's designee;
- (4) The Chief Executive Officer of ElectriCities of North Carolina or the Chief Executive Officer's designee;
- (5) The Chief Executive Officer of Duke Power Company or the Chief Executive Officer's designee;
- (6) The Chief Executive Officer of Carolina Power and Light Company or the Chief Executive Officer's designee;
- (7) Two residential consumers of electricity, one to be appointed by the President Pro Tempore of the Senate and one to be appointed by the Speaker of the House of Representatives;

- 1 (8) One commercial consumer of electricity to be appointed by the
2 President Pro Tempore of the Senate;
3 (9) Two industrial consumers of electricity, one to be appointed by the
4 Speaker of the House of Representatives and one to be appointed
5 by the President Pro Tempore of the Senate;
6 (10) One member of the environmental community to be appointed by
7 the Governor; and
8 (11) One person representing a nationwide electric power marketer to
9 be appointed by the Speaker of the House of Representatives.

0 The President Pro Tempore of the Senate and the Speaker of the House of
1 Representatives shall each designate a cochair from the General Assembly
2 membership serving on the Commission. The Commission shall meet upon the call
3 of the cochairs. A majority of the Commission shall constitute a quorum for the
4 transaction of business."

5 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA SENATE
COMMITTEE SUBSTITUTE
SESSION 1999

MAY 12 1999

S

D

SENATE BILL 890
Proposed Committee Substitute S890-PCS4698-LN

ADOPTED

Short Title: Expand Health Care Access.

(Public)

Sponsors:

Referred to:

April 13, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO SUPPORT PUBLIC-PRIVATE PILOT
3 PROJECTS TO EXPAND ACCESS TO HEALTH CARE.

4 The General Assembly of North Carolina enacts:

5 Section 1.(a) There is established in the Department of Health and
6 Human Services, Division of Research and Development, the Health Care Access
7 Pilot Program. The purpose of the Pilot Program is to assist communities in selected
8 areas of the State to improve access to health care by securing the voluntary
9 participation of health care providers and facilities in providing health services to
10 uninsured, low-income persons. The Division of Research and Development shall
11 develop and administer the Pilot Program as follows:

12 (1) Between six and eight local pilot projects shall be selected to offer
13 health care services, including prescription drugs and devices, to
14 residents of one or more counties served by the project. Residents
15 eligible for these services shall be persons:

16 a. Who are not eligible for Medicaid, Medicare, or other
17 government subsidized health care program; and

18 b. Who are not covered under any health insurance or
19 managed care program providing benefits for health care.

20 The local entity administering the pilot project may establish the
21 income eligibility level of residents receiving services under the
22 pilot project. Income eligibility levels shall not exceed two
23 hundred percent (200%) of the federal poverty level.

- 1 (2) The Division shall award grants to each pilot project that applies
2 for funds and that:
 - 3 a. Provides matching funds or in-kind services, not including
4 direct health care services, at the matching rate of one dollar
5 (\$1.00) of local funds or in-kind services for every one
6 dollar (\$1.00) of State grant funds awarded; and
 - 7 b. Demonstrates the ability to effectively and efficiently
8 coordinate the provision of health care services to eligible
9 residents.
- 10 (3) In selecting pilot projects, the Division shall consider the likelihood
11 that an applicant for grant funds will be able to provide health care
12 services the total value of which substantially exceeds the total
13 amount of State and matching funds or in-kind services provided
14 to the project.
- 15 (4) Not more than one hundred thousand dollars (\$100,000) in State
16 grant funds in each fiscal year may be allocated to each pilot
17 project serving a single county. Not more than two hundred
18 thousand dollars (\$200,000) of State grant funds in each fiscal year
19 may be allocated to each pilot project serving two or more
20 counties.
- 21 (5) State funds awarded to each project shall be used to pay for
22 prescription drugs or devices prescribed by health care providers
23 donating their professional services under the pilot project.
- 24 (6) To the extent possible, the Division shall ensure that pilot projects
25 selected reasonably represent the State's geographic regions, urban
26 and rural communities, and racial and ethnic population mix.

27 The Department of Health and Human Services shall report on the
28 implementation of the Health Care Access Pilot Project. A progress report shall be
29 submitted not later than April 1, 2000 and a final report not later than April 1, 2001,
30 to the members of the House Appropriations Subcommittee on Health and Human
31 Services and the Senate Appropriations Committee on Human Resources, and the
32 Fiscal Research Division. The reports shall include information on the number of
33 pilot projects selected, the counties each pilot project serves, the local organization
34 administering each pilot project, the health care services provided by each project,
35 and the number of persons receiving services in each pilot project county.

36 Section 1.(b) There is appropriated from the General Fund to the
37 Department of Health and Human Services, Division of Research and Development,
38 the sum of eight hundred thousand dollars (\$800,000) for the 1999-2000 fiscal year
39 and the sum of eight hundred thousand dollars (\$800,000) for the 2000-2001 fiscal
40 year. These funds shall be allocated for the Health Care Access Pilot Project in
41 accordance with subsection (a) of this section.

42 Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE RESOLUTION 1170*

Sponsors: Senator Soles.

Referred to: Rules and Operations of the Senate.

April 28, 1999

1 A SENATE RESOLUTION HONORING THE EARLY OFFICERS OF THE
2 TOWN OF SHALLOTTE ON THE ONE HUNDREDTH ANNIVERSARY OF
3 THE TOWN.

4 Whereas, on March 6, 1999, the Town of Shallotte in Brunswick County
5 will be celebrating 100 years of incorporation; and

6 Whereas, the Town was named for the Shallotte River from which it is
7 located; and

8 Whereas, the Town's first temporary officers included George Leonard as
9 mayor; James Holmes, Charles Hemmingway, W.A. Frink, R.V. Leonard, and F.P.
10 White as commissioners; McD. Turner as marshall; and John W. Moore as treasurer;
11 and

12 Whereas, many of descendants of these first officers continue to live in
13 the Town of Shallotte, the County of Brunswick, and surrounding areas; and

14 Whereas, the Town's 100th anniversary and the contributions made by
15 these early officers to the development of the Town are worthy of celebration and
16 should be enjoyed and supported by all North Carolina citizens; Now, therefore,

17 Be it resolved by the Senate:

18 Section 1. The Senate honors the life and memory of the Town of
19 Shallotte's first officers and urges the citizens of this State to participate in the
20 activities commemorating the 100th anniversary of the Town of Shallotte.

21 Section 2. The Principal Clerk shall transmit a certified copy of this
22 resolution to the Mayor and the Town Manager of the Town of Shallotte.

23 Section 3. This resolution is effective upon adoption.

MINUTES

SENATE COMMITTEE ON RULES
AND OPERATIONS OF THE SENATE

JUNE 8, 1999

The Senate Committee on Rules and Operations of the Senate met at 9:00 a.m. in Room 300 of the Legislative Office Building. Senator Rand presided. Eight members of the committee were present.

SB 509 - 11th SENATE DIST. LOCAL ACT.-1.

A proposed Committee Substitute was presented by Senator Wellons. The title was Seven Paths Fire Station Funds which would appropriate \$10,000 for 1999-2000 for a satellite fire station to serve the Seven Paths Community. Senator Albertson moved for adoption of the Committee Substitute. The committee adopted the Committee Substitute and gave it a favorable report. The Committee Substitute for S.B.509 was referred to Appropriations.

SB 523 – 32nd SENATORIAL DIST. LOCAL ACT.-1.

Senator Hagan presented the committee substitute –Modify Greensboro Room Tax – Senator Albertson moved for a favorable report for SB 523 and the Committee Substitute was given a favorable report and referred to the Finance Committee.

SB 524 – 32nd SENATORIAL DIST. LOCAL ACT.- 1.

Senator Hagan presented a Committee Substitute for SB 524 – PT CAM Funds. This bill would transfer \$250,000 from NCAT to the community colleges where it belongs. Senator Albertson moved that the Committee Substitute be adopted. This motion was seconded by Senator Hoyle and the Committee Substitute was adopted by the committee and referred to Appropriations.

The meeting adjourned at 9:30 a.m..


Sen. Anthony E. Rand, Chairman


Evelyn Costello, Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Tuesday, June 08, 1999

SENATOR ANTHONY E. RAND,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. BILL

S.B. **509** 11th Senate Dist. Local Act-1.
 Draft Number: PCS4704
 Sequential Referral: None
 Recommended Referral: Appropriations
 Long Title Amended: Yes

S.B. **523** 32nd Senatorial Dist. Local Act-1.
 Draft Number: PCS7687
 Sequential Referral: None
 Recommended Referral: Finance
 Long Title Amended: Yes

S.B. **524** 32nd Senatorial Dist. Local Act.2.
 Draft Number: PCS6673
 Sequential Referral: None
 Recommended Referral: Appropriations
 Long Title Amended: Yes

TOTAL REPORTED: 3

Committee Clerk Comment: None

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

2

SENATE BILL 509

Rules and Operations of the Senate Committee Substitute Adopted 6/8/99

Short Title: Seven Paths Fire Station Funds.

(Public)

Sponsors:

Referred to:

March 25, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO FRANKLIN COUNTY FOR A
3 SATELLITE FIRE STATION TO SERVE THE SEVEN PATHS COMMUNITY.
4 The General Assembly of North Carolina enacts:
5 Section 1. There is appropriated from the General Fund to Franklin
6 County the sum of ten thousand dollars (\$10,000) for the 1999-2000 fiscal year for a
7 satellite fire station to serve the Seven Paths community.
8 Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

2

SENATE BILL 523

Rules and Operations of the Senate Committee Substitute Adopted 6/8/99

Short Title: Modify Greensboro Room Tax Use.

(Local)

Sponsors:

Referred to:

March 25, 1999

A BILL TO BE ENTITLED

AN ACT TO MODIFY THE PURPOSES FOR WHICH THE GREENSBORO ROOM OCCUPANCY TAX MAY BE USED.

The General Assembly of North Carolina enacts:

Section 1. Section 6 of Chapter 22 of the 1991 Session Laws, as amended by Chapter 380 of the 1995 Session Laws, reads as rewritten:

"Sec. 6. Disposition of Taxes Collected.

(a) Until retirement of the debt to finance renovation and expansion of the Greensboro War Memorial Coliseum arena, the proceeds of the occupancy tax shall be used as provided in this subsection.

(1) Promotion Funds. -- The city or the county shall remit twenty percent (20%) of the net proceeds of the tax to the Greensboro/Guilford County Tourism Development Authority. 'Net proceeds' means gross proceeds less the cost to the city or the county of administering and collecting the tax, not to exceed five percent (5%) of the gross proceeds of the tax. The authority shall use the funds remitted to it under this subsection only for activities and programs promoting and encouraging travel and tourism.

(2) Rent Subsidy Funds. -- The city may remit up to two hundred thousand dollars (\$200,000) of the remaining net proceeds each fiscal year to the Greensboro/Guilford County Tourism Development Authority for a marketing fund. The marketing fund may be used only for coliseum rent subsidies to attract citywide

1 groups that commit to fill at least 5,000 room nights for the event.
2 Any part of the marketing fund that has not been spent or
3 committed at the end of each fiscal year for this purpose shall be
4 credited to the City of Greensboro for use in accordance with
5 subdivision (3) of this subsection.

6 (3) Complex Funds. -- The City of Greensboro shall receive the
7 balance of the net proceeds and shall use these funds only (i) to
8 finance the renovation and expansion of the Greensboro War
9 Memorial Coliseum arena, (ii) to finance the renovation and
10 expansion of the remainder of the Greensboro War Memorial
11 Complex and acquisition of property in the vicinity of the
12 Complex, and (iii) for maintenance of the Complex. In the event
13 that the funds exceed the amount required for these purposes, the
14 excess shall be retained in a special reserve fund and used (i) to
15 make debt payments where additional funds are needed in any
16 payment period or (ii) to call a portion of the debt.

17 (b) Upon retirement of the full debt to finance the renovation and expansion of
18 the Greensboro War Memorial Coliseum arena, the proceeds of the occupancy tax
19 shall be used as provided in this subsection.

20 (1) Promotion Funds. -- The city or the county shall remit twenty-five
21 percent (25%) of the net proceeds of the tax to the
22 Greensboro/Guilford County Tourism Development Authority.
23 The authority shall use the funds remitted to it under this
24 subsection only for activities and programs promoting and
25 encouraging travel and tourism.

26 (2) Rent Subsidy Funds. -- The city may remit up to two hundred
27 thousand dollars (\$200,000) of the remaining net proceeds each
28 fiscal year to the Greensboro/Guilford County Tourism
29 Development Authority for a marketing fund. The marketing fund
30 may be used only for coliseum rent subsidies to attract citywide
31 groups that commit to fill at least 5,000 room nights for the event.
32 Any part of the marketing fund that has not been spent or
33 committed at the end of each fiscal year for this purpose shall be
34 credited to the City of Greensboro for use in accordance with
35 subdivision (3) of this subsection.

36 (3) Promotion and Facilities Funds. -- The city shall receive the
37 balance of the net proceeds and shall use these funds only (i) for
38 specific tourist-related events, programs, and activities, such as arts,
39 recreational, or cultural events, or (ii) for promoting, improving,
40 constructing, financing, or acquiring facilities or attractions that
41 enhance the development of tourism. Before expending the
42 proceeds for any of the purposes listed in this subsection, the city
43 shall submit each project to the Greensboro/Guilford County
44 Tourism Development Authority. The board of directors of that

1 authority shall make recommendations to the city with respect to
2 the projects within 60 days after submission by the city."
3 Section 2. This act becomes effective July 1, 1999, and applies to taxes
4 collected on or after that date.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

2

SENATE BILL 524

Rules and Operations of the Senate Committee Substitute Adopted 6/8/99

Short Title: PT CAM Funds.

(Public)

Sponsors:

Referred to:

March 25, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF
3 COMMUNITY COLLEGES FOR THE PIEDMONT TRIAD CENTER FOR
4 ADVANCED MANUFACTURING.
5 The General Assembly of North Carolina enacts:
6 Section 1. There is appropriated from the General Fund to the
7 Department of Community Colleges the sum of two hundred fifty thousand dollars
8 (\$250,000) for the 1999-2000 fiscal year and the sum of two hundred fifty thousand
9 dollars (\$250,000) for the 2000-2001 fiscal year to support the operations of the
10 Piedmont Triad Center for Advanced Manufacturing (PT CAM) at Guilford
11 Technical Community College.
12 Section 2. This act becomes effective July 1, 1999.

VISITOR REGISTRATION SHEET

Rules and Operations of the Senate

June 8, 1999

Name of Committee

Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME

FIRM OR AGENCY AND ADDRESS

| NAME | FIRM OR AGENCY AND ADDRESS |
|------------------|----------------------------|
| Steve Woodson | NC Farm Bureau Federation |
| Gusman Markham | EgHS |
| Spuyk Weil | WNC-TV |
| Laura DeVito | DENR |
| John Dwin | NCRA |
| Alan Miles | Bailey & Dixon LLP |
| Kim Hibbard | NCLM |
| Amy Hobbs | NCHMA |
| Jeremiah Jackson | NCCCS |
| | |
| | |
| | |

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

Wednesday, June 16, 1999

MINUTES

The Senate Committee on Rules and Operations of the Senate met at 12:00 noon on June 16, 1999 in the 300 Conference Room of the Legislative Office Building. Nine members of the committee were present.

H.B. 253 – IRMC Duties Amended.

Senator Reeves explained the proposed Committee Substitute. Senator Soles moved for adoption of the Committee Substitute for H.B. 253. The committee moved to give H.B. 253 a favorable report.

S.B. 45 – 18TH Senate Dist. Local Act. (Jockey's Branch Improvement Funds).

Appropriates \$90,000 for 1999-2000 for channel improvements and related erosion control measures at Jockey's Branch, effective July 1, 1999.

SB 46 – 18th Senate Dist. Local Act. (Tabor City Storm Damage Funds)

Appropriates \$100,000 from the General Fund for 1999-2000 to Town of Tabor City to complete emergency repair project for storm damage and changes title accordingly.

Senator Soles gave an explanation of the above bills.

Senator Holye moved for adoption of the Committee Substitutes and moved for a favorable report for both bills. The committee concurred and referred S.B. 45 and S.B. 46 to the Appropriations Committee.

S.B. 327 - 4th Senate District Local Act. – (Honoring Wrightsville Beach)

Senator Rand presented the committee with the Committee Substitute for S.B. 327 explaining that this bill honored the One Hundredth Anniversary of the Town of Wrightsville Beach.

Senator Albertson moved for adoption of the Committee Substitute and moved for a favorable report for S.B. 327. The committee concurred and gave the bill a favorable report.

Page 2.

Minutes – June 16, 1999

S.J.R. 469 – Confirmation of Appointments to State Board of Ed.

Senator Lee explained that the SJR 469 added two names to the Board of Education: - Edgar David Murphy, III and Jane P. Norwood. This bill needed to be adopted for a Joint Session with the House within the next few days.

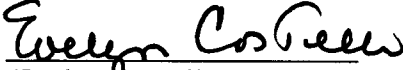
Senator Kinnaird moved for a favorable report for S.J.R. 469. This was seconded by Senator Soles. SJR 469 was given a favorable report by the committee.

S.R. 1038 – Honoring 50th Anniversary of Surf City

A proposed Committee Substitute for Senate Resolution 1038 was presented to the committee by Senator Rand. Senator Metcalf moved for adoption of the Committee Substitute and subsequently moved for a favorable report for Senate Resolution 1038. The committee gave SR 1038 a favorable report.

The meeting adjourned at 12:45 p.m..


Sen. Anthony E. Rand, Chairman


Evelyn Costello,
Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Wednesday, June 16, 1999

SENATOR RAND,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1,
BUT FAVORABLE AS TO SENATE COMMITTEE SUBSTITUTE BILL**

H.B.(CS #1)253

SIPS Name Change/AB.

| | |
|-----------------------|---------|
| Draft Number: | PCS7255 |
| Sequential Referral: | None |
| Recommended Referral: | None |
| Long Title Amended: | Yes |

TOTAL REPORTED: 1

Committee Clerk Comment:

NORTH CAROLINA GENERAL ASSEMBLY
SENATE

RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair

Wednesday, June 16, 1999

SENATOR RAND,
submits the following with recommendations as to passage:

FAVORABLE

S.J.R. 469 Confirmation of Appointments to State Board of Ed.
Sequential Referral: None
Recommended Referral: None

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. BILL

S.B. 45 18th Senate Dist. Local Act.
Draft Number: PCS4705
Sequential Referral: None
Recommended Referral: Appropriations
Long Title Amended: Yes

S.B. 46 18th Senate Dist. Local Act.
Draft Number: PCSA148
Sequential Referral: None
Recommended Referral: Appropriations
Long Title Amended: Yes

**UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. SENATE
RESOLUTION**


S.B. 327 4th Senate District Local Act.
Draft Number: PCS7697
Sequential Referral: None
Recommended Referral: None
Long Title Amended: Yes

**UNFAVORABLE AS TO SENATE RESOLUTION, BUT
FAVORABLE AS TO C.S. SENATE RESOLUTION**

S.R. 1038 Honoring 50th Anniversary of Surf City.
Draft Number: PCS3835
Sequential Referral: None
Recommended Referral: None
Long Title Amended: No

June 16, 1999

TOTAL REPORTED: 5

 Committee Clerk Comment: SB327 changes from bill to Senate Resolution.

1 (4) To recommend to the Governor and the Office of State Budget
2 and Management the relative priorities across executive agency
3 information technology plans.

4 (4a) To issue certification of any State agency information technology
5 project that requires or is expected to require the expenditure of
6 funds in excess of five hundred thousand dollars (\$500,000),
7 whether the project is undertaken in a single phase or component
8 or in multiple phases or components. The certification shall be
9 issued when the Commission determines that the project complies
10 with Commission policies, standards, and procedures. The
11 Commission shall promptly report each certification to the Office
12 of State Budget and Management, the Office of the State
13 Controller, the Chairs of the Legislative Committees on
14 Information Technology, and the Cochairs of the Joint Legislative
15 Commission on Governmental Operations. No State agency, other
16 than The University of North Carolina or any of its constituent
17 institutions, shall allocate or expend funds in excess of five
18 hundred thousand dollars (\$500,000) on any information
19 technology project without prior certification as required by this
20 subsection. If an agency cannot determine whether a project or
21 series of projects will require certification, the agency shall seek an
22 opinion from the Commission. Upon review, the Commission may
23 determine that a project is exempt from certification, and shall
24 advise the agency of its determination.

25 (5) To establish a quality assurance policy for all agency information
26 technology projects, information systems training programs, and
27 information systems documentation. If at any time a certified
28 agency information technology project is not in compliance with
29 Commission policies, standards, or procedures, the Commission
30 may suspend project certification and shall report the suspension to
31 the Office of the State Controller, the Office of State Budget and
32 Management, the Chairs of the Legislative Committees on
33 Information Technology, and the Cochairs of the Joint Legislative
34 Commission on Governmental Operations. Upon recommendation
35 of the Commission, the Joint Legislative Commission on
36 Governmental Operations may request the State Budget Office and
37 the State Controller to take appropriate remedial action, up to and
38 including the suspension of appropriations or the nonrelease of
39 funds to the project.

40 (6) To establish and enforce a quality review and expenditure review
41 procedure for major agency information technology projects.

42 (7) To review and approve expenditures from appropriations made to
43 the Office of State Budget and Management for the purpose of
44 creating a Computer Reserve Fund.

- 1 (8) To develop and promote a policy and procedures for the fair and
- 2 competitive procurement of information technology consistent with
- 3 the rules of the Department of Administration and consistent with
- 4 published industry standards for open systems that provide
- 5 agencies with a vendor-neutral operating environment where
- 6 different information technology hardware, software, and networks
- 7 operate together easily and reliably."
- 8 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

D

HOUSE BILL 253
Committee Substitute Favorable 3/25/99
Proposed Senate Committee Substitute H253-PSCS8131

Short Title: SIPS Name Change/AB.

(Public)

Sponsors:

Referred to:

March 4, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO CHANGE THE NAME OF THE STATE INFORMATION
3 PROCESSING SERVICES TO THE DIVISION OF INFORMATION
4 TECHNOLOGY SERVICES AND TO CHANGE THE NAME OF THE NORTH
5 CAROLINA MUSEUM OF HISTORY TO THE NORTH CAROLINA MUSEUM
6 OF FOLKLORE AND POPULAR CULTURE.

7 The General Assembly of North Carolina enacts:

8 Section 1. The name of the State Information Processing Services of the
9 Department of Commerce is changed to the Division of Information Technology
10 Services.

11 Section 2. G.S. 143B-472.44 reads as rewritten:

12 "**§ 143B-472.44. ~~State Information Processing Services. Division of Information~~**
13 **Technology Services.**

14 With respect to all executive departments and agencies of State government,
15 except the Department of Justice and The University of North Carolina, the
16 Department of Commerce shall have the following powers and duties:

17 (1) To establish and operate information resource centers and services
18 to serve two or more departments on a cost-sharing basis, if the
19 Information Resources Management Commission decides it is
20 advisable from the standpoint of efficiency and economy to
21 establish these centers and services;

- 1 (2) With the approval of the Information Resources Management
2 Commission, to charge each department for which services are
3 performed its proportionate part of the cost of maintaining and
4 operating the shared centers and services;
- 5 (3) With the approval of the Information Resources Management
6 Commission, to require any department served to transfer to the
7 Department of Commerce ownership, custody, or control of
8 information processing equipment, supplies, and positions required
9 by the shared centers and services;
- 10 (4) With the approval of the Information Resources Management
11 Commission, to adopt reasonable rules for the efficient and
12 economical management and operation of the shared centers,
13 services, and the integrated State telecommunications network;
- 14 (5) With the approval of the Information Resources Management
15 Commission, to adopt plans, policies, procedures, and rules for the
16 acquisition, management, and use of information technology
17 resources in the departments affected by this subdivision to
18 facilitate more efficient and economic use of information
19 technology in these departments; and
- 20 (6) To develop and promote training programs to efficiently
21 implement, use, and manage information technology resources.
- 22 (7) To provide cities, counties, and other local governmental units
23 with access to ~~State Information Processing Services~~ Division of
24 Information Technology Services information resource centers and
25 services as authorized in this section for State agencies. Access
26 shall be provided on the same cost basis that applies to State
27 agencies.

28 The Department of Revenue is authorized to deviate from this subsection's
29 requirements that departments or agencies consolidate information processing
30 functions on equipment owned, controlled or under custody of the ~~State Information~~
31 ~~Processing Services~~ Division of Information Technology Services. All deviations from
32 this subsection's requirements shall be reported in writing within 15 days by the
33 Department of Revenue to the Information Resources Management Commission and
34 shall be consistent with available funding. The Department of Revenue is authorized
35 to adopt and shall adopt plans, policies, procedures, requirements and rules for the
36 acquisition, management, and use of information processing equipment, information
37 processing programs, data communications capabilities, and information systems
38 personnel in the Department of Revenue. If the plans, policies, procedures,
39 requirements, rules, or standards adopted by the Department of Revenue deviate
40 from the policies, procedures, or guidelines adopted by the ~~State Information~~
41 ~~Processing Services~~ Division of Information Technology Services or the Information
42 Resources Management Commission, those deviations shall be allowed and shall be
43 reported in writing within 15 days by the Department of Revenue to the Information
44 Resources Management Commission. The Department of Revenue and the State

1 ~~Information Processing Services~~ Division of Information Technology Services shall
2 develop data communications capabilities between the two computer centers utilizing
3 the North Carolina Integrated Network, subject to a security review by the Secretary
4 of Revenue.

5 The Department of Revenue shall prepare a plan to allow for substantial recovery
6 and operation of major, critical computer applications. The plan shall include the
7 names of the computer programs, databases, and data communications capabilities,
8 identify the maximum amount of outage that can occur prior to the initiation of the
9 plan and resumption of operation. The plan shall be consistent with commonly
10 accepted practices for disaster recovery in the information processing industry. The
11 plan shall be tested as soon as practical, but not later than six months, after the
12 establishment of the Department of Revenue information processing capability.

13 No data of a confidential nature, as defined in the General Statutes or federal law,
14 may be entered into or processed through any cost-sharing information resource
15 center or network established under this subdivision until safeguards for the data's
16 security satisfactory to the department head and the Secretary of Commerce have
17 been designed and installed and are fully operational. Nothing in this subsection may
18 be construed to prescribe what programs to satisfy a department's objectives are to be
19 undertaken, nor to remove from the control and administration of the departments
20 the responsibility for program efforts, regardless whether these efforts are specifically
21 required by statute or are administered under the general program authority and
22 responsibility of the department. This subdivision does not affect the provisions of
23 G.S. 147-64.6, 147-64.7, or 143B-472.42(1). Notwithstanding any other provision of
24 law, the Department of Commerce shall provide information technology services on a
25 cost-sharing basis to the General Assembly and its agencies as requested by the
26 Legislative Services Commission."

27 Section 3. G.S. 143B-472.41(8) reads as rewritten:

28 "(8) The Chair of the ~~State Information Processing Services~~ Division of
29 Information Technology Services Advisory Board."

30 Section 4. G.S. 143B-472.42(1) reads as rewritten:

31 "(1) With respect to State agencies, exercise general coordinating
32 authority for all telecommunications matters relating to the internal
33 management and operations of these agencies. In discharging that
34 responsibility the Secretary of Commerce may in cooperation with
35 affected State agency heads, do such of the following things as the
36 Secretary of Commerce deems necessary and advisable:

- 37 a. Provide for the establishment, management, and operation,
38 through either State ownership or commercial leasing, of the
39 following systems and services as they affect the internal
40 management and operation of State agencies:
- 41 1. Central telephone systems and telephone networks;
 - 42 2. Teleprocessing systems;
 - 43 3. Teletype and facsimile services;
 - 44 4. Satellite services;

- 1 5. Closed-circuit TV systems;
- 2 6. Two-way radio systems;
- 3 7. Microwave systems;
- 4 8. Related systems based on telecommunication
- 5 technologies.
- 6 b. With the approval of the Information Technology Council,
- 7 coordinate the development of cost-sharing systems for
- 8 respective user agencies for their proportionate parts of the
- 9 cost of maintenance and operation of the systems and
- 10 services listed in item "a." of this subdivision.
- 11 c. Assist in the development of coordinated
- 12 telecommunications services or systems within and among
- 13 all State agencies and recommend, where appropriate,
- 14 cooperative utilization of telecommunication facilities by
- 15 aggregating users.
- 16 d. Perform traffic analysis and engineering for all
- 17 telecommunications services and systems listed in item "a."
- 18 of this subdivision.
- 19 e. Pursuant to G.S. 143-49, establish telecommunications
- 20 specifications and designs so as to promote and support
- 21 compatibility of the systems within State agencies.
- 22 f. Pursuant to G.S. 143-49 and G.S. 143-50, coordinate the
- 23 review of requests by State agencies for the procurement of
- 24 telecommunications systems or services.
- 25 g. Pursuant to G.S. 143-341 and Chapter 146 of the General
- 26 Statutes, coordinate the review of requests by State agencies
- 27 for State government property acquisition, disposition, or
- 28 construction for telecommunications systems requirements.
- 29 h. Provide a periodic inventory of telecommunications costs,
- 30 facilities, systems, and personnel within State agencies.
- 31 i. Promote, coordinate, and assist in the design and
- 32 engineering of emergency telecommunications systems,
- 33 including but not limited to the 911 emergency telephone
- 34 number program, Emergency Medical Services, and other
- 35 emergency telecommunications services.
- 36 j. Perform frequency coordination and management for State
- 37 agencies and local governments, including all public safety
- 38 radio service frequencies, in accordance with the rules and
- 39 regulations of the Federal Communications Commission or
- 40 any successor federal agency.
- 41 k. Advise all State agencies on telecommunications
- 42 management planning and related matters and provide
- 43 through the State Personnel Training Center or the State
- 44 ~~Information Processing Services~~ Division of Information

- 1 Technology Services training to users within State agencies
2 in telecommunications technology and systems.
- 3 1. Assist and coordinate the development of policies and long-
4 range plans, consistent with the protection of citizens' rights
5 to privacy and access to information, for the acquisition and
6 use of telecommunications systems; and base such policies
7 and plans on current information about State
8 telecommunications activities in relation to the full range of
9 emerging technologies.
- 10 m. Work cooperatively with the North Carolina Agency for
11 Public Telecommunications in furthering the purpose of this
12 subdivision.
- 13 The provisions of this subdivision shall not apply to the Criminal
14 Information Division of the Department of Justice or to the
15 Judicial Information System in the Judicial Department."
- 16 Section 5. The name "North Carolina Museum of History" is changed to
17 "North Carolina Museum of Folklore and Popular Culture" wherever it appears in
18 Article 1 of Chapter 121 of the General Statutes.
- 19 Section 6. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE BILL 45
Proposed Committee Substitute S45-PCS4705-LG

Short Title: Jockey's Branch Improvement Funds.

(Public)

Sponsors:

Referred to:

February 8, 1999

1

A BILL TO BE ENTITLED

2

AN ACT TO APPROPRIATE FUNDS FOR CHANNEL IMPROVEMENT AT
JOCKEY'S BRANCH.

3

4 The General Assembly of North Carolina enacts:

5

Section 1. There is appropriated from the General Fund to the
Department of Environment and Natural Resources, Division of Soil and Water
Conservation, the sum of ninety thousand dollars (\$90,000) for the 1999-2000 fiscal
year for channel improvements and related erosion control measures at Jockey's
Branch.

6
7
8
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10

Section 2. This act becomes effective July 1, 1999.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 327

Short Title: 4th Senate District Local Act.

(Local)

Sponsors: Senator Ballantine.

Referred to: Rules and Operations of the Senate.

March 11, 1999

- 1 A BILL TO BE ENTITLED
2 AN ACT RELATING TO THE 4TH SENATORIAL DISTRICT.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act relates only to the 4th Senatorial District.
5 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

Simple
Resolution
Adopted

SENATE RESOLUTION 327

Rules and Operations of the Senate Committee Substitute Senate Resolution
Adopted 6/16/99

Adopted 6/29/99

Sponsors:

Referred to:

March 11, 1999

1 A BILL TO BE ENTITLED
2 A SENATE RESOLUTION HONORING THE ONE HUNDREDTH
3 ANNIVERSARY OF THE TOWN OF WRIGHTSVILLE BEACH.
4 Whereas, the Town of Wrightsville Beach was incorporated by the
5 General Assembly on March 6, 1899; and
6 Whereas, Wrightsville Beach's early officers included Samuel Northop as
7 Mayor, W.R. Kenan and Ernest Williams as Aldermen, and Thomas W. Davis as
8 Clerk and Treasurer; and
9 Whereas, at the time of the Town's incorporation, 50 cottages and several
10 hotels dotted the landscape of the Wrightsville Beach area; and
11 Whereas, Wrightsville Beach lies east of Wilmington in New Hanover
12 County, just across the Intracoastal Waterway; and
13 Whereas, in earlier days, the trolley was the only means of transportation
14 for those on the mainland to reach Wrightsville Beach; and
15 Whereas, the trolley served as a crucial delivery system for food, ice, and
16 other supplies needed by the islanders and operated until 1934, at which time, a great
17 fire destroyed the entire northern end of the island; and
18 Whereas, the Carolina Yacht Club, located in the heart of Wrightsville
19 Beach, remains one of the oldest boating clubs in the United States, demonstrating
20 the rich tradition of sailing in the Cape Fear area; and

1 Whereas, one of Wrightsville Beach's most legendary attractions included
2 the Lumina, a grand pavilion that served as a gathering place for nearly 68 years and
3 hosted such great entertainers as Louis Armstrong, Woody Herman, and Cab
4 Calloway; and

5 Whereas, Wrightsville Beach's beautiful beaches, great sailing, water
6 skiing, and other recreational activities cater to families with generations returning
7 year after year; and

8 Whereas, the small year-round population of 3,050 continues to preserve
9 the integrity of Wrightsville Beach, ensuring that the 12,000 summer visitors return
10 every year; and

11 Whereas, today, the Wrightsville Beach Preservation Society holds an
12 annual event commemorating the Town as it stood in the 1930s and 1940s; and

13 Whereas, the citizens of Wrightsville Beach have been actively preparing
14 for the Town's 100th anniversary; Now, therefore,

15 Be it resolved by the Senate:

16 Section 1. The Senate congratulates the Town of Wrightsville Beach on
17 its 100th anniversary and urges the citizens of this State to participate in the activities
18 commemorating this historic occasion.

19 Section 2. The Principal Clerk shall transmit a certified copy of this
20 resolution to the Mayor of the Town of Wrightsville Beach.

21 Section 3. This resolution is effective upon adoption.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

2

SENATE JOINT RESOLUTION 469

Education/Higher Education Committee Substitute Joint Resolution Adopted 6/10/99

Sponsors:

Referred to:

March 23, 1999

1 A JOINT RESOLUTION PROVIDING FOR CONFIRMATION OF THE
2 APPOINTMENTS OF EDGAR DAVID MURPHY, III AND JANE P.
3 NORWOOD TO MEMBERSHIP ON THE STATE BOARD OF EDUCATION.

4 Whereas, under the provisions of the Constitution of North Carolina and
5 G.S. 115C-10, appointments by the Governor to membership on the State Board of
6 Education are subject to confirmation by the General Assembly in joint session; and

7 Whereas, vacancies have occurred on the State Board of Education; and

8 Whereas, the Governor has transmitted to the presiding officers of the
9 Senate and the House of Representatives the names of his appointees to fill the terms
10 of membership on the State Board of Education which expire March 31, 2007; Now,
11 therefore,

12 Be it resolved by the Senate, the House of Representatives concurring:

13 Section 1. The appointments of Edgar David Murphy, III and Jane P.
14 Norwood to membership on the State Board of Education for terms to expire March
15 31, 2007, are confirmed.

16 Section 2. This resolution is effective upon ratification.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE RESOLUTION 1038

Sponsors: Senator Ballantine.

Referred to: Rules and Operations of the Senate.

April 15, 1999

1 A SENATE RESOLUTION HONORING THE FIFTIETH ANNIVERSARY OF
2 THE TOWN OF SURF CITY.

3 Whereas, the Town of Surf City was incorporated by the General
4 Assembly on March 23, 1949; and

5 Whereas, the Town's first governing body included D.N. Lucas, Gerald
6 C. Mercer, and A.H. Ward; and

7 Whereas, Surf City is one of Pender County's most popular vacation
8 areas for tourists; and

9 Whereas, the citizens of Surf City have been actively preparing for the
10 Town's fiftieth anniversary; Now, therefore,

11 Be it resolved by the Senate:

12 Section 1. The North Carolina Senate congratulates the Town of Surf
13 City and joins the Town's citizens in celebrating the Town's fiftieth anniversary.

14 Section 2. The Principal Clerk shall transmit a certified copy of this
15 resolution to the Mayor of the Town of Surf City.

16 Section 3. This resolution is effective upon adoption.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE RESOLUTION 1038
Proposed Committee Substitute S1038-PCS3835-LG

Sponsors:

Referred to:

April 15, 1999

1 A SENATE RESOLUTION HONORING THE FIFTIETH ANNIVERSARY OF
2 THE TOWN OF SURF CITY.

3 Whereas, the General Assembly incorporated the Town of Surf City on
4 March 23, 1949; and

5 Whereas, during World War II, residents in the area of Surf City leased
6 land to the United States government allowing for gunnery practice and missile
7 testing; and

8 Whereas, the attorney and entrepreneur Edgar Yow envisioned
9 developing Topsail Island, contributing to the founding of Surf City; and

10 Whereas, Edgar Yow's vision permitted land ownership on Topsail Island
11 creating a diverse area where 1,200 year-round residents currently live; and

12 Whereas, the Surf City's first governing body included D.N. Lucas,
13 Gerald C. Mercer, and A.H. Ward; and

14 Whereas, many access Topsail Island by the swing bridge in Surf City
15 rebuilt after Hurricane Hazel struck the Carolinas in October 1954 and remains one
16 of the few swing bridges located on the East Coast; and

17 Whereas, Surf City's beaches, fishing piers, salt marshes, and other
18 recreational activities attract many tourists making Surf City a popular vacation area
19 for people in the Carolinas; and

20 Whereas, citizens of Surf City have weathered numerous storms and
21 hurricanes in the 50 years as an incorporated town, but they continue to prosper; and

22 Whereas, the citizens of Surf City have been actively preparing for the
23 Town's fiftieth anniversary; Now, therefore,

24 Be it resolved by the Senate:

1 Section 1. The North Carolina Senate congratulates the Town of Surf
2 City and joins the Town in celebrating Surf City's fiftieth anniversary.

3 Section 2. The Principal Clerk shall transmit a certified copy of this
4 resolution to the Mayor of the Town of Surf City.

5 Section 3. This resolution is effective upon adoption.

RULES AND OPERATIONS OF THE SENATE

JUNE 16, 1999

| <u>NAME</u> | <u>Organization</u> |
|------------------|-----------------------|
| Amar J. McCallop | NCPLS - Sen. Kinnaird |
| John Phelps | NCLM |
| Denny McGuire | Commerce/ITS |
| Bill Owens | N.C. House |
| Anne Wilton | NCCJD |

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

Tuesday, July 20, 1999

MINUTES

The Senate Committee on Rules and Operations of the Senate met in the 300 Conference Room of the Legislative Office Building at 9:00 a.m. Fifteen members of the committee were present.

H. B. 291 – CHIEF OF MILITIA POWERS/AB

Senator Rand presented the committee with a proposed Senate Committee Substitute for H.B. 291. He explained the Senate Committee Substitute gives the Governor the power to place individuals or units or parts of units of the North Carolina National Guard to assist with State Inaugural activities. Henceforth, they have been referred to as the "Militia".

Senator Plyler moved for adoption of the Senate Committee Substitute for the House Committee Substitute 291.

Senator Plyler moved for a favorable report for the Senate Committee Substitute.

Both of these motions were adopted by the committee.

S.B. 437 PRESIDENT PRO TEM.'S APPOINTMENTS

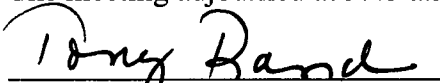
Senator Rand presented the Committee with a proposed Senate Committee Substitute for S.B. 437.

The Senate Committee Substitute contained both the President Pro Tem's appointments and the Speaker's Appointments.

Senator Albertson moved that the Committee Substitute be adopted and then moved that the Committee Substitute be given a favorable report with one exception: Eddie Holbrook is from Cleveland County and not Gaston County.

Senator Rand went over the Study Commission Bill and stated that we would meet later in the day to take up the bill as it was still in Bill Typing/Printing.

The meeting adjourned at 9:45 a.m.


Sen, Anthony E. Rand, Chairman


Evelyn Costello, Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Tuesday, July 20, 1999

SENATOR RAND,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1,
BUT FAVORABLE AS TO SENATE COMMITTEE SUBSTITUTE BILL**

| | | |
|----------------|-----------------------|---------|
| H.B.(CS #1)291 | Chief of NC Guard/AB. | |
| | Draft Number: | PCS4282 |
| | Sequential Referral: | None |
| | Recommended Referral: | None |
| | Long Title Amended: | Yes |

TOTAL REPORTED: 1

Committee Clerk Comment:

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

2

HOUSE BILL 291
Committee Substitute Favorable 4/19/99

Short Title: Chief of Militia Powers/AB.

(Public)

Sponsors:

Referred to:

March 4, 1999

1 A BILL TO BE ENTITLED

2 AN ACT TO PROVIDE THAT THE GOVERNOR AS THE CHIEF OF THE
3 STATE'S MILITIA SHALL HAVE THE POWER TO PLACE INDIVIDUALS
4 AND UNITS OR PARTS OF UNITS OF THE NORTH CAROLINA
5 NATIONAL GUARD TO ASSIST WITH STATE INAUGURAL ACTIVITIES.

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 127A-16 reads as rewritten:

8 "**§ 127A-16. Governor as commander in chief.**

9 (a) The Governor shall be commander in chief of the militia and shall have power
10 to call out the militia to execute the laws, secure the safety of persons and property,
11 suppress riots or insurrections, repel invasions and provide disaster relief.

12 (b) The Governor shall have the additional power, subject to the availability of
13 funding, to place individuals, units, or parts of units of the North Carolina National
14 Guard in a State Active Duty status to assist with the planning, support, and
15 execution of activities connected with the swearing-in and installation of the
16 Governor and other members of the Council of State."

17 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

D

HOUSE BILL 291
Committee Substitute Favorable 4/19/99
Proposed Senate Committee Substitute H291-PCS4282-RG

Short Title: Chief of NC Guard/AB.

(Public)

Sponsors:

Referred to:

March 4, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE THAT THE GOVERNOR SHALL HAVE THE POWER
3 TO PLACE INDIVIDUALS AND UNITS OR PARTS OF UNITS OF THE
4 NORTH CAROLINA NATIONAL GUARD TO ASSIST WITH STATE
5 INAUGURAL ACTIVITIES.

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 127A-16 reads as rewritten:

8 "**§ 127A-16. Governor as commander in chief.**

9 (a) The Governor shall be commander in chief of the militia and shall have power
10 to call out the militia to execute the laws, secure the safety of persons and property,
11 suppress riots or insurrections, repel invasions and provide disaster relief.

12 (b) The Governor shall have the additional power, subject to the availability of
13 funding, to place individuals, units, or parts of units of the North Carolina National
14 Guard in a State Active Duty status to assist with the planning, support, and
15 execution of activities connected with the swearing in and installation of the
16 Governor and other members of the Council of State."

17 Section 2. This act is effective when it becomes law.

VISITOR REGISTRATION SHEET

Commerce
Name of Committee

June 27, 99
Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

| NAME | FIRM OR AGENCY AND ADDRESS |
|---------------------------------|---|
| <i>Doug Lassiter</i> | <i>M^c Clees Consulting</i> |
| <i>Alan Mico</i> | <i>Bardly & Dixon LLP</i> |
| <i>Polly Williams</i> | <i>AARP</i> |
| <i>Randy Jones</i> | <i>NCCA</i> |
| <i>Richard P. Jones</i> | <i>NCCA</i> |
| <i>Jim Brown</i> | <i>State Ports</i> |
| <i>John K... Gomardham</i> | <i>NCFPC</i> |
| <i>Gomardham</i> | <i>EgHS</i> |
| <i>George Reed</i> | <i>NC Council of Churches</i> |
| <i>Bruce Cox</i> | <i>NC Small Hydrop</i> |
| <i>Mike Allen</i> | <i>NC Small Hydroelectric Association</i> |
| <i>John Hagan</i> | <i>NC Small Hydrop</i> |
| <i>Anna... K.D. Sturgis</i> | <i>Paymer & Spruill</i> |
| <i>VL McBride</i> | <i>AG's Office</i> |
| <i>John Phelps</i> | <i>NCA</i> |
| <i>John Phelps</i> | <i>NCLM</i> |

VISITOR REGISTRATION SHEET

Rules

Name of Committee

7/20/99
Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME

FIRM OR AGENCY AND ADDRESS

| | |
|-------------------|--------------------|
| Roslie Bedarja | NCCBT |
| Andy Eller | NCRMA |
| Alan Miles | Builey & Dixon LLP |
| Habit TILSON | NLTA |
| Jack Conroy | NCHSA |
| Andy J | WCSR |
| Roshyn Sewell | NCCO |
| VLM Beido | NOA |
| Ann Belam | SBE |
| Nicole Dusenberry | SBE |
| Kim Hibbard | NCLM |
| Molly Diggins | NC Siena da |
| Yvonne [unclear] | J, N |
| Sharon Williams | NCCOS |
| Thompson Bain | NCMS |

VISITOR REGISTRATION SHEET

Name of Committee _____

Date _____

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

| NAME | FIRM OR AGENCY AND ADDRESS |
|----------------|----------------------------------|
| John McMillan | MFS |
| Lucas Pullen | Attorney |
| Nancy Sherman | LNCIC |
| David Simmons | Zebulon D. Riley, P.A. |
| Law Rubins | CFPC |
| Garrett Perdue | ZDA, PA |
| Tim Kent | American Institute of Architects |
| Guy Mathoit | N.C. Ed. Law Project |
| Debra Ross | ACLU |
| Patricia James | FOR/PAAC/ACLU |
| Eddie Caldwell | H Mc CUTC P.A. |
| Larry Dix | DJT |
| Saul Wilson | Sen. Lee |
| John May | NC CWA |
| Alice Gillman | Electricites |

VISITOR REGISTRATION SHEET

Name of Committee _____

Date _____

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME

FIRM OR AGENCY AND ADDRESS

| | |
|------------------|-------------|
| DAN INCALCULL | PFIZER |
| SARAH EDWARDS | PFIZER |
| DEBRA MUNSCH | PFIZER |
| VICKI CLARK | PFIZER |
| CRYSTAL HEWITT | PFIZER |
| NORI SIE | PFIZER |
| LEORA McLAUGHLIN | PFIZER |
| George Everett | Duke Energy |
| David Ernst | DOE |
| BRYAN JONES | PFIZER |
| ALEX RAPADAS | PFIZER |
| Jack Cozort | PPAB |
| Ed Edam | PPAB |
| Jan Williams | CCPS |
| Bryan Beatty | DOJ |

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Tuesday, July 20, 1999

SENATOR RAND,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. BILL

| | | | |
|------|-----|-----------------------------------|---------|
| S.B. | 437 | President Pro Tem.'s Appointments | |
| | | Draft Number: | PCS6708 |
| | | Sequential Referral: | None |
| | | Recommended Referral: | None |
| | | Long Title Amended: | Yes |

TOTAL REPORTED: 1

Committee Clerk Comment:

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 437

Short Title: President Pro Tem.'s Appointments.

(Public)

Sponsors: Senator Rand.

Referred to: Rules and Operations of the Senate.

March 22, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE
3 RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE
4 SENATE.

5 Whereas, G.S. 120-121 authorizes the General Assembly to make certain
6 appointments to public offices upon the recommendation of the President Pro
7 Tempore of the Senate; and

8 Whereas, the President Pro Tempore of the Senate has made
9 recommendations; Now, therefore,

10 The General Assembly of North Carolina enacts:

11 Section 1. Richard N. Taylor of Craven County is appointed to the
12 Wireless 911 Board for a term expiring June 30, 2002.

13 Section 2. Dr. Donald D'Alessandro of Mecklenburg County is
14 reappointed to the North Carolina Board of Athletic Trainer Examiners for a term
15 expiring July 31, 2001.

16 Section 3. Dr. Zebedee Taylor of Washington County is appointed to the
17 Governor's Advocacy Council for Persons with Disabilities for a term expiring June
18 30, 2001.

19 Section 4. David C. Smith of Durham County is appointed to the Board
20 of Trustees of the North Carolina School of Science and Mathematics for a term
21 expiring June 30, 2003.

22 Section 5. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE BILL 437 ⁸
Proposed Committee Substitute S437-PCS6707-LB

Short Title: Appointments Bill.

(Public)

Sponsors:

Referred to:

March 22, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE
3 RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE
4 SENATE OR THE SPEAKER OF THE HOUSE OF REPRESENTATIVES, AND
5 TO MAKE CHANGES IN STATUTES RELATING TO APPOINTMENTS TO
6 PUBLIC OFFICE.

7 Whereas, G.S. 120-121 authorizes the General Assembly to make certain
8 appointments to public offices upon the recommendation of the President Pro
9 Tempore of the Senate; and

10 Whereas, the President Pro Tempore of the Senate has made
11 recommendations;

12 Whereas, G.S. 120-121 authorizes the General Assembly to make certain
13 appointments to public offices upon the recommendation of the Speaker of the House
14 of Representatives; and

15 Whereas, the Speaker of the House of Representatives has made
16 recommendations; Now, therefore,

17 The General Assembly of North Carolina enacts:

18 PART I. PRESIDENT PRO TEMPORE'S RECOMMENDATIONS

19 Section 1.1. Richard N. Taylor of Craven County is appointed to the
20 Wireless 911 Board for a term expiring June 30, 2002. Belinda Gurkins of Pitt
21 County is appointed to the Wireless 911 Board for a term expiring June 30, 2002, to
22 fill the unexpired term of Russell Bass.

1 Section 1.2. Dr. Donald D'Alessandro of Mecklenburg County is
2 appointed to the North Carolina Board of Athletic Trainer Examiners for a term
3 expiring July 31, 2001.

4 Section 1.3. John Phillips of Wake County is appointed to the North
5 Carolina Board for Licensing of Soil Scientists for a term expiring June 30, 2002.

6 Section 1.4. David C. Smith of Durham County is appointed to the
7 Board of Trustees of the North Carolina School of Science and Mathematics for a
8 term expiring June 30, 2003.

9 Section 1.5. Tommy Jenkins of Macon County is appointed to the
10 Western North Carolina Regional Economic Development Commission for a term
11 expiring June 30, 2003, to fill the unexpired term of Juanita Dixon. William J.
12 Williamson, Jr. of Watauga County, David Ed Henson of Macon County, and David
13 Huskins of McDowell County are appointed to the Western North Carolina Regional
14 Economic Development Commission for terms expiring June 30, 2003.

15 Section 1.6. Bobby Owens is appointed to the Roanoke Island
16 Commission for a term expiring September 30, 2000. Joanne Williams and Gus
17 Granitzki of Dare County are appointed to the Roanoke Island Commission for terms
18 expiring September 30, 1999.

19 Section 1.7. Mayor J. B. Evans of Columbus County is appointed to the
20 Criminal Justice Information Network Governing Board for a term expiring June 30,
21 2003.

22 Section 1.8. Bob Yatko of Gaston County, William Womble of Wake
23 County, Patricia G. Garrett of Mecklenburg County, and William C. Fitzgerald of
24 Scotland County are appointed to the Board of Directors of the North Carolina
25 Housing Finance Agency for terms expiring June 30, 2001.

26 Section 1.9. Jay Burrus of Dare County, Susan Eaves of Richmond
27 County, and C. Lorance Henderson of Burke County are appointed to the Board of
28 Directors of the North Carolina Partnership for Children, Inc., for terms expiring
29 January 1, 2002.

30 Section 1.10. John Edward Pechmann of Cumberland County, Eugene
31 Price of Wayne County, and Russell Mohn Hull, Jr. of Pasquotank County are
32 appointed to the Wildlife Resources Commission for terms expiring April 24, 2001.

33 Section 1.11. Michael Weisel of Wake County and Thomas P. Dillion of
34 Union County are appointed to the Board of Directors of the North Carolina
35 Railroad for terms expiring June 30, 2001. Robert F. Bleeker of Cumberland County
36 is appointed to the Board of Directors of the North Carolina Railroad for a term
37 expiring June 30, 2003.

38 Section 1.12. Dr. Zebedee Taylor of Washington County, Emily Moore
39 of Lenoir County, Nancy McKeel, George Kerns, and Richard Clark of Buncombe
40 County, Bobby Bollinger of Mecklenburg County, and Joanne Jeffries of Hertford
41 County are appointed to the Governor's Advocacy Council for Persons with
42 Disabilities for terms expiring June 30, 2001.

43 Section 1.13. Douglas A. Fox of New Hanover County is appointed to
44 the North Carolina State Ports Authority for a term expiring June 30, 2000. Randall

- 1 Kaplan of Forsyth County is appointed to the North Carolina State Ports Authority
2 for a term expiring June 30, 2001.
- 3 Section 1.14. Marsha H. Jordan of Lincoln County is appointed to the
4 North Carolina Real Estate Commission for a term expiring July 31, 2002.
- 5 Section 1.15. John K. Gallaher, Sr. of Forsyth County is appointed to the
6 Crime Victims Compensation Commission for a term expiring June 30, 2001.
- 7 Section 1.16. Ben Berry and Elsie Pugh of Pasquotank County and
8 Charlie Shaw of Chowan County are appointed to the Northeastern North Carolina
9 Regional Economic Development Commission for terms expiring June 30, 2001.
- 10 Section 1.17. Arthur H. Keeney, III of Hyde County is appointed to the
11 State Banking Commission for a term expiring March 31, 2003.
- 12 Section 1.18. Eleanor Beasley of Gaston County is appointed to the
13 Governor's Advisory Council on Aging for a term expiring June 30, 2003.
- 14 Section 1.19. Robert Epting of Orange County and Robert G. Ray of
15 Jackson County are appointed to the Environmental Management Commission for
16 terms expiring June 30, 2001.
- 17 Section 1.20. Garland Wood of Wake County is appointed to the
18 Acupuncture Licensing Board for a term expiring June 30, 2002.
- 19 Section 1.21. George Daniel of Caswell County and Wendell Murphy of
20 Duplin County are appointed to the Centennial Authority for a term expiring June
21 30, 2003.
- 22 Section 1.22. Ralph Brown of Iredell County is appointed to the Alarm
23 Systems Licensing Board for a term expiring June 30, 2002.
- 24 Section 1.23. Henry E. Faircloth of Sampson County is appointed to the
25 North Carolina Appraisal Board for a term expiring June 30, 2002.
- 26 Section 1.24. Willy Stewart of Durham County is appointed to the State
27 Building Commission for a term expiring June 30, 2002.
- 28 Section 1.25. Anita C. McCorkle of Mecklenburg County and Rebekah
29 Beerbower of Catawba County are appointed to the Child Care Commission for
30 terms expiring June 30, 2001.
- 31 Section 1.26. Terry L. Waterfield of Pasquotank County is appointed to
32 the Criminal Justice Education and Training Standards Commission for a term
33 expiring June 30, 2001.
- 34 Section 1.27. Shelia Garner of Carteret County is appointed to the North
35 Carolina Board of Dietetics/Nutrition for a term expiring June 30, 2002.
- 36 Section 1.28. Robin Adams Anderson of Wake County is appointed to
37 the State Personnel Commission for a term expiring June 30, 2004.
- 38 Section 1.29. Jeanne Fenner of Wilson County and Mansfield Elmore of
39 Lee County are appointed to the Commission for Mental Health, Developmental
40 Disabilities, and Substance Abuse Services for terms expiring June 30, 2001.
- 41 Section 1.30. Colleen Oliver Lanier of Forsyth County is appointed to
42 the North Carolina Teaching Fellows Commission for a term expiring June 30, 2003.
- 43 Section 1.31. Anna McCoy Smith of Forsyth County is appointed to the
44 North Carolina Board of Cosmetic Art Examiners for a term expiring June 30, 2002.

1 Section 1.32. Ed Kirkpatrick of Lenoir County and Marti Koch of
2 Buncombe County are appointed to the Board of Directors of the North Carolina
3 Center for Nursing for terms expiring June 30, 2002.

4 Section 1.33. J.W. Jones of Pasquotank County is appointed to the
5 Forestry Advisory Council for a term expiring June 30, 2003.

6 Section 1.34. Charles A. Hayes of Guilford County is appointed to the
7 North Carolina Global TransPark Authority for a term expiring June 30, 2003.

8 Section 1.35. David M. Crowe of Guilford County, Adele Vogelhut
9 Bedrick of Mecklenburg County, Stephen A. Harvel of Wilkes County, Thomas M.
10 Kowalick of Moore County, and Karen H. Rectanus and Marianne Wason of Wake
11 County are appointed to the North Carolina Council on the Holocaust for terms
12 expiring June 30, 2001.

13 Section 1.36. Senator Austin Allran of Catawba County, Senator Jeanne
14 Lucas of Durham County, Senator William Martin of Guilford County, and Dr.
15 Denise Everett of Wake County are appointed to the Advisory Committee on Family-
16 Centered Services for terms expiring June 30, 2001.

17 Section 1.37. Janet Smith of Davie County is appointed to the
18 Information Resource Management Commission for a term expiring June 30, 2003.

19 Section 1.38. Roger R. Pierce of Jackson County is appointed to the
20 North Carolina Home Inspector Licensure Board for a term expiring July 1, 2003.

21 Section 1.39. James D. Kennedy, Jr. of Forsyth County is appointed to
22 the North Carolina Code Officials Qualification Board for a term expiring June 30,
23 2003.

24 Section 1.40. Wanda Boyette of Sampson County is appointed to the
25 North Carolina Nursing Scholars Commission for a term expiring June 30, 2003.

26 Section 1.41. Troy Boyd of Pasquotank County and Eddie Holbrook of
27 Gaston County are appointed to the North Carolina Parks and Recreation Authority
28 for terms expiring June 30, 2001.

29 Section 1.42. Anne Coan, Douglas E. Howey, and Bill Weatherspoon of
30 Wake County, Thomas Mehder of Mecklenburg County and Keith Saltrick of Forsyth
31 County are appointed to the North Carolina Petroleum Underground Storage Tank
32 Funds Council for terms expiring June 30, 2001.

33 Section 1.43. Terry Wheeler of Dare County is appointed to the Property
34 Tax Commission for a term expiring June 30, 2003.

35 Section 1.44. Drew F. King, Sr. of Durham County is appointed to the
36 Board of Trustees of the North Carolina Public Employee Deferred Compensation
37 Plan for a term expiring June 30, 2001.

38 Section 1.45. Wayne L. Lofton of New Hanover County and Anthony M.
39 Copeland of Wake County are appointed to the North Carolina Agency for Public
40 Telecommunications for terms expiring June 30, 2001.

41 Section 1.46. Beverly McCracken of Guilford County is appointed to the
42 Board of Trustees of the University of North Carolina Center for Public Television
43 for a term expiring June 30, 2001.

1 Section 1.47. John Arrowood of Mecklenburg County, Jim Funderburke
2 of Gaston County, David Ray Twiddy of Chowan County and Laura Devan of
3 Cumberland County are appointed to the Rules Review Commission for terms
4 expiring June 30, 2001.

5 Section 1.48. Dr. Larry W. Watson of Wake County is appointed to the
6 North Carolina Board of Science and Technology for a term expiring June 30, 2001.

7 Section 1.49. Russell H. Langley of Dare County is appointed to the
8 North Carolina Seafood Industrial Park Authority for a term expiring June 30, 2001.

9 Section 1.50. Danny Fore of Cumberland County and Wayne L. Lofton
10 of New Hanover County are appointed to the Southeastern North Carolina Regional
11 Economic Development Commission for terms expiring June 30, 2003.

12 Section 1.51. Christie K. Mabry of Wake County and Althea Calloway of
13 Mecklenburg County are appointed to the Board of Trustees of the Teachers' and
14 State Employees' Comprehensive Major Medical Plan for terms expiring June 30,
15 2001.

16 Section 1.52. Louise F. McColl of New Hanover County is appointed to
17 the Board of Transportation for a term expiring June 30, 2001.

18 Section 1.53. Mona Alexander of Gaston County and Caroline Pearce of
19 Dare County are appointed to the North Carolina Teacher Academy Board of
20 Trustees for terms expiring June 30, 2003.

21 Section 1.54. John H. Cilley IV of Catawba County is appointed to the
22 Board of Trustees Teachers' and State Employees' Retirement System for a term
23 expiring June 30, 2001.

24

25 PART II. SPEAKER'S RECOMMENDATIONS

26 Section 2.1. Susan Goldston of Forsyth County is appointed to the
27 Acupuncture Licensing Board for a term expiring June 30, 2002.

28 Section 2.2. Janelle Tuckmantel of Wake County and Dwayne Durham
29 of Henderson County are appointed to the North Carolina Board of Athletic Trainer
30 Examiners for terms expiring June 30, 2002.

31 Section 2.3. Bruce Ethridge of Carteret County is appointed to the North
32 Carolina Bridge Authority for a term expiring June 30, 2003.

33 Section 2.4. B.T. Bryson of Henderson County is appointed to the North
34 Carolina Appraisal Board for a term expiring June 30, 2002.

35 Section 2.5. Frank Dunn of Mecklenburg County is appointed to the
36 State Banking Commission for a term expiring June 30, 2003.

37 Section 2.6. Cleve Paul of Wayne County and Norman Whitaker of
38 Durham County are appointed to the State Building Commission for terms expiring
39 June 30, 2001.

40 Section 2.7. Ray Rouse of Wayne County and Steve Stroud of Wake
41 County are appointed to the Centennial Authority for terms expiring June 30, 2003.

42 Section 2.8. Robert C. Lennon of Craven County and Susan T. Law of
43 Guilford County are appointed to the Child Care Commission for terms expiring
44 June 30, 2001.

1 Section 2.9. Eugene Alligood of Mecklenburg County is appointed to the
2 State Board of Chiropractic Examiners for a term expiring June 30, 2001.

3 Section 2.10. Charles G. England of McDowell County is appointed to
4 the North Carolina Code Officials Qualification Board for a term expiring June 30,
5 2003.

6 Section 2.11. Gary Eichelberger of Wake County is appointed to the
7 Crime Victims Compensation Commission for a term expiring June 30, 2003.

8 Section 2.12. Charles P. Farris, Jr. of Wilson County is appointed to the
9 North Carolina Criminal Justice Education and Training Standards Commission for a
10 term expiring June 30, 2001.

11 Section 2.13. Ortharine Sansbury of Cumberland County and Louis
12 Blanton of Cleveland County are appointed to the Criminal Justice Information
13 Network Governing Board for terms expiring June 30, 2003.

14 Section 2.14. James Kirkpatrick of Guilford County is appointed to the
15 Board of Trustees of the North Carolina Public Employee Deferred Compensation
16 Plan for a term expiring June 30, 2001.

17 Section 2.15. Dr. Barbara Ann Hughes of Wake County is appointed to
18 the North Carolina Board of Dietetics/Nutrition for a term expiring June 30, 2002.

19 Section 2.16. Barbara Davis of Buncombe County is appointed to the
20 Dispute Resolution Commission for a term expiring June 30, 2003.

21 Section 2.17. Richard Pierce of New Hanover County, Laura Thompson
22 and Angela McCants of Wake County, Nancy McKeel of Buncombe County, Robert
23 Smith of Pitt County, Pat King of Rockingham County, and James Wells of Guilford
24 County are appointed to the Governor's Advocacy Council for Persons with
25 Disabilities for terms expiring June 30, 2001.

26 Section 2.18. Anne Barnes of Orange County and Don Abernethy of
27 Catawba County are appointed to the Environmental Management Commission for
28 terms expiring June 30, 2001.

29 Section 2.19. Margie Tate of Mecklenburg County is appointed to the
30 Advisory Committee on Family-Centered Services for a term expiring June 30, 2003.

31 Section 2.20. Barbara Kornegay of Wayne County and Dr. E. Douglas
32 Kearney, Jr. are appointed to the North Carolina Global TransPark Authority for
33 terms expiring June 30, 2003.

34 Section 2.21. Dr. Scott Edwards of Hertford County is appointed to the
35 State Health Plan Purchasing Alliance Board for a term expiring June 30, 2003.

36 Section 2.22. William R. Schultz of Wake County is appointed to the
37 North Carolina Home Inspector Licensure Board for a term expiring June 30, 2003.

38 Section 2.23. Douglas R. Bebbler and Bill Oglesby of Buncombe County,
39 Paul Jaber of Nash County, and Leslie Bevacqua of Wake County are appointed to
40 the Board of Directors of the North Carolina Housing Finance Agency for terms
41 expiring June 30, 2001.

42 Section 2.23A. Joan Myers of Wake County is appointed to the
43 Information Resource Management Commission for a term expiring June 30, 2003.

1 Section 2.24. Floyd McCullouch of Wayne County and Wymene Valand
2 of Wake County are appointed to the Commission for Mental Health, Developmental
3 Disabilities, and Substance Abuse Services for terms expiring June 30, 2001.

4 Section 2.25. Suzanne Freeman of Mecklenburg County is appointed to
5 the Board of Directors of the North Carolina Center for Nursing for a term expiring
6 June 30, 2002.

7 Section 2.26. Fred Yates of Hertford County, Edmond Buckman of
8 Beaufort County, and G.B. Warner of Pasquotank County are appointed to the
9 Northeastern North Carolina Regional Economic Development Commission for terms
10 expiring June 30, 2003.

11 Section 2.27. Donna White of Johnston County is appointed to the North
12 Carolina Nursing Scholars Commission for a term expiring June 30, 2003.

13 Section 2.28. Russell Robinson, III of Guilford County and Dr. Kenneth
14 Sadler of Forsyth County are appointed to the North Carolina Parks and Recreation
15 Authority for terms expiring June 30, 2001.

16 Section 2.29. Phyllis Lynch of Mecklenburg County is appointed to the
17 Private Protective Services Board for a term expiring June 30, 2002.

18 Section 2.30. Wade Wilmoth of Watauga County is appointed to the
19 Property Tax Commission for a term expiring June 30, 2001.

20 Section 2.31. Sue Russell of Orange County, Dr. Joe Haas of
21 Mecklenburg County, and Swanson Richards of Surry County are appointed to the
22 Board of Directors of the North Carolina Partnership for Children, Inc., for terms
23 expiring October 30, 2002.

24 Section 2.32. Lloyd Williams, Jr. of Cleveland County, Al Dorsett of
25 Guilford County, David Knight of Wake County, and Bennie Gupton of Franklin
26 County are appointed to the North Carolina Petroleum Underground Storage Tank
27 Funds Council for terms expiring June 30, 2001.

28 Section 2.33. Gilbert Baccus of Perquimans County is appointed to the
29 North Carolina Seafood Industrial Park Authority for a term expiring June 30, 2001.

30 Section 2.34. H. Spaulding Craft of Carteret County is appointed to the
31 North Carolina State Ports Authority for a term expiring June 30, 2001.

32 Section 2.35. Henry Kluttz of Rowan County is appointed to the North
33 Carolina Principal Fellows Commission for a term expiring June 30, 2003.

34 Section 2.36. Joseph Kluttz of Stanly County is appointed to the Public
35 Officers and Employees Liability Insurance Commission for a term expiring June 30,
36 2001.

37 Section 2.37. David Woodard of Wake County and Robert Griffin of
38 Lenoir County are appointed to the Board of Directors of the North Carolina
39 Railroad for terms expiring June 30, 2003. Sharman Thornton of Mecklenburg
40 County is appointed to the Board of Directors of the North Carolina Railroad for a
41 term expiring June 30, 2001.

42 Section 2.38. Louisa Dollard of Dare County is appointed to the
43 Roanoke Island Commission for a term expiring October 1, 2000, to fill the
44 unexpired term of Dr. Paul Mericle.

1 Section 2.39. George Robinson of Caldwell County, Walter B. Futch of
2 Brunswick County and Jennie Hayman of Wake County are appointed to the Rules
3 Review Commission for terms expiring June 30, 2001.

4 Section 2.40. Carol Hughes and Michael Egues of Mecklenburg County
5 are appointed to the Board of Trustees of the North Carolina School of Science and
6 Mathematics for terms expiring June 30, 2003.

7 Section 2.41. Robert Annechiarico of Forsyth County is appointed to the
8 North Carolina Board of Science and Technology for a term expiring June 30, 2001.

9 Section 2.42. Alphonzo McRae of Robeson County and H.L. Prevatte of
10 Sampson County are appointed to the Southeastern North Carolina Farmers Market
11 Commission for terms expiring June 30, 2003.

12 Section 2.43. Wyatt Upchurch of Hoke County and Gene Miller of New
13 Hanover County are appointed to the Southeastern North Carolina Regional
14 Economic Development Commission for terms expiring June 30, 2003.

15 Section 2.44. Edward Goode of Mecklenburg County is appointed to the
16 Board of Trustees of the Teachers' and State Employees' Retirement System for a
17 term expiring June 30, 2001.

18 Section 2.45. Franz Holscher of Gaston County is appointed to the North
19 Carolina Teaching Fellows Commission for a term expiring June 30, 2003.

20 Section 2.46. Dennis Rash and Lisa Crutchfield of Mecklenburg County
21 are appointed to the Board of Transportation for terms expiring June 30, 2001.

22 Section 2.47. Ruth Cook of Wake County is appointed to the Board of
23 Trustees of the University of North Carolina Center for Public Television for a term
24 expiring June 30, 2001.

25 Section 2.48. Carol Rahea of Union County and Annette Myers of
26 Granville County are appointed to the Watershed Protection Advisory Council for
27 terms expiring June 30, 2001.

28 Section 2.49. James Thompson of Gaston County is appointed to the
29 Well Contractors Certification Commission for a term expiring June 30, 2000, to fill
30 the unexpired term of Peter Beebe.

31 Section 2.50. Ann Robinson of Caldwell County, Tracy Walker of Wilkes
32 County, Mark Vannoy of Ashe County, and Gene Ellison of Buncombe County are
33 appointed to the Western North Carolina Regional Economic Development
34 Commission for terms expiring June 30, 2003.

35 Section 2.51. Bobby Purcell of Wake County, Charles Bennett of
36 Mecklenburg County and Troy Boyd of Pasquotank County are appointed to the
37 Wildlife Resources Commission for terms expiring June 30, 2001.

38 Section 2.52. Stewart Smith of Brunswick County is appointed to the
39 North Carolina Board for Licensing of Soil Scientists for a term expiring June 30,
40 2002.

41 Section 2.53. Herb Crenshaw of Wake County is appointed to the North
42 Carolina Agency for Public Telecommunications for a term expiring June 30, 2001.

43
44

PART III. STATUTORY CHANGES

1 -- ROANOKE ISLAND HISTORICAL ASSOCIATION

2 Section 3.1. G.S. 143-200 reads as rewritten:

3 "**§ 143-200. Members of board of directors; terms; appointment.**

4 The governing body of said Association shall be a board of directors consisting of
5 the Governor of the State, the Attorney General and the Secretary of Cultural
6 Resources as ex officio members, and the following 21 members: J. Spencer Love,
7 Greensboro; Miles Clark, Elizabeth City; Mrs. Richard J. Reynolds, Winston-Salem;
8 D. Hiden Ramsey, Asheville; Mrs. Charles A. Cannon, Concord; Dr. Fred Hanes,
9 Durham; Mrs. Frank P. Graham, Chapel Hill; Bishop Thomas C. Darst, Wilmington;
10 W. Dorsey Pruden, Edenton; John A. Buchanan, Durham; William B. Rodman, Jr.,
11 Washington; J. Melville Broughton, Raleigh; Melvin R. Daniels, Manteo; Paul Green,
12 Chapel Hill; Samuel Selden, Chapel Hill; R. Bruce Etheridge, Manteo; Theodore S.
13 Meekins, Manteo; Roy L. Davis, Manteo; M. K. Fearing, Manteo; A. R. Newsome,
14 Chapel Hill. The members of said board of directors herein named other than the ex
15 officio members, shall serve for a term of ~~two~~ three years and until their successors
16 are appointed. Appointments thereafter shall be made by the membership of the
17 Association in regular annual meeting or special meeting called for such purpose. In
18 the event the Association through its membership should fail to make such
19 appointments, then the appointments shall be made by the Governor of the State. If
20 a vacancy occurs between annual meetings, the board of directors may fill the
21 vacancy until the next annual meeting. All vacancies occurring on the board of
22 directors not filled by the board of directors within 30 days of the vacancy shall be
23 filled by the Governor of the State."

24

25 --FIRST FLIGHT CENTENNIAL COMMISSION

26 Section 3.2.(a) G.S. 143-640(c) reads as rewritten:

27 "(c) Membership. -- The Commission shall consist of ~~26~~ 28 members, as follows:

- 28 (1) Four persons appointed by the Governor.
29 (2) ~~Four~~ Five persons appointed by the President Pro Tempore of the
30 Senate.
31 (3) ~~Four~~ Five persons appointed by the Speaker of the House of
32 Representatives.
33 (4) The following persons or their designees, ex officio:
34 a. The Governor.
35 b. The President Pro Tempore of the Senate.
36 c. The Speaker of the House of Representatives.
37 d. The United States Senators from this State.
38 e. The member of the United States House of Representatives
39 for the Third Congressional District.
40 f. The Governor of the State of Ohio.
41 g. The Secretary of the Department of Cultural Resources.
42 h. The Superintendent of the Cape Hatteras National Seashore
43 of the United States National Park Service.

- 1 i. The chair of the Centennial of Flight Commemoration
- 2 Commission.
- 3 j. The President of the First Flight Society.
- 4 k. The chair of the Dare County Board of Commissioners.
- 5 l. The Mayor of the Town of Kill Devil Hills.
- 6 m. The chair of the Dare County Tourism Board.

7 The members appointed to the First Flight Centennial Commission shall be chosen
8 from among individuals who have the ability and commitment to promote and fulfill
9 the purposes of the Commission, including individuals who have demonstrated
10 expertise in the fields of aeronautics, aerospace science, or history, who have
11 contributed to the development of the fields of aeronautics or aerospace science, or
12 who have demonstrated a commitment to serving the public."

13 Section 3.2.(b) The initial members appointed under this section shall
14 serve terms expiring June 30, 2001.

15

16 --STATE-OWNED RAILROADS

17 Section 3.3.(a) G.S. 124-6(b) reads as rewritten:

18 "(b) Notwithstanding subsection (a) of this section, for any railroad company
19 organized as a corporation in which the State is the owner of all the voting stock and
20 which has trackage in more than two counties, ~~five~~ seven of the members of the
21 Board of Directors shall be appointed by the Governor, ~~two~~ three of the members of
22 the Board of Directors shall be appointed by the General Assembly upon the
23 recommendation of the Speaker of the House of Representatives in accordance with
24 G.S. 120-121, and ~~two~~ three of the members of the Board of Directors shall be
25 appointed by the General Assembly upon the recommendation of the President Pro
26 Tempore of the Senate in accordance with G.S. 120-121. ~~Of the Governor's five~~
27 ~~appointments, three shall be either an investment banker, a person with railroad~~
28 ~~management experience, a person on an economic development commission whose~~
29 ~~region contains track of the company, or an attorney with corporate experience. The~~
30 ~~remaining two shall be at-large members. The Speaker of the House of~~
31 ~~Representatives shall recommend two at-large members. The President Pro Tempore~~
32 ~~of the Senate shall recommend two at-large members. The Board of Directors shall~~
33 consist of ~~nine~~ 13 members. Of the initial members appointed by the Governor, three
34 shall be appointed for terms of four years and ~~two~~ four shall be appointed for terms
35 of two years. Of the initial members recommended to the General Assembly by the
36 Speaker of the House of Representatives, ~~one~~ two shall be appointed for ~~a term~~ terms
37 of four years and one shall be appointed for a term of two years. Of the initial
38 members recommended to the General Assembly by the President Pro Tempore of
39 the Senate, ~~one~~ two shall be appointed for ~~a term~~ terms of four years and one shall
40 be appointed for a term of two years. Thereafter all Board members shall serve four-
41 year terms. The Board shall elect the chairman from among its membership."

42 Section 3.3.(b) This section becomes effective when the railroad company
43 changes its articles of incorporation to increase the size of the board.

44

1 --NORTH CAROLINA REAL ESTATE COMMISSION

2 Section 3.4.(a) G.S. 93A-3(a) reads as rewritten:

3 "(a) There is hereby created the North Carolina Real Estate Commission,
4 hereinafter called the Commission. The Commission shall consist of nine members,
5 seven members to be appointed by the ~~Governor.~~ Governor, one member to be
6 appointed by the General Assembly upon the recommendation of the President Pro
7 Tempore of the Senate in accordance with G.S. 120-121, and one member to be
8 appointed by the General Assembly upon the recommendation of the President Pro
9 Tempore of the Senate in accordance with G.S. 120-121. At least three members of
10 the Commission shall be licensed real estate brokers or real estate salesmen. At least
11 two members of the Commission shall be persons who are not involved directly or
12 indirectly in the real estate or real estate appraisal business. Members of the
13 Commission shall serve three-year terms, so staggered that the terms of two members
14 expire in one year, the terms of two members expire in the next year, and the terms
15 of three members expire in the third year of each three-year period. The members of
16 the Commission shall elect one of their members to serve as chairman of the
17 Commission for a term of one year. The Governor may remove any member of the
18 Commission for misconduct, incompetency, or willful neglect of duty. The Governor
19 shall have the power to fill all vacancies occurring on the ~~Commission.~~ Commission,
20 except vacancies in legislative appointments shall be filled under G.S. 120-122."

21 Section 3.4.(b) Appointments of the initial members authorized by this
22 section are for terms expiring June 30, 2002.

23

24 --JOINT LEGISLATIVE COMMISSION ON GOVERNMENTAL OPERATIONS

25 Section 3.5.(a) G.S. 120-74 reads as rewritten:

26 "**§ 120-74. Appointment of members; terms of office.**

27 The Commission shall consist of ~~30~~ 34 members. The President pro tempore of the
28 Senate, the Speaker pro tempore of the House, and the Majority Leader of the Senate
29 and the Speaker of the House shall serve as ex officio members of the Commission.
30 The Speaker of the House of Representatives shall appoint ~~13~~ 15 members from the
31 House. The President pro tempore of the Senate shall appoint ~~13~~ 15 members from
32 the Senate. Vacancies created by resignation or otherwise shall be filled by the
33 original appointing authority. Members shall serve two-year terms beginning and
34 ending on January 15 of the odd-numbered years, ~~except that initial appointments~~
35 ~~shall begin on July 1, 1975.~~ years. Members shall not be disqualified from completing
36 a term of service on the Commission because they fail to run or are defeated for
37 reelection. Resignation or removal from the General Assembly shall constitute
38 resignation or removal from membership on the Commission. ~~The terms of the initial~~
39 ~~members of the Commission shall expire January 15, 1977."~~

40 Section 3.5.(b) The initial terms of the four additional members of the
41 Joint Legislative Commission on Governmental Operations that are added to the
42 Commission in subsection (a) of this section shall begin on appointment.

43

44 ---LEGISLATIVE SERVICES COMMISSION

1 Section 3.6.(a) G.S. 120-31(a) reads as rewritten:

2 "(a) The Legislative Services Commission shall consist of the President pro
3 tempore of the Senate, ~~six~~ seven Senators appointed by the President pro tempore of
4 the Senate, the Speaker of the House of Representatives, and ~~six~~ seven
5 Representatives appointed by the Speaker of the House of Representatives. The
6 President pro tempore of the Senate, and the Speaker of the House shall serve until
7 the selection and qualification of their respective successors as officers of the General
8 Assembly. The initial appointive members shall be appointed after the date of
9 ratification of this Article and each shall serve for the remainder of his elective term
10 of office and until his successor is appointed or until he ceases to be a member of the
11 General Assembly, whichever occurs first. A vacancy in one of the appointive
12 positions shall be filled in the same manner that the vacated position was originally
13 filled, and the person so appointed shall serve for the remainder of the unexpired
14 term of the person whom he succeeds. In the event the office of Speaker becomes
15 vacated, the ~~six~~ seven Representatives shall elect one of themselves to perform the
16 duties of the Speaker as required by this Article. In the event the office of President
17 pro tempore becomes vacated, the ~~six~~ seven Senators shall elect one of themselves to
18 perform the duties of President pro tempore as required by this Article. Members so
19 elevated shall perform the duties required by this Article until a Speaker or a
20 President pro tempore is duly elected by the appropriate house."

21 Section 3.6.(b) The initial terms of the two additional members of the
22 Legislative Services Commission that are added to the Commission in subsection (a)
23 of this section shall begin on appointment.

24

25 -- JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE

26 Section 3.7.(a) G.S. 120-70.80 reads as rewritten:

27 "**§ 120-70.80. Creation and membership of Joint Legislative Education Oversight**
28 **Committee.**

29 The Joint Legislative Education Oversight Committee is established. The
30 Committee consists of ~~18~~ 20 members as follows:

- 31 (1) ~~Nine~~ Ten members of the Senate appointed by the President Pro
32 Tempore of the Senate, at least two of whom are members of the
33 minority party; and
34 (2) ~~Nine~~ Ten members of the House of Representatives appointed by
35 the Speaker of the House of Representatives, at least three of
36 whom are members of the minority party.

37 Terms on the Committee are for two years and begin on the convening of the
38 General Assembly in each odd-numbered year, ~~except the terms of the initial~~
39 ~~members, which begin on appointment and end on the day of the convening of the~~
40 ~~1991 General Assembly~~ year. Members may complete a term of service on the
41 Committee even if they do not seek reelection or are not reelected to the General
42 Assembly, but resignation or removal from service in the General Assembly
43 constitutes resignation or removal from service on the Committee.

1 A member continues to serve until his successor is appointed. A vacancy shall be
2 filled within 30 days by the officer who made the original appointment."

3 Section 3.8.(b) Terms of the additional members authorized by this
4 section expire upon convening of the 2001 Regular Session of the General Assembly.

5

6 --STATE BOARD OF CHIROPRACTIC EXAMINERS

7 Section 3.9. G.S. 90-139 reads as rewritten:

8 "§ 90-139. **Creation and membership of Board of Examiners.**

9 (a) The State Board of Chiropractic Examiners is created to consist of ~~seven~~ eight
10 members appointed by the Governor, and General Assembly. ~~Six~~ Seven of the
11 members shall be practicing doctors of chiropractic, who are residents of this State
12 and who have actively practiced chiropractic in the State for at least eight
13 consecutive years immediately preceding their appointments; four of these six
14 members shall be appointed by the Governor, and two by the General Assembly in
15 accordance with G.S. 120-121, one each upon the recommendation of the President
16 Pro Tempore of the Senate and the Speaker of the House of Representatives. No
17 more than three members of the Board may be graduates of the same college or
18 school of chiropractic. The other member shall be a person chosen by the Governor
19 to represent the public at large. The public member shall not be a health care
20 provider nor the spouse of a health care provider. For purposes of Board
21 membership, "health care provider" means any licensed health care professional and
22 any agent or employee of any health care institution, health care insurer, health care
23 professional school, or a member of any allied health profession. For purposes of this
24 section, a person enrolled in a program to prepare him to be a licensed health care
25 professional or an allied health professional shall be deemed a health care provider.
26 For purposes of this section, any person with significant financial interest in a health
27 service or profession is not a public member."

28 Section 4. Unless otherwise provided for in this act, appointments are for
29 terms to begin when this bill becomes law.

30 Section 5. This act is effective when it becomes law.

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

Tuesday, July 20, 1999

The Senate Committee on Rules and Operations of the Senate met in the Senate Conference Room at 6:00 p.m. Eleven members were present.

H.B. 163 – 1999 STUDIES (HOUSE COMMITTEE SUBSTITUTE)

Senator Rand opened the meeting and copies of the proposed Senate Committee Substitute for H.B. 163 were distributed.

Senator Rand stated that there were several amendments to be added to the proposed Senate Committee Substitute.

Senator Plyler moved that we adopt the Committee Substitute. The motion carried.

Senator Rand introduced the first amendment: Adds a new section on page 3., line 33
“M. Use of physical and mechanical restraints in certain facilities (S.B. 1086 – Phillips).

The committee voted to adopt the amendment.

Terry Sullivan, Research Staff presented a Technical Corrections Amendment to the Committee Substitute and it was adopted by the Committee.

Senator Kinnaird was recognized and she stated that she had two amendments for the bill.

1. Establish a moratorium on carrying out the death penalty. The amendment failed by a vote of the committee.
2. Study Commission on Home Rule – Senator Kinnaird stated that some of the issues The General Assembly deals with should be handled on the local level.

Senator Soles stated that we don't use what we have on the books now. Senator Hoyle thought we were doing OK on the local level. The state should be looking at some of the legislation that is brought before the General Assembly.

Upon a vote by the committee, the amendment was adopted into the bill.

Page 2.
Minutes – July 20, 1999

Senator Rand presented Amendment #5 pertaining to the Ergonomics Program. The committee voted to incorporate this amendment into the bill.

Senator Gulley moved for a favorable for the Senate Committee Substitute and the committee voted to give the bill a favorable report, as amended.

The meeting adjourned at 6:20 p.m.


Sen. Anthony E. Rand, Chairman


Evelyn Costello, Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Tuesday, July 20, 1999

SENATOR RAND,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1,
BUT FAVORABLE AS TO SENATE COMMITTEE SUBSTITUTE BILL, AS AMENDED.**

| | | | |
|----------------|--------------|-----------------------|---------|
| H.B.(CS #1)163 | 1999 Studies | Draft Number: | PCS3470 |
| | | Sequential Referral: | None |
| | | Recommended Referral: | None |
| | | Long Title Amended: | Yes |

TOTAL REPORTED: 1

Committee Clerk Comment:

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

H

D

HOUSE BILL 163*
Committee Substitute Favorable 7/19/99
Proposed Senate Committee Substitute H163-PCS3470-RA

Short Title: 1999 Studies.

(Public)

Sponsors:

Referred to:

February 25, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH
3 COMMISSION, TO CREATE VARIOUS STUDY COMMISSIONS, TO DIRECT
4 STATE AGENCIES AND LEGISLATIVE OVERSIGHT COMMITTEES AND
5 COMMISSIONS TO STUDY SPECIFIED ISSUES, AND TO AMEND OTHER
6 LAWS.

7 The General Assembly of North Carolina enacts:

8
9 **PART I.-----TITLE**

10 Section 1. This act shall be known as "The Studies Act of 1999".

11
12 **PART II.-----LEGISLATIVE RESEARCH COMMISSION**

13 Section 2.1. The Legislative Research Commission may study the topics
14 listed below. When applicable, the bill or resolution that originally proposed the
15 issue or study and the name of the sponsor is listed. Unless otherwise specified, the
16 listed bill or resolution refers to the measure introduced in the 1999 Regular Session
17 of the 1999 General Assembly. The Commission may consider the original bill or
18 resolution in determining the nature, scope, and aspects of the study. The following
19 groupings are for reference only:

- 20 (1) Governmental Agency and Personnel Issues:
21 a. Defined contribution pension plan for State employees and
22 teachers (H.B. 39 - Baker).

- 1 b. State agencies' customer service quality assurance (H.B. 636
2 - Owens).
3 c. Administrative process for State employee grievances (H.B.
4 1014 - Miller).
5 d. State employee comprehensive compensation system (H.J.R.
6 1158 - Nesbitt, Sherrill; S.J.R. 1031 - Reeves).
7 e. Procurement card pilot program of the Department of
8 Administration, including its effectiveness and efficiency,
9 costs and benefits, impact on accounting, budgeting, and
10 purchasing history records, how to identify realized savings,
11 and the feasibility of statewide implementation of the
12 program (Shaw of Cumberland; Wainwright).
13 f. Acquisition of additional parklands at Lake James State
14 Park (S.B. 200 - Odom).
15 g. State government construction projects' review and approval
16 process.
17 h. Digitization of public records by the Division of State
18 Archives (Jeffus).
19 i. Regulation of nondepository trust companies and
20 authorization of family trust companies (S.B. 94 - Warren).
- 21 (2) Insurance and Managed Care Issues:
22 a. Managed care issues, including any willing provider,
23 patients' rights, managed care entity liability, office of
24 consumer advocacy for insurance, prompt payment of health
25 claims, and related issues (S.B. 1089 - Harris, H.J.R. 1461 -
26 Mosley).
27 b. Mental health and chemical dependency parity (H.B. 713 -
28 Alexander; S.B. 836 - Martin of Pitt).
29 c. Health reform recommendations of the Health Care
30 Planning Commission and its advisory committees
31 (established by Section 1.2 of Chapter 529 of the 1993
32 Session Laws) that have not been implemented but are still
33 needed and other health reform issues (Insko).
34 d. Pharmacy choice/competition (H.B. 1277 - Cole; S.B. 137 -
35 Rand).
- 36 (3) Education Issues:
37 a. Driver education programs; teen drivers (H.B. 1440 -
38 Mosley).
39 b. Seat belts on school buses (H.B. 355 - Mosley).
40 c. Resolution of conflicts between board of education and
41 county commissioners.
42 d. School boards review of applicable court orders (H.B. 790 -
43 Gulley).

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- e. Election, terms, and constitution of the Board of Governors of The University of North Carolina (H.B. 1242 - Haire).
 - (4) Human Resources and Health Issues:
 - a. Long-term care facility licensure compliance (H.J.R. 909 - Mosley).
 - b. Biannual inspection and grading of adult care homes by county social services departments, including areas and services to be inspected and graded, penalties for failure to meet minimal grade levels, fiscal impact on county social services departments, posting of grade in the adult care home, and related issues (Earle and Sherrill).
 - c. Medicaid recovery (H.J.R. 102 - Clary; S.J.R. 39 - Purcell).
 - d. Central registry for living wills and organ donations (H.B. 406 - Fox).
 - e. Animal vaccination administration (H.B. 595 - Owens; H.B. 329 - Tucker).
 - f. Marriage license laws (H.J.R. 1365 - Hill; H.B. 973 - Hill; S.B. 1018 - Dalton).
 - g. Unvented gas heaters (S.B. 785 - Albertson).
 - h. Hunger and nutrition (H.B. 1229 - Adams; S.B. 944 - Martin of Guilford).
 - i. Spaying/neutering of dogs and cats, including funding (H.B. 819 - Hensley; S.B. 330 - Kinnaird).
 - j. Causes and prevention of juvenile crime and delinquency (S.B. 914 - Rand).
 - k. Child care subsidy issues not limited to: state implementation of federally mandated biennial market-rate surveys for the child care subsidy program and provider reimbursement formula, under the new five-star rated license, for the child care subsidy program.
 - l. Spinal manipulation treatment including comparison to spinal mobilization and similar treatments, utilization rates among health care professionals, complications and training.
 - (5) Taxation and Economic Development Issues:
 - a. Consolidated income tax returns by affiliated corporations, including the legal, fiscal, and other effects of consolidated or combined reporting (H.J.R. 491 - McMahan).
 - b. Impact of military bases on public services and taxes (Hurley and Warner).
 - c. Capital incentive program for tourism (H.J.R. 1483 - Earle).
 - (6) Environmental/Agricultural Issues:
 - a. Wastewater system construction permits and related issues (H.B. 137 - Culp).

- 1 b. Red imported fire ants, including adverse impacts on health,
2 environment, land use, and economy, and the feasibility of
3 increasing control and eradication efforts (PLYLER,
4 Warwick).
- 5 c. Apple industry, including marketing, production, effect of
6 pesticide control, use of pesticides marketed in other
7 countries, impact of imported apples and apple products,
8 use of juice concentrate, and related issues (Justus).
- 9 d. Environmental impacts; sources of pollution (H.B. 1002 -
10 Warwick).
- 11 (7) Labor/Employment Issues:
- 12 a. Protection of youth labor in entertainment industry (H.B.
13 942 - Goodwin).
- 14 (8) Government Regulatory Issues:
- 15 a. Magistrates authority (H.B. 1224 - Baddour).
- 16 b. Telephone solicitation (H.B. 1080 - Allen).
- 17 (9) Transportation Issues:
- 18 a. Trucking safety (H.B. 1249 - C. Wilson).
- 19 b. Toll roads.
- 20 c. Municipal participation in road funding.
- 21 d. Pedestrian ferry services (Basnight).
- 22 (10) Consumer protection issues:
- 23 a. Higher cost of credit including (Clodfelter):
- 24 1. A review of the licensing and regulatory supervision
25 of credit sources subject to statutory interest or fee
26 limitations other than the usury act (G.S. 24) and
27 retail installment sales act (G.S. 25);
- 28 2. The adequacy of consumer protections afforded to
29 borrowers of these lenders both in state and federal
30 law;
- 31 3. Whether legal differences in loan terms, regulation
32 and consumer protections of similar credit products
33 offered by federally chartered sources of credit and
34 those lenders licensed by state agencies should be
35 addressed in state law to create parity in the credit
36 market;
- 37 4. Whether programs exist or should be initiated to
38 educate the public to promote personal financial
39 literacy;
- 40 5. Whether marketplace competition, state regulations or
41 law are sufficient to ensure the availability of lower-
42 cost credit for high-risk borrowers who have
43 improved their credit worthiness;

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6. Whether consumers who seek high-cost credit are subjected to abusive lending practices or suffer adverse economic consequences as a result of obtaining high-cost loans.
- b. Cash-out transactions used by some check-cashing businesses (S.B. 1137 - Martin of Guilford, Shaw of Guilford) and pawn shops.
- c. Cash converter regulation (H.B. 1451 - Hurley).
- d. Sale of structured settlement and the effects of Senate Bill 746.
- (11) Criminal laws issues:
- a. Prohibiting death sentence for mentally retarded persons (S.B. 334 - Ballance).
- b. Prohibiting death sentence obtained on basis of race (S.B. 991 - Ballance).
- c. Bail bond laws (S.B. 994 - Odom, Ballantine; Baddour).
- (12) Real property issues:
- a. Development-rights transfer and the creation of development-rights banks (S.B. 1059 - Clodfelter).
- b. Ways to improve the quality of documents recorded in the office of the register of deeds (S.B. 873 - Dalton).

22 Section 2.2. Committee Membership. -- For each Legislative Research
23 Commission committee created during the 1999-2001 biennium, the cochairs of the
24 Legislative Research Commission shall appoint the committee membership.

25 Section 2.3. Reporting Date. -- For each of the topics the Legislative
26 Research Commission decides to study under this Part or pursuant to G.S.
27 120-30.17(1), the Commission may report its findings, together with any
28 recommended legislation, to the 1999 General Assembly, 2000 Regular Session, or the
29 2001 General Assembly.

30 Section 2.4. Funding. -- From the funds available to the General
31 Assembly, the Legislative Services Commission may allocate additional monies to
32 fund the work of the Legislative Research Commission.

33
34 **PART III.-----NORTH CAROLINA TAX POLICY COMMISSION**

35 Section 3.1. Commission Established. -- There is established a North
36 Carolina Tax Policy Commission.

37 Section 3.2. Membership. -- The Commission shall consist of 13 members
38 who shall represent, insofar as practicable, the diverse interests and geographic
39 regions of the State and shall include individuals with expertise in tax policy, tax
40 administration, and professional tax practice.

41 The Speaker of the House of Representatives shall appoint five members,
42 as follows: two members of the General Assembly, one individual nominated by the
43 North Carolina League of Municipalities, one individual who represents business
44 taxpayers, and one individual who represents senior citizens.

1 The President Pro Tempore of the Senate shall appoint five members, as
2 follows: two members of the General Assembly, one individual nominated by the
3 North Carolina Association of County Commissioners, one individual who represents
4 nonbusiness taxpayers, and one individual who represents small business taxpayers.

5 The Governor shall appoint three members, as follows: one individual
6 who represents tax practitioners, one individual who represents nonprofit, charitable
7 organizations, and one individual who has demonstrated leadership and expertise in
8 tax policy.

9 Appointments to the Commission shall be made no later than August 31,
10 1999. Vacancies shall be filled by the original appointing authority.

11 Section 3.3. Mission. -- The mission of the Commission is to study,
12 examine, and, if necessary, design a realignment of the State and local tax structure in
13 accordance with a clear, consistent tax policy. This mission requires:

- 14 (1) Establishing the principles of taxation upon which a sound State
15 and local tax structure should be built for the 21st century.
- 16 (2) Examining the current State and local tax structure to determine if
17 it reflects these principles.
- 18 (3) Recommending changes in the State and local tax structure to the
19 extent it does, and does not, reflect these benchmark tax principles.
- 20 (4) Recommending principles and practices to simplify and consolidate
21 existing taxes to provide uniformity; to ease the administrative
22 burden on the taxpayer; to maximize taxpayers' use of electronic
23 tax payment and reporting methods; and to reduce the costs of
24 collecting and administering taxes.

25 Section 3.4. Duties. -- The Commission shall:

- 26 (1) Evaluate the current State and local tax base in terms of:
 - 27 a. Responsiveness of each base to the changing and emerging
28 economies (e.g., from farming and manufacturing to
29 services, commerce, such as Internet sales, and technology).
 - 30 b. Rates compared to other states.
 - 31 c. Cost of collecting each tax.
 - 32 d. Tax burden imposed on individuals and businesses in the
33 State.
 - 34 e. Principles of taxation reflected in the tax.
- 35 (2) Examine all current tax preferences, such as lower rates,
36 exemptions, exclusions, and refunds, to determine their public
37 policy purpose; examine the narrowing of the tax base that is a
38 product of these preferences; and evaluate the resulting impact on
39 taxpayers not eligible for these preferences.
- 40 (3) Review tax changes made in the last 10 years to determine their
41 impact on the State compared to their projected impact, and to
42 assess any economic or demographic conditions on the horizon
43 that may alter their impact.

- 1 (4) Examine the impact of changing intergovernmental (federal-State-
2 local) relationships upon funding among levels of government and
3 the resulting impact upon tax policy; and examine how the State,
4 counties, and cities will share a reduced federal funding role,
5 when, in 2003, the Balanced Budget Act takes full effect and
6 federal domestic spending is fully capped.
- 7 (5) Examine the impact of changing interlocal, (city/county) service
8 systems and the resulting effect on local tax policy; and examine
9 how area-wide services, such as fire suppression, water-sewer, and
10 recreation, should be financed and allocated.

11 Section 3.5. Report. -- The Commission shall submit a final report of its
12 findings and recommendations by March 1, 2001, to the General Assembly, the
13 Governor, and the citizens of the State. The Commission may also make an interim
14 report, including recommended legislation, to the 2000 Regular Session of the 1999
15 General Assembly, and to the Governor and the citizens of the State. The report
16 shall include draft legislation to implement its recommendations along with an
17 analysis of the fiscal impact of each recommendation. The Commission shall
18 terminate upon filing its final report.

19 Section 3.6. Expenses of Members. -- Members of the Commission shall
20 receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1,
21 138-5, or 138-6, as appropriate.

22 Section 3.7. Cochairs; Meetings. -- Cochairs of the Commission shall be
23 designated by the Speaker of the House of Representatives and the President Pro
24 Tempore of the Senate from among their respective appointees. The Commission
25 shall meet upon the call of the chairs. A majority of the members of the Commission
26 shall constitute a quorum.

27 The Commission may meet during a regular or special session of the
28 General Assembly, subject to approval of the Speaker of the House of
29 Representatives and the President Pro Tempore of the Senate. The Legislative
30 Services Commission shall grant adequate meeting space to the Commission in the
31 State Legislative Building or the Legislative Office Building.

32 Section 3.8. Subcommittees. -- The Commission may appoint
33 subcommittees of its members and other knowledgeable persons or experts to assist it.
34 It may also appoint a Technical Advisory Board, if deemed desirable by its members
35 to have an ongoing body of technical experts.

36 Section 3.9. Citizen Participation. -- The Commission shall establish a
37 process of citizen education and participation that assures the citizens of North
38 Carolina of the opportunity to be informed of and contribute to the work of the
39 Commission.

40 Section 3.10. Staff. -- Within funds available, the Commission, after
41 consultation with the Legislative Services Commission, shall employ a full-time
42 Executive Director who shall report to the Commission and serve at its pleasure.
43 The Executive Director shall be the Chief Executive Officer and may employ
44 additional employees and contract for services, subject to approval of the

1 Commission. Additional staff may be provided to the Commission by the Legislative
2 Services Office.

3 Section 3.11. Powers. -- The Commission, while in the discharge of
4 official duties, may exercise all the powers provided under the provisions of G.S. 120-
5 19 through G.S. 120-19.4. The Commission may contract for consultant services as
6 provided by G.S. 120-32.02, including revenue forecasting and estimating services
7 from the Tax Research Division of the Department of Revenue.

8 Section 3.12. Cooperation by Government Agencies. -- The Commission
9 may call upon any department, agency, institution, or officer of the State or any
10 political subdivision of the State for facilities, data, or other assistance.

11 Section 3.13. Funding. -- The Legislative Services Commission may
12 allocate from the General Assembly reserves up to five hundred thousand dollars
13 (\$500,000) for the expenses of the Commission. The Commission may apply for,
14 receive, and accept grants of non-State funds, or other contributions as appropriate to
15 assist in the performance of its duties.

16
17 **PART IV.-----ELECTION LAWS STUDY COMMISSION (S.B. 882 - Gulley; H.B. 1402,**
18 **H.B. 1073 - Alexander)**

19 Section 4.1. There is created an Election Laws Revision Commission.
20 The Commission shall be composed of 17 members. Twelve members shall be
21 appointed as follows:

- 22 (1) The President Pro Tempore of the Senate shall appoint four
23 members, including at least one county board of elections member,
24 with no more than three of the four affiliated with the same
25 political party.
26 (2) The Speaker of the House of Representatives shall appoint four
27 members, including at least one county elections director, with no
28 more than three of the four affiliated with the same political party.
29 (3) The Governor shall appoint four members, including at least one
30 county commissioner and at least one minority-party member of
31 the State Board of Elections.

32 The Chair and the Executive Secretary-Director of the State Board of Elections shall
33 be ex officio members. The State chairs of the three political parties whose nominees
34 for Governor received the largest number of votes in the most recent general election
35 for Governor shall be ex officio members. All members of the Commission, whether
36 appointed or ex officio, shall be voting members.

37 Section 4.2. The President Pro Tempore of the Senate and the Speaker
38 of the House of Representatives shall each designate a cochair of the Commission
39 from their appointees.

40 Section 4.3. The Election Laws Revision Commission shall study the
41 following:

- 42 (1) The election laws, policies, and procedures of the State.

- 1 (2) The administration of those laws, policies, and procedures at the
2 State and local levels and the responsibilities of those
3 administrating these laws.
- 4 (3) The election laws, policies, and procedures of other States and
5 jurisdictions.
- 6 (4) Federal and State case rulings impinging on these laws, policies,
7 and practices.
- 8 (5) Public funding of election campaigns, including the advisability
9 and proper design of a system to allow public funds to be used to
10 support the campaigns of candidates for Governor, Lieutenant
11 Governor, other Council of State officers, and the General
12 Assembly who agree to abide by fund-raising and spending limits.
- 13 (6) APA exemption for the State Board of Elections.
- 14 (7) Preference voting and instant second primaries.
- 15 Section 4.4. The Commission shall prepare and recommend to the
16 General Assembly a comprehensive revision of the election laws of North Carolina
17 that will accomplish the following:
- 18 (1) Remove inconsistencies, inaccuracies, ambiguities, and outdated
19 provisions in the law.
- 20 (2) Incorporate in the law any desirable uncodified procedures,
21 practices, and rulings of a general nature that have been
22 implemented by the State Board of Elections or its Executive
23 Secretary-Director.
- 24 (3) Conform the statutory law to State and federal case law and to any
25 requirements of federal statutory law and regulation.
- 26 (4) Ensure the efficient and effective administration of elections in this
27 State.
- 28 (5) Continue the impartial, professional administration of elections,
29 which the citizens of the State expect and demand.
- 30 (6) Recodify the election laws, as necessary, to produce a
31 comprehensive, clearly understandable structure of current North
32 Carolina election law, susceptible to orderly expansion as
33 necessary.
- 34 Section 4.5. With the prior approval of the Legislative Services
35 Commission, the Legislative Services Officer shall assign professional staff to assist in
36 the work of the Election Laws Revision Commission and may provide for additional
37 staffing by the State Board of Elections, Office of the Attorney General, and the
38 Institute of Government. With prior approval of the State Board of Elections, the
39 Election Laws Revision Commission may hold its meetings in the offices of the State
40 Board. With the prior approval of the Legislative Services Commission, the Election
41 Laws Revision Commission may hold its meetings in the State Legislative Building or
42 the Legislative Office Building.
- 43 Section 4.6. The Commission shall submit a final written report of its
44 findings and recommendations on or before the convening of the 2001 Session of the

1 General Assembly and may submit a report to the 2000 Regular Session of the 1999
2 General Assembly. All reports shall be filed with the President Pro Tempore of the
3 Senate and the Speaker of the House of Representatives, the Principal Clerks of the
4 Senate and the House of Representatives, and the Legislative Librarian. Upon filing
5 its final report, the Commission shall terminate.

6 Section 4.7. Members of the Commission shall be paid per diem,
7 subsistence, and travel allowances as follows:

- 8 (1) Commission members who are also members of the General
9 Assembly, at the rate established in G.S. 120-3.1;
- 10 (2) Commission members who are officials or employees of the State
11 or local government agencies, at the rate established in G.S. 138-6;
- 12 (3) All other Commission members, at the rate established in G.S.
13 138-5.

14 Section 4.8. All State departments and agencies, local boards of
15 elections, and local governments and their subdivisions shall cooperate with the
16 Commission and, upon request, shall furnish to the Commission and its staff any
17 information in their possession or available to them.

18 Section 4.9. From funds appropriated to the General Assembly, the
19 Legislative Services Commission may allocate funds for the expenses of the Election
20 Laws Revision Commission.

21
22 **PART V.-----LEGISLATIVE STUDY COMMISSION ON MENTAL HEALTH,**
23 **DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES**

24 Section 5.1. The Implementation Advisory Committee that was created by
25 the Legislative Study Commission on Mental Health, Developmental Disabilities, and
26 Substance Abuse Services may continue its work with the Developmental Disabilities
27 Section of the Division of Mental Health, Developmental Disabilities, and Substance
28 Abuse Services, Department of Health and Human Services, to update strategies of
29 the Mental Health Study Commission's Developmental Disabilities Plan. The
30 Implementation Advisory Committee may make its final report to the Legislative
31 Study Commission on Mental Health, Developmental Disabilities, and Substance
32 Abuse Services on or before July 1, 2000, and upon making its final report shall
33 terminate unless extended by the Legislative Study Commission on Mental Health,
34 Developmental Disabilities, and Substance Abuse Services (H.J.R. 627 - Alexander).

35 Section 5.2. The Legislative Study Commission on Mental Health,
36 Developmental Disabilities, and Substance Abuse Services shall study whether and
37 under what circumstances certain persons committed involuntarily to State
38 psychiatric hospitals should be released under specific conditions. In conducting the
39 study, the Commission shall consider the following:

- 40 (1) The target population for whom conditional release may be
41 appropriate and necessary to protect public safety and enhance
42 patient stability.
- 43 (2) The estimated number of persons who could qualify for
44 conditional release.

- 1 (3) Criteria for conditional release that are clearly and narrowly
2 defined to ensure that conditional release will apply only to the
3 target population and will not be susceptible to being applied in an
4 overinclusive manner.
- 5 (4) Costs of implementing conditional release, including the need for
6 such additional resources at the area mental health authority level
7 as medication, transportation, case management, and administrative
8 start-up costs.
- 9 (5) The role, duties, and responsibilities of area mental health
10 authorities, 24-hour facilities, courts, and law enforcement
11 agencies. These roles, duties, and responsibilities should be
12 sufficiently and clearly defined to ensure both efficient
13 coordination and communication among these entities and
14 continuity of care for respondents on conditional release.
- 15 (6) The qualifications necessary for personnel monitoring and
16 supervising conditional release and providing treatment to
17 respondents on conditional release.
- 18 (7) The mental health system issues and patient disabilities that
19 currently contribute to patient noncompliance with recommended
20 treatment, and treatment approaches and systems designs that
21 would enhance patient compliance, mental health, and quality of
22 life.
- 23 (8) Any other issues the Commission deems appropriate for the study.
24 The Commission shall report its findings and recommendations under this
25 Part to the 1999 General Assembly, Regular Session 2000, not later than one week
26 prior to its convening. The Commission's report may include recommended
27 legislation for consideration by the 1999 General Assembly, Regular Session 2000
28 (H.B. 298 - Hackney).

29
30 **PART VI.-----FUTURE OF ELECTRIC SERVICE FUNDING CONTINUATION (H.B.**
31 **777 - McComas; S.B. 266 - Hoyle)**

32 Section 6.1. Section 10.1 of S.L. 1997-483 reads as rewritten:

33 "Section 10.1. Notwithstanding G.S. 62-302(d), all expenses during the 1997-98
34 ~~and the 1998-99~~ 1997-98, 1998-99, and 1999-2000 fiscal years of the Study
35 Commission on the Future of Electric Service in North Carolina, established in S.L.
36 1997-40, shall be reimbursed from funds in the Utilities Commission and Public Staff
37 Fund. There is allocated initially one hundred thousand dollars (\$100,000) from the
38 Utilities Commission and Public Staff Fund to the General Assembly for the purpose
39 of enabling the Study Commission on the Future of Electric Service in North
40 Carolina to organize and begin its work. Upon the certification of the need for
41 additional funds by the cochairs of the Study Commission on the Future of Electric
42 Service in North Carolina for the work of the Commission, the Utilities Commission
43 shall transfer the additional funds from the Utilities Commission and Public Staff
44 Fund to the General Assembly for that purpose."

1 Section 6.2. This Part is effective retroactively to June 30, 1999.

2
3 **PART VII.-----STUDY COMMISSION ON AGING STUDIES**

4 Section 7.1. The North Carolina Study Commission on Aging shall study
5 the issue of annual immunization of residents and employees of nursing homes, adult
6 care homes, and adult day care homes against influenza, and the immunization of
7 residents every five years against pneumococcal disease. In conducting the study, the
8 Commission shall consider the following:

- 9 (1) Requiring that facilities obtain the written, informed consent to
10 immunization by residents and employees.
11 (2) Providing for exemptions from immunization on the basis of
12 medical contraindication or religious belief.
13 (3) The dates by which annual immunizations should be administered.
14 (4) Methods for ensuring facility compliance with immunization
15 requirements, including documentation of immunizations
16 performed.
17 (5) Fiscal impact of providing immunizations.
18 (6) Any other matters the Commission deems relevant to the study
19 (Insko).

20 Section 7.2. The North Carolina Study Commission on Aging shall study
21 the rationale and appropriateness of present cost-sharing of nonfederal costs of
22 Medicaid services for all State-County Special Assistance (S.B. 743 - Dalton).

23 Section 7.3. The Commission shall report its findings and
24 recommendations under this Part, including recommended legislation, to the 1999
25 General Assembly, Regular Session 2000, not later than May 1, 2000.

26
27 **PART VIII.-----JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND**
28 **AQUACULTURE/SEAFOOD LABELED AS TO ORIGIN (H.B. 953 - Smith)**

29 Section 8.1. The Joint Legislative Commission on Seafood and
30 Aquaculture shall study the desirability and feasibility of requiring seafood entering
31 the State to be labeled as to its state or country of origin. The Joint Legislative
32 Commission on Seafood and Aquaculture shall report its findings and
33 recommendations, if any, to the 2000 Regular Session of the 1999 General Assembly.

34
35 **PART IX.-----ENVIRONMENTAL REVIEW COMMISSION**

36 Section 9.1. The Environmental Review Commission shall study motor
37 vehicle emissions testing and maintenance requirements under Part III of Senate Bill
38 953 (1999 Regular Session) as they relate to individual counties and shall report its
39 findings and recommendations to the 2000 Regular Session of the 1999 General
40 Assembly (Gibson).

41
42 **PART X.-----JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE**
43 **STUDIES**

1 Section 10.1. The Joint Legislative Transportation Oversight Committee
2 shall study:

3 (1) The issuance by the Division of Motor Vehicles of motor
4 vehicle titles without recorded liens noted on the title in
5 circumstances in which a lien should have been recorded on
6 the motor vehicle title. The Committee shall review the
7 issuance of titles that are applied for at a Motor Vehicle
8 License Plate Agency operated by the Division of Motor
9 Vehicles as well as motor vehicle titles that are applied for
10 at a Motor Vehicle License Plate Agency operated by a
11 private contractor (Plyler).

12 (2) Nonbetterment utility relocation costs (H.B. 789 - Goodwin).

13 Section 10.2. The Joint Legislative Transportation Committee may
14 report any findings and recommendations of its study under this Part to the General
15 Assembly prior to the convening of the 2000 Regular Session of the 1999 General
16 Assembly, or prior to the convening of the 2001 General Assembly.

17
18 **PART XI.-----CIVIL LITIGATION STUDY COMMISSION**

19 Section 11.1.(a) The Civil Litigation Study Commission is created. The
20 Commission shall consist of 18 voting members: six members to be appointed by the
21 President Pro Tempore of the Senate, six members to be appointed by the Speaker of
22 the House of Representatives, and six members to be appointed by the Chief Justice
23 of the North Carolina Supreme Court. No more than four members appointed by the
24 President Pro Tempore of the Senate and no more than four members appointed by
25 the Speaker of the House of Representatives may be members of the General
26 Assembly. No more than four of the members appointed by any one of the three
27 appointing authorities may be members of the same political party.

28 Section 11.1.(b) The Commission shall:

29 (1) Study all practices and procedures that affect the speed, fairness,
30 and accuracy with which civil actions are disposed of in the trial
31 divisions of the General Court of Justice, including the rules of
32 civil procedure, rules of evidence, other relevant statutes, statewide
33 and local court-adopted rules of practice and procedure,
34 administrative rules, appellate opinions and all other relevant
35 practices, customs, and traditions in the trial courts of North
36 Carolina;

37 (2) Devise and recommend improved practices and procedures that (i)
38 reduce the time required to dispose of civil actions in the trial
39 divisions; (ii) simplify pretrial and trial procedure; (iii) guarantee
40 the fairness and impartiality with which the claims and defenses
41 are heard and resolved; and (iv) increase the parties' and the
42 public's satisfaction with the process of civil litigation;

- 1 (3) Raising the amount in controversy that determines the proper
2 division for trial of civil actions and allowing counsel fees as part
3 of costs in certain civil actions (S.B. 955 - Dalton);
4 (4) Requiring insurers to provide information prior to litigation
5 requiring policy provisions and policy limits upon written request
6 and giving an insurer who provides such information the option of
7 initiating mediation with the person who sought the information
8 (S.B. 24 - Dalton);
9 (5) Allowing prisoners who suffer death or total and permanent
10 disability to receive compensation under the Workers'
11 Compensation Act based on the minimum wage (S.B. 992 -
12 Ballance);
13 (6) Public duty doctrine issues (Ballance); and
14 (7) Liability limitations in an emergency use of an external
15 defibrillator (H.B. 1118 - Wright).

16 Section 11.1.(c) The Commission may report to the General Assembly
17 and the Chief Justice by making an interim report no later than the convening of the
18 2000 Regular Session and shall make a final report not later than March 1, 2001. The
19 report shall be in writing and shall set forth the Commission's findings, conclusions,
20 and recommendations, including any proposed legislation or court rules. Upon
21 issuing its final report, the Commission shall terminate.

22 Section 11.1.(d) The Speaker of the House of Representatives and the
23 President Pro Tempore of the Senate shall each designate one of their appointees to
24 serve as cochair. The Commission shall meet at such times and places as the cochairs
25 designate. The facilities of the State Legislative Building and the Legislative Office
26 Building shall be available to the Commission, subject to the approval of the
27 Legislative Services Commission. Legislative members of the Commission shall be
28 reimbursed for subsistence and travel expenses at the rates set forth in G.S. 120-3.1.
29 Members of the Commission who are officers or employees of the State shall receive
30 reimbursement for travel and subsistence expenses at the rates set forth in G.S. 138-6.
31 All other members shall receive compensation and reimbursement for travel and
32 subsistence expenses at the rates specified in G.S. 138-5.

33 Section 11.1.(e) The Commission may solicit, employ, or contract for
34 technical assistance and clerical assistance, and may purchase or contract for the
35 materials and services it needs. Subject to the approval of the Legislative Services
36 Commission, the staff resources of the Legislative Services Commission shall be
37 available to the Commission without cost except for travel, subsistence, supplies, and
38 materials.

39 Section 11.2. Of the funds appropriated to the General Assembly, the
40 Legislative Services Commission shall allocate funds to implement the provisions of
41 this Part.

42
43 **PART XII.-----JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE**
44 **STUDY**

1 Section 12.1. The Joint Legislative Education Oversight Committee may
2 study the concept of prekindergarten education including the Bright Beginnings
3 Program in Mecklenburg County (Rucho).

4 Section 12.2 The Joint Legislative Education Oversight Committee may
5 report to the General Assembly its findings and recommendations of this study not
6 later than the convening of the 1999 General Assembly, 2000 Regular Session, or that
7 of the 2001 General Assembly.

8

9 **PART XIII.-----REVENUE LAWS STUDY COMMITTEE**

10 Section 13.1. The Revenue Laws Study Committee shall study the
11 following issues:

- 12 (1) Regulation and practice of investment advisers including the
13 following (S.B. 1010 - Hoyle; Braswell):
- 14 a. Review and consider the current registration and notice
15 filing procedures and fees required by State law and
16 determine whether the law should be amended to require
17 the disclosure of more information to potential clients of
18 investment advisers to protect the consumers of the State;
 - 19 b. Consider whether there should be established in the Office
20 of the Secretary of State an arbitration program that would
21 administer arbitration of disputes, claims, or controversies
22 arising out of contractual relationships between investment
23 advisers and clients or between investment advisers and
24 those who hold client accounts and clear security
25 transactions. If the study determines that an arbitration
26 program should be established, the proposal should include
27 recommendations regarding the training of arbitrators, the
28 composition of arbitration panels, a policy to make the
29 program self-funding, and a schedule of fees for those who
30 use arbitration services;
 - 31 c. Review the use of internet-based security transactions and
32 how those transactions are regulated by the State and
33 consider the establishment of a clearinghouse in the Office
34 of the Secretary of State through which all internet-based
35 security transactions would be monitored and recorded. If
36 the study determines that a clearinghouse should be
37 established, the proposal should include recommendations
38 regarding the technology required to record those
39 transactions effectively, while maintaining the security of
40 corporate documents and records, and the cost of such
41 technology; and
 - 42 d. Study any other relevant issues.

- 43 (2) Any necessary changes to the Shareholder Protection Act and the
44 Business Corporation Act.

1 Section 13.2. The Revenue Laws Study Commission may report any
2 findings and recommendations of its studies under this Part to the General Assembly
3 prior to the convening of the 2000 Regular Session of the 1999 General Assembly, or
4 prior to the convening of the 2001 General Assembly.

5 Section 13.3. From appropriations to the General Assembly, the
6 Legislative Services Commission may allocate funds for the expenses of the Revenue
7 Laws Study Committee under this Part.

8

9 PART XIV.-----JOB TRAINING STUDY COMMISSION

10 Section 14.1.(a) The General Assembly intends to reorganize the State's
11 workforce development system to improve the delivery of job training programs and
12 services in North Carolina.

13 Section 14.1.(b) There is created a Legislative Study Commission on Job
14 Training Programs. The purpose of the Commission is to review State and federally
15 funded job training programs and services currently in existence to determine the
16 feasibility of eliminating or consolidating those which are duplicative, inefficient, or
17 ineffective in carrying out their purposes and activities.

18 Section 14.1.(c) The Commission shall consist of six members appointed
19 by the Speaker of the House of Representatives, at least three of whom shall be
20 members of the House of Representatives, and six members appointed by the
21 President Pro Tempore of the Senate, at least three of whom shall be members of the
22 Senate. The Speaker shall designate one Representative as cochair and the President
23 Pro Tempore shall designate one Senator as cochair. Vacancies on the Commission
24 shall be filled by the same appointing officer who made the initial appointment. The
25 Commission shall expire upon delivering its final report to the 1999 General
26 Assembly (2000 Regular Session).

27 The Commission, while in the discharge of official duties, may exercise
28 all powers provided for under the provisions of G.S. 120-19 and G.S. 120-19.1
29 through G.S. 120-19.4. The Commission may meet at any time upon the joint call of
30 the cochairs. The Commission may meet in the Legislative Building or the
31 Legislative Office Building. The Commission may contract for professional, clerical,
32 or consultant services as provided by G.S. 120-32.02.

33 The Legislative Services Commission, through the Legislative Services
34 Officer, shall assign professional staff to assist the Commission in its work. The
35 House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical
36 staff to the Commission, and the expenses relating to the clerical employees shall be
37 borne by the Commission. Members of the Commission shall receive subsistence and
38 travel expenses at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

39 Section 14.1.(d) The Commission shall have the following powers and
40 duties:

- 41 (1) To review State and federal laws, rules, and regulations pertaining
42 to job training programs to determine the purpose of each
43 program, the population served, and each program's annual

- 1 outcomes in terms of type of training received, work search efforts,
2 and job placement;
- 3 (2) To ascertain as far as possible the intention of the United States
4 Congress with respect to continued funding of federally mandated
5 job training programs and any changes in funding formulae;
- 6 (3) To review the amount of State and federal dollars appropriated for
7 each job training program conducted in this State and to review
8 federal requirements for continuous federal funding of the
9 programs;
- 10 (4) To review the number of different State agencies that administer
11 State and federal job training programs, the number of persons
12 employed to implement each job training program, and the amount
13 of State dollars needed annually to implement the program;
- 14 (5) To determine whether federally funded job training programs in
15 this State may lawfully be abolished or reduced in size by the
16 General Assembly, and the impact of such reduction or
17 elimination;
- 18 (6) To conduct public hearings to receive citizen, State agency, and
19 local government comment and experience with the job training
20 programs;
- 21 (7) To conduct other studies or activities to aid the Commission in
22 carrying out its purpose and duties, including reviewing
23 reorganization and consolidation efforts in other states; and
- 24 (8) To ensure program evaluation and accountability for all workforce
25 development programs and to create a comprehensive statewide
26 focus on workforce development.

27 Section 14.1.(e) The Legislative Study Commission on Job Training
28 Programs may report to the General Assembly, the Joint Legislative Commission on
29 Governmental Operations, and the Joint Legislative Education Oversight Committee
30 not later than the convening of the 1999 General Assembly, 2000 Regular Session, or
31 that of the 2001 General Assembly. The report shall identify each job training
32 program operating in the State and recommend whether each program should be
33 expanded, continued without change, abolished, consolidated with another program,
34 or otherwise modified, including implementation components.

35 Section 14.1.(f) All State departments and agencies and local
36 governments and their subdivisions shall furnish the Commission with any
37 information in their possession or available to them.

38 Section 14.1.(g) Of the funds appropriated to the General Assembly, the
39 Legislative Services Commission shall allocate funds to implement the provisions of
40 this Part.

41
42 **PART XV.-----COMMISSION ON IMPROVING THE ACADEMIC ACHIEVEMENT**
43 **OF MINORITY AND AT-RISK STUDENTS (S.B. 943 - Martin of Guilford; S.B. 762 -**
44 **CARTER; H.B. 1116 - WRIGHT; H.B. 536 - MOORE)**

1 Section 15.1.(a) The Commission on Improving the Academic
2 Achievement of Minority and At-Risk Students is created. The Commission shall
3 consist of 22 members as follows:

- 4 (1) Five senators and three public members appointed by the President
5 Pro Tempore of the Senate;
- 6 (2) Five representatives and three public members appointed by the
7 Speaker of the House of Representatives; and
- 8 (3) Six public members appointed by the Governor, who represent
9 groups or individuals with knowledge and experience in
10 advocating, educating, or assisting minority and at-risk students to
11 achieve, at least one of whom is a representative of a statewide
12 nonprofit education advocacy organization that advocates on
13 behalf of minority and at-risk students and at least one of whom is
14 a representative of a statewide organization that represents the
15 interests of African-Americans. In making appointments to the
16 Commission, the appointing officers shall ensure that African-
17 American members have significant representation on the
18 Commission.

19 Section 15.1.(b) Initial appointments to the Commission shall be made
20 before September 15, 1999. The first meeting of the Commission shall be held no
21 later than October 15, 1999.

22 Section 15.2. The President Pro Tempore of the Senate shall designate
23 one senator as cochair and the Speaker of the House of Representatives shall
24 designate one representative as cochair.

25 Section 15.3. The Commission shall be authorized to:

- 26 (1) Gather accurate and reliable data and research information
27 pertaining to the status of minority and at-risk students in the
28 North Carolina public education system;
- 29 (2) Identify and visit education programs and other efforts within and
30 outside North Carolina that appear to be successful in yielding
31 significant positive results for minority and at-risk students;
- 32 (3) Consult with higher education faculty members and other persons
33 who have been engaged in extensive research and observation
34 related to these issues and encourage their direct involvement in
35 the activities of the Commission;
- 36 (4) Conduct hearings throughout the State for the purpose of
37 obtaining meaningful information regarding successful education
38 programs and efforts related to those concerns;
- 39 (5) Identify, consult, and meet with representatives of national,
40 regional, and State-level organizations and agencies that could be
41 particularly helpful in addressing these concerns;
- 42 (6) Devise recommendations as to steps that should be taken to
43 address these concerns -- steps to be taken separately and
44 collectively by:

- 1 a. State government agencies;
- 2 b. Local government agencies;
- 3 c. Public schools and higher education institutions;
- 4 d. Nonprofit organizations, including community-based
- 5 organizations, with a particular emphasis on those with
- 6 direct ties to families of these children and youth;
- 7 e. Foundations;
- 8 f. Religious institutes;
- 9 g. Civic organizations;
- 10 h. Business and industry; and
- 11 i. Other entities.

12 (7) Determine the extent and categories of fiscal and human resources
13 needed to address the identified concerns.

14 (8) High school graduation standards, including adequacy of course
15 requirements and related issues.

16 Section 15.4. In the study, particular emphasis should be placed on
17 programs and efforts that have been successful in imparting:

- 18 (1) Improved educational achievement;
- 19 (2) Reduction of school discipline and behavioral problems;
- 20 (3) Reduction of minority and at-risk student dropout rates; and
- 21 (4) Improved relations between parents, schools, and students.

22 Section 15.5. The Commission shall make an interim report of its
23 findings and recommendations to the General Assembly not later than the convening
24 of the 2000 Regular Session of the 1999 General Assembly. The Commission shall
25 submit to the General Assembly a final report of its findings and recommendations of
26 this study not later than the convening of the 2001 General Assembly. Upon filing its
27 final report, the Commission shall terminate.

28 Section 15.6. The Commission, while in the discharge of official duties,
29 may exercise all the powers provided under the provisions of G.S. 120-19 and G.S.
30 120-19.1 through G.S. 120-19.4. The Commission may meet in the Legislative
31 Building or the Legislative Office Building.

32 Section 15.7. Members of the Commission shall receive subsistence and
33 travel expenses at the rates set forth in G.S. 120-3.1.

34 Section 15.8. The Commission may contract for professional, clerical, or
35 consultant services as provided by G.S. 120-32.02. The Legislative Administrative
36 Officer shall assign professional staff to assist in the work of the Commission. The
37 House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical
38 staff to the Commission, upon the direction of the Legislative Services Commission.
39 The expenses relating to the employees shall be borne by the Commission.

40 Section 15.9. When a vacancy occurs in the membership of the
41 Commission, the vacancy shall be filled by the same appointing officer who made the
42 initial appointment.

1 Section 15.10. All State departments and agencies and local governments
2 and their subdivisions shall furnish the Commission with information in their
3 possession or available to them.

4 Section 15.11. The Legislative Services Commission shall allocate funds
5 available to the General Assembly to implement the provisions in this Part.

6
7 **PART XVI.-----JOINT SELECT COMMITTEE ON INFORMATION TECHNOLOGY**
8 **STUDY USE OF INDIVIDUAL'S PERSONAL INFORMATION CONTAINED IN**
9 **STATE DATABASES; REPEAL OF AUTHORIZATION TO ALLOW DISCLOSURE**
10 **OF PERSONAL INFORMATION IN THE DIVISION OF MOTOR VEHICLES**

11 Section 16.1. The Joint Select Committee on Information Technology
12 shall study the extent to which an individual's personal information contained in all
13 State databases, including the Division of Motor Vehicles, is accessible and used by
14 nongovernmental entities and individuals, and the appropriateness of that accessibility
15 and use.

16 Section 16.2. The Committee may report to the 2000 Session of the 1999
17 General Assembly and shall file a final report containing its findings and
18 recommendations to the 2001 General Assembly not later than its convening.

19 Section 16.3. G.S. 20-43.1, rewritten by Section 27.9.(b) of S.L. 1999-
20 237, reads as rewritten:

21 **"§ 20-43.1. Disclosure of personal information in motor vehicle records.**

22 (a) The Division shall disclose personal information contained in motor vehicle
23 records in accordance with the federal Driver's Privacy Protection Act of 1994, as
24 amended, 18 U.S.C. §§ 2721, et seq.

25 (b) As authorized in 18 U.S.C. § 2721, the Division shall not disclose personal
26 information for the purposes specified in 18 U.S.C. § 2721(b)(11).

27 (c) The Division shall not disclose personal information for the purposes specified
28 in 18 U.S.C. ~~§ 2721(b)(12) unless the Division receives prior written permission from~~
29 ~~the person about whom the information is requested. § 2721(b)(12).~~"

30
31 **PART XVII.-----DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**
32 **STUDIES**

33 Section 17.1. The Department of Environment and Natural Resources
34 shall study:

- 35 (1) Issues related to evaluating and improving compliance with the
36 Forest Practice Guidelines Related to Water Quality adopted by
37 the Department of Environment and Natural Resources pursuant
38 to G.S. 113A-52.1 (Kinnaird).
39 (2) Current procedures concerning permits issued for open burning in
40 or near woodlands under the protection of the Department of
41 Environment and Natural Resources under Article 4C of Chapter
42 113 of the General Statutes when the burning is to occur on five or
43 more acres of land and shall determine whether more controls are

1 needed in order to protect the public or the environment, or both
2 (Thomas).

3 Section 17.2. The Department shall report its findings and
4 recommendations, including any legislative proposals, to the Environmental Review
5 Commission no later than March 1, 2000.

6
7 **PART XVIII.-----NORTH CAROLINA GOVERNMENT COMPETITION ACT**
8 **REPEALED**

9 Section 18.1. Article 74 of Chapter 143 is repealed.

10
11 **PART XIX.-----ERGONOMICS PROGRAM AND STUDY**

12 Section 19.1.(a) No funds appropriated in this act to the Department of
13 Labor for the 1999-2000 fiscal year or for the 2000-2001 fiscal year shall be used,
14 encumbered, or committed to implement or enforce an ergonomics standard.

15 Section 19.1.(b) The Legislative Study Commission on Occupational
16 Musculoskeletal Disorders is created to study the causes, frequency, costs, and
17 prevention of occupational musculoskeletal disorders including, but not limited to,
18 sprains, strains, and repetitive motion disorders.

19 Section 19.1.(c) The Commission shall be comprised of 16 members. The
20 President Pro Tempore of the Senate and the Speaker of the House of
21 Representatives shall appoint Cochairs of the Commission. Appointments to the
22 Commission shall be made as follows:

23 (1) The President Pro Tempore of the Senate shall appoint four
24 members of the Senate and three members of the general public,
25 one of whom shall be a representative of business or industry
26 management, one of whom shall be a representative of labor, and
27 one of whom shall be a member of the public-at-large.

28 (2) The Speaker of the House of Representatives shall appoint four
29 members of the House and three members of the general public,
30 one of whom shall be a representative of business or industry
31 management, one of whom shall be a representative of labor, and
32 one of whom shall be a member of the public-at-large.

33 (3) The Commissioner of Labor shall appoint two members from the
34 general public.

35 Section 19.1.(d) By April 1, 2000, the Commission shall report to the
36 Joint Legislative Commission on Governmental Operations and to the Senate and
37 House Appropriations Subcommittees on Natural and Economic Resources its
38 findings regarding the prevention of occupational musculoskeletal disorders,
39 including recommendations regarding an ergonomics standard.

40
41 **PART XX.-----STATE BOARD OF DENTAL EXAMINERS TO DEVELOP**
42 **PROCEDURES FOR LICENSURE-BY-CREDENTIAL FOR OUT-OF-STATE**
43 **DENTISTS AND DENTAL ASSISTANTS; REPORT TO GENERAL ASSEMBLY (S.B.**
44 **665 - SOLES; H.B. 506 - BRASWELL AND GARDNER)**

1 Section 20.1. The State Board of Dental Examiners shall study, consider,
2 and develop procedures for allowing North Carolina to license-by-credential out-of-
3 state licensed dentist and dental hygienist licensure applicants; it shall develop
4 recommendations for any changes needed in the Dental Practice Act; and it shall
5 prepare to submit proposed rules to implement a sound program for the new
6 licensing pathway.

7 The Board shall determine how the new procedures should be authorized
8 and developed for the Board to allow less burdensome and more timely entry into
9 the State for qualified out-of-state licensed applicants, while at the same time
10 continuing the same degree of protection of the public as is the case under the
11 current law and procedures.

12 The Board shall report the results of its work, including any
13 recommended statutory changes, to the General Assembly by May 15, 2000.

14
15 **PART XXI.----JOINT SELECT COMMITTEE ON HIGHER EDUCATION**
16 **FACILITIES NEEDS CREATION**

17 Section 21.1.(a) The Joint Select Committee on Higher Education Facility
18 Needs is created. The Committee shall consist of 20 members: 10 appointed by the
19 President Pro Tempore of the Senate, and 10 appointed by the Speaker of the House
20 of Representatives.

21 The President Pro Tempore of the Senate shall designate one appointee
22 as cochair and the Speaker of the House of Representatives shall designate one
23 appointee as cochair.

24 Section 21.1(b) The Committee shall study the facility needs of The
25 University of North Carolina and the North Carolina Community College System. In
26 the course of study, the Committee shall consider:

- 27 (1) The "University of North Carolina Capital Equity and Adequacy
28 Study and 10-Year Capital Need", by Eva Klein and Associates;
- 29 (2) The MGT of America report entitled "Funding Formula Study:
30 Phase 3 and Phase 4 Reports-North Carolina Community College
31 System";
- 32 (3) Any other relevant reports or studies on higher education facility
33 needs;
- 34 (4) Alternative methods of funding identified facility needs;
- 35 (5) Repair and maintenance needs of higher education facilities;
- 36 (6) Construction systems to maximize efficiency in the construction of
37 higher education facilities; and
- 38 (7) State laws and policies governing the construction, repair, and
39 renovation of higher education facilities.

40 Section 21.1(c) The Committee may report its findings, and
41 recommendations to the General Assembly upon its convening of the 2000 Regular
42 Session or of the 2001 General Assembly. Upon filing its final report, the Committee
43 shall terminate.

1 Section 21.1(d) The Committee, while in the discharge of official duties,
2 may exercise all the powers provided for under the provisions of G.S. 120-19, and
3 G.S. 120-19.1 through G.S. 120-19.4. The Committee may meet at any time upon the
4 joint call of the cochairs. The Committee may meet in the Legislative Building or
5 the Legislative Office Building.

6 Section 21.1(e) Members of the Committee shall receive subsistence and
7 travel expenses at the rates set forth in G.S. 120-3.1.

8 Section 21.1(f) The Committee may contract for professional, clerical, or
9 consultant services as provided by G.S. 120-32.02. The Legislative Services
10 Commission, through the Legislative Administrative Officer, shall assign professional
11 staff to assist in the work of the Committee. The House of Representatives' and the
12 Senate's Supervisor of Clerks shall assign clerical staff to the commission or
13 committee, upon the direction of the Legislative Services Commission. The expenses
14 relating to clerical employees shall be borne by the Committee.

15 Section 21.1(g) When a vacancy occurs in the membership of the
16 Committee the vacancy shall be filled by the same appointing officer who made the
17 initial appointment.

18 Section 21.1(h) All State departments and agencies and local
19 governments and their subdivisions shall furnish the Committee with any information
20 in their possession or available to them.

21 22 **PART XXII.-----BILL AND RESOLUTIONS REFERENCES**

23 Section 22.1. The listing of the original bill or resolution in this act is for
24 reference purposes only and shall not be deemed to have incorporated by reference
25 any of the substantive provisions contained in the original bill or resolution.

26 27 **PART XXIII.-----EFFECTIVE DATE AND APPLICABILITY**

28 Section 23.1. Except as otherwise specifically provided, this act becomes
29 effective July 1, 1999. If a study is authorized both in this act and the Current
30 Operations Appropriations Act of 1999, the study shall be implemented in
31 accordance with the Current Operations Appropriations Act of 1999 as ratified.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

2

HOUSE BILL 163*
Committee Substitute Favorable 7/19/99

Short Title: 1999 Studies.

(Public)

Sponsors:

Referred to:

February 25, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE STUDIES BY THE LEGISLATIVE RESEARCH
3 COMMISSION, TO CREATE VARIOUS STUDY COMMISSIONS, AND TO
4 DIRECT STATE AGENCIES AND LEGISLATIVE OVERSIGHT
5 COMMITTEES AND COMMISSIONS TO STUDY SPECIFIED ISSUES.

6 The General Assembly of North Carolina enacts:

7

8 **PART I.-----TITLE**

9 Section 1. This act shall be known as "The Studies Act of 1999".

10

11 **PART II.-----LEGISLATIVE RESEARCH COMMISSION**

12 Section 2.1. The Legislative Research Commission may study the topics
13 listed below. When applicable, the bill or resolution that originally proposed the
14 issue or study and the name of the sponsor is listed. Unless otherwise specified, the
15 listed bill or resolution refers to the measure introduced in the 1999 Regular Session
16 of the 1999 General Assembly. The Commission may consider the original bill or
17 resolution in determining the nature, scope, and aspects of the study. The following
18 groupings are for reference only:

19

(1) Governmental Agency and Personnel Issues:

20

a. Defined contribution pension plan for State employees and
teachers (H.B. 39 - Baker).

21

22

b. Child care subsidies for State employees, State-funded child
care facilities, and impact of new system of child care

23

- 1 subsidy market rate reimbursement to child care providers
2 (H.B. 683 - Mosley).
- 3 c. State agencies' customer service quality assurance (H.B. 636
4 - Owens).
- 5 d. Administrative process for State employee grievances (H.B.
6 1014 - Miller).
- 7 e. State employee comprehensive compensation system (H.B.
8 1158 - Nesbitt, Sherrill; S.B. 1031 - Reeves).
- 9 f. Retirement benefits for hazardous duty employees (Moore).
- 10 g. Procurement card pilot program of the Department of
11 Administration, including its effectiveness and efficiency,
12 costs and benefits, impact on accounting, budgeting, and
13 purchasing history records, how to identify realized savings,
14 and the feasibility of statewide implementation of the
15 program (Wainwright).
- 16 (2) Insurance and Managed Care Issues:
- 17 a. Managed care issues, including any willing provider,
18 patients' rights, managed care entity liability, office of
19 consumer advocacy for insurance, prompt payment of health
20 claims, and related issues (S.B. 1089 - Harris, H.J.R. 1461 -
21 Mosley).
- 22 b. Mental health and chemical dependency parity (H.B. 713 -
23 Alexander; S.B. 836 - Martin of Pitt).
- 24 c. Health reform recommendations of the Health Care
25 Planning Commission and its advisory committees
26 (established by Section 1.2 of Chapter 529 of the 1993
27 Session Laws) that have not been implemented but are still
28 needed and other health reform issues (Insko).
- 29 d. Pharmacy choice/competition (H.B. 1277 - Cole; S.B. 137 -
30 Rand).
- 31 (3) Education Issues:
- 32 a. Driver education programs; teen drivers (H.B. 1440 -
33 Mosley).
- 34 b. Seat belts on school buses (H.B. 355 - Mosley).
- 35 c. Tax levying authority for school boards and relationship and
36 issues between counties and school boards.
- 37 d. School boards review of applicable court orders (H.B. 790 -
38 Gulley).
- 39 e. Partisan elections for Charlotte/Mecklenburg Board of
40 Education (H.B. 791 - Gulley).
- 41 f. Minority and at-risk students academic achievement (H.B.
42 1116 - Wright; S.B. 943 - Martin of Guilford).
- 43 (4) Human Resources and Health Issues:

- 1 a. Long-term care facility licensure compliance (H.J.R. 909 -
- 2 Mosley).
- 3 b. Biannual inspection and grading of adult care homes by
- 4 county social services departments, including areas and
- 5 services to be inspected and graded, penalties for failure to
- 6 meet minimal grade levels, fiscal impact on county social
- 7 services departments, posting of grade in the adult care
- 8 home, and related issues (Earle and Sherrill).
- 9 c. Defibrillators; use and liability (H.B. 1118 - Wright).
- 10 d. Medicaid recovery (H.J.R. 102 - Clary; S.J.R. 39 - Purcell).
- 11 e. Central registry for living wills and organ donations (H.B.
- 12 406 - Fox).
- 13 f. Animal vaccination administration (H.B. 595 - Owens; H.B.
- 14 329 - Tucker).
- 15 g. Marriage license laws (H.J.R. 1365 - Hill; H.B. 973 - Hill;
- 16 S.B. 1018 - Dalton).
- 17 h. Unvented gas heaters (S.B. 785 - Albertson).
- 18 i. Hunger and nutrition (H.B. 1229 - Adams; S.B. 944 - Martin
- 19 of Guilford).
- 20 j. Spaying/neutering of dogs and cats, including funding (H.B.
- 21 819 - Hensley; S.B. 330 - Kinnaird).
- 22 k. Health professions scope of practice.
- 23 l. Gun safety and storage (H.B. 1446 - Luebke; H.B. 1231 -
- 24 Kinney).
- 25 m. Dental hygienist licensure by credential and licensing
- 26 requirements (H.B. 506 - Braswell and Gardner; S.B. 665 -
- 27 Soles).
- 28 (5) Taxation and Economic Development Issues:
- 29 a. Consolidated income tax returns by affiliated corporations,
- 30 including the legal, fiscal, and other effects of consolidated
- 31 or combined reporting (H.J.R. 491 - McMahan).
- 32 b. Cost-effectiveness of tax incentives and other economic
- 33 development incentives (H.J.R. 1469 - Insko).
- 34 c. State taxation of pension income, including equal tax
- 35 treatment of government retiree's pensions, reduction of tax
- 36 on private pensions, reciprocal approaches for taxing state
- 37 government retirees of other states, and related issues (H.B.
- 38 1325 - Davis and Hurley).
- 39 d. Impact of military bases on public services and taxes (Hurley
- 40 and Warner).
- 41 e. Property tax exemption for certain properties owned by
- 42 charitable hospitals (H.B. 954 - C. Wilson).
- 43 f. Capital incentive program for tourism (H.J.R. 1483 - Earle).
- 44 (6) Environmental/Agricultural Issues:

- 1 a. Wastewater system construction permits and related issues
2 (H.B. 137 - Culp).
3 b. Beverage container deposits (H.B. 1413 - Luebke).
4 c. Red imported fire ants, including adverse impacts on health,
5 environment, land use, and economy, and the feasibility of
6 increasing control and eradication efforts (Warwick).
7 d. Coastal beach movement; beach renourishment, and storm
8 mitigation (H.B. 118 - Redwine; S.B. 54 - Ballantine,
9 Allran).
10 e. Apple industry, including marketing, production, effect of
11 pesticide control, use of pesticides marketed in other
12 countries, impact of imported apples and apple products,
13 use of juice concentrate, and related issues (Justus).
14 f. Environmental impacts; sources of pollution (H.B. 1002 -
15 Warwick).
- 16 (7) Labor/Employment Issues:
17 a. Employment security and unemployment insurance tax
18 issues (H.B. 324 - C. Wilson).
19 b. Protection of youth labor in entertainment industry (H.B.
20 942 - Goodwin).
21 c. Implementation of a State ergonomic standard.
- 22 (8) Government Regulatory Issues:
23 a. Regulation and practice of investment advisers, including
24 current registration and notice filing procedures, disclosure
25 of information to the public and its adequacy, feasibility of
26 an arbitration program within the Office of the Secretary of
27 State to arbitrate disputes and claims between investment
28 advisers and their clients, the use of internet-based security
29 transactions, and the need for a clearinghouse within the
30 Office of the Secretary of State to monitor and record these
31 transactions (Braswell; S.B. 1010 - Hoyle).
32 b. Cash converter regulation (H.B. 1451 - Hurley).
33 c. Credit insurance and mortgage credit, including the
34 licensing, regulation, and examination of mortgage brokers
35 and mortgage lenders, financing of credit insurance
36 premiums, and other aspects of the mortgage market relating
37 to the availability of mortgage credit. These issues may be
38 studied in conjunction with issues required to be studied
39 under Senate Bill 1149 (1999 Session).
40 d. Magistrates authority (H.B. 1224 - Baddour).
41 e. Bail bond industry regulation, including duties and liabilities
42 of industry participants with respect to producing defendants
43 in court, relationship between insurers and agents, and
44 bondsmen and runners, and Department of Insurance and

1 court resources as they relate to the bail bond industry
2 (Baddour).

3 f. Telephone solicitation (H.B. 1080 - Allen).

4 (9) Transportation Issues:

5 a. Trucking safety (H.B. 1249 - C. Wilson).

6 b. Toll roads.

7 c. Municipal participation in road funding.

8 Section 2.2. Committee Membership. -- For each Legislative Research
9 Commission committee created during the 1999-2001 biennium, the cochairs of the
10 Legislative Research Commission shall appoint the committee membership.

11 Section 2.3. Reporting Date. -- For each of the topics the Legislative
12 Research Commission decides to study under this Part or pursuant to G.S.
13 120-30.17(1), the Commission may report its findings, together with any
14 recommended legislation, to the 1999 General Assembly, 2000 Regular Session, or the
15 2001 General Assembly.

16 Section 2.4. Funding. -- From the funds available to the General
17 Assembly, the Legislative Services Commission may allocate additional monies to
18 fund the work of the Legislative Research Commission.

19

20 PART III.-----NORTH CAROLINA TAX POLICY COMMISSION

21 Section 3.1. Commission Established. -- There is established a North
22 Carolina Tax Policy Commission.

23 Section 3.2. Membership. -- The Commission shall consist of 13 members
24 who shall represent, insofar as practicable, the diverse interests and geographic
25 regions of the State and shall include individuals with expertise in tax policy, tax
26 administration, and professional tax practice.

27 The Speaker of the House of Representatives shall appoint five members,
28 as follows: two members of the General Assembly, one individual nominated by the
29 North Carolina League of Municipalities, one individual who represents business
30 taxpayers, and one individual who represents senior citizens.

31 The President Pro Tempore of the Senate shall appoint five members, as
32 follows: two members of the General Assembly, one individual nominated by the
33 North Carolina Association of County Commissioners, one individual who represents
34 nonbusiness taxpayers, and one individual who represents small business taxpayers.

35 The Governor shall appoint three members, as follows: one individual
36 who represents tax practitioners, one individual who represents nonprofit, charitable
37 organizations, and one individual who has demonstrated leadership and expertise in
38 tax policy.

39 Appointments to the Commission shall be made no later than August 31,
40 1999. Vacancies shall be filled by the original appointing authority.

41 Section 3.3. Mission. -- The mission of the Commission is to study,
42 examine, and, if necessary, design a realignment of the State and local tax structure in
43 accordance with a clear, consistent tax policy. This mission requires:

- 1 (1) Establishing the principles of taxation upon which a sound State
2 and local tax structure should be built for the 21st century.
- 3 (2) Examining the current State and local tax structure to determine if
4 it reflects these principles.
- 5 (3) Recommending changes in the State and local tax structure to the
6 extent it does, and does not, reflect these benchmark tax principles.
- 7 (4) Recommending principles and practices to simplify and consolidate
8 existing taxes to provide uniformity; to ease the administrative
9 burden on the taxpayer; to maximize taxpayers' use of electronic
10 tax payment and reporting methods; and to reduce the costs of
11 collecting and administering taxes.

12 Section 3.4. Duties. -- The Commission shall:

- 13 (1) Evaluate the current State and local tax base in terms of:
 - 14 a. Responsiveness of each base to the changing and emerging
15 economies (e.g., from farming and manufacturing to
16 services, commerce, such as Internet sales, and technology).
 - 17 b. Rates compared to other states.
 - 18 c. Cost of collecting each tax.
 - 19 d. Tax burden imposed on individuals and businesses in the
20 State.
 - 21 e. Principles of taxation reflected in the tax.
- 22 (2) Examine all current tax preferences, such as lower rates,
23 exemptions, exclusions, and refunds, to determine their public
24 policy purpose; examine the narrowing of the tax base that is a
25 product of these preferences; and evaluate the resulting impact on
26 taxpayers not eligible for these preferences.
- 27 (3) Review tax changes made in the last 10 years to determine their
28 impact on the State compared to their projected impact, and to
29 assess any economic or demographic conditions on the horizon
30 that may alter their impact.
- 31 (4) Examine the impact of changing intergovernmental (federal-State-
32 local) relationships upon funding among levels of government and
33 the resulting impact upon tax policy; and examine how the State,
34 counties, and cities will share a reduced federal funding role,
35 when, in 2003, the Balanced Budget Act takes full effect and
36 federal domestic spending is fully capped.
- 37 (5) Examine the impact of changing interlocal, (city/county) service
38 systems and the resulting effect on local tax policy; and examine
39 how area-wide services, such as fire suppression, water-sewer, and
40 recreation, should be financed and allocated.

41 Section 3.5. Report. -- The Commission shall submit a final report of its
42 findings and recommendations by March 1, 2001, to the General Assembly, the
43 Governor, and the citizens of the State. The Commission may also make an interim
44 report, including recommended legislation, to the 2000 Regular Session of the 1999

1 General Assembly, and to the Governor and the citizens of the State. The report
2 shall include draft legislation to implement its recommendations along with an
3 analysis of the fiscal impact of each recommendation. The Commission shall
4 terminate upon filing its final report.

5 Section 3.6. Expenses of Members. -- Members of the Commission shall
6 receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1,
7 138-5, or 138-6, as appropriate.

8 Section 3.7. Cochairs; Meetings. -- Cochairs of the Commission shall be
9 designated by the Speaker of the House of Representatives and the President Pro
10 Tempore of the Senate from among their respective appointees. The Commission
11 shall meet upon the call of the chairs. A majority of the members of the Commission
12 shall constitute a quorum.

13 The Commission may meet during a regular or special session of the
14 General Assembly, subject to approval of the Speaker of the House of
15 Representatives and the President Pro Tempore of the Senate. The Legislative
16 Services Commission shall grant adequate meeting space to the Commission in the
17 State Legislative Building or the Legislative Office Building.

18 Section 3.8. Subcommittees. -- The Commission may appoint
19 subcommittees of its members and other knowledgeable persons or experts to assist it.
20 It may also appoint a Technical Advisory Board, if deemed desirable by its members
21 to have an ongoing body of technical experts.

22 Section 3.9. Citizen Participation. -- The Commission shall establish a
23 process of citizen education and participation that assures the citizens of North
24 Carolina of the opportunity to be informed of and contribute to the work of the
25 Commission.

26 Section 3.10. Staff. -- Within funds available, the Commission, after
27 consultation with the Legislative Services Commission, shall employ a full-time
28 Executive Director who shall report to the Commission and serve at its pleasure.
29 The Executive Director shall be the Chief Executive Officer and may employ
30 additional employees and contract for services, subject to approval of the
31 Commission. Additional staff may be provided to the Commission by the Legislative
32 Services Office.

33 Section 3.11. Powers. -- The Commission, while in the discharge of
34 official duties, may exercise all the powers provided under the provisions of G.S. 120-
35 19 through G.S. 120-19.4. The Commission may contract for consultant services as
36 provided by G.S. 120-32.02, including revenue forecasting and estimating services
37 from the Tax Research Division of the Department of Revenue.

38 Section 3.12. Cooperation by Government Agencies. -- The Commission
39 may call upon any department, agency, institution, or officer of the State or any
40 political subdivision of the State for facilities, data, or other assistance.

41 Section 3.13. Funding. -- The Legislative Services Commission may
42 allocate from the General Assembly reserves up to five hundred thousand dollars
43 (\$500,000) for the expenses of the Commission. The Commission may apply for,

1 receive, and accept grants of non-State funds, or other contributions as appropriate to
2 assist in the performance of its duties.

3

4 **PART IV.-----STATE TORT LIABILITY AND IMMUNITY (Walend and Nesbitt)**

5 Section 4.1. The Study Commission on State Tort Liability and
6 Immunity is created and shall consist of 15 members as follows:

7 (1) The President Pro Tempore of the Senate shall appoint four
8 members from the membership of the State Senate and one
9 member recommended by the President of the North Carolina
10 State Bar who is experienced in plaintiff litigation claims under the
11 Tort Claims Act.

12 (2) The Speaker of the House of Representatives shall appoint four
13 members from the membership of the House of Representatives
14 and one member recommended by the President of the North
15 Carolina State Employees Association.

16 (3) The Governor shall appoint the following three members:
17 a. One member who shall be a representative of the
18 Department of Transportation.
19 b. One member recommended by the President of The
20 University of North Carolina. The member must be a
21 faculty member of a North Carolina law school and familiar
22 with tort liability law.
23 c. One member recommended by the Public Officers and
24 Employees Insurance Liability Commission.

25 (4) The Attorney General or a designee of the Attorney General
26 representing the Justice Department.

27 (5) The Commissioner of Insurance or a designee of the Commissioner
28 representing the Department of Insurance.

29 Section 4.2. The President Pro Tempore of the Senate and the Speaker
30 of the House of Representatives shall each designate a cochair of the Commission
31 from their appointees.

32 Section 4.3. The Commission shall study issues concerning the tort
33 liability and immunity of the State, including:

34 (1) Whether injured persons receive adequate compensation without
35 regard to how or where the injury occurred or by which State
36 department, institution, agency, or employee of a State department,
37 institution, or agency the person was injured.

38 (2) The liability and immunity of the State and its employees, how that
39 liability is defended, and how claims and judgments are paid.

40 (3) The State Tort Claims Act, Article 31 of Chapter 143 of the
41 General Statutes, the limits under this Act, how claims are
42 defended, and how claims and judgments are paid.

43 (4) Whether a program of self-insurance for the State is feasible or
44 desirable.

1 (5) Whether excess liability coverage should be expanded for certain
2 types of tort claims or certain categories of State employees.

3 (6) Any other relevant issues.

4 Section 4.4. The Commission may recommend changes to the law that
5 will:

6 (1) Provide injured persons with adequate compensation.

7 (2) Clarify the present law by removing inconsistencies and outdated
8 provisions.

9 (3) Provide State departments, institutions, or agencies with
10 predictable exposure to the payment of tort claims from their
11 budgets.

12 (4) Any other legislative proposals the Commission determines are
13 needed to address an issue studied under Section 4.3 of this act, to
14 protect the public, to improve the manner in which tort claims are
15 paid, or to improve the State's financial ability to provide coverage
16 under the State Tort Claims Act or provide excess coverage
17 beyond the limits under the State Tort Claims Act.

18 Section 4.5. It is not the intent that the Commission study tort reform as
19 it relates to the doctrine of contributory negligence or professional liability.

20 Section 4.6. The Commission shall report its findings and
21 recommendations to the 2001 General Assembly and may submit an interim report to
22 the 2000 Regular Session of the 1999 General Assembly. Upon filing its final report,
23 the Commission shall terminate.

24 Section 4.7. The Commission, while in the discharge of official duties,
25 may exercise all the powers provided for under the provisions of G.S. 120-19 and
26 G.S. 120-19.1 through G.S. 120-19.4. The Commission may meet at any time upon
27 the joint call of the cochairs. The Commission may meet in the State Legislative
28 Building or the Legislative Office Building with the approval of the Legislative
29 Services Commission.

30 Section 4.8. Members of the Commission who are also members of the
31 General Assembly shall receive per diem, subsistence, and travel allowances at the
32 rates set forth in G.S. 120-3.1. Members of the Commission who are officials or
33 employees of the State or local government agencies shall receive per diem,
34 subsistence, and travel allowances at the rates set forth in G.S. 138-6. All other
35 Commission members shall receive per diem, subsistence, and travel allowances at
36 the rates set forth in G.S. 138-5.

37 Section 4.9. The Commission may contract for professional, clerical, or
38 consultant services as provided by G.S. 120-32.02. The Legislative Services
39 Commission, through the Legislative Administrative Officer, shall assign professional
40 staff to assist in the work of the Commission. The House of Representatives' and the
41 Senate's Supervisors of Clerks shall assign clerical staff to the Commission, upon the
42 direction of the Legislative Services Commission. The expenses relating to clerical
43 employees shall be borne by the Commission.

1 Section 4.10. When a vacancy occurs in the membership of the
2 Commission, the vacancy shall be filled by the same appointing officer who made the
3 initial appointment.

4 Section 4.11. All State departments and agencies and local governments
5 and their subdivisions shall furnish the Commission with any information in their
6 possession or available to them that the Commission requests.

7 Section 4.12. From funds appropriated to the General Assembly, the
8 Legislative Services Commission may allocate funds for the expenses of the Study
9 Commission on State Tort Liability and Immunity.

10
11 **PART V.-----ELECTION LAWS STUDY COMMISSION (H.B. 1073 - Alexander)**

12 Section 5.1. There is created an Election Laws Revision Commission.
13 The Commission shall be composed of 17 members. Twelve members shall be
14 appointed as follows:

- 15 (1) The President Pro Tempore of the Senate shall appoint four
16 members, including at least one county board of elections member,
17 with no more than three of the four affiliated with the same
18 political party.
- 19 (2) The Speaker of the House of Representatives shall appoint four
20 members, including at least one county elections director, with no
21 more than three of the four affiliated with the same political party.
- 22 (3) The Governor shall appoint four members, including at least one
23 county commissioner and at least one minority-party member of
24 the State Board of Elections.

25 The Chair and the Executive Secretary-Director of the State Board of Elections shall
26 be ex officio members. The State chairs of the three political parties whose nominees
27 for Governor received the largest number of votes in the most recent general election
28 for Governor shall be ex officio members. All members of the Commission, whether
29 appointed or ex officio, shall be voting members.

30 Section 5.2. The President Pro Tempore of the Senate and the Speaker
31 of the House of Representatives shall each designate a cochair of the Commission
32 from their appointees.

33 Section 5.3. The Election Laws Revision Commission shall study the
34 following:

- 35 (1) The election laws, policies, and procedures of the State.
- 36 (2) The administration of those laws, policies, and procedures at the
37 State and local levels and the responsibilities of those
38 administering these laws.
- 39 (3) The election laws, policies, and procedures of other States and
40 jurisdictions.
- 41 (4) Federal and State case rulings impinging on these laws, policies,
42 and practices.
- 43 (5) Public financing for campaigns.
- 44 (6) APA exemption for the State Board of Elections.

1 (7) Preference voting and instant second primaries.

2 Section 5.4. The Commission shall prepare and recommend to the
3 General Assembly a comprehensive revision of the election laws of North Carolina
4 that will accomplish the following:

5 (1) Remove inconsistencies, inaccuracies, ambiguities, and outdated
6 provisions in the law.

7 (2) Incorporate in the law any desirable uncodified procedures,
8 practices, and rulings of a general nature that have been
9 implemented by the State Board of Elections or its Executive
10 Secretary-Director.

11 (3) Conform the statutory law to State and federal case law and to any
12 requirements of federal statutory law and regulation.

13 (4) Ensure the efficient and effective administration of elections in this
14 State.

15 (5) Continue the impartial, professional administration of elections,
16 which the citizens of the State expect and demand.

17 (6) Recodify the election laws, as necessary, to produce a
18 comprehensive, clearly understandable structure of current North
19 Carolina election law, susceptible to orderly expansion as
20 necessary.

21 Section 5.5. With the prior approval of the Legislative Services
22 Commission, the Legislative Services Officer shall assign professional staff to assist in
23 the work of the Election Laws Revision Commission and may provide for additional
24 staffing by the State Board of Elections, Office of the Attorney General, and the
25 Institute of Government. With prior approval of the State Board of Elections, the
26 Election Laws Revision Commission may hold its meetings in the offices of the State
27 Board. With the prior approval of the Legislative Services Commission, the Election
28 Laws Revision Commission may hold its meetings in the State Legislative Building or
29 the Legislative Office Building.

30 Section 5.6. The Commission shall submit a final written report of its
31 findings and recommendations on or before the convening of the 2001 Session of the
32 General Assembly and may submit a report to the 2000 Regular Session of the 1999
33 General Assembly. All reports shall be filed with the President Pro Tempore of the
34 Senate and the Speaker of the House of Representatives, the Principal Clerks of the
35 Senate and the House of Representatives, and the Legislative Librarian. Upon filing
36 its final report, the Commission shall terminate.

37 Section 5.7. Members of the Commission shall be paid per diem,
38 subsistence, and travel allowances as follows:

39 (1) Commission members who are also members of the General
40 Assembly, at the rate established in G.S. 120-3.1;

41 (2) Commission members who are officials or employees of the State
42 or local government agencies, at the rate established in G.S. 138-6;

43 (3) All other Commission members, at the rate established in G.S.
44 138-5.

1 Section 5.8. All State departments and agencies, local boards of
2 elections, and local governments and their subdivisions shall cooperate with the
3 Commission and, upon request, shall furnish to the Commission and its staff any
4 information in their possession or available to them.

5 Section 5.9. From funds appropriated to the General Assembly, the
6 Legislative Services Commission may allocate funds for the expenses of the Election
7 Laws Revision Commission.

8

9 **PART VI.-----CHILDREN WITH SPECIAL NEEDS (H.B. 1435 - Boyd-McIntyre)**

10 Section 6.1. There is established the Study Commission on Children With
11 Special Needs. The Commission shall consist of 18 members, appointed as follows:

12 (1) Seven persons appointed by the Speaker of the House of
13 Representatives, four of whom shall be members of the House of
14 Representatives, and three of whom shall be public members, as
15 follows:

16 a. One member representing The ARC of North Carolina;
17 b. One member representing the Exceptional Children's
18 Assistance Center; and
19 c. One member representing Carolina Legal Assistance;

20 (2) Seven persons appointed by the President Pro Tempore of the
21 Senate, four of whom shall be members of the Senate, and three of
22 whom shall be public members, as follows:

23 a. One member representing The Education and Law Project;
24 b. One member representing The Children's Law Center of
25 Charlotte; and
26 c. One member representing Covenant with North Carolina's
27 Children;

28 (3) Four persons appointed by the Governor, as follows:

29 a. One of whom is a parent of a special needs child;
30 b. One of whom is a public school teacher;
31 c. One of whom is a member of the general public; and
32 d. One of whom represents the Governor's Advocacy Council
33 for Persons with Disabilities.

34 Each appointing authority shall assure insofar as possible that its
35 appointees to the Commission reflect the composition of the North Carolina
36 population with regard to ethnic, racial, age, gender, and religious composition.

37 Section 6.2. The Commission shall study issues related to meeting the
38 educational needs of children with special needs, and in particular to study the
39 alternative funding methods and the effects of the current twelve and one-half
40 percent (12.5%) cap on funding for the education of children with special needs.

41 Section 6.3. The Commission may make an interim report to the 1999
42 General Assembly, Regular Session 2000, upon its convening, and shall make its final
43 report to the 2001 General Assembly upon its convening, and to the Governor.

1 Upon submitting its final report, the Commission shall expire. An interim report to
2 the 2000 General Assembly may recommend proposed legislation.

3 Section 6.4. Upon approval of the Legislative Services Commission, the
4 Legislative Services Officer shall assign appropriate professional staff from the
5 Legislative Services Office of the General Assembly to assist with the study. The
6 House of Representatives' and the Senate's Supervisors of Clerks shall assign clerical
7 staff to the Commission, upon the direction of the Legislative Services Commission.
8 The Commission may meet in the Legislative Building or the Legislative Office
9 Building upon the approval of the Legislative Services Commission.

10 Section 6.5. The Speaker of the House of Representatives and the
11 President Pro Tempore of the Senate shall each designate a cochair of the
12 Commission. The Commission shall meet upon the call of the cochairs. A quorum
13 of the Commission is 10 members. While in the discharge of its official duties, the
14 Commission has the powers of a joint committee under G.S. 120-19 and G.S. 120-
15 19.1. Members of the Commission shall receive per diem, subsistence, and travel
16 allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

17 Section 6.6. From funds appropriated to the General Assembly, the
18 Legislative Services Commission may allocate funds for the expenses of the Study
19 Commission on Children With Special Needs.

20

21 **PART VII.-----TRANSPORTATION STUDIES**

22 Section 7.1. The Joint Legislative Transportation Oversight Committee
23 shall study nonbetterment utility relocation costs (H.B. 789 - Goodwin) and shall
24 report its findings and recommendations to the 2000 Regular Session of the 1999
25 General Assembly or the 2001 General Assembly.

26

27 **PART VIII.-----LEGISLATIVE STUDY COMMISSION ON MENTAL HEALTH, 28 DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES**

29 Section 8.1. The Implementation Advisory Committee that was created by
30 the Legislative Study Commission on Mental Health, Developmental Disabilities, and
31 Substance Abuse Services may continue its work with the Developmental Disabilities
32 Section of the Division of Mental Health, Developmental Disabilities, and Substance
33 Abuse Services, Department of Health and Human Services, to update strategies of
34 the Mental Health Study Commission's Developmental Disabilities Plan. The
35 Implementation Advisory Committee may make its final report to the Legislative
36 Study Commission on Mental Health, Developmental Disabilities, and Substance
37 Abuse Services on or before July 1, 2000, and upon making its final report shall
38 terminate unless extended by the Legislative Study Commission on Mental Health,
39 Developmental Disabilities, and Substance Abuse Services (H.J.R. 627 - Alexander).

40 Section 8.2. The Legislative Study Commission on Mental Health,
41 Developmental Disabilities, and Substance Abuse Services shall study whether and
42 under what circumstances certain persons committed involuntarily to State
43 psychiatric hospitals should be released under specific conditions. In conducting the
44 study, the Commission shall consider the following:

- 1 (1) The target population for whom conditional release may be
2 appropriate and necessary to protect public safety and enhance
3 patient stability.
- 4 (2) The estimated number of persons who could qualify for
5 conditional release.
- 6 (3) Criteria for conditional release that are clearly and narrowly
7 defined to ensure that conditional release will apply only to the
8 target population and will not be susceptible to being applied in an
9 overinclusive manner.
- 10 (4) Costs of implementing conditional release, including the need for
11 such additional resources at the area mental health authority level
12 as medication, transportation, case management, and administrative
13 start-up costs.
- 14 (5) The role, duties, and responsibilities of area mental health
15 authorities, 24-hour facilities, courts, and law enforcement
16 agencies. These roles, duties, and responsibilities should be
17 sufficiently and clearly defined to ensure both efficient
18 coordination and communication among these entities and
19 continuity of care for respondents on conditional release.
- 20 (6) The qualifications necessary for personnel monitoring and
21 supervising conditional release and providing treatment to
22 respondents on conditional release.
- 23 (7) The mental health system issues and patient disabilities that
24 currently contribute to patient noncompliance with recommended
25 treatment, and treatment approaches and systems designs that
26 would enhance patient compliance, mental health, and quality of
27 life.
- 28 (8) Any other issues the Commission deems appropriate for the study.
29 The Commission shall report its findings and recommendations under this
30 Part to the 1999 General Assembly, Regular Session 2000, not later than one week
31 prior to its convening. The Commission's report may include recommended
32 legislation for consideration by the 1999 General Assembly, Regular Session 2000
33 (H.B. 298 - Hackney).

34
35 **PART IX.-----FUTURE OF ELECTRIC SERVICE FUNDING CONTINUATION (H.B.**
36 **777 - McComas; S.B. 266 - Hoyle)**

37 Section 9.1. Section 10.1 of S.L. 1997-483 reads as rewritten:

38 "Section 10.1. Notwithstanding G.S. 62-302(d), all expenses during the ~~1997-98~~
39 ~~and the 1998-99~~ 1997-98, 1998-99, and 1999-2000 fiscal years of the Study
40 Commission on the Future of Electric Service in North Carolina, established in S.L.
41 1997-40, shall be reimbursed from funds in the Utilities Commission and Public Staff
42 Fund. There is allocated initially one hundred thousand dollars (\$100,000) from the
43 Utilities Commission and Public Staff Fund to the General Assembly for the purpose
44 of enabling the Study Commission on the Future of Electric Service in North

1 Carolina to organize and begin its work. Upon the certification of the need for
2 additional funds by the cochairs of the Study Commission on the Future of Electric
3 Service in North Carolina for the work of the Commission, the Utilities Commission
4 shall transfer the additional funds from the Utilities Commission and Public Staff
5 Fund to the General Assembly for that purpose."

6 Section 9.2. This Part is effective retroactively to June 30, 1999.

7

8 **PART X.-----DENR STUDY BURNING PERMITS (Thomas)**

9 Section 10.1. The Department of Environment and Natural Resources
10 shall review its current procedures concerning permits issued for open burning in or
11 near woodlands under the protection of the Department of Environment and Natural
12 Resources under Article 4C of Chapter 113 of the General Statutes when the burning
13 is to occur on five or more acres of land and shall determine whether more controls
14 are needed in order to protect the public or the environment, or both. The
15 Department shall report its findings and recommendations, including legislative
16 proposals, if any, to the Environmental Review Commission no later than May 15,
17 2000.

18

19 **PART XI.-----STUDY COMMISSION ON AGING/IMMUNIZATION OF NURSING
20 AND ADULT CARE HOME EMPLOYEES AND RESIDENTS (Insko)**

21 Section 11.1. The North Carolina Study Commission on Aging shall study
22 the issue of annual immunization of residents and employees of nursing homes, adult
23 care homes, and adult day care homes against influenza, and the immunization of
24 residents every five years against pneumococcal disease. In conducting the study, the
25 Commission shall consider the following:

- 26 (1) Requiring that facilities obtain the written, informed consent to
27 immunization by residents and employees.
28 (2) Providing for exemptions from immunization on the basis of
29 medical contraindication or religious belief.
30 (3) The dates by which annual immunizations should be administered.
31 (4) Methods for ensuring facility compliance with immunization
32 requirements, including documentation of immunizations
33 performed.
34 (5) Fiscal impact of providing immunizations.
35 (6) Any other matters the Commission deems relevant to the study.

36 The Commission shall report its findings and recommendations under this
37 Part, including recommended legislation, to the 1999 General Assembly, Regular
38 Session 2000, not later than May 1, 2000.

39

40 **PART XII.-----EDUCATION OVERSIGHT STUDIES**

41 Section 12.1. The Joint Legislative Education Oversight Committee shall
42 study the following issues. The Committee may report to the 2000 Regular Session of
43 the 1999 General Assembly or the 2001 General Assembly:

- 1 (1) Public schools' purchase of natural gas supplies in the competitive
- 2 market through the system of the local distribution company
- 3 serving the area in which the school is located (Allred and
- 4 Warner).
- 5 (2) High school graduation standards, including adequacy of course
- 6 requirements and related issues (H.B. 536 - Moore; S.B. 762 -
- 7 Carter).
- 8

9 **PART XIII.-----GENERAL STATUTES COMMISSION/UCC STUDY (H.J.R. 122 -**

10 **Culpepper; S.J.R. 162 - Hartsell)**

11 Section 13.1. The General Statutes Commission shall study Uniform

12 Commercial Code Revised Article 9 (Secured Transactions) and conforming

13 amendments to other sections of the General Statutes and report any recommended

14 legislation to the 1999 General Assembly, Regular Session 2000.

15

16 **PART XIV.-----JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND**

17 **AQUACULTURE/SEAFOOD LABELED AS TO ORIGIN (H.B. 953 - Smith)**

18 Section 14.1. The Joint Legislative Commission on Seafood and

19 Aquaculture shall study the desirability and feasibility of requiring seafood entering

20 the State to be labeled as to its state or country of origin. The Joint Legislative

21 Commission on Seafood and Aquaculture shall report its findings and

22 recommendations, if any, to the 2000 Regular Session of the 1999 General Assembly.

23

24 **PART XV.-----ENVIRONMENTAL REVIEW COMMISSION**

25 Section 15.1. The Environmental Review Commission shall study motor

26 vehicle emissions testing and maintenance requirements under Part III of Senate Bill

27 953 (1999 Regular Session) as they relate to individual counties and shall report its

28 findings and recommendations to the 2000 Regular Session of the 1999 General

29 Assembly (Gibson).

30

31 **PART XVI.-----BILL AND RESOLUTIONS REFERENCES**

32 Section 16.1. The listing of the original bill or resolution in this act is for

33 reference purposes only and shall not be deemed to have incorporated by reference

34 any of the substantive provisions contained in the original bill or resolution.

35

36 **PART XVII.-----EFFECTIVE DATE AND APPLICABILITY**

37 Section 17.1. Except as otherwise specifically provided, this act becomes

38 effective July 1, 1999. If a study is authorized both in this act and the Current

39 Operations Appropriations Act of 1999, the study shall be implemented in

40 accordance with the Current Operations Appropriations Act of 1999 as ratified.

#1

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 163

DATE 7/20/99

S. B. No. _____

Amendment No. _____

COMMITTEE SUBSTITUTE X

(to be filled in by
Principal Clerk)

Rep.)

Sen.)

RAND

1 moves to amend the bill on page 3, line 33

2 () WHICH CHANGES THE TITLE

3 by adding a new section:

4 m. Use of physical and mechanical
5 restraints in certain facilities (S.B.
6 1086 - Phillips)

7 _____

8 _____

9 _____

10 _____

11 _____

12 _____

13 _____

14 _____

15 _____

16 _____

17 _____

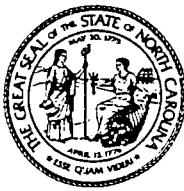
18 _____

19 _____

SIGNED

Tony Rand

ADOPTED _____ FAILED _____ TABLED _____



#2

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 163

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)
Page 1 of ____

H163-ARA-001

Date 7/20, 1999

Proposed Senate Comm. Sub. [YES]
Amends Title []

- 1 moves to amend the bill on page 2, line 40,
- 2 by substituting "boards" for "board"; and
- 3
- 4 on page 5, line 9, by substituting "settlements" for "settlement";
- 5 and
- 6
- 7 on page 13, line 14, by substituting "studies" for "study"; and
- 8
- 9 on page 16, line 25, by inserting a period "." after the word
- 10 "report" and deleting the rest of the sentence; and
- 11
- 12 on page 21, line 12, by deleting the phrase "in this act"; and
- 13
- 14 on page 22, line 41, by substituting "the" for "its".

SIGNED *Tom Bond*
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

113

EDITION No. _____

H. B. No. 163

DATE 7-20-99

S. B. No. _____

Amendment No. _____

(to be filled in by
Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.)

Sen.)

1 moves to amend the bill on page 5, line 16

2 () WHICH CHANGES THE TITLE

3 by adding a new line + section d. Establish
4 a moratorium on carrying out the death
5 penalty. (SB 1102 - Kinnaird)

6 _____

7 _____

8 _____

10 _____

11 _____

12 _____

13 _____

14 _____

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED

[Signature]

ADOPTED _____

FAILED _____

TABLED _____

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 163

DATE _____

S. B. No. _____

Amendment No. _____

(to be filled in by
Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) Ellie Kinnaird

Sen.)

1 moves to amend the bill on page 23, line 20

2 () WHICH CHANGES THE TITLE

3 by, Inserting the following between lines 20 and 21:

4 PARITY A --- HOME RULE

5 Section 21A.1. The Legislative Research
 6 Commission ~~shall~~ study the issue of ^{(c)k}
 7 ~~granting home rule~~ additional home rule
 8 powers ~~for~~ cities and counties. Home
 9 rule is the delegation of additional
 10 power to take additional actions without
 11 approval of the General Assembly by local act.
 12 The Commission shall study the ~~new~~ home
 13 rule granted by the Constitution or statutes
 14 of other states to ensure granting
 15 needed flexibility within a framework
 16 of safeguards and oversight.
 17 The Commission may report to the
 18 2007 General Assembly on the study
 19 authorized by this section."

SIGNED Ellie Kinnaird

#5
5

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NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. 163

DATE 7/20/99

S. B. No. _____

Amendment No. _____

(to be filled in by
Principal Clerk)

COMMITTEE SUBSTITUTE _____

Rep.) RAND
Sen.)

1 moves to amend the bill on page _____, line _____

2 () WHICH CHANGES THE TITLE

3 by amending page 21, line 40, by adding

4 the following:

5 section 19.1(e)

6 Nothing in this section shall

7 prohibit the Commissioner

8 from using funds appropriated

9 to the Department of Labor

10 for the 1999-2000 fiscal year

11 or for the 2000-2001 fiscal

12 year to comply with Federal

13 law, participate in legislative

14 study commissions, or

15 continue voluntary ergonomics

16 programs.

17 _____

18 ~~and by amending page 21, line 12 by~~

~~deleting the words "in this act".~~

SIGNED Tony Rand

COMMITTEE ON RULES AND OPERATIONS
OF THE SENATE

TUESDAY, JUNE 6, 2000

MINUTES

The Senate Committee on Rules and Operations of the Senate met at 3:00 p.m. on Tuesday, June 6, 2000 at Senator Rand's Desk in the Chamber. Ten members of the committee were present.

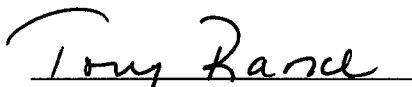
SJR 1495 – PROVIDING THAT THE 1999 GENERAL ASSEMBLY SHALL MEET FOR A DAY AT THE STATE CAPITOL IN HONOR OF THE STATE CAPITOL'S 160TH ANNIVERSARY.

Senator Rand presented a proposed Committee Substitute for SJR 1495.

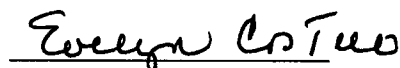
Senator Horton moved for an unfavorable report for Senate Joint Resolution 1495 and favorable as to the Committee Substitute for SJR 1495.

Senator Hoyle moved to adopt the Committee Substitute for SJR 1495 and the motion carried.

The Meeting adjourned at 3:15 p.m.



Senator Anthony E. Rand,
Chairman



Evelyn Costello,
Committee Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Rand, Chair**

Tuesday, June 06, 2000

SENATOR RAND,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO JOINT RESOLUTION, BUT FAVORABLE AS TO C.S. JOINT RESOLUTION

S.J.R. 1495 Honoring State Capitol's 160th Anniversary.
Draft Number: PCS3967
Sequential Referral: None
Recommended Referral: None
Long Title Amended: No

TOTAL REPORTED: 1

Committee Clerk Comment:

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE JOINT RESOLUTION 1495

Sponsors: Senator Rand.

Referred to: Rules and Operations of the Senate.

May 30, 2000

1 A JOINT RESOLUTION PROVIDING THAT THE 1999 GENERAL ASSEMBLY
2 SHALL MEET FOR A DAY AT THE STATE CAPITOL IN HONOR OF THE
3 STATE CAPITOL'S 160TH ANNIVERSARY.

4 Whereas, June 8, 2000, marks the 160th anniversary of the State Capitol;
5 and

6 Whereas, the General Assembly will hold session at the State Capitol on
7 that date to mark the occasion; Now, therefore,

8 Be it resolved by the Senate, the House of Representatives concurring:

9 Section 1. On Thursday, June 8, 2000, at 10:00 a.m., the Senate and the
10 House of Representatives shall meet at the State Capitol, in honor of the 160th
11 anniversary of the State Capitol.

12 Section 2. This resolution is effective upon ratification.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE JOINT RESOLUTION 1495
Proposed Committee Substitute S1495-PCS3967-LB

Sponsors:

Referred to:

May 30, 2000

1 A JOINT RESOLUTION PROVIDING THAT THE 1999 GENERAL ASSEMBLY
2 SHALL MEET FOR A DAY AT THE STATE CAPITOL IN HONOR OF THE
3 STATE CAPITOL'S 160TH ANNIVERSARY.

4 Whereas, June 8, 2000, marks the 160th anniversary of the State Capitol;
5 and

6 Whereas, the General Assembly will hold session at the State Capitol on
7 that date to mark the occasion; Now, therefore,

8 Be it resolved by the Senate, the House of Representatives concurring:

9 Section 1. On Thursday, June 8, 2000, at 10:00 a.m., the Senate and the
10 House of Representatives shall meet at the State Capitol in their respective chambers,
11 then shall meet in joint session in the House of Representatives in the State Capitol,
12 in honor of the 160th anniversary of the State Capitol.

13 Section 2. The Governor is invited to attend the joint session.

14 Section 3. This resolution is effective upon ratification.

COMMITTEE ON RULES AND OPERATIONS
OF THE SENATE

TUESDAY, JUNE 20, 2000

MINUTES

The Senate Committee on Rules and Operations of the Senate met during a recess at Senator Rand's Chamber Desk. Eleven members of the committee were present.

H.B. 1593 – EXTEND THE ELECTRIC SERVICE COMM.

Senator Hoyle explained that this bill was needed to extend the Study Commission on the Future of Electric Service in North Carolina to 2006. Senator Rucho moved for a favorable report for Committee Substitute for H.S. 1593 and the Committee Substitute was given a favorable report.

S.R. 1107 – HONOR 100TH ANNIVERSARY OF TOWN OF MT. GILEAD

A proposed Committee Substitute was offered by Senator Rucho for SR 1107 entitled **HONORING THE VETERANS OF THE KOREAN WAR ON THE 50TH ANNIVERSARY OF THE WAR.**

Senator Dalton moved to adopt the Committee Substitute for SR 1107. Senator Jordan moved to give the Committee Substitute a favorable report. This motion carried and the Committee Substitute for SR 1107 Honoring the Veterans of the Korean War on the 50th Anniversary of the War was adopted by the Committee.

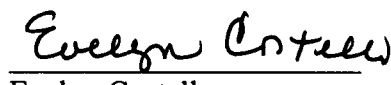
S.B. 1351 – 15TH SENATE DISTRICT LOCAL ACT

Senator Metcalf presented the Committee with a Senate Resolution Proposed Committee Substitute for S.B. 1351 entitled **RECOGNIZING BENSON'S EIGHTIETH ANNIVERSARY ANNUAL SINGING CONVENTION.** Senator Rucho moved for adoption of the proposed Senate Resolution Committee Substitute and the Committee gave the Committee Substitute Senate Resolution 1351 a favorable report.

The meeting adjourned at 3:10 p.m.



Sen. Anthony E. Rand,
Chairman



Evelyn Costello,
Committee Assistant

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 1593*

Short Title: Extend Electric Service Comm.

(Public)

Sponsors: Representatives Smith; McMahan and Mitchell.

Referred to: Rules, Calendar, and Operations of the House.

May 18, 2000

1 A BILL TO BE ENTITLED
2 AN ACT TO EXTEND THE STUDY COMMISSION ON THE FUTURE OF
3 ELECTRIC SERVICE IN NORTH CAROLINA.

4 The General Assembly of North Carolina enacts:

5 Section 1. Section 4 of S.L. 1997-40 reads as rewritten:

6 "Section 4. The Commission shall make a report to the 1998 Regular Session of
7 the 1997 General Assembly, which may contain recommendations, and shall report
8 the results of its study and its recommendations to the 1999 General Assembly. ~~The~~
9 ~~Commission shall terminate upon filing its final report.~~ The Commission shall report
10 periodically thereafter and shall terminate June 30, 2006."

11 Section 2. This act becomes effective May 1, 2000.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE RESOLUTION 1107
Proposed Committee Substitute S1107-PCS3972-LB1

Sponsors:

Referred to:

April 15, 1999

1 A SENATE RESOLUTION HONORING THE VETERANS OF THE KOREAN
2 WAR ON THE 50TH ANNIVERSARY OF THE WAR.

3 Whereas, on the morning of Sunday, June 25, 1950, North Korea attacked
4 South Korea; and

5 Whereas, although only five years had passed since World War II, the
6 United States determined that it was in our nation's interest and the interest of
7 freedom to defend South Korea from communist aggression; and

8 Whereas, the United Nations, composed of the United States and 21 other
9 countries, entered the conflict between North and South Korea, and over the next
10 three years sent armed forces and medical supplies to South Korea; and

11 Whereas, over 36,000 Americans gave their lives during the Korean War,
12 with over 33,000 killed in action; and

13 Whereas, of those killed, more than 780 were from North Carolina; and

14 Whereas, these courageous individuals protected the national security
15 interest of the United States and upheld the principles upon which this Great Nation
16 was founded; and

17 Whereas, in spite of the many sacrifices made by our nation and our men
18 and women in uniform, the Korean War is commonly referred to as the "Forgotten
19 War"; and

20 Whereas, June 25, 2000, marks the 50th anniversary of the Korean War;
21 and

22 Whereas, it is important to educate the public about the valiant role the
23 military played during the Korean War as well as the many contributions civilians
24 made during this time; and

1 Whereas, on the 50th anniversary of the Korean War, the Senate pauses
2 to recognize this time in our history and to acknowledge the service rendered by the
3 veterans of this war and their families; Now, therefore,

4 Be it resolved by the Senate:

5 Section 1. The Senate wishes to express its appreciation to the veterans
6 of the Korean War and their families for their sacrifices and remarkable contributions
7 to the people of the United States and the world, and in particular to the people of
8 North Carolina.

9 Section 2. The Senate wishes to honor the life and memory of those who
10 died while serving in the Korean War.

11 Section 3. The Senate urges all municipalities, counties, civic groups,
12 schools, and other organizations to show their gratitude to our Korean War veterans
13 by actively participating in community events commemorating the Korean War.

14 Section 4. This resolution is effective upon adoption.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE RESOLUTION 1351
Proposed Committee Substitute S1351-PCS7790-LB

Sponsors:

Referred to:

May 22, 2000

1 A BILL TO BE ENTITLED
2 A SENATE RESOLUTION RECOGNIZING BENSON'S EIGHTIETH
3 ANNIVERSARY ANNUAL SINGING CONVENTION.

4 Whereas, the State Annual Singing Convention is held the fourth
5 weekend in June each year; and

6 Whereas, the founders of the "State Annual Singing Convention", Simon
7 P. Honeycutt, J.B. Raynor, J.H. Rose, J.V. Barefoot, and T.C. Miller, along with other
8 interested people, did inaugurate the first of these sessions to be held annually in the
9 Town of Benson; and

10 Whereas, church choirs and other groups from that time have come to
11 sing the songs of their faith in the "Singing Grove", for the most part, on East Main
12 Street each year since its beginning in 1921; and

13 Whereas, memorial services held each year on Sunday bring these folks,
14 and others who have continued their efforts, to mind; and

15 Whereas, the efforts to produce and promote this event by many
16 interested people over the years have made and kept it an important part to the
17 community's life; and

18 Whereas, the "Sing" has and continues to provide an atmosphere for
19 Christian fellowship, inspiration, and good, clean, wholesome family fun, and
20 entertainment; and

21 Whereas, the North Carolina Senate recognizes the importance of the
22 event to the singers and groups who have come from across North Carolina and
23 surrounding states to give the real life to the "Sing"; and

24 Whereas, thankfully, each generation has furnished folks who have taken
25 the task in hand to continue this part of Benson's and North Carolina's heritage; and

1 Whereas, the echoes of the gospel songs and the applause of past
2 audiences will forever ring among the tops of the trees of the Grove; and

3 Whereas, considerable investments have been made by the citizens and
4 business community of the Town of Benson in the acquisition of the "Grove"
5 property and the construction of the present and former facilities; and

6 Whereas, all who now are connected with the event recognize the
7 generosity of and give thanks to the early A.M. and Katherine Denning families who
8 for years donated the "Grove" for the use of the "Sing"; and

9 Whereas, the North Carolina Senate recognizes the wisdom of the
10 founders in establishing the "Sing", the efforts of the Town of Benson, its employees
11 and its citizens, Mayor Don H. Johnson, the Town Council, and the directors and
12 officers of the "Sing" and appreciate their support, dedication, and assistance; and

13 Whereas, the "Sing" is now recognized across the State and nation as a
14 place where Southern Gospel Music prevails at its best; and

15 Whereas, the Public Broadcasting Service (PBS) has selected the State
16 Annual Singing Convention for the production of a two-hour documentary; and

17 Whereas, the 80th anniversary of the State Annual Singing Convention is
18 to be held June 23-25, 2000; Now, therefore,

19 Be it resolved by the Senate:

20 Section 1. The Senate commends and applauds the Sing Directors and
21 Committees and joins with them in inviting all to attend, as singers or audience, the
22 80th anniversary of the State Annual Singing Convention in the Town of Benson to
23 celebrate the rich heritage and tradition of this significant occasion and event.

24 Section 2. This resolution is to be made a part of the official records of
25 the North Carolina Senate and a copy of it to be furnished to the Town of Benson,
26 the 80th State Annual Singing Convention Committee, and its president, Bobby
27 Johnson.

28 Section 3. This resolution is effective upon adoption.

COMMITTEE ON RULES AND OPERATIONS
OF THE SENATE

WEDNESDAY, JUNE 21, 2000

MINUTES

The Senate Committee on Rules and Operations met during a recess of the Senate at Senator Rand's Chamber Desk. Fourteen members of the committee were present.

S.B. 1489 – SENATORIAL DISTRICT 28

A proposed Senate Resolution was presented to the committee entitled **A SENATE RESOLUTION HONORING THE LIFE AND MEMORY OF JAMES MCCLURE CLARKE, FORMER MEMBER OF THE GENERAL ASSEMBLY AND CONGRESS.**

Senator Hoyle moved for adoption of the Senate Resolution for S.B. 1489 and Senator Horton moved for a favorable report of the above resolution. The motion was unanimously passed and the proposed Senate Resolution was given a favorable report.

S.B. 1496 – STATE PROPERTY TRANSFER.

Senator Rand presented the committee with a proposed Committee Substitute introduced by Senator Metcalf – **AN ACT TO TRANSFER STATE PROPERTY IN BURKE COUNTY.**

Senator Albertson moved for adoption of the Committee Substitute and Senator Gulley moved for a favorable report of the Committee Substitute. This motion carried and the Committee Substitute was given a favorable report.

S. B. 1541 – DISPOSITION OF STATE PROPERTY

Senator Rand presented a proposed Committee Substitute for the above bill which **REALLOCATES STATE LAND IN WAKE COUNTY TO THE DEPARTMENT OF CULTURAL RESOURCES FOR THE NORTH CAROLINA MUSEUM OF ART.**

Senator Horton moved for adoption of the Proposed Committee Substitute for S.B. 1541. Senator Gulley moved for a favorable report for the Committee Substitute for S.B. 1541. The Committee unanimously gave the bill a favorable report.

The meeting adjourned at 3:10 p.m.



Senator Tony Rand, Chairman



Evelyn Costello, Committee Asst.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Tony Rand, Chair**

Wednesday, June 21, 2000

SENATOR RAND,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. SENATE RESOLUTION

S.B. 1489 Senatorial District 28.
 Draft Number: PCS7791
 Sequential Referral: None
 Recommended Referral: None
 Long Title Amended: Yes

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. BILL

S.B. 1496 State Property Transfer.
 Draft Number: PCS8665
 Sequential Referral: None
 Recommended Referral: None
 Long Title Amended: Yes

S.B. 1541 Disposition of State Property.
 Draft Number: PCS2851
 Sequential Referral: None
 Recommended Referral: None
 Long Title Amended: Yes

TOTAL REPORTED: 3

Committee Clerk Comment: SB 1489 changes from bill to Senate Resolution

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE RESOLUTION 1489
Proposed Committee Substitute S1489-PCS7791-LG1

Sponsors:

Referred to:

May 25, 2000

1 A SENATE RESOLUTION HONORING THE LIFE AND MEMORY OF JAMES
2 MCCLURE CLARKE, FORMER MEMBER OF THE GENERAL ASSEMBLY
3 AND CONGRESS.

4 Whereas, James McClure "Jamie" Clarke was born on June 12, 1917, in
5 Manchester, Vermont, to Dumont Clarke Sr. and Annie McClure Clarke; and

6 Whereas, Jamie Clarke moved to North Carolina in 1931; and

7 Whereas, Jamie Clarke graduated from The Asheville School for Boys in
8 1935 and from Princeton University in 1939; and

9 Whereas, Jamie Clarke served as an officer in the United States Naval
10 Reserves from 1942 to 1945, seeing action in the Pacific Theater; and

11 Whereas, Jamie Clarke married Elspeth McClure in 1945; and

12 Whereas, Jamie Clarke was the owner of Hickory Nut Gap Farm, in
13 Fairview, North Carolina, where he was a successful dairy farmer and orchard
14 grower; and

15 Whereas, Jamie Clarke served as Chair of the Buncombe County Board
16 of Education from 1969 to 1976; and

17 Whereas, Jamie Clarke served with honor and distinction as a member of
18 the North Carolina House of Representatives from 1977 to 1980 and as a member of
19 the North Carolina Senate from 1981 to 1982; and

20 Whereas, Jamie Clarke was elected to the United States House of
21 Representatives in 1982 and reelected in 1986 and 1988; and

22 Whereas, as a member of Congress, Jamie Clarke successfully introduced
23 legislation that set aside 68,000 acres of national forestland as part of the National
24 Wilderness Preservation System and protected Transylvania County's Horsepasture
25 River Gorge and Jackson County's Panthertown Valley; and

1 Whereas, Jamie Clarke served as Secretary and President of the Farmers
2 Federation Cooperative from 1946 to 1959; as Associate Editor of the Asheville
3 Citizens-Times from 1960 to 1968; as Assistant to the President of Warren Wilson
4 College from 1969 to 1981; and as Secretary and Trustee of the James G.K. McClure
5 Educational and Development Fund; and

6 Whereas, throughout his life, Jamie Clarke was active in many
7 organizations, serving as a trustee or board member of Warren Wilson College,
8 Coalition for the Blue Ridge Parkway, the North Carolina Environmental Defense
9 Fund, Western North Carolina Community Foundation, Council on Aging, North
10 Carolina Symphony, Thoms Rehabilitation Hospital, Southeastern Council of
11 Foundations, and Eckerd Wilderness Educational System; and

12 Whereas, Jamie Clarke also served as a member and former President of
13 the Asheville Civitan Club, former director of the Fairview Volunteer Fire
14 Department, trustee and vice-chair of the North Carolina School of the Arts, trustee
15 of Memorial Mission Hospital, trustee of the Semans Art Fund, and a former member
16 and elder of the Warren Wilson College Presbyterian Church; and

17 Whereas, Jamie Clarke was a loyal member of the Fairview Christian
18 Fellowship Presbyterian Church; and

19 Whereas, Jamie Clarke died on April 13, 1999; and

20 Whereas, Jamie Clarke is survived by his wife, Elspeth McClure Clarke;
21 two daughters, Susie Clarke Hamilton and Annie Clarke Ager; four sons, James G.K.
22 McClure Clarke, Dumont Clarke IV, William Clarke, and Douglas Dixon Clarke; a
23 number of grandchildren; one great-grandchild; and several other close relatives; and

24 Whereas, it is the desire of the Senate to acknowledge Jamie Clarke's
25 achievements and pay tribute to his life and service; Now, therefore,
26 Be it resolved by the Senate:

27 Section 1. The Senate expresses its deep appreciation for the life and
28 accomplishments of James McClure Clarke and for the great service he rendered to
29 the nation and the State of North Carolina.

30 Section 2. The Senate extends its sincere sympathy to the family and
31 friends of James McClure Clarke.

32 Section 3. The Principal Clerk shall transmit a certified copy of this
33 resolution to the family of James McClure Clarke.

34 Section 4. This resolution is effective upon adoption.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 1541

Short Title: Disposition of State Property.

(Public)

Sponsors: Senator Rand.

Referred to: Rules and Operations of the Senate.

May 30, 2000

- 1 A BILL TO BE ENTITLED
2 AN ACT RELATING TO THE DISPOSITION OF STATE PROPERTY.
3 The General Assembly of North Carolina enacts:
4 Section 1. This act relates to the disposition of State property.
5 Section 2. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

S

D

SENATE BILL 1496
Proposed Committee Substitute S1496-PCS8665-LB1

Short Title: State Property Transfer.

(Public)

Sponsors:

Referred to:

May 30, 2000

A BILL TO BE ENTITLED

1 AN ACT TO TRANSFER STATE PROPERTY IN BURKE COUNTY.

2 The General Assembly of North Carolina enacts:

3 Section 1. The Department of Administration is directed to transfer or
4 otherwise convey for no monetary consideration approximately 150 acres in Burke
5 County to Western Piedmont Community College property for an agricultural
6 campus. The property adjoins current County of Burke, Western Piedmont
7 Community College, North Carolina School for the Deaf, and Broughton Hospital
8 property. Of that land, not to exceed 12 acres may be made available by Western
9 Piedmont Community College to the County of Burke for the purpose of building the
10 Burke County Agriculture Extension Complex.

11 Section 2. This act is effective when it becomes law.
12

SENATE COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

MINUTES

JUNE 27, 2000

The Senate Committee on Rules and Operations met at 11:00 A.M. in Room 414 of the LOB Building. Ten members of the committee were present.

Senator Rand chaired the meeting. HB 1855 – State Health Plan Changes - was the major legislation on the committee's agenda.

Rep. Wright was called on to explain the bill. He stated that Senator Rand and he had worked on this bill during the interim and this bill at least gives clear direction to the Executive Administrator of the Plan to begin to work on curing the deficits in the plan. The Committee Substitute changes the plan for out-patient prescription benefits and also authorizes the plan to use case management and disease management programs and allows non-contributory health plan premiums for all retirees not just those employed prior to October 1, 1995.

Sam Byrd, Staff – Fiscal Research - was called upon to explain the bill. He stated that The State Insurance Indemnity Program is in dire straits financially, especially beginning with the 2001-2003 biennium. The bill before the committee will basically save \$30 million the first year beginning July 1, 2000 and the annualized savings would be about \$60/year plus thereafter depending upon the number of members in the plan. The last provision of the bill would basically repeal the 1995 action by the General Assembly so that all retirees regardless when they were hired would get non-contributory health benefit premiums: Five years at age 60 or 20 years at age 50.

Senator Rand called on Dr. Jack Walker, Director of the State Health Plan to explain the prescription drug part of the bill. Discussion followed whether to take "Life Style Drugs" out of the State Health Plan or limit Viagra to 4 pills a month. - \$500/calendar year maximum. The dollar volume on the rest of the "Life Style Drugs" are not very high – they are mainly cosmetic drugs.

Senator Rand stated the House Bill 1855 reduced the dispensing fee to pharmacists from \$6.00 to \$4.00.

Senator Gulley asked how this would affect small pharmacists in small towns?

Senator Rand answered that reducing the dispensing fee from \$6.00 to \$4.00 would save the State \$60 million on an annual basis the first year, and \$300 million the second year. In the long run we have a \$500 and \$600 million problem in the next biennium to a billion dollars.

Page 2.

Minutes – June 27, 2000

Senator Cooper stated that he felt with the State Health Plan being in the financial straits that we were sending the wrong signal for the plan to pay for “Life Style Drugs”.

Senator Gulley felt that it might not be wise to cut off these drugs altogether, but set strict prudent limits on the drugs and perhaps have the \$4.00 fee in place for a year and perhaps thereafter set an appropriate rate with oversight by the Health Care Oversight Committee which meets quarterly.

Rep. Wright: The \$4.00 - \$6.00 fee is already in statute. We just changed what was already in statute.

Senator Rand stated that we could put specific things into the bill or give the Plan the authority to set rates and policy in consultation with the Health Care Oversight Committee so that a bill does not need to be passed every time an adjustment to the State Health Plan is made. The committee needs to make these decisions and then a document can be drawn if we agree with the House Plan, if not we’ll make some addition thereto.

Senator Rand asked for public input. Mr. Mike James asked to appear. He represents the NC Mutual Drugs and is a pharmacist. He stated that he was a little concerned that once a program was turned over to a Pharmacy Benefit Manager, the Legislature, even though they have oversight over the plan, would not wind up being the body that sets the guidelines for the Plan. It will be the PBM that sets the guidelines. The State Health Plan consists of 100,000 retirees. Some of these retirees are in small towns. The small town pharmacies are very affected by decreasing the fee from \$6.00 to \$4.00. Let the Legislature set the guidelines and then let someone administer those guidelines. The Plan could use a drug utilization review program so that abuses of the program would be caught.

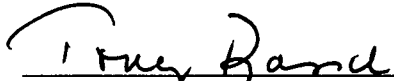
Senator Gulley stated the he favored directing the Plan to come up with the limitations to the Plan.

Senator Rucho moved that we give the Plan Administrator the responsibility to set the limitations on the drug policy.

Senator Cooper asked whether we would give the Plan any guidance as to what kind of limitations?

Mr. Walker stated that the Plan would come back to the Health Care Oversight Committee and present our guidelines and present the information that supports the guidelines. It wouldn’t just be a unilateral decision on the Plan’s part. It is reviewed quarterly.

Senator Rand stated that a Committee Substitute might be prepared to cover the issues that have been discussed by the committee. Staff will put something out by the close of day for the committee to comment on and then meet again Thursday morning. The meeting adjourned at 12:10 p.m., June 27, 2000.



Senator Tony Rand, Chair



Evelyn Costello, Committee Asst.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

2

HOUSE BILL 1855
Committee Substitute Favorable 6/20/00

Short Title: State Health Plan Changes.

(Public)

Sponsors:

Referred to:

May 30, 2000

1 A BILL TO BE ENTITLED
2 AN ACT PERTAINING TO PRESCRIPTION DRUG, RETIREE PREMIUMS, AND
3 CHRONIC CONDITION CLAIM COSTS UNDER THE TEACHERS' AND
4 STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.
5 The General Assembly of North Carolina enacts:
6 Section 1. G.S. 135-40.5(g) reads as rewritten:
7 "(g) Prescription Drugs. – The Plan's allowable charges for prescription legend
8 drugs to be used outside of a hospital or skilled nursing facility are ninety percent
9 (90%) of the average wholesale ~~price.~~ price for branded prescriptions and forty
10 percent (40%) of the average wholesale price for generic prescriptions. A dispensing
11 fee of ~~six dollars (\$6.00)~~ four dollars (\$4.00) per prescription shall also be an
12 allowable charge for qualified providers. The Plan will pay allowable charges for each
13 outpatient prescription drug less a copayment to be paid by each covered individual
14 equal to the following amounts: pharmacy charges up to ten dollars (\$10.00) for each
15 generic prescription, fifteen dollars (\$15.00) for each branded prescription, and
16 twenty dollars (\$20.00) for each branded prescription with a generic equivalent ~~drug-~~
17 drug, and twenty-five dollars (\$25.00) for each branded or generic prescription not on
18 a formulary used by the Plan. Allowable charges shall not be greater than a
19 pharmacy's usual and customary charge to the general public for a particular
20 prescription. Prescriptions shall be for no more than a 34-day supply for the purposes
21 of the copayments paid by each covered individual. By accepting the copayments and
22 any remaining allowable charges provided by this subsection, pharmacies shall not
23 balance bill an individual covered by the Plan. A prescription legend drug is defined

1 as an article the label of which, under the Federal Food, Drug, and Cosmetic Act, is
2 required to bear the legend: 'Caution: Federal Law Prohibits Dispensing Without
3 Prescription.' Such articles may not be sold to or purchased by the public without a
4 prescription order. Benefits are provided for insulin even though a prescription is not
5 required.

6 The Plan may use a pharmacy benefit manager to help manage the Plan's
7 outpatient prescription drug coverage. Any formulary used by the manager shall be
8 an open formulary. A manager may implement dispensing limits, manufacturer
9 rebates, generic substitutions, concurrent reviews for compliance with appropriate
10 clinical protocols, cost-effective protocols, and contraindications, and prospective
11 reviews for drugs requiring prior approval. A manager shall be required to maintain
12 continuous and open communications with physicians, pharmacies, and members of
13 the Plan regarding the safest and most efficacious use of outpatient prescription
14 drugs."

15 Section 2. G.S. 135-39.4A(f) reads as rewritten:

16 "(f) The Executive Administrator may employ such clerical and professional staff,
17 and such other assistance as may be necessary to assist the Executive Administrator
18 and the Board of Trustees in carrying out their duties and responsibilities under this
19 Article. The Executive Administrator may also negotiate, renegotiate and execute
20 contracts with third parties in the performance of his duties and responsibilities under
21 this Article; provided any contract negotiations, renegotiations and execution with a
22 Claims Processor or with an optional prepaid hospital and medical benefit plan or
23 with a preferred provider of institutional or professional hospital and medical care or
24 with a pharmacy benefit manager shall be done only after consultation with the
25 Committee on Employee Hospital and Medical Benefits."

26 Section 3. Effective January 1, 2001, G.S. 135-39.5 is amended by adding
27 subdivisions to read:

28 "(24) Implementing and administering a case management and disease
29 management program.

30 (25) Implementing and administering a pharmacy benefit management
31 program through a third-party contract awarded after competitive
32 bid."

33 Section 4. Effective January 1, 2001, G.S. 135-40.6A(b) is amended by
34 adding a subdivision to read:

35 "(10) Outpatient prescription drugs requiring prospective review under
36 the Plan's pharmacy benefit management program."

37 Section 5. G.S. 135-40.7 is amended by adding a subdivision to read:

38 "(23) Charges disallowed by the Plan's pharmacy benefits manager."

39 Section 6.(a) G.S. 135-40.2(a) reads as rewritten:

0 "(a) The following persons are eligible for coverage under the Plan, on a
noncontributory basis, subject to the provisions of G.S. 135-40.3:

- (2) Retired teachers, State employees, members of the General
Assembly, and retired State law enforcement officers who retired

1 under the Law Enforcement Officers' Retirement System prior to
2 January 1, 1985. ~~For employees first hired on and after October~~
3 ~~1, 1995, and members of the General Assembly first taking office~~
4 ~~on and after October 1, 1995, future coverage as retired~~
5 ~~employees and retired members of the General Assembly is~~
6 ~~subject to a requirement that the future retiree have 20 or more~~
7 ~~years of retirement service credit in order to be covered by the~~
8 ~~provisions of this subdivision."~~
9 Section 6.(b) G.S. 135-40.2(a1) and G.S. 135-40.2(b)(11) are repealed.
10 Section 7. This act becomes effective August 1, 2000, unless otherwise
11 stated.

NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE ACTUARIAL NOTE

LL NUMBER: HB 1855 (Second Edition)

SHORT TITLE: State Health Plan Changes

SPONSOR(S): Rep. Wright

SYSTEM OR PROGRAM AFFECTED: Teachers' and State Employees' Comprehensive Major Medical Plan.

FUNDS AFFECTED: State General Fund, State Highway Fund, other State employer receipts, premium payments for dependents by active and retired teachers and State employees, and premium payments for coverages selected by eligible former teachers and State employees.

BILL SUMMARY: The Proposed House Committee Substitute for HB 1855 changes the Plan's outpatient prescription benefit, authorizes the Plan to use case management and disease management programs, and allows non-contributory health plan premiums for all retired employees not just those employed prior October 1, 1995. The proposed changes are listed below by section.

Section 1: Rewrites G.S. 135-40.5(g) to provide the following changes to the Plan's outpatient prescription benefit: reduce the Plan's reimbursement of allowable charges for generic prescription drugs to 40% of Average Wholesale Price (AWP) from the current reimbursement level of 90% of AWP; reduce the dispensing fee paid per prescription to qualified providers for branded and generic prescription drugs to \$4.00 per script from the current dispensing fee of \$6.00 per script; and, require that allowable charges from providers shall not be greater than a pharmacy's usual and customary charge to the general public for a particular prescription.

Effective January 1, 2001, the Plan is authorized by the legislation to use a pharmacy benefit manager to help manage the Plan's outpatient prescription drug coverage. Any formulary used by the pharmacy benefit manager for the purpose of manufacturer rebates or utilization controls shall be an open formulary. Also, a fourth tier copayment of \$25.00 is added for each branded or generic prescription drug not on a formulary used by the Plan.

A pharmacy benefit manager under contract with the Plan may implement dispensing limits, therapeutic and generic substitutions, concurrent reviews compliance with appropriate clinical protocols, cost effective protocols, contraindications, and prospective reviews for drugs requiring prior approval. A pharmacy benefit manager under contract with the Plan shall be required to maintain continuous and open communications with physicians, pharmacies, and members of the Plan regarding the safest and most efficacious use of outpatient prescription drugs.

Section 2: Rewrites G.S. 135-39.4A(f) to require the Plan's Executive Administrator to consult with the Committee on Employee Hospital and Medical Benefits before executing a contract with a pharmacy benefit manager.

Section 3: Amends G.S. 135-39.5 to authorize the Plan's Executive Administrator and Board of Trustees to implement and administer a case management program for high cost cases, a disease management program for chronic cases and a pharmacy benefit manager. The contract with the pharmacy benefit manager shall be executed only after competitive bid. This section goes into effect January 1, 2001.

Section 4: Amends G.S. 135-40.6A(b) to require prior approval for prescriptions requiring prospective review by the Plan's pharmacy benefit manager. This section goes into effect January 1, 2001.

Section 5: Amends G.S. 135-40.7 to provide an exclusion from pharmacy benefits for charges excluded by the Plan's pharmacy benefit manager.

Section 6: Rewrites G.S. 135-40.2(a) to provide for non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995.

EFFECTIVE DATE: The Act is effective August 1, 2000 unless otherwise stated.

ESTIMATED IMPACT ON STATE: Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates an overall reduction in claims costs to the Plan's indemnity program to be \$38.4 million for 2000-2001 and \$67.2 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$28.9 million for 2000-2001 and \$46.7 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$33.7 million for 2000-2001 and \$57.0 million for 2001-2002.

ASSUMPTIONS AND METHODOLOGY: The Comprehensive Major Medical Plan for Teachers and State Employees is divided into two programs. From October, 1982, through June, 1986, the Plan had only a self-funded indemnity type of program which covered all employees, retired employees, eligible dependents of employees and retired employees, and eligible former employees and their eligible dependents authorized to continue coverage past a termination of employment other than for retirement or disability purposes. A prepaid program of coverage by health maintenance organizations (HMOs) was offered July, 1986, as an alternative to the Plan's self-insured indemnity program. The benefits of the self-insured indemnity type of program are set out in Part 3 of Article 3 of Chapter 135 of the North Carolina General Statutes (i.e., \$250 annual deductible, 20% coinsurance up to \$1,000 annually, etc. paid by the program's members). HMOs are required to offer

benefits that are comparable to those provided by the self-insured indemnity program. Employer-paid non-contributory premiums are only authorized for the indemnity program's coverage for employees and retired employees. Whenever employees and office holders first employed or taking office on and after October 1, 1995 become eligible for health benefits as retired employees, the amount of premium paid by the State for individual coverage will be based upon the retiree's amount of retirement service credit at the time of retirement. Only retired employees with 20 or more years of service credit at retirement will be eligible for non-contributory health benefit premiums. Retirees with 10 or more years of service credit at retirement will be eligible for 50% partially contributory health benefit premiums. Retired employees with 5 or more year of service credit at retirement will be eligible to continue their health benefits on a fully contributory basis. All other types of premium in the indemnity program are fully contributory. Premiums paid by employers to HMOs are limited to like amounts paid to the indemnity program with employees and retired employees paying any HMO amounts above the indemnity program's non-contributory rates. Both types of coverage continue to be available in the Plan with nine HMOs currently covering about 25% of the Plan's total population in about 66 of the State's 100 counties. The Plan's employees and retired employees select the type of program that they wish for themselves and their dependents during the months of August and September of each year for coverage beginning in October. The demographics of the Plan as of December 31, 1999, include:

| | <u>Self-Insured Indemnity Program</u> | <u>Alternative HMOs</u> | <u>Plan Total</u> |
|--|---|-----------------------------|-----------------------|
| <u>Number of Participants</u> | | | |
| Active Employees | 203,482 | 70,681 | 274,163 |
| Active Employee Dependents | 110,453 | 44,369 | 154,822 |
| Retired Employees | 96,217 | 5,712 | 101,929 |
| Retired Employee Dependents | 16,374 | 1,165 | 17,539 |
| Former Employees & Dependents with Continued Coverage | 2,891 | 323 | 3,706 |
| Total Enrollments | 429,417 | 122,742 | 552,159 |
| <u>Number of Contracts</u> | | | |
| Employee Only | 230,456 | 54,059 | 284,515 |
| Employee & Child(ren) | 31,626 | 14,644 | 46,270 |
| Employee & Family | 39,670 | 8,182 | 47,852 |
| Total Contracts | 301,752 | 76,885 | 378,637 |
| <u>Percentage of Enrollment by Age</u> | | | |
| 29 & Under | 26.7% | 41.6% | 30.0% |
| 30-44 | 20.1 | 27.3 | 21.7 |
| 45-54 | 21.1 | 19.6 | 20.8 |
| 55-64 | 14.9 | 8.7 | 13.5 |
| 65 & Over | 17.2 | 2.7 | 14.0 |
| <u>Percentage of Enrollment by Sex</u> | | | |
| Female | 39.4% | 37.8% | 39.0% |
| Male | 60.6 | 62.2 | 61.0 |

Assumptions for the Self-Insured Indemnity Program: For the fiscal year beginning July 1, 1999, the self-insured program started its operations with a beginning cash balance of \$234.1 million. Receipts for the year are estimated to be \$763 million from premium collections, \$15 million from investment earnings, and \$15 million in risk adjustment and administrative fees from HMOs, for a total of \$793 million in receipts for the year. Disbursements from the self-insured program are expected to be \$820 million in claim payments and \$24 million in administration and claims processing expenses for a total of \$844 million for the year beginning July 1, 1999. For the fiscal year beginning July 1, 2000, the self-insured indemnity program is expected to have an operating cash balance of over \$183 million with a net operating loss of approximately \$120 million for the 2000-2001 fiscal year. For the fiscal year beginning July 1, 2001, the self-insured indemnity program is expected to have an operating cash balance of only \$63 million. The self-insured indemnity program is consequently assumed to be unable to carry out its operations for the 2001-2003 biennium without increases in its current premium rates or a reduction in existing benefits or both. This assumption is further predicated upon the fact that the program's cost containment strategies (hospital DRG reimbursements, pre-admission hospital testing, pre-admission hospital inpatient certification with length-of-stay approval, hospital bill audits, required second surgical opinions, mental health case management, coordination of benefits with other payers, Medicare benefit "carve-outs", cost reduction contracts with participating physicians and other providers, prescription drug manufacturer rebates from voluntary formularies, and fraud detection) are maintained and improved where possible. Current non-contributory premium rates are \$143.10 monthly for employees whose primary payer of health benefits is Medicare and \$87.98 per month for employees whose primary payer of health benefits is not Medicare. Fully contributory premium amounts for employee and child(ren) contracts are \$89.06 monthly for children whose primary payer of health benefits is Medicare and \$117.16 monthly for other covered children, and \$213.60 per month for family contracts whose dependents have Medicare as the primary payer of health benefits and \$281.04 per month for other family contract dependents. Claim cost trends are expected to increase 13% plus annually. Total enrollment in the program is expected to increase about 3-4% annually over the next two years due to enrollment losses from alternative HMOs. The number of enrolled active employees is expected to show a 4-5% increase annually over the next two years, whereas the growth in the number of retired employees is assumed to be 4% per year. The program is expected to increase by 1-2% per year the number of active employee dependents and enrolled retiree dependents. Investment earnings are based upon a 5-6% monthly return on available cash balances. The self-insured indemnity program maintains a claim stabilization reserve for claim cost fluctuations equal to 7.5% of annual claim payments without reserving additional funds for incurred but unreported claims.

Assumptions for Indemnity Plan's Outpatient Prescription Drug Program:

There are two primary components to be implemented under the Plan's outpatient prescription drug program as proposed in the legislation: 1) A reduction in the rate of reimbursement for allowable charges for generic drugs, a reduced dispensing fee for brand and generic outpatient prescription drugs, and a \$25 copayment for non-formulary drugs; and 2) the

installation of a pharmacy benefit manager to administer outpatient pharmacy claims under an open formulary with drug utilization review.

The assumptions used to estimate the reduction in allowable charges for prescription drugs include: reducing the Plan's reimbursement of allowable charges for generic prescription drugs to 40% of AWP from the current reimbursement level of 90% of AWP; lowering the dispensing fee paid per prescription to qualified providers for branded and generic prescription drugs to \$4.00 per script from the current dispensing fee of \$6.00 per script; and, requiring that allowable charges from providers shall not be greater than a pharmacy's usual and customary charge to the general public for a particular prescription. In addition, upon implementation of a pharmacy benefit manager, it assumed that a mail order service will not be implemented by the Plan under its contract with a pharmacy benefit manager.

The assumptions used to estimate claims cost reductions from the implementation of drug utilization review by a pharmacy benefit manager under contract with the Plan are as follows per the Executive Administrator of the Plan: Limit coverage for erectile dysfunction drugs to one tablet or suppository or injection per week; require the dispensing of growth hormones to be subject to prior approval; eliminate coverage of weight loss drugs except for medical conditions involving morbid obesity subject to prior approval for medical necessity; and require infertility treatments to be subject to prior approval and disallow coverage of infertility treatments for artificial means of conception. In addition, the Plan may utilize the following claims management options provided by a pharmacy benefit manager: dispensing limits, therapeutic and generic substitutions, concurrent reviews for compliance with appropriate clinical protocols, cost effective protocols, contraindications, and prospective reviews for drugs requiring prior approval.

Reduction in Allowable Charges -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction in claims costs from reducing the rate of reimbursement for allowable charges for generic drugs, a reduced dispensing fee for brand and generic outpatient prescription drugs, and a \$25 copayment for non-formulary drugs to be \$31.5 million for 2000-2001 and \$46.7 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$23.5 million for 2000-2001 and \$31.3 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$27.5 million for 2000-2001 and \$39.0 million for 2001-2002.

Drug Utilization Review Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a net reduction in claims costs from reducing the rate of reimbursement for allowable charges for generic drugs and a reduced dispensing fee for brand and generic outpatient prescription drugs to be \$2.9 million for 2000-2001 and \$11.0 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research

Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$3.0 million for 2000-2001 and \$8.8 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$2.95 million for 2000-2001 and \$9.9 million for 2001-2002.

Increases in the indemnity program's per capita claim costs for outpatient prescription drugs have been 20.9% for 1998-99, 19.0% for 1997-98, 14.5% for 1996-97, 17.0% for 1995-96, 13.0% for 1994-95 and 13.0% for 1993-94.

Assumptions for Implementing Case Management and Disease Management Programs by the Indemnity Plan:

The Plan's Executive Administrator and Board of Trustees are authorized under the legislation to implement and administer a case management program for high cost cases, and a disease management program for chronic cases. Per the Executive Administrator of the Plan, it is assumed that case management and disease management will be implemented on a voluntary participation basis by Plan members.

Case Management and Disease Management Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction in claims costs to the Plan's indemnity program from case management and disease management programs to be \$4.0 million for 2000-2001 and \$9.5 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$2.5 million for 2000-2001 and \$6.6 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$3.25 million for 2000-2001 and \$8.1 million for 2001-2002.

Assumptions for Implementing Non-Contributory Retiree Health Premiums by the Indemnity Plan:

The legislation provides for non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995. No additional costs or savings were projected due to the elimination of contributory premium requirements for certain retirees. The financial impact of this change is assumed to be negligible.

SOURCES OF DATA:

-Actuarial Note, Hartman & Associates, Proposed Committee Substitute for House Bill 1855, June 16, ~~1999~~ 2000, original of which is on file in the General Assembly's Fiscal Research Division.

-Actuarial Note, Aon Consulting, Proposed Committee Substitute for House Bill 1855, June 16, 2000, original of which is on file with the Comprehensive Major Medical Plan for Teachers and State Employees and the General Assembly's Fiscal Research Division.

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION -- 733-4910

PREPARED BY: Mark Trogdon *MT*

APPROVED BY: James D. Johnson *J.D.J.*

DATE: June 19, 2000

HARTMAN & ASSOCIATES, LLC

ACTUARIAL CONSULTING

MARK V. HARTMAN, FSA, MAAA, MCA, EA

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668 Link Road
Lexington, NC 27295

June 16, 2000

Mr. Sam Byrd
Fiscal Research Division
North Carolina General Assembly
300 N. Salisbury Street
Raleigh, NC 27603-5925

Re: Proposed Committee Substitute to House Bill 1855: An Act
Pertaining to Prescription Drug, Retiree Premiums, and Chronic
Condition Claim Costs under the Teachers' and State Employees'
Comprehensive Major Medical Plan

Dear Mr. Byrd:

This proposed committee substitute modifies various provisions in
the Teachers' and State Employees' Comprehensive Major Medical Plan.
These include:

- i. G.S. 135-40.5(g) is rewritten to modify the allowable charges for outpatient prescription legend drugs. The current allowable charges are 90% of the average wholesale price (AWP) plus a dispensing fee of \$6.00. This would be modified to 40% of AWP for generic drugs and 90% of AWP for brand drugs, plus a dispensing fee of \$4.00 per prescription. Allowable charges are further limited to the pharmacy's usual and customary charge to the general public for a particular prescription.
- ii. G.S. 135-40.5(g) is modified to introduces a \$25.00 copayment for prescriptions not on a formulary used by the plan. Currently, the member pays a copayment of \$10.00 for each generic drug, \$15.00 for each branded drug, and \$20.00 for each branded drug for which there is a generic equivalent.
- iii. New subdivisions are added to G.S. 135-39.5 to authorize the implementation of a case management and disease management program and to implement a pharmacy benefit manager (PBM) through a third party contract.
- iv. A new subdivision is added to G.S. 135-40.6A(b) covering outpatient prescription drugs requiring prospective review under the PBM program. This would subject such prescriptions to prior approval procedures.

- v. G.S. 135-40.2 is amended to eliminate contribution requirements for certain retired employees to be covered under the plan. Currently, employees hired on or after October 1, 1995 and members of the General Assembly first taking office on and after October 1, 1995 may be required to contribute towards the cost of coverage when they retire. Such future retired members are eligible for coverage under the plan on a fully contributory if they have less than 10 years of retirement service credit, a 50% contributory if they have 10 but less than 20 years of retirement service credit, or a noncontributory basis if they have at least 20 years of retirement service credit. This provision would eliminate the service and contribution requirements, allowing all retirees to be eligible on a noncontributory basis.

The provisions listed as items iii and iv, above, are effective January 1, 2001. All other provisions are effective August 1, 2000.

Cost savings were projected in three separate categories. The first component is savings due to a decrease in the plan's cost for prescription drugs. This results from both the reduction in the dispensing fee and the greater discount from AWP for generic drugs, plus the increased copayment for prescriptions not in a plan formulary.

Savings are additionally projected from Drug Utilization Review (DUR) implemented by a PBM. Various parameters for a DUR system are indicated, including an open formulary, concurrent and prospective reviews, generic substitutions, and certain protocols. Cost savings have been projected using comparable industry standards.

Cost savings are also projected for the case management and disease management provision. Projected savings are based on industry standards for such programs applied to high cost cases in the Comprehensive Major Medical Plan. Data was obtained for costly hospital admissions, and a distribution of claims by size was analyzed to identify cases with charges over \$50,000. Projected savings were based on these distributions.

The estimated savings resulting from implementation of these provisions are shown below for the next two fiscal years. No costs or savings were projected for the elimination of contributory requirements for certain future retirees. The financial impact of this provision is expected to be negligible.

| <u>Component</u> | <u>Estimated Savings</u> <u>for the Fiscal Year Beginning</u> | |
|----------------------------|--|---------------------|
| | <u>July 1, 2000</u> | <u>July 1, 2001</u> |
| Allowable Charge Reduction | \$23,451,540 | \$31,273,956 |
| DUR Implementation | 2,985,324 | 8,787,210 |
| Case & Disease management | <u>2,448,099</u> | <u>6,600,783</u> |
| Total | \$28,884,963 | \$46,661,949 |

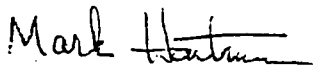
Mr. Sam Byrd
PCS HB1855
June 16, 2000

Page 3

These estimates are based on analysis of prescription drug claims and total claims for the State Employees' Health Benefits Plan for the past five years. The reduction in allowable charges is projected from August 1, 2000, while savings from implementation of a DUR system and case management are projected from January 1, 2001. A one month claim payment lag was incorporated. The projections include annual drug price inflation of approximately 8% and utilization increases of 11.0% for brand drugs and 5.4% for generic drugs. Non-drug claim costs were projected to increase at a 10.0% annual trend.

If you have any questions, let me know.

Sincerely,



Mark V. Hartman, FSA, MAAA, MCA, EA
Consulting Actuary

MVH/mt

**NORTH CAROLINA TEACHERS' &
STATE EMPLOYEES' COMPREHENSIVE
MAJOR MEDICAL PLAN**

• • •

**House Bill 1855
(Proposed Committee Substitute H1855-CS-01)**

**Add Outpatient Prescription Drug PBM, Disease and Case
Management Programs and Retiree Premiums**

Prepared by:

Aon Consulting
One Piedmont Center
3565 Piedmont Road, N.E.
Atlanta, Georgia 30363

June 2000

ADD OUTPATIENT PRESCRIPTION DRUG PBM, DISEASE AND CASE MANAGEMENT PROGRAMS AND RETIREE PREMIUMS

PLAN CHANGES

The Plan current covers outpatient prescription drugs at an allowable charge of 90% of the Average Wholesale Price (AWP) plus a \$6 dispensing fee. The Plan will pay allowable charges less a copayment to be paid by each member equal to the following amounts: \$10 for generics, \$15 for brand-name prescriptions, and \$20 for brand names when a generic equivalent is available. By accepting the copayments and any remaining allowable charges provided by this subsection, pharmacies shall not balance bill a member covered by the Plan.

The proposed legislation amends Section 1. G.S. 135-40.5(g) to make the plan allowable equal to 90% of AWP for branded prescriptions and 40% of AWP for generic prescriptions. The legislation also reduces the dispensing fee to \$4 per prescription from \$6.

A provision is added to contract with a pharmacy benefit manager (PBM). The PBM will be allowed to use a formulary and all non-formulary drugs will be subject to a \$25 copay. The maximum copay is limited to usual and reasonable charges since many generic drugs will be less than \$25. The PBM will also have drug utilization review to help manage the program's costs.

In addition, the proposed legislation allows for "implementing and administering a case management and disease management program."

The amendment also requires implementing a drug utilization review program that has physician and patient education and plan participant initiatives as a minimum.

The final provision is to eliminate the service related contribution for all retirees first hired on or after October 1, 1995.

The act is effective August 1, 2000.

PROJECTED COST IMPACT

| Plan Design Change | % Savings | | | Based on: Midpoint Increase (in '000's) | | |
|---|-------------|-------------|-------------|--|------------------|-----------------|
| | Low | Mid | High | First Year Cost | Second Year Cost | Third Year Cost |
| Implementing PBM Pricing | 3.8% | 4.0% | 4.2% | \$31,502 | \$46,679 | \$53,944 |
| Disease Management | 0.0% | 0.1% | 0.3% | \$503 | \$1,182 | \$1,323 |
| Case Management | 0.4% | 0.7% | 1.0% | \$3,524 | \$8,271 | \$9,263 |
| Drug Utilization Review | 0.7% | 1.0% | 1.3% | \$2,865 | \$11,044 | \$19,293 |
| Eliminate Service-Based Retiree Premium | 0.0% | 0.0% | 0.0% | \$0 | \$0 | \$0 |
| Total | 4.9% | 5.8% | 6.8% | \$38,394 | \$67,176 | \$83,823 |

Based on projected claims of \$1,006,964,999, \$1,181,523,674 and \$1,323,306,515 for the 2001, 2002 and 2003 fiscal years respectively. First year cost assumes an implementation date of January 1, 2001 and a claims payment lag of 3-months for disease and case management, and August 1, 2000 and a claims payment lag of 1-month for prescription drugs.

PRICING APPROACH AND COMMENTS

- A prescription drug report was received by the Claims Processing Contractor (CPC) detailing the program expenditures over the last 4 fiscal years. The report summarized prescription drug utilization for brand, generic and brand name drugs with a generic equivalent. From the information, Aon was able to develop average allowable cost per script by prescription type and apply the PBM pricing structure and dispensing fees. The allowable charge less the member copayments represents the cost to the Plan.
- In the baseline scenario, Aon has assumed that the number of scripts per member will increase 10% per year and the average price per script will increase 7% per year. Membership is level until October 1, 2000, where the elimination of 5 HMO options will return 48,484 plan members into the program. The increased membership is factored into the projected costs.
- Current pricing for prescription drugs is 90% of AWP plus a \$6 pharmacy dispensing fee. Under the proposed legislation, the dispensing fee was reduced to \$4 and the generic % of AWP was reduced to 40%. It was assumed that the percentage of brand on formulary would be 85% in the expected scenario. The high and low scenarios used 80% and 90% respectively. Due to the variability in formularies, Aon assumed the price structure for the non-formulary brand to be equivalent to the current brand pricing structure.
- 29% of the cost savings are attributed to the \$2 reduction in the dispensing fees. 13% of the savings is due to the additional copayment under the non-formulary drugs. The remaining savings (58%) are due to the revised pricing for generics, AWP-60%. The plan has already achieved the 10% discount for brands, but the discount of AWP for generic would be modified.
- Drug Utilization Review (DUR) typically will produce additional cost savings ranging from 3% to 5% of expected prescription drug costs, depending on the number of years since implementation. Aon assumed a first-year impact of 3.5%, with an additional 2% per year thereafter. This results in a mature second year reduction of 5.43% and a third year reduction of 7.32%. This is the reduction currently expected by many PBMs. Again, savings will vary depending on the scope (e.g., physician profiling, therapeutic intervention, etc.) of drug utilization review programs implemented.
- Adding a prescription drug based case management and disease management program may also produce some additional cost savings. Typically, it takes a few years before investment in these programs produce results. For this reason, the initial savings is minimal but savings may increase over time as individuals are targeted for case management and/or disease management. We have estimated initial savings ranging from .2% to .4% for year one. Estimated savings are projected to increase in subsequent years from a low estimate of .4%, to .8% for a mid-estimate, to 1.3% for a high estimate over the three-year period. Savings will vary based on the scope and effectiveness of the disease management programs offered.

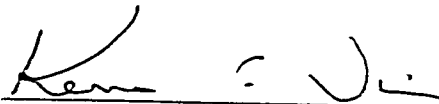
- The current provisions have a service related contribution that will impact future retirees only. There are currently no eligible retirees who are impacted by the proposed legislation.

ACTUARIAL STATEMENT

The State of North Carolina Teachers' and State Employees' Comprehensive Major Medical Plan (Plan) has requested that Aon Consulting prepare an Actuarial Note in response to House Bill 1855 (as amended) entitled "An Act pertaining to prescription drug, retiree premiums, and chronic condition claim costs under the Teachers' and State Employees' Comprehensive Major Medical Plan."

The Actuarial Note was prepared according to generally accepted actuarial principles and practices, in compliance with General Statute 120-114. As required by statute, the Note includes an explanatory statement of the proposed change(s) and, to the extent possible, an estimate of the financial and actuarial effect of the proposed change(s) on the Plan. The Actuarial Note makes no comment or opinion with regard to the merits of the measure for which the Note is prepared; however, any identified technical or mechanical defects have been noted.

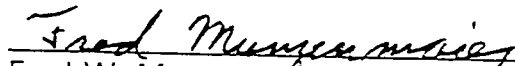
We have reviewed the input and results of our analysis for reasonableness, and relied upon the data and information provided by the Plan and their Claims Processing Contractor.



Kenneth C. Vieira, F.S.A., M.A.A.A., E.A.
Senior Vice President

6/19/00
Date

Professional Peer Review by:



Fred W. Munzenmaier, F.S.A., M.A.A.A., E.A.
Senior Vice President

6/19/00
Date

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE ACTUARIAL NOTE**

BILL NUMBER: HB 1855-Proposed Senate Committee Substitute (PCS6314)

SHORT TITLE: State Health Plan Changes

SPONSOR(S): Senator Tony Rand

SYSTEM OR PROGRAM AFFECTED: Teachers' and State Employees' Comprehensive Major Medical Plan.

FUNDS AFFECTED: State General Fund, State Highway Fund, other State employer receipts, premium payments for dependents by active and retired teachers and State employees, and premium payments for coverages selected by eligible former teachers and State employees.

BILL SUMMARY: The Proposed Senate Committee Substitute for HB 1855 changes the Plan's outpatient prescription drug benefit, authorizes the Plan to use case management and disease management programs, and allows non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995. The proposed changes are listed below by section.

Section 1: Rewrites G.S. 135-40.5(g) to strike current law that defines the Plan's allowable charges for prescription drugs and the accompanying dispensing fee paid to pharmacy providers, and adds language to allow the Plan's Executive Administrator and Board of Trustees to determine allowable charges and dispensing fees, except for the provision that allowable charges shall not be greater than a pharmacy's usual and customary charge to the general public for a particular prescription. The Plan is also authorized by the proposed legislation to use a pharmacy benefit manager to help manage the Plan's outpatient prescription drug coverage. Also, a fourth tier copayment of \$25.00 is added for each branded or generic prescription drug not on a formulary used by the Plan.

Section 2: Rewrites G.S. 135-39.4A(f) to require the Plan's Executive Administrator to consult with the Committee on Employee Hospital and Medical Benefits before executing a contract with a pharmacy benefit manager.

Section 3: Amends G.S. 135-39.5 to authorize the Plan's Executive Administrator and Board of Trustees to implement and administer a case management program for high cost cases, a disease management program for chronic cases and a pharmacy benefit management program through a third-party contract.

Section 4: Amends G.S. 135-40.6A(b) to require prior approval for prescriptions requiring prospective review by the Plan's pharmacy benefit manager.

Section 5: Amends G.S. 135-40.7 to provide an exclusion from pharmacy benefits for charges excluded by the Plan's pharmacy benefit manager.

Section 6: Rewrites G.S. 135-40.2(a) to provide for non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995.

EFFECTIVE DATE: The act is effective when it becomes law.

ESTIMATED IMPACT ON STATE: Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical Plan, the consulting actuary for the Plan, Aon Consulting, estimates an overall reduction in claims costs to the Plan's indemnity program to be \$39.8 million for 2000-2001 and \$82.3 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$29.4 million for 2000-2001 and \$52.6 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$34.6 million for 2000-2001 and \$67.5 million for 2001-2002.

ASSUMPTIONS AND METHODOLOGY: The Comprehensive Major Medical Plan for Teachers and State Employees is divided into two programs. From October, 1982, through June, 1986, the Plan had only a self-funded indemnity type of program which covered all employees, retired employees, eligible dependents of employees and retired employees, and eligible former employees and their eligible dependents authorized to continue coverage past a termination of employment other than for retirement or disability purposes. A prepaid program of coverage by health maintenance organizations (HMOs) was offered in July, 1986, as an alternative to the Plan's self-insured indemnity program. The benefits of the self-insured indemnity type of program are spelled out in Part 3 of Article 3 of Chapter 135 of the North Carolina General Statutes (i.e., \$250 annual deductible, 20% coinsurance up to \$1,000 annually, etc. paid by the program's members). HMOs are required to offer benefits that are comparable to those provided by the self-insured indemnity program. Employer-paid non-contributory premiums are only authorized for the indemnity program's coverage for employees and retired employees. Whenever employees and office holders first employed or taking office on and after October 1, 1995 become eligible for health benefits as retired employees, the amount of premium paid by the State for individual coverage will be based upon the retiree's amount of retirement service credit at the time of retirement. Only retired employees with 20 or more years of service credit at retirement will be eligible for non-contributory health benefit premiums. Retirees with 10 or more years of service credit at retirement will be eligible for 50% partially contributory health benefit premiums. Retired employees with 5 or more year of service credit at retirement will be eligible to continue their health benefits on a fully contributory basis. All other types of premium in the indemnity program are fully contributory. Premiums paid by employers to HMOs are limited to like amounts paid to the indemnity program with employees and retired employees paying any HMO amounts above the indemnity program's non-contributory rates. Both types of coverage continue to be available in the Plan with nine HMOs currently covering about 25% of the Plan's total population in about 66 of the State's 100 counties. The Plan's employees and retired employees select the type of program that they wish for themselves and their dependents during the months

of August and September of each year for coverage beginning in October. The demographics of the Plan as of December 31, 1999, include:

| | <u>Self-Insured Indemnity Program</u> | <u>Alternative HMOs</u> | <u>Plan Total</u> |
|--|---|-----------------------------|-----------------------|
| <u>Number of Participants</u> | | | |
| Active Employees | 203,482 | 70,681 | 274,163 |
| Active Employee Dependents | 110,453 | 44,369 | 154,822 |
| Retired Employees | 96,217 | 5,712 | 101,929 |
| Retired Employee Dependents | 16,374 | 1,165 | 17,539 |
| Former Employees & Dependents with Continued Coverage | 2,891 | 323 | 3,706 |
| Total Enrollments | 429,417 | 122,742 | 552,159 |
| <u>Number of Contracts</u> | | | |
| Employee Only | 230,456 | 54,059 | 284,515 |
| Employee & Child(ren) | 31,626 | 14,644 | 46,270 |
| Employee & Family | 39,670 | 8,182 | 47,852 |
| Total Contracts | 301,752 | 76,885 | 378,637 |
| <u>Percentage of Enrollment by Age</u> | | | |
| 29 & Under | 26.7% | 41.6% | 30.0% |
| 30-44 | 20.1 | 27.3 | 21.7 |
| 45-54 | 21.1 | 19.6 | 20.8 |
| 55-64 | 14.9 | 8.7 | 13.5 |
| 65 & Over | 17.2 | 2.7 | 14.0 |
| <u>Percentage of Enrollment by Sex</u> | | | |
| Male | 39.4% | 37.8% | 39.0% |
| Female | 60.6 | 62.2 | 61.0 |

Assumptions for the Self-Insured Indemnity Program: For the fiscal year beginning July 1, 1999, the self-insured program started its operations with a beginning cash balance of \$234.1 million. Receipts for the year are estimated to be \$763 million from premium collections, \$15 million from investment earnings, and \$15 million in risk adjustment and administrative fees from HMOs, for a total of \$793 million in receipts for the year. Disbursements from the self-insured program are expected to be \$820 million in claim payments and \$24 million in administration and claims processing expenses for a total of \$844 million for the year beginning July 1, 1999. For the fiscal year beginning July 1, 2000, the self-insured indemnity program is expected to have an operating cash balance of over \$183 million with a net operating loss of approximately \$120 million for the 2000-2001 fiscal year. For the fiscal year beginning July 1, 2001, the self-insured indemnity program is expected to have an operating cash balance of only \$63 million. The self-insured indemnity program is consequently assumed to be able to carry out its operations for the 2001-2003 biennium without increases in its current premium rates or a reduction in existing benefits or both. This assumption is further predicated upon the fact that the

program's cost containment strategies (hospital DRG reimbursements, pre-admission hospital testing, pre-admission hospital inpatient certification with length-of-stay approval, hospital bill audits, required second surgical opinions, mental health case management, coordination of benefits with other payers, Medicare benefit "carve-outs", cost reduction contracts with participating physicians and other providers, prescription drug manufacturer rebates from voluntary formularies, and fraud detection) are maintained and improved where possible. Current non-contributory premium rates are \$143.10 monthly for employees whose primary payer of health benefits is Medicare and \$187.98 per month for employees whose primary payer of health benefits is not Medicare. Fully contributory premium amounts for employee and child(ren) contracts are \$89.06 monthly for children whose primary payer of health benefits is Medicare and \$117.16 monthly for other covered children, and \$213.60 per month for family contracts whose dependents have Medicare as the primary payer of health benefits and \$281.04 per month for other family contract dependents. Claim cost trends are expected to increase 13% plus annually. Total enrollment in the program is expected to increase about 3-4% annually over the next two years due to enrollment losses from alternative HMOs. The number of enrolled active employees is expected to show a 4-5% increase annually over the next two years, whereas the growth in the number of retired employees is assumed to be 4% per year. The program is expected to increase by 1-2% per year the number of active employee dependents and enrolled retiree dependents. Investment earnings are based upon a 5-6% monthly return on available cash balances. The self-insured indemnity program maintains a claim stabilization reserve for claim cost fluctuations equal to 7.5% of annual claim payments without reserving additional funds for incurred but unreported claims.

Assumptions for Indemnity Plan's Outpatient Prescription Drug Program:

Since the bill allows the Plan's Executive Administrator and the Board of Trustees to determine allowable charges for prescription drugs and accompanying dispensing fees, claims savings estimates were based on assumptions provided by the Plan's Executive Administrator who would negotiate the terms of reimbursement with the pharmacy benefit manager. The following specific assumptions provided by the Plan's Executive Administrator were used in determining claims savings: an implementation date of October 1, 2000; the contract will be let with an existing pharmacy benefit manager under contract with the Plan's current claims processing contractor; the pharmacy network will be an "off-the-shelf" network already offered by the pharmacy benefit manager; the allowable charges for brand drugs will be reduced to 87% of Average Wholesale Price (AWP) from the current 90% of AWP; the allowable charges for generic drugs will be changed to Maximum Allowable Charge (MAC) pricing from the current 90% of AWP; the dispensing fee for brand drugs will be reduced to \$2.00 per script from the current \$6.00 per script; the dispensing fee for generic drugs will be reduced to \$2.50 per script from the current \$6.00 dispensing fee per script.

Reduction in Allowable Charges -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction in claims costs from reducing the rate of reimbursement for allowable charges for brand and generic drugs and a reduced dispensing fee for brand and generic outpatient

prescription drugs to be \$33.5 million for 2000-2001 and \$61.3 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$22.3 million for 2000-2001 and \$37.4 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$27.9 million for 2000-2001 and \$49.4 million for 2001-2002.

The assumptions used to estimate claims cost reductions from the implementation of drug utilization review by a pharmacy benefit manager under contract with the Plan are as follows per the Executive Administrator of the Plan: Limit coverage for erectile dysfunction drugs to one tablet or suppository or injection per week; require the dispensing of growth hormones to be subject to prior approval; eliminate coverage of weight loss drugs except for medical conditions involving morbid obesity subject to prior approval for medical necessity; and require infertility treatments to be subject to prior approval and disallow coverage of infertility treatments for artificial means of conception. In addition, the Plan may utilize the following claims management options provided by a pharmacy benefit manager: dispensing limits, therapeutic and generic substitutions, concurrent reviews for compliance with appropriate clinical protocols, cost effective protocols, contraindications, and prospective reviews for drugs requiring prior approval.

Drug Utilization Review Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a net reduction in claims costs from implementing drug utilization review to be \$4.3 million for 2000-2001 and \$11.6 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$4.6 million for 2000-2001 and \$8.5 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$4.5 million for 2000-2001 and \$10.0 million for 2001-2002.

Increases in the indemnity program's per capita claim costs for outpatient prescription drugs have been 20.9% for 1998-99, 19.0% for 1997-98, 14.5% for 1996-97, 17.0% for 1995-96, 13.0% for 1994-95 and 13.0% for 1993-94.

Assumptions for Implementing Case Management and Disease Management Programs by the Indemnity Plan:

The Plan's Executive Administrator and Board of Trustees are authorized under the legislation to implement and administer a case management program for high cost cases, and a disease management program for chronic cases. Per the Executive Administrator of the Plan, it is assumed that case management and disease management will be implemented on a voluntary participation basis by Plan members.

Case Management and Disease Management Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction

in claims costs to the Plan's indemnity program from case management and disease management programs to be \$2.0 million for 2000-2001 and \$9.5 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$2.5 million for 2000-2001 and \$6.6 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$2.3 million for 2000-2001 and \$8.0 million for 2001-2002.

Assumptions for Implementing Non-Contributory Retiree Health Premiums by the Indemnity Plan:

The legislation provides for non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995. No additional costs or savings were projected due to the elimination of contributory premium requirements for certain retirees. The financial impact of this change is assumed to be negligible.

SOURCES OF DATA:

-Actuarial Note, Hartman & Associates, Proposed Senate Committee Substitute for House Bill 1855, June 28, 2000, original of which is on file in the General Assembly's Fiscal Research Division.

-Actuarial Note, Aon Consulting, Proposed Senate Committee Substitute for House Bill 1855, June 28, 2000, original of which is on file with the Comprehensive Major Medical Plan for Teachers and State Employees and the General Assembly's Fiscal Research Division.

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION -- 733-4910

PREPARED BY: Mark Trogon

APPROVED BY: James D. Johnson

DATE: June 28, 2000

HARTMAN & ASSOCIATES, LLC

ACTUARIAL CONSULTING

MARK V. HARTMAN, FSA, MAAA, MCA, EA

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Fax: (336) 731-2583

668 Link Road
Lexington, NC 27295

June 28, 2000

Mr. Mark Trogdon
Fiscal Research Division
North Carolina General Assembly
300 N. Salisbury Street
Raleigh, NC 27603-5925

Re: Proposed Senate Committee Substitute for House Bill 1855: An Act Pertaining to Prescription Drug, Retiree Premiums, and Chronic Condition Claim Costs under the Teachers' and State Employees' Comprehensive Major Medical Plan

Dear Mr. Trogdon:

This proposed Senate committee substitute to House Bill 1855 modifies various provisions in the Teachers' and State Employees' Comprehensive Major Medical Plan. These include:

- i. G.S. 135-40.5(g) is rewritten to modify the allowable charges for outpatient prescription legend drugs. The current allowable charges are 90% of the average wholesale price (AWP) plus a dispensing fee of \$6.00. These stated amounts would be removed, and allowable charges would be determined by the Plan's Executive Administrator and Board of Trustees. Allowable charges are further limited to the pharmacy's usual and customary charge to the general public for a particular prescription.
- ii. G.S. 135-40.5(g) is modified to introduce a \$25.00 copayment for prescriptions not on a formulary used by the plan. Currently, the member pays a copayment of \$10.00 for each generic drug, \$15.00 for each branded drug, and \$20.00 for each branded drug for which there is a generic equivalent.
- iii. New subdivisions are added to G.S. 135-39.5 to authorize the implementation of a case management and disease management program and to implement a pharmacy benefit management (PBM) program through a third party contract.
- iv. A new subdivision is added to G.S. 135 40.6A(b) covering outpatient prescription drugs requiring prospective review under the PBM program. This would subject such prescriptions to prior approval procedures.

- v. G.S. 135-40.2 is amended to eliminate contribution requirements for certain retired employees to be covered under the plan. Currently, employees hired on or after October 1, 1995 and members of the General Assembly first taking office on and after October 1, 1995 may be required to contribute towards the cost of coverage when they retire. Such future retired members are eligible for coverage under the plan on a fully contributory if they have less than 10 years of retirement service credit, a 50% contributory if they have 10 but less than 20 years of retirement service credit, or a noncontributory basis if they have at least 20 years of retirement service credit. This provision would eliminate the service and contribution requirements, allowing all retirees to be eligible on a noncontributory basis.

This act is effective when it becomes law.

Cost savings were projected in three separate categories. The first component is savings due to an expected decrease in the plan's cost for prescription drugs resulting from both a reduction in the dispensing fee and lower ingredient costs. The Plan's Executive Administrator has indicated expected dispensing fees would be \$2.00 for brand drugs and \$2.50 for generic drugs, and expected ingredient costs are equivalent to 60% of AWP for generic drugs and 87% of AWP for brand drugs.

Savings are additionally projected from a Drug Utilization Review (DUR) program implemented by a PBM. The plan has indicated various parameters for a DUR program. The DUR system would be a concurrent program performing real-time analysis prior to dispensing prescription drugs. Prescriptions would be screened for various safety considerations or problems including interactions, dosage requirements, allergies, age, gender, and disease. Cost savings have been projected for such a DUR system using comparable industry standards.

Cost savings are also projected for the case management and disease management provision. Projected savings are based on industry standards for such programs applied to high cost cases in the Comprehensive Major Medical Plan. Data was obtained for costly hospital admissions, and a distribution of claims by size was analyzed to identify cases with charges over \$50,000. Projected savings were based on these distributions. The Plan's Executive Administrator has indicated that the scope of case and disease management are not complete, so full savings will not be immediately realized. Full savings are not expected to be realized until the third year following implementation.

The estimated savings resulting from implementation of these provisions are shown below for the next two fiscal years. No costs

Mr. Mark Trogdon
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or savings were projected for the elimination of contributory requirements for certain future retirees. The financial impact of this provision is expected to be negligible.

| <u>Component</u> | <u>Estimated Savings</u> <u>for the Fiscal Year Beginning</u> | |
|----------------------------|--|---------------------|
| | <u>July 1, 2000</u> | <u>July 1, 2001</u> |
| Allowable Charge Reduction | \$22,342,358 | \$37,410,868 |
| DUR Implementation | 4,633,273 | 8,541,734 |
| Case & Disease Management | <u>2,448,099</u> | <u>6,600,783</u> |
| Total | \$29,423,730 | \$52,553,385 |

These estimates are based on analysis of prescription drug claims and total claims for the State Employees' Health Benefits Plan for the past five years. Based on information provided by the plan, the allowable charge reduction and DUR implementation through a PBM is projected to be effective October 1, 2000, while implementation of case and disease management is projected to be effective January 1, 2001. A one month claim payment lag was incorporated. The projections include annual drug price inflation of approximately 8% and utilization increases of 11.0% for brand drugs and 5.4% for generic drugs. Non-drug claim costs were projected to increase at a 10.0% annual trend.

If you have any questions, let me know.

Sincerely,

Mark Hartman

Mark V. Hartman, FSA, MAAA, MCA, EA
Consulting Actuary

MVH/jj

**NORTH CAROLINA TEACHERS' &
STATE EMPLOYEES' COMPREHENSIVE
MAJOR MEDICAL PLAN**

• • •

House Bill 1855

(Proposed Committee Substitute H1855-PCS6314)

**Add Outpatient Prescription Drug PBM, Disease and Case
Management Programs and Retiree Premiums**

Prepared by:

**Aon Consulting
One Piedmont Center
3565 Piedmont Road, N.E.
Atlanta, Georgia 30363**

June 2000

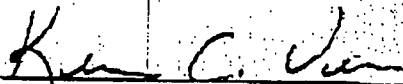
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ACTUARIAL STATEMENT

The State of North Carolina Teachers' and State Employees' Comprehensive Major Medical Plan (Plan) has requested that Aon Consulting prepare an Actuarial Note in response to Committee Substitute to House Bill 1855 (H1855-PCS6314) entitled "An Act pertaining to prescription drug, retiree premiums, and chronic condition claim costs under the Teachers' and State Employees' Comprehensive Major Medical Plan."

The Actuarial Note was prepared according to generally accepted actuarial principles and practices, in compliance with General Statute 120-114. As required by statute, the Note includes an explanatory statement of the proposed change(s) and, to the extent possible, an estimate of the financial and actuarial effect of the proposed change(s) on the Plan. The Actuarial Note makes no comment or opinion with regard to the merits of the measure for which the Note is prepared; however, any identified technical or mechanical defects have been noted.

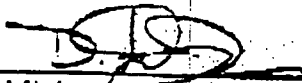
We have reviewed the input and results of our analysis for reasonableness, and relied upon the data and information provided by the Plan and their Claims Processing Contractor.



Kenneth C. Vieira, F.S.A., M.A.A.A., E.A.
Senior Vice President

6/28/00
Date

Professional Peer Review by:



D. Michael Jones, A.S.A., M.A.A.A., E.A.
Assistant Vice President

6/28/00
Date

Aon Consulting

ADD OUTPATIENT PRESCRIPTION DRUG PBM, DISEASE AND CASE MANAGEMENT PROGRAMS AND RETIREE PREMIUMS

PLAN CHANGES

The Plan current covers outpatient prescription drugs at an allowable charge of 90% of the Average Wholesale Price (AWP) plus a \$8 dispensing fee. The Plan will pay allowable charges less a copayment to be paid by each member equal to the following amounts: \$10 for generics, \$15 for brand-name prescriptions, and \$20 for brand names when a generic equivalent is available. By accepting the copayments and any remaining allowable charges provided by this subsection, pharmacies shall not balance bill a member covered by the Plan.

The proposed legislation amends Section 1. G.S. 135-40.6(g) to make the Plan's Executive Administrator and the Plan's Board of Trustees responsible for setting the Plan's allowable charges and dispensing fees.

A provision is added to allow the Plan to contract with a pharmacy benefit manager (PBM). The Plan will be allowed to implement a formulary and all non-formulary drugs will be subject to a \$25 copay. The maximum copay is limited to usual and reasonable charges since many generic drugs will be less than \$25. The Plan will also have the authority to start a drug utilization review program to help manage costs.

In addition, the proposed legislation allows for "implementing and administering a case management and disease management program."

The final provision is to eliminate the service related contribution for all retirees first hired on or after October 1, 1995.

The act is effective when it becomes law.

PROJECTED COST IMPACT

| | 4.0% | 5.2% | 5.5% | | | |
|---|-------------|-------------|-------------|-----------------|-----------------|------------------|
| Implementing PBM Pricing | | | | \$33,490 | \$61,282 | \$70,104 |
| Disease Management | 0.0% | 0.1% | 0.3% | \$252 | \$1,182 | \$1,323 |
| Case Management | 0.4% | 0.7% | 1.0% | \$1,762 | \$8,271 | \$9,263 |
| Drug Utilization Review | 0.7% | 1.0% | 1.3% | \$4,294 | \$11,582 | \$19,679 |
| Eliminate Service-Based Retiree Premium | 0.0% | 0.0% | 0.0% | \$0 | \$0 | \$0 |
| Total | 6.0% | 7.0% | 8.1% | \$39,798 | \$82,327 | \$100,359 |

Based on projected claims of \$1,006,964,999, \$1,181,523,674 and \$1,323,306,515 for the 2001, 2002 and 2003 fiscal years respectively. First year cost assumes an implementation date of January 1, 2001 and a claims payment lag of 3-months for disease and case management and October 1, 2000 and a claims payment lag of 1-month for prescription drugs.

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PRICING APPROACH AND COMMENTS

- A prescription drug report was received by the Claims Processing Contractor (CPC) detailing the program expenditures over the last 4 fiscal years. The report summarized prescription drug utilization for brand, generic and brand name drugs with a generic equivalent. From the information, Aon was able to develop average allowable cost per script by prescription type and apply the PBM pricing structure and dispensing fees. The allowable charge less the member copayments represents the cost to the Plan.
- In the baseline scenario, Aon has assumed that the number of scripts per member will increase 10% per year and the average price per script will increase 7% per year. Membership is level until October 1, 2000, where the elimination of 5 HMO options will return 48,484 plan members into the program. The increased membership is factored into the projected costs.
- Current pricing for prescription drugs is 90% of AWP plus a \$6 pharmacy dispensing fee. Under the proposed legislation, it is assumed that a pharmacy benefit manager with the ability to secure more competitive pricing will be retained. In our mid-point pricing analysis, we have assumed a \$2 dispensing fee and an allowable charge of AWP-13% for brand name drugs and a \$2.50 dispensing fee and an allowable charge equal to the greater of AWP-40% or the Maximum Allowable Charge for generic drugs.
- The net equivalent discount for all generics is contingent on the number of generic drugs impacted by MAC pricing. For example, approximately 59% of all generic drugs can be found on HCFA's MAC (the remaining 41% would be priced at AWP-40%). PBMs have indicated that HCFA's MAC typically results in pricing that ranges from AWP-50% to AWP-55%. For this reason, the low, mid and high estimates were projected assuming net equivalent generic discounts of AWP less 40%, 45% and 50% for generic drugs. The brand scenarios also used a variable discount that produced AWP less 12%, 13% and 14%. Due to the variability in formularies, Aon assumed the price structure for the non-formulary brand to be equivalent to the current brand pricing structure.
- 42% of the cost savings are attributed to the \$3.50 (generic) or \$4.00 (brand) reduction in the dispensing fees. 10% of the savings is due to the additional copayment under the non-formulary drugs. 17% of the savings is due to the revised pricing for brands and the remaining 31% is due to the revised pricing for generics.
- Drug Utilization Review (DUR) typically will produce additional cost savings ranging from 3% to 5% of expected prescription drug costs, depending on the number of years since implementation. Aon assumed a first-year impact of 3.5%, with an additional 2% per year thereafter. This results in a mature second year reduction of 5.43% and a third year reduction of 7.32%. This is the reduction currently expected by many PBMs. Again, savings will vary depending on the scope (e.g., physician profiling, therapeutic intervention, etc.) of drug utilization review programs implemented.

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- Adding a prescription drug based case management and disease management program may also produce some additional cost savings. Typically, it takes a few years before investment in these programs produces results. For this reason, the initial savings is minimal but savings may increase over time as individuals are targeted for case management and/or disease management. We have estimated initial savings ranging from .2% to .4% for year one. Estimated savings are projected to increase in subsequent years from a low estimate of .4%, to .8% for a mid-estimate, to 1.3% for a high estimate over the three-year period. Savings will vary based on the scope and effectiveness of the disease management programs offered.
- The current provisions have a service related contribution that will impact future retirees only. There are currently no eligible retirees who are impacted by the proposed legislation.

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VISITOR REGISTRATION SHEET

Rules and Operations of the Senate

June 27, 2000

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

| | |
|----------------------------|-------------------------------|
| Victoria Howell | PAC (Wayne County) |
| Linda Reissell | PAC (Wayne County) |
| Georgia Lewi | PAC Wayne County |
| Dorothy East | PAC Wayne County |
| James E Lewis | PAC - Wayne County |
| Johnny G. Lewis | PAC - Wayne County |
| Maria Suter | Garco Wellcom |
| Paul Smith | Paul Walker |
| Bugs Rowen | CVS |
| Hand Wynn | State Health Plan |
| Take Boston trees | UPCTU |

VISITOR REGISTRATION SHEET

Rules and Operations of the Senate
Name of Committee

June 27, 2000
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

| | |
|-----------------|--------------------------------------|
| Leigh Hammond | NC Retired Govt Emp. Assn. |
| AZ Adams | " " " " " |
| John Allen | AA Assoc |
| Tom Kilian | Morse & Van Allen |
| Frank Lewis | OSBM |
| Tim Bryan | Dept State Treasurer / Retirement |
| Dick Carlton | Merck & Co. |
| John Rainey | Payroll Spruill |
| Ruff Park | OSBM |
| Ludie Burden | Political Awareness PAC of Wayne Co. |
| Mildred M. Ross | Political Awareness PAC (Wayne Co) |

VISITOR REGISTRATION SHEET

Rules and Operations of the Senate
Name of Committee

June 27, 2000
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

| NAME | FIRM OR AGENCY AND ADDRESS |
|---------------------------|--------------------------------------|
| <i>Iris Ann Harris</i> | <i>L. A. Harris & Associates</i> |
| <i>Jack W Walker</i> | <i>State Health Plan</i> |
| <i>Dahlia Perkins</i> | <i>AOC</i> |
| <i>Harry J. Gale</i> | <i>Schenig</i> |
| <i>Gay Rollins</i> | <i>CVS</i> |
| <i>Jan K. ...</i> | <i>NCANA</i> |
| <i>Anne W. ...</i> | <i>NC-Now</i> |
| <i>Sandra ...</i> | <i>NC Equity</i> |
| <i>Margaret Westbrook</i> | <i>KCLH</i> |
| <i>A.C. ...</i> | <i>N.C. Retail Personnel</i> |
| <i>Bell ...</i> | <i>NEAF</i> |

VISITOR REGISTRATION SHEET

Rules and Operations of the Senate
Name of Committee

June 27, 2000
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

| NAME | FIRM OR AGENCY AND ADDRESS |
|-----------------|----------------------------|
| John Bowditch | Alley Associates |
| Jim Johnson | Eckerd Corp. |
| Maile Gregory | Kerr Drug |
| FRAN PRESTON | NEFMA |
| ANDY ELLIOT | " |
| ANN EDMONSTON | " |
| Mike James | W.C. Mutual Drug |
| Lori Ann Harris | L.A. Harris Assoc. |
| EVELYN TERRY | State Health Plan |
| Paul Seto | " " " |
| Valerie Kennel | Hoffman-La Roche |

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK.

NAME

FIRM OR AGENCY AND ADDRESS

Greg Roberts

NYTONG

Scott Mooneyhan

AP

John McMill

MF+S P.A.

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

MINUTES

June 29, 2000

The Senate Committee on Rules and Operations of the Senate met at 8:30 a.m. in Room 414 of the LOB Building. Fourteen members of the committee were present.

Senator Rand opened the meeting and introduced the pages.

Senator Rand stated that a proposed committee substitute has been provided to members of the committee on **HOUSE BILL 1855 – STATE HEALTH PLAN**

Senator Forrester moved for the adoption of the Committee Substitute. The motion carried unanimously.

Senator Rand asked Sam Byrd of Fiscal Research to explain the proposed Committee Substitute.

Sam Byrd stated that the Committee Substitute gives the Executive Administrator and Board of Trustees of the State Employees Health Benefit Plan the authority to determine pricing mechanisms for the Plan's payment of outpatient prescription drugs.

It also establishes a 4th co-payment to be paid by employees and plan members should they elect to have a prescription that is not on the Plans formulary. (List of approved drugs that the plan will pay for). The Plan will still pay for a drug that is not on the formulary but will impose a higher dispensing fee of \$25.00 as compared to the \$10.00, \$15.00 or \$20.00 that is outlined in the bill.

The Plan is authorized to hire a "Pharmacy Benefit Manager" under a third party contract. This Pharmacy Benefit Manager will review the claims as they are being processed by a pharmacy. He will detect any abuses that may be going on such as multiple prescriptions from multiple providers.

The Executive Administrator of the Plan has to come back to the Legislative Oversight Committee to get their advice and consultation before they enter into any contract with a Pharmacy Benefit Manager.

All retired state employees to receive non-contributory health benefit premiums at such time as when they retire.

Senator Rucho asked who would set the fees and monitor the Plan? Would there be any discussion between the pharmacy providers and Trustees regarding what might be a fair level of remuneration?

Senator Rand answered the Plan and the Trustees of the Plan with quarterly oversight by the Health Care Oversight Committee.

Senator Rand recognized Senator Cooper who sent forth an amendment. The amendment would amend the bill on Page 2, Line 6 by deleting coverage for erectile dysfunction, growth hormone, anti-wrinkle, weight loss, and hair growth drugs that are not medically necessary to health of plan member. Senator Cooper said it sends the wrong message to continue to cover these lifestyle drugs with the Health Plan being in such financial straits.

Senator Albertson asked who would make that determination?

Senator Rand: The physician.

Dr. Forrester asked how would it be determined if the lifestyle drugs were necessary for the health of the patient?

Dr. Jack Walker stated the Plan had not worked out the mechanics yet, but typically what they would do is set out the rules that say if certain conditions apply, the Plan will automatically approve the drug. Physicians will be told up front what are the requirements that have to be met rather than play guessing games.

Dr. Forrester stated that he felt it was important that the physician should be able to write a prescription if it is medically necessary and have the Plan honor that prescription.

Senator Rand asked Dr. Forrester what a physician has to do to find something is medically necessary? What sort of process would you go through in order to find that any of these things are medically necessary?

Senator Forrester: You have to know the patient, the psychiatric factors involved, depression problems and so forth. You have to look at the patient on an individual basis.

Senator Jordan expressed concern about the formulary.

Dr. Jack Walker stated that an open formulary was preferred for use by the Plan and use the dollar incentive to encourage people to use the formulary drug. Closing a formulary makes things tough for the administrator, the patient, and I am not certain it saves any money other than just create hassle factor.

Senator Jordan asked if more generic drugs would be used under this Plan?

Dr. Walker stated that the formulary won't cause any change. If you put about a \$10.00 differential between the generic price co-pay and the name brand – that will cause more use of generic drugs.

Senator Rand stated that this Committee Substitute puts the main part of the responsibility of the Health Plan on the Plan Administrator and the Trustees.

Senator Cooper moved for the adoption of the amendment (Page 2. Line 6 ends in coverage) “In managing the Plans outpatient prescription drug benefits, the plan and its Pharmacy Benefit Manager shall not provide coverage for erectile dysfunction, growth hormones, anti-wrinkle, weight loss and hair growth drugs unless such coverage is medically necessary to the health of the member.” The Committee unanimously adopted the amendment.

Senator Hoyle moved that the Committee Substitute be given a favorable report, as amended. The Committee unanimously adopted the motion.

Senator Rand stated that the amendment would be rolled into the Committee Substitute.

Rep. Wright stated that the bill before the Senate Committee was substantially different from the House version that was sent over so members may need to confer to reach a compromise.

The Committee adjourned at 9:40 a.m. on June 29, 2000.



Senator Tony Rand, Chairman



Evelyn Costello, Committee Asst.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Anthony E. Rand, Chair**

Thursday, June 29, 2000

SENATOR RAND,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 1,
BUT FAVORABLE AS TO SENATE COMMITTEE SUBSTITUTE BILL**

| | | |
|-----------------|---------------------------|---------|
| H.B.(CS #1)1855 | State Health Plan Changes | |
| | Draft Number: | PCS8214 |
| | Sequential Referral: | None |
| | Recommended Referral: | None |
| | Long Title Amended: | No |

TOTAL REPORTED:1

Committee Clerk Comment:

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

2

HOUSE BILL 1855
Committee Substitute Favorable 6/20/00

Short Title: State Health Plan Changes.

(Public)

Sponsors:

Referred to:

May 30, 2000

1 A BILL TO BE ENTITLED
2 AN ACT PERTAINING TO PRESCRIPTION DRUG, RETIREE PREMIUMS, AND
3 CHRONIC CONDITION CLAIM COSTS UNDER THE TEACHERS' AND
4 STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.
5 The General Assembly of North Carolina enacts:
6 Section 1. G.S. 135-40.5(g) reads as rewritten:
7 "(g) Prescription Drugs. -- The Plan's allowable charges for prescription legend
8 drugs to be used outside of a hospital or skilled nursing facility are ninety percent
9 (90%) of the average wholesale ~~price~~ price for branded prescriptions and forty
10 percent (40%) of the average wholesale price for generic prescriptions. A dispensing
11 fee of ~~six dollars (\$6.00)~~ four dollars (\$4.00) per prescription shall also be an
12 allowable charge for qualified providers. The Plan will pay allowable charges for each
13 outpatient prescription drug less a copayment to be paid by each covered individual
14 equal to the following amounts: pharmacy charges up to ten dollars (\$10.00) for each
15 generic prescription, fifteen dollars (\$15.00) for each branded prescription, and
16 twenty dollars (\$20.00) for each branded prescription with a generic equivalent ~~drug-~~
17 drug, and twenty-five dollars (\$25.00) for each branded or generic prescription not on
18 a formulary used by the Plan. Allowable charges shall not be greater than a
19 pharmacy's usual and customary charge to the general public for a particular
20 prescription. Prescriptions shall be for no more than a 34-day supply for the purposes
21 of the copayments paid by each covered individual. By accepting the copayments and
22 any remaining allowable charges provided by this subsection, pharmacies shall not
23 balance bill an individual covered by the Plan. A prescription legend drug is defined

1 as an article the label of which, under the Federal Food, Drug, and Cosmetic Act, is
2 required to bear the legend: 'Caution: Federal Law Prohibits Dispensing Without
3 Prescription.' Such articles may not be sold to or purchased by the public without a
4 prescription order. Benefits are provided for insulin even though a prescription is not
5 required.

6 The Plan may use a pharmacy benefit manager to help manage the Plan's
7 outpatient prescription drug coverage. Any formulary used by the manager shall be
8 an open formulary. A manager may implement dispensing limits, manufacturer
9 rebates, generic substitutions, concurrent reviews for compliance with appropriate
10 clinical protocols, cost-effective protocols, and contraindications, and prospective
11 reviews for drugs requiring prior approval. A manager shall be required to maintain
12 continuous and open communications with physicians, pharmacies, and members of
13 the Plan regarding the safest and most efficacious use of outpatient prescription
14 drugs."

15 Section 2. G.S. 135-39.4A(f) reads as rewritten:

16 "(f) The Executive Administrator may employ such clerical and professional staff,
17 and such other assistance as may be necessary to assist the Executive Administrator
18 and the Board of Trustees in carrying out their duties and responsibilities under this
19 Article. The Executive Administrator may also negotiate, renegotiate and execute
20 contracts with third parties in the performance of his duties and responsibilities under
21 this Article; provided any contract negotiations, renegotiations and execution with a
22 Claims Processor or with an optional prepaid hospital and medical benefit plan or
23 with a preferred provider of institutional or professional hospital and medical care or
24 with a pharmacy benefit manager shall be done only after consultation with the
25 Committee on Employee Hospital and Medical Benefits."

26 Section 3. Effective January 1, 2001, G.S. 135-39.5 is amended by adding
27 subdivisions to read:

28 "(24) Implementing and administering a case management and disease
29 management program.

30 (25) Implementing and administering a pharmacy benefit management
31 program through a third-party contract awarded after competitive
32 bid."

33 Section 4. Effective January 1, 2001, G.S. 135-40.6A(b) is amended by
34 adding a subdivision to read:

35 "(10) Outpatient prescription drugs requiring prospective review under
36 the Plan's pharmacy benefit management program."

37 Section 5. G.S. 135-40.7 is amended by adding a subdivision to read:

38 "(23) Charges disallowed by the Plan's pharmacy benefits manager."

39 Section 6.(a) G.S. 135-40.2(a) reads as rewritten:

40 "(a) The following persons are eligible for coverage under the Plan, on a
41 noncontributory basis, subject to the provisions of G.S. 135-40.3:

42 ...

43 (2) Retired teachers, State employees, members of the General
44 Assembly, and retired State law enforcement officers who retired

1 under the Law Enforcement Officers' Retirement System prior to
2 January 1, 1985. ~~For employees first hired on and after October~~
3 ~~1, 1995, and members of the General Assembly first taking office~~
4 ~~on and after October 1, 1995, future coverage as retired~~
5 ~~employees and retired members of the General Assembly is~~
6 ~~subject to a requirement that the future retiree have 20 or more~~
7 ~~years of retirement service credit in order to be covered by the~~
8 ~~provisions of this subdivision."~~
9 Section 6.(b) G.S. 135-40.2(a1) and G.S. 135-40.2(b)(11) are repealed.
10 Section 7. This act becomes effective August 1, 2000, unless otherwise
11 stated.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

D

HOUSE BILL 1855
Committee Substitute Favorable 6/20/00
Proposed Senate Committee Substitute H1855-PCS6314

Short Title: State Health Plan Changes.

(Public)

Sponsors:

Referred to:

May 30, 2000

1 A BILL TO BE ENTITLED

2 AN ACT PERTAINING TO PRESCRIPTION DRUG, RETIREE PREMIUMS, AND
3 CHRONIC CONDITION CLAIM COSTS UNDER THE TEACHERS' AND
4 STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 135-40.5(g) reads as rewritten:

7 "(g) Prescription Drugs. -- The Plan's allowable charges for prescription legend
8 drugs to be used outside of a hospital or skilled nursing facility are to be determined
9 by the Plan's Executive Administrator and Board of Trustees, ninety percent (90%)
10 of the average wholesale price. A dispensing fee of six dollars (\$6.00) per
11 prescription shall also be an allowable charge for qualified providers. The Plan will
12 pay allowable charges for each outpatient prescription drug less a copayment to be
13 paid by each covered individual equal to the following amounts: pharmacy charges
14 up to ten dollars (\$10.00) for each generic prescription, fifteen dollars (\$15.00) for
15 each branded prescription, and twenty dollars (\$20.00) for each branded prescription
16 with a generic equivalent ~~drug.~~ drug, and twenty-five dollars (\$25.00) for each
17 branded or generic prescription not on a formulary used by the Plan. Allowable
18 charges shall not be greater than a pharmacy's usual and customary charge to the
19 general public for a particular prescription. Prescriptions shall be for no more than a
20 34-day supply for the purposes of the copayments paid by each covered individual.
21 By accepting the copayments and any remaining allowable charges provided by this
22 subsection, pharmacies shall not balance bill an individual covered by the Plan. A

1 prescription legend drug is defined as an article the label of which, under the Federal
2 Food, Drug, and Cosmetic Act, is required to bear the legend: 'Caution: Federal Law
3 Prohibits Dispensing Without Prescription.' Such articles may not be sold to or
4 purchased by the public without a prescription order. Benefits are provided for
5 insulin even though a prescription is not required. The Plan may use a pharmacy
6 benefit manager to help manage the Plan's outpatient prescription drug coverage."

7 Section 2. G.S. 135-39.4A(f) reads as rewritten:

8 "(f) The Executive Administrator may employ such clerical and professional staff,
9 and such other assistance as may be necessary to assist the Executive Administrator
10 and the Board of Trustees in carrying out their duties and responsibilities under this
11 Article. The Executive Administrator may also negotiate, renegotiate and execute
12 contracts with third parties in the performance of his duties and responsibilities under
13 this Article; provided any contract negotiations, renegotiations and execution with a
14 Claims Processor or with an optional prepaid hospital and medical benefit plan or
15 with a preferred provider of institutional or professional hospital and medical care or
16 with a pharmacy benefit manager shall be done only after consultation with the
17 Committee on Employee Hospital and Medical Benefits."

18 Section 3. G.S. 135-39.5 is amended by adding subdivisions to read:

19 "(24) Implementing and administering a case management and disease
20 management program.

21 "(25) Implementing and administering a pharmacy benefit management
22 program through a third-party contract."

23 Section 4. G.S. 135-40.6A(b) is amended by adding a subdivision to read:

24 "(10) Outpatient prescription drugs requiring prospective review under
25 the Plan's pharmacy benefit management program."

26 Section 5. G.S. 135-40.7 is amended by adding a subdivision to read:

27 "(23) Charges disallowed by the Plan's pharmacy benefits manager."

28 Section 6.(a) G.S. 135-40.2(a) reads as rewritten:

29 "(a) The following persons are eligible for coverage under the Plan, on a
30 noncontributory basis, subject to the provisions of G.S. 135-40.3:

31 . . .
32 (2) Retired teachers, State employees, members of the General
33 Assembly, and retired State law enforcement officers who retired
34 under the Law Enforcement Officers' Retirement System prior to
35 January 1, 1985. ~~For employees first hired on and after October~~
36 ~~1, 1995, and members of the General Assembly first taking office~~
37 ~~on and after October 1, 1995, future coverage as retired~~
38 ~~employees and retired members of the General Assembly is~~
39 ~~subject to a requirement that the future retiree have 20 or more~~
40 ~~years of retirement service credit in order to be covered by the~~
41 ~~provisions of this subdivision."~~

42 Section 6.(b) G.S. 135-40.2(a1) and G.S. 135-40.2(b)(11) are repealed.

43 Section 7. This act is effective when it becomes law.

1 prescription legend drug is defined as an article the label of which, under the Federal
2 Food, Drug, and Cosmetic Act, is required to bear the legend: 'Caution: Federal Law
3 Prohibits Dispensing Without Prescription.' Such articles may not be sold to or
4 purchased by the public without a prescription order. Benefits are provided for
5 insulin even though a prescription is not required. The Plan may use a pharmacy
6 benefit manager to help manage the Plan's outpatient prescription drug coverage. In
7 managing the Plan's outpatient prescription drug benefits, the Plan and its pharmacy
8 benefit manager shall not provide coverage for erectile dysfunction, growth hormone,
9 antiwrinkle, weight loss, and hair growth drugs unless such coverage is medically
10 necessary to the health of the member."

11 Section 2. G.S. 135-39.4A(f) reads as rewritten:

12 "(f) The Executive Administrator may employ such clerical and professional staff,
13 and such other assistance as may be necessary to assist the Executive Administrator
14 and the Board of Trustees in carrying out their duties and responsibilities under this
15 Article. The Executive Administrator may also negotiate, renegotiate and execute
16 contracts with third parties in the performance of his duties and responsibilities under
17 this Article; provided any contract negotiations, renegotiations and execution with a
18 Claims Processor or with an optional prepaid hospital and medical benefit plan or
19 with a preferred provider of institutional or professional hospital and medical care or
20 with a pharmacy benefit manager shall be done only after consultation with the
21 Committee on Employee Hospital and Medical Benefits."

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23 "(24) Implementing and administering a case management and disease
24 management program.
25 (25) Implementing and administering a pharmacy benefit management
26 program through a third-party contract."

27 Section 4. G.S. 135-40.6A(b) is amended by adding a subdivision to read:

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29 the Plan's pharmacy benefit management program."

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34 noncontributory basis, subject to the provisions of G.S. 135-40.3:

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37 Assembly, and retired State law enforcement officers who retired
38 under the Law Enforcement Officers' Retirement System prior to
39 January 1, 1985. ~~For employees first hired on and after October~~
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41 ~~on and after October 1, 1995, future coverage as retired~~
42 ~~employees and retired members of the General Assembly is~~
43 ~~subject to a requirement that the future retiree have 20 or more~~

1 ~~years of retirement service credit in order to be covered by the~~
2 ~~provisions of this subdivision."~~
3 Section 6.(b) G.S. 135-40.2(a1) and G.S. 135-40.2(b)(11) are repealed.
4 Section 7. This act is effective when it becomes law.

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE ACTUARIAL NOTE**

BILL NUMBER: HB 1855 (First Edition)
SHORT TITLE: State Health Plan Changes
SPONSOR(S): Representative Thomas Wright

SYSTEM OR PROGRAM AFFECTED: Teachers' and State Employees' Comprehensive Major Medical Plan.

FUNDS AFFECTED: State General Fund, State Highway Fund, other State employer receipts, premium payments for dependents by active and retired teachers and State employees, and premium payments for coverages selected by eligible former teachers and State employees.

BILL SUMMARY: HB 1855 changes the Plan's outpatient prescription benefit, and authorizes the Plan to use case management and disease management programs. The proposed changes are listed below by section.

Section 1: Rewrites G.S. 135-40.5(g) to strike current law that defines the Plan's allowable charges for prescription drugs and the accompanying dispensing fee paid to pharmacy providers, and adds language to allow the Plan's pharmacy benefit to be determined by a third-party pharmacy benefit manager under contract with the Plan. The proposed bill also strikes language in the current law that specifies a 34-day supply for each prescription drug copayment under the benefit.

Section 2: Amends G.S. 135-39.5 to authorize the Plan's Executive Administrator and Board of Trustees to implement and administer a case management program and a disease management program.

EFFECTIVE DATE: The act is effective when it becomes law.

ESTIMATED IMPACT ON STATE: Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical Plan, the consulting actuary for the Plan, Aon Consulting, estimates an overall reduction in claims costs to the Plan's indemnity program to be \$38.4 million for 2000-2001 and \$76.5 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$24.7 million for 2000-2001 and \$43.9 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$31.6 million for 2000-2001 and \$60.2 million for 2001-2002.

ASSUMPTIONS AND METHODOLOGY: The Comprehensive Major Medical Plan for Teachers and State Employees is divided into two programs. From October, 1982, through June, 1986, the Plan had only a self-funded indemnity type of program which covered all employees, retired employees, eligible dependents of

JUN 28 2000

employees and retired employees, and eligible former employees and their eligible dependents authorized to continue coverage past a termination of employment other than for retirement or disability purposes. A prepaid program of coverage by health maintenance organizations (HMOs) was offered in July, 1986, as an alternative to the Plan's self-insured indemnity program. The benefits of the self-insured indemnity type of program are spelled out in Part 3 of Article 3 of Chapter 135 of the North Carolina General Statutes (i.e., \$250 annual deductible, 20% coinsurance up to \$1,000 annually, etc. paid by the program's members). HMOs are required to offer benefits that are comparable to those provided by the self-insured indemnity program. Employer-paid non-contributory premiums are only authorized for the indemnity program's coverage for employees and retired employees. Whenever employees and office holders first employed or taking office on and after October 1, 1995 become eligible for health benefits as retired employees, the amount of premium paid by the State for individual coverage will be based upon the retiree's amount of retirement service credit at the time of retirement. Only retired employees with 20 or more years of service credit at retirement will be eligible for non-contributory health benefit premiums. Retirees with 10 or more years of service credit at retirement will be eligible for 50% partially contributory health benefit premiums. Retired employees with 5 or more year of service credit at retirement will be eligible to continue their health benefits on a fully contributory basis. All other types of premium in the indemnity program are fully contributory. Premiums paid by employers to HMOs are limited to like amounts paid to the indemnity program with employees and retired employees paying any HMO amounts above the indemnity program's non-contributory rates. Both types of coverage continue to be available in the Plan with nine HMOs currently covering about 25% of the Plan's total population in about 66 of the State's 100 counties. The Plan's employees and retired employees select the type of program that they wish for themselves and their dependents during the months of August and September of each year for coverage beginning in October. The demographics of the Plan as of December 31, 1999, include:

| | <u>Self-Insured Indemnity Program</u> | <u>Alternative HMOs</u> | <u>Plan Total</u> |
|--|---|-----------------------------|-----------------------|
| <u>Number of Participants</u> | | | |
| Active Employees | 203,482 | 70,681 | 274,163 |
| Active Employee Dependents | 110,453 | 44,369 | 154,822 |
| Retired Employees | 96,217 | 5,712 | 101,929 |
| Retired Employee Dependents | 16,374 | 1,165 | 17,539 |
| Former Employees & Dependents with Continued Coverage | 2,891 | 323 | 3,706 |
| Total Enrollments | 429,417 | 122,742 | 552,159 |
| <u>Number of Contracts</u> | | | |
| Employee Only | 230,456 | 54,059 | 284,515 |
| Employee & Child(ren) | 31,626 | 14,644 | 46,270 |
| Employee & Family | 39,670 | 8,182 | 47,852 |
| Total Contracts | 301,752 | 76,885 | 378,637 |
| <u>Percentage of Enrollment by Age</u> | | | |
| 29 & Under | 26.7% | 41.6% | 30.0% |
| 30-44 | 20.1 | 27.3 | 21.7 |

| | | | |
|-----------|------|------|------|
| 45-54 | 21.1 | 19.6 | 20.8 |
| -64 | 14.9 | 8.7 | 13.5 |
| 65 & Over | 17.2 | 2.7 | 14.0 |

Percentage of Enrollment by Sex

| | | | |
|--------|-------|-------|-------|
| Male | 39.4% | 37.8% | 39.0% |
| Female | 60.6 | 62.2 | 61.0 |

Assumptions for the Self-Insured Indemnity Program: For the fiscal year beginning July 1, 1999, the self-insured program started its operations with a beginning cash balance of \$234.1 million. Receipts for the year are estimated to be \$763 million from premium collections, \$15 million from investment earnings, and \$15 million in risk adjustment and administrative fees from HMOs, for a total of \$793 million in receipts for the year. Disbursements from the self-insured program are expected to be \$820 million in claim payments and \$24 million in administration and claims processing expenses for a total of \$844 million for the year beginning July 1, 1999. For the fiscal year beginning July 1, 2000, the self-insured indemnity program is expected to have an operating cash balance of over \$183 million with a net operating loss of approximately \$120 million for the 2000-2001 fiscal year. For the fiscal year beginning July 1, 2001, the self-insured indemnity program is expected to have an operating cash balance of only \$63 million. The self-insured indemnity program is consequently assumed to be unable to carry out its operations for the 2001-2003 biennium without increases in its current premium rates or a reduction in existing benefits or both. This assumption is further predicated upon the fact that the program's cost containment strategies (hospital DRG reimbursements, pre-admission hospital testing, pre-admission hospital inpatient certification with length-of-stay approval, hospital bill audits, required second surgical opinions, mental health case management, coordination of benefits with other payers, Medicare benefit "carve-outs", cost reduction contracts with participating physicians and other providers, prescription drug manufacturer rebates from voluntary formularies, and fraud detection) are maintained and improved where possible. Current non-contributory premium rates are \$143.10 monthly for employees whose primary payer of health benefits is Medicare and \$187.98 per month for employees whose primary payer of health benefits is not Medicare. Fully contributory premium amounts for employee and child(ren) contracts are \$89.06 monthly for children whose primary payer of health benefits is Medicare and \$117.16 monthly for other covered children, and \$213.60 per month for family contracts whose dependents have Medicare as the primary payer of health benefits and \$281.04 per month for other family contract dependents. Claim cost trends are expected to increase 13% plus annually. Total enrollment in the program is expected to increase about

3-4% annually over the next two years due to enrollment losses from alternative HMOs. The number of enrolled active employees is expected to show a 4-5% increase annually over the next two years, whereas the growth in the number of retired employees is assumed to be 4% per year. The program is expected to increase by 1-2% per year the number of active employee dependents and enrolled retiree dependents. Investment earnings are based upon a 5-6% monthly return on available cash balances. The self-insured indemnity program maintains a claim stabilization reserve for claim cost fluctuations equal to 7.5% of annual claim payments without reserving additional funds for incurred but unreported claims.

Assumptions for Indemnity Plan's Outpatient Prescription Drug Program:

Since the bill allows the pharmacy benefit manager to determine allowable charges for prescription drugs and accompanying dispensing fees, claims savings estimates were based on assumptions provided by the Plan's Executive Administrator who would negotiate the terms of reimbursement with the pharmacy benefit manager. The following specific assumptions provided by the Plan's Executive Administrator were used in determining claims savings: an implementation date of October 1, 2000; the contract will be let with an existing pharmacy benefit manager under contract with the Plan's current claims processing contractor; the pharmacy network will be an "off-the-shelf" network already offered by the pharmacy benefit manager; the allowable charges for brand drugs will be reduced to 87% of Average Wholesale Price (AWP) from the current 90% of AWP; the allowable charges for generic drugs will be changed to Maximum Allowable Charge (MAC) pricing from the current 90% of AWP; the dispensing fee for brand drugs will be reduced to \$2.00 per script from the current \$6.00 per script; the dispensing fee for generic drugs will be reduced to \$2.50 per script from the current \$6.00 dispensing fee per script.

Reduction in Allowable Charges -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction in claims costs from reducing the rate of reimbursement for allowable charges for brand and generic drugs and a reduced dispensing fee for brand and generic outpatient prescription drugs to be \$30.0 million for 2000-2001 and \$55.2 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$16.9 million for 2000-2001 and \$28.4 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$23.5 million for 2000-2001 and \$41.8 million for 2001-2002.

The assumptions used to estimate claims cost reductions from the implementation of drug utilization review by a pharmacy benefit manager under contract with the Plan are as follows per the Executive Administrator of the Plan: Limit coverage for erectile dysfunction drugs to one tablet or suppository or injection per week; require the dispensing of growth hormones to be subject to prior approval; eliminate coverage of weight loss drugs except for medical conditions involving morbid obesity subject to prior approval for medical necessity; and require infertility treatments to be subject to prior approval and disallow coverage of infertility treatments for artificial means of conception. In addition, the Plan may utilize the following claims management options provided by a pharmacy benefit manager: dispensing limits, therapeutic and generic substitutions, concurrent reviews for compliance with appropriate clinical protocols, cost effective protocols, contraindications, and prospective reviews for drugs requiring prior approval.

Drug Utilization Review Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a net reduction in claims costs from implementing drug utilization review to be \$4.4 million for 2000-2001 and \$11.9 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$4.9 million for 2000-2001 and \$8.9 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$4.7 million for 2000-2001 and \$10.4 million for 2001-2002.

Increases in the indemnity program's per capita claim costs for outpatient prescription drugs have been 20.9% for 1998-99, 19.0% for 1997-98, 14.5% for 1996-97, 17.0% for 1995-96, 13.0% for 1994-95 and 13.0% for 1993-94.

Assumptions for Implementing Case Management and Disease Management Programs
by the Indemnity Plan:

The Plan's Executive Administrator and Board of Trustees are authorized under the legislation to implement and administer a case management program for high cost cases, and a disease management program for chronic cases. Per the Executive Administrator of the Plan, it is assumed that case management and disease management will be implemented on a voluntary participation basis by Plan members.

Case Management and Disease Management Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction in claims costs to the Plan's indemnity program from case management and disease management programs to be \$4.0 million for 2000-2001 and \$9.5 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$2.9 million for 2000-2001 and \$6.6 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$3.5 million for 2000-2001 and \$8.1 million for 2001-2002.

SOURCES OF DATA:

- Actuarial Note, Hartman & Associates, House Bill 1855, June 16, 2000, original of which is on file in the General Assembly's Fiscal Research Division.
- Actuarial Note, Aon Consulting, House Bill 1855 (First Edition), June 15, 2000, original of which is on file with the Comprehensive Major Medical Plan for Teachers and State Employees and the General Assembly's Fiscal Research Division.

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION -- 733-4910

PREPARED BY: Mark Trogdon

APPROVED BY: James D. Johnson



DATE: June 26, 2000

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE ACTUARIAL NOTE**

BILL NUMBER: HB 1855 (Second Edition)

SHORT TITLE: State Health Plan Changes

SPONSOR(S): Rep. Wright

SYSTEM OR PROGRAM AFFECTED: Teachers' and State Employees' Comprehensive Major Medical Plan.

FUNDS AFFECTED: State General Fund, State Highway Fund, other State employer receipts, premium payments for dependents by active and retired teachers and State employees, and premium payments for coverages selected by eligible former teachers and State employees.

BILL SUMMARY: The Proposed House Committee Substitute for HB 1855 changes the Plan's outpatient prescription benefit, authorizes the Plan to use case management and disease management programs, and allows non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995. The proposed changes are listed below by section.

Section 1: Rewrites G.S. 135-40.5(g) to provide the following changes to the Plan's outpatient prescription benefit: reduce the Plan's reimbursement of allowable charges for generic prescription drugs to 40% of Average Wholesale Price (AWP) from the current reimbursement level of 90% of AWP; reduce the dispensing fee paid per prescription to qualified providers for branded and generic prescription drugs to \$4.00 per script from the current dispensing fee of \$6.00 per script; and, require that allowable charges from providers shall not be greater than a pharmacy's usual and customary charge to the general public for a particular prescription.

Effective January 1, 2001, the Plan is authorized by the legislation to use a pharmacy benefit manager to help manage the Plan's outpatient prescription drug coverage. Any formulary used by the pharmacy benefit manager for the purpose of manufacturer rebates or utilization controls shall be an open formulary. Also, a fourth tier copayment of \$25.00 is added for each branded or generic prescription drug not on a formulary used by the Plan.

A pharmacy benefit manager under contract with the Plan may implement dispensing limits, therapeutic and generic substitutions, concurrent reviews for compliance with appropriate clinical protocols, cost effective protocols, contraindications, and prospective reviews for drugs requiring prior approval. A pharmacy benefit manager under contract with the Plan shall be required to maintain continuous and open communications with physicians, pharmacies, and members of the Plan regarding the safest and most efficacious use of outpatient prescription drugs.

Section 2: Rewrites G.S. 135-39.4A(f) to require the Plan's Executive Administrator to consult with the Committee on Employee Hospital and Medical Benefits before executing a contract with a pharmacy benefit manager.

JUN 26 2000

Section 3: Amends G.S. 135-39.5 to authorize the Plan's Executive Administrator and Board of Trustees to implement and administer a case management program for high cost cases, a disease management program for chronic cases and a pharmacy benefit manager. The contract with the pharmacy benefit manager shall be executed only after competitive bid. This section goes into effect January 1, 2001.

Section 4: Amends G.S. 135-40.6A(b) to require prior approval for prescriptions requiring prospective review by the Plan's pharmacy benefit manager. This section goes into effect January 1, 2001.

Section 5: Amends G.S. 135-40.7 to provide an exclusion from pharmacy benefits for charges excluded by the Plan's pharmacy benefit manager.

Section 6: Rewrites G.S. 135-40.2(a) to provide for non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995.

EFFECTIVE DATE: The Act is effective August 1, 2000 unless otherwise stated.

ESTIMATED IMPACT ON STATE: Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates an overall reduction in claims costs to the Plan's indemnity program to be \$38.4 million for 2000-2001 and \$67.2 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$28.9 million for 2000-2001 and \$46.7 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$33.7 million for 2000-2001 and \$57.0 million for 2001-2002.

ASSUMPTIONS AND METHODOLOGY: The Comprehensive Major Medical Plan for Teachers and State Employees is divided into two programs. From October, 1982, through June, 1986, the Plan had only a self-funded indemnity type of program which covered all employees, retired employees, eligible dependents of employees and retired employees, and eligible former employees and their eligible dependents authorized to continue coverage past a termination of employment other than for retirement or disability purposes. A prepaid program of coverage by health maintenance organizations (HMOs) was offered in July, 1986, as an alternative to the Plan's self-insured indemnity program. The benefits of the self-insured indemnity type of program are spelled out in Part 3 of Article 3 of Chapter 135 of the North Carolina General Statutes (i.e., \$250 annual deductible, 20% coinsurance up to \$1,000 annually, etc. paid by the program's members). HMOs are required to offer benefits that are comparable to those provided by the self-insured indemnity program. Employer-paid non-contributory premiums are only authorized for the indemnity program's coverage for employees and retired employees. Whenever employees and office holders first employed or taking office on and after October 1, 1995 become eligible for health benefits as retired employees, the amount of premium paid by the State for individual coverage will be based upon the retiree's amount of retirement service credit at the time of retirement. Only retired employees with 20 or more years of service credit at retirement will be eligible for non-contributory health benefit premiums. Retirees with 10 or more years of service credit at retirement will be eligible for 50% partially contributory health benefit premiums. Retired employees with 5 or more year of service credit at retirement will be eligible to continue their health benefits on a fully contributory basis. All other types of premium in the indemnity program are fully contributory.

Premiums paid by employers to HMOs are limited to like amounts paid to the indemnity program with employees and retired employees paying any HMO amounts above the indemnity program's non-contributory rates. Both types of coverage continue to be available in the Plan with nine HMOs currently covering about 25% of the Plan's total population in about 66 of the State's 100 counties. The Plan's employees and retired employees select the type of program that they wish for themselves and their dependents during the months of August and September of each year for coverage beginning in October. The demographics of the Plan as of December 31, 1999, include:

| | <u>Self-Insured Indemnity Program</u> | <u>Alternative HMOs</u> | <u>Plan Total</u> |
|--|---|-----------------------------|-----------------------|
| <u>Number of Participants</u> | | | |
| Active Employees | 203,482 | 70,681 | 274,163 |
| Active Employee Dependents | 110,453 | 44,369 | 154,822 |
| Retired Employees | 96,217 | 5,712 | 101,929 |
| Retired Employee Dependents | 16,374 | 1,165 | 17,539 |
| Former Employees & Dependents with Continued Coverage | 2,891 | 323 | 3,706 |
| Total Enrollments | 429,417 | 122,742 | 552,159 |
| <u>Number of Contracts</u> | | | |
| Employee Only | 230,456 | 54,059 | 284,515 |
| Employee & Child(ren) | 31,626 | 14,644 | 46,270 |
| Employee & Family | 39,670 | 8,182 | 47,852 |
| Total Contracts | 301,752 | 76,885 | 378,637 |
| <u>Percentage of Enrollment by Age</u> | | | |
| 29 & Under | 26.7% | 41.6% | 30.0% |
| 30-44 | 20.1 | 27.3 | 21.7 |
| 45-54 | 21.1 | 19.6 | 20.8 |
| 55-64 | 14.9 | 8.7 | 13.5 |
| 65 & Over | 17.2 | 2.7 | 14.0 |
| <u>Percentage of Enrollment by Sex</u> | | | |
| Male | 39.4% | 37.8% | 39.0% |
| Female | 60.6 | 62.2 | 61.0 |

Assumptions for the Self-Insured Indemnity Program: For the fiscal year beginning July 1, 1999, the self-insured program started its operations with a beginning cash balance of \$234.1 million. Receipts for the year are estimated to be \$763 million from premium collections, \$15 million from investment earnings, and \$15 million in risk adjustment and administrative fees from HMOs, for a total of \$793 million in receipts for the year. Disbursements from the self-insured program are expected to be \$820 million in claim payments and \$24 million in administration and claims processing expenses for a total of \$844 million for the year beginning July 1, 1999. For the fiscal year beginning July 1, 2000, the self-insured indemnity program is expected to have an operating cash balance of over \$183 million with a net operating loss of approximately \$120 million for the 2000-2001 fiscal year. For the fiscal year beginning July 1, 2001, the self-insured indemnity program is expected to have an operating cash balance of only \$63 million. The self-insured indemnity program is consequently assumed to be

unable to carry out its operations for the 2001-2003 biennium without increases in its current premium rates or a reduction in existing benefits or both. This assumption is further predicated upon the fact that the program's cost containment strategies (hospital DRG reimbursements, pre-admission hospital testing, pre-admission hospital patient certification with length-of-stay approval, hospital bill audits, required second surgical opinions, mental health case management, coordination of benefits with other payers, Medicare benefit "carve-outs", cost reduction contracts with participating physicians and other providers, prescription drug manufacturer rebates from voluntary formularies, and fraud detection) are maintained and improved where possible. Current non-contributory premium rates are \$143.10 monthly for employees whose primary payer of health benefits is Medicare and \$187.98 per month for employees whose primary payer of health benefits is not Medicare. Fully contributory premium amounts for employee and child(ren) contracts are \$89.06 monthly for children whose primary payer of health benefits is Medicare and \$117.16 monthly for other covered children, and \$213.60 per month for family contracts whose dependents have Medicare as the primary payer of health benefits and \$281.04 per month for other family contract dependents. Claim cost trends are expected to increase 13% plus annually. Total enrollment in the program is expected to increase about 3-4% annually over the next two years due to enrollment losses from alternative HMOs. The number of enrolled active employees is expected to show a 4-5% increase annually over the next two years, whereas the growth in the number of retired employees is assumed to be 4% per year. The program is expected to increase by 1-2% per year the number of active employee dependents and enrolled retiree dependents. Investment earnings are based upon a 5-6% monthly return on available cash balances. The self-insured indemnity program maintains a claim stabilization reserve for claim cost fluctuations equal to 7.5% of annual claim payments without reserving additional funds for incurred but unreported claims.

Assumptions for Indemnity Plan's Outpatient Prescription Drug Program:

There are two primary components to be implemented under the Plan's outpatient prescription drug program as proposed in the legislation: 1) A reduction in the rate of reimbursement for allowable charges for generic drugs, a reduced dispensing fee for brand and generic outpatient prescription drugs, and a \$25 copayment for non-formulary drugs; and 2) the installation of a pharmacy benefit manager to administer outpatient pharmacy claims under an open formulary with drug utilization review.

The assumptions used to estimate the reduction in allowable charges for prescription drugs include: reducing the Plan's reimbursement of allowable charges for generic prescription drugs to 40% of AWP from the current reimbursement level of 90% of AWP; lowering the dispensing fee paid per prescription to qualified providers for branded and generic prescription drugs to \$4.00 per script from the current dispensing fee of \$6.00 per script; and, requiring that allowable charges from providers shall not be greater than a pharmacy's usual and customary charge to the general public for a particular prescription. In addition, upon implementation of a pharmacy benefit manager, it is assumed that a mail order service will not be implemented by the Plan under its contract with a pharmacy benefit manager.

The assumptions used to estimate claims cost reductions from the implementation of drug utilization review by a pharmacy benefit manager under contract with the Plan are as follows per the Executive Administrator of the Plan: Limit coverage for erectile dysfunction drugs to one tablet or suppository or injection per week; require the dispensing of growth hormones to be subject to prior approval; eliminate coverage of weight loss drugs except for medical conditions involving morbid obesity subject to prior approval for medical necessity; and require infertility treatments to be subject to prior approval and disallow coverage of infertility treatments for artificial means of conception. In addition, the Plan may utilize the following claims management options provided by a pharmacy benefit manager: dispensing limits, therapeutic and generic substitutions, concurrent reviews for

compliance with appropriate clinical protocols, cost effective protocols, contraindications, and prospective reviews for drugs requiring prior approval.

Reduction in Allowable Charges -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction in claims costs from reducing the rate of reimbursement for allowable charges for generic drugs, a reduced dispensing fee for brand and generic outpatient prescription drugs, and a \$25 copayment for non-formulary drugs to be \$31.5 million for 2000-2001 and \$46.7 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$23.5 million for 2000-2001 and \$31.3 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$27.5 million for 2000-2001 and \$39.0 million for 2001-2002.

Drug Utilization Review Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a net reduction in claims costs from reducing the rate of reimbursement for allowable charges for generic drugs and a reduced dispensing fee for brand and generic outpatient prescription drugs to be \$2.9 million for 2000-2001 and \$11.0 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$3.0 million for 2000-2001 and \$8.8 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$2.95 million for 2000-2001 and \$9.9 million for 2001-2002.

Increases in the indemnity program's per capita claim costs for outpatient prescription drugs have been 20.9% for 1998-99, 19.0% for 1997-98, 14.5% for 1996-97, 17.0% for 1995-96, 13.0% for 1994-95 and 13.0% for 1993-94.

Assumptions for Implementing Case Management and Disease Management Programs by the Indemnity Plan:

The Plan's Executive Administrator and Board of Trustees are authorized under the legislation to implement and administer a case management program for high cost cases, and a disease management program for chronic cases. Per the Executive Administrator of the Plan, it is assumed that case management and disease management will be implemented on a voluntary participation basis by Plan members.

Case Management and Disease Management Savings -- Based upon information supplied by the Teachers' and State Employees' Comprehensive Major Medical, the consulting actuary for the Plan, Aon Consulting, estimates a reduction in claims costs to the Plan's indemnity program from case management and disease management programs to be \$4.0 million for 2000-2001 and \$9.5 million for 2001-2002. Based upon claims information and assumptions supplied by the Plan, the consulting actuary for the General Assembly's Fiscal Research Division, Hartman & Associates, estimates a net reduction in claims costs to the Plan's indemnity program to be \$2.5 million for 2000-2001 and \$6.6 million for 2001-2002. A combined estimate from the two actuaries on the additional savings to the Plan's indemnity program is \$3.25 million for 2000-2001 and \$8.1 million for 2001-2002.

Assumptions for Implementing Non-Contributory Retiree Health Premiums by the Indemnity Plan:

The legislation provides for non-contributory health plan premiums for all retired employees not just those employed prior to October 1, 1995. No additional costs or savings were projected due to the elimination of contributory premium requirements for certain retirees. The financial impact of this change is assumed to be negligible.

SOURCES OF DATA:

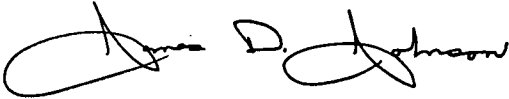
- Actuarial Note, Hartman & Associates, Proposed Committee Substitute for House Bill 1855, June 16, 1999, original of which is on file in the General Assembly's Fiscal Research Division.
- Actuarial Note, Aon Consulting, Proposed Committee Substitute for House Bill 1855, June 16, 2000, original of which is on file with the Comprehensive Major Medical Plan for Teachers and State Employees and the General Assembly's Fiscal Research Division.

TECHNICAL CONSIDERATIONS: None

FISCAL RESEARCH DIVISION -- 733-4910

PREPARED BY: Mark Trogdon

APPROVED BY: James D. Johnson



DATE: June 19, 2000

VISITOR REGISTRATION SHEET

RULES AND OPERATIONS OF THE SENATE

JUNE 29, 2000

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

| | |
|----------------------|--------------------------|
| <i>[Signature]</i> | <i>[Signature]</i> |
| CPMedlin | NC Equity |
| Lynna Vaughan | community college system |
| Allison | NCCU |
| Jim Am Harris | Hoffman |
| Kay Michaels | PPOD |
| Mari Smith | 6/410 - Wellcome |
| <i>[Signature]</i> | <i>[Signature]</i> |
| <i>[Signature]</i> | NC Food Bank |
| Wendy Mills | SEANC |
| Melissa Bushy-Murphy | Pfizer |

VISITOR REGISTRATION SHEET

RULES AND OPERATIONS OF THE SENATE

JUNE 29, 2000

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

| | |
|----------------|---|
| Frank Lewis | OSBM |
| Jack Walker | State Health Plan |
| Paul Sebo | state Health Plan |
| Dan Garrett | North Carolina Association of Pharmacists |
| John Bowditch | Alley Associates |
| John McMillen | MFRS PA |
| Ann Beaman | SBE |
| Bill Wilson | NCAE |
| Harry Taylor | Schering |
| Valerie Kenney | Hoffman - La Roche, Inc. |
| Jim Bryan | State Treasurer / Retirement |

VISITOR REGISTRATION SHEET

RULES AND OPERATIONS OF THE SENATE

JUNE 29, 2000

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

| | |
|---------------|-------------------------------|
| Dick Carlton | Merck & Co. |
| Monteague | Morse & Van Allen |
| Guy Rottling | CVS |
| Andy Ellen | NCRMA |
| Fran Preston | NCRMA |
| JIMMY JACKSON | RECORDS |
| MIKE JAMES | N.C. Independent Phlebotomist |
| EVELYN TERRA | N.C. STATE HEALTH PLAN |
| | |
| | |
| | |

COMMITTEE ON RULES AND OPERATIONS OF THE SENATE

FRIDAY, JUNE 30, 2000

MINUTES

The Senate Committee on Rules and Operations of the Senate met at 2:00 p.m. June 30, 2000 around Senator Rand's Chamber Desk. Eleven members of the committee were present.

HOUSE BILL 1431 – TOBACCO AND HEALTH TRUST FUNDS

Senator Rand presented the committee with a proposed Senate Committee Substitute for H.B. 1431.

Senator David Hoyle moved for adoption of the proposed Senate Committee Substitute.

Senator Rand summarized the bill and a copy of this summary is attached and made a part of these minutes.

Senator Gulley moved for a favorable report for the Senate Committee Substitute and the Committee gave the Senate Committee Substitute for H.B. 1431 – Tobacco and Health Trust Funds a favorable report.



Senator Tony Rand, Chairman



Evelyn Costello, Committee Asst.



BILL ANALYSIS

HB 1431-CSRU-007: Tobacco and Health Trust Funds

Committee: Rules and Operations of Senate
Date: June 30, 2000
Version: PCS H1431-CSRU-007

Introduced by: Representative Braswell
Summary by: Linda Attarian, Erika Churchill, Walker Reagan, Barbara Riley; Committee Counsel

SUMMARY: *House Bill 1431 creates the Health and Wellness Trust Fund and the Tobacco Trust Fund, and the corresponding Commissions to oversee the Funds. The bill also makes conforming changes.*

HEALTH AND WELLNESS TRUST FUND AND HEALTH AND WELLNESS TRUST FUND COMMISSION

The bill would create the Health and Wellness Trust Fund and the Health and Wellness Trust Fund Commission to administer the Health and Wellness Fund. The Commission would consist of 15 members, appointed by the Governor and the General Assembly on recommendation of the Speaker of the House and the President Pro Tempore of the Senate. Each appointing authority would have five (5) appointments. Commission members serve for four years; term expiration dates are set forth for the initial appointees to create the staggered terms. The Commission would be placed under the Office of the State Treasurer for administrative purposes.

The Commission would be required to reserve 50% of each annual payment made to the Fund for years 2001 through 2025, to establish a Reserve Account. Any investment earnings would be added to the Reserve Account, as well as any funds remaining unspent on June 30th of the fiscal year following receipt of the annual payment. Administrative costs are capped annually at the lesser of 2-1/2% of the annual payment or \$1,000,000.

The Health and Wellness Trust Fund would be permitted to expend moneys for the following purposes:

1. To fund programs and initiatives that included research, education, prevention and treatment of health problems and to increase the capacity of communities to respond to the public's health needs.
2. To develop a comprehensive, community-based plan to improve the health and wellness and wellness of the people of North Carolina with a priority on preventing, reducing, and remedying the health effects of tobacco use and an emphasis on reducing youth tobacco use.

Eligible recipients would be:

- A State agency.
- A local government or other political subdivision of the State, or a combination of such entities.
- A nonprofit corporation which has as a significant purpose promoting the public's health, limiting youth access to tobacco products, or reducing the health consequences of tobacco use.

TOBACCO TRUST FUND AND TOBACCO COMMISSION

The bill would create the Tobacco Trust Fund and the Tobacco Trust Fund Commission to administer the Fund. The Commission would consist of 18 members, with appointments by the Governor and the General Assembly on recommendation of the Speaker of the House and the President Pro Tempore of the Senate. Appointed Commission members would serve for four years; term expiration dates are set forth for the initial appointees to create staggered terms. The Commission would be placed under the Department of Agriculture and Consumer Services for administrative purposes.

The bill authorizes Tobacco Trust Fund Commission to provide assistance through two separate programs. The programs descriptions are as follows:

1. Compensatory Programs.

- ◆ Potential Recipients of direct and indirect financial assistance: Tobacco producers, tobacco allotment holders, persons engaged in tobacco-related business, persons engaged

in tobacco product component businesses, and individuals displaced from tobacco-related employment.

- ◆ Purpose: Indemnification and compensation to qualified recipients for compensable economic losses and to provide assistance to qualified recipients to maintain economic viability of their business.
 - ◆ Tobacco-related business: An entity that provides products or services used directly in the production of tobacco or in the support of the business of the production of tobacco; excluding the manufacturing of tobacco products or the sale of tobacco products at wholesale or retail.
 - ◆ Tobacco-related employment: Employment in a tobacco-related business, or in the manufacturing of tobacco products or the component products used in the manufacture of tobacco products; excluding individuals employed in the sale of tobacco products at wholesale or retail.
2. **Qualified Agricultural Programs.**
- ◆ Potential recipients: agencies and departments of the State, local units of government, the federal government, and members of the private sector.
 - ◆ Purpose: Programs should be developed to support and foster the vitality and solvency of the tobacco-related segment of the State's agricultural economy.
-

CONFORMING / CLARIFYING CHANGES

- Exempts the employees of the Health and Wellness Trust Fund Commission and the Tobacco Trust Fund Commission from the State Personnel Act.
 - Legislators are prohibited from serving on either Commission.
 - Members of the Tobacco Trust Fund Commission are exempted from G.S. 14-234, provided that the member complies with the requirements set forth. The effect is that members of the Tobacco Trust Commission can apply for grants from the Commission so long as they do not participate, affect or vote on the application and the Commissioner of Agriculture certifies that the award is in accordance with the criteria adopted by the Commission for the distribution of funds.
 - Clarification of the definition of discretionary trust to include a certification body reporting yearly to the trustee the persons to whom the trust will distribute that year; this affects the Phase 2 payment structure.
-

AMENDMENTS TO THE LEGISLATION AUTHORIZING GOLDEN L.E.A.F

Amendments to the Golden L.E.A.F. Foundation to delete the provisions:

- That an installment payment may be redirected by act of the General Assembly before it is received by the State Specific Account.
 - That the nonprofit corporation must receive approval of the General Assembly prior to disposing of assets.
 - That the nonprofit corporation must receive approval of the General Assembly prior to amending its Articles of Incorporation.
 - That the General Assembly may dissolve the nonprofit corporation.
-

EFFECTIVE DATE

This act would become effective when it becomes law.

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Tony Rand, Chair**

Friday, June 30, 2000

SENATOR RAND,
submits the following with recommendations as to passage:

**UNFAVORABLE AS TO COMMITTEE SUBSTITUTE BILL NO. 2,
BUT FAVORABLE AS TO SENATE COMMITTEE SUBSTITUTE BILL**

| | | |
|-----------------|---------------------------------|---------|
| H.B.(CS #2)1431 | Tobacco and Health Trust Funds. | PCSA266 |
| | Sequential Referral: | None |
| | Recommended Referral: | None |
| | Long Title Amended: | Yes |

TOTAL REPORTED: 1

Committee Clerk Comment:

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

3

HOUSE BILL 1431
Committee Substitute Favorable 6/28/99
Committee Substitute #2 Favorable 7/6/99

Short Title: Tobacco and Health Trust Funds.

(Public)

Sponsors:

Referred to:

April 29, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR THE CREATION OF A TOBACCO TRUST FUND
3 AND A HEALTH TRUST FUND AND COMMISSIONS TO ADMINISTER
4 THOSE FUNDS AND TO PROVIDE IMMUNITY FOR PHASE II OFFICIALS.

5 The General Assembly of North Carolina enacts:

6

7 PART I. HEALTH TRUST FUND AND HEALTH COMMISSION

8 Section 1. Chapter 130A of the General Statutes is amended by adding a
9 new Article to read:

10

"ARTICLE 21.

11

"Health Trust Fund and Commission.

12

"§ 130A-470. Purpose; funding initiatives.

13

14 (a) The purpose of this Article is to improve the health and wellness of the people
15 of North Carolina through the establishment of a North Carolina Health Trust Fund
16 that will fund initiatives in prevention, education, treatment, research, and related
17 areas in addressing health problems and in increasing the capacity of communities to
18 respond to the public's health needs.

19

20 (b) The Health Trust Fund shall be used to develop a comprehensive, community-
21 based plan with goals and objectives to improve the health and wellness of the people
of North Carolina with a priority on preventing, reducing, and remedying the
negative health effects of tobacco use and with an emphasis on reducing youth

1 tobacco use. The goals and objectives shall have measurable health and wellness
2 outcomes and a proposed timetable to achieve these outcomes.

3 (c) The priority in funding all initiatives pursuant to this Article shall be to address
4 the health needs of vulnerable and underserved populations. Advice and technical
5 support shall be provided in addressing those needs.

6 **"§ 130A-471. Definitions.**

7 As used in this Article:

8 (1) 'Council' means the Advisory Council for the Health Trust Fund.

9 (2) 'Commission' means the Health Trust Fund Commission.

10 (3) 'Fund' means the Health Trust Fund.

11 (4) 'Principal' means the annual payment allocated to the Health Trust
12 Reserve Fund pursuant to G.S. 143-16.4.

13 (5) 'Trustees' means the Board of Trustees of the Health Trust Fund
14 Commission.

15 **"§ 130A-472. Commission.**

16 (a) Creation. -- The Health Trust Fund Commission is created. The Commission
17 shall have the powers and duties as set forth in G.S. 130A-473.

18 (b) Membership. -- The Board of Trustees of the Commission shall consist of 15
19 members. The Board of Trustees members shall not be employed by or be agents of
20 tobacco product manufacturing companies. The Board of Trustees shall be appointed
21 as follows: five members by the Governor, five members by the General Assembly
22 upon the recommendation of the President Pro Tempore of the Senate, and five
23 members by the General Assembly upon the recommendation of the Speaker of the
24 House of Representatives. These members shall be appointed as follows:

25 (1) The Governor shall make the following appointments:

26 a. A community leader.

27 b. A person involved in public health.

28 c. A person involved in health research.

29 d. A person involved in the operation of healthcare delivery
30 systems.

31 e. A health care practitioner.

32 (2) The General Assembly shall make the following appointments
33 upon the recommendation of the President Pro Tempore of the
34 Senate:

35 a. A community leader.

36 b. A person involved in the health care needs of special
37 populations.

38 c. A person involved in health policy trends.

39 d. A person involved in tobacco-related health care issues.

40 e. A person involved in health promotion and disease
41 prevention.

42 (3) The General Assembly shall make the following appointments
43 upon the recommendation of the Speaker of the House of
44 Representatives:

- 1 a. A community leader.
- 2 b. A person involved in health policy trends.
- 3 c. A person involved in tobacco-related health care issues.
- 4 d. A person involved with health care for underserved
- 5 populations.
- 6 e. A person involved with child health care.

7 Except as provided for the initial Board of Trustees under subsection (c) of this
8 section, members shall serve four-year terms. No member may serve more than two
9 full consecutive terms. A vacancy in a position appointed by the Governor shall be
10 filled for the unexpired term by the Governor. A vacancy in a position appointed by
11 the General Assembly shall be filled in accordance with G.S. 120-122.

12 The Board of Trustees shall select its chair for a two-year term.

13 It is the intent of the General Assembly that the appointing authorities, in
14 appointing trustees, shall appoint trustees that represent the geographic, gender, and
15 racial diversity of the State.

16 (c) Initial Membership; Staggering. -- To provide for a staggered Board
17 membership, the members initially appointed pursuant to sub-subdivisions 1a., 1b.,
18 2d., and 3a. of subsection (b) of this section shall serve one-year terms. The members
19 initially appointed pursuant to sub-subdivisions (1)c., (2)a., (3)b., and (3)c. shall serve
20 two-year terms. The members initially appointed pursuant to sub-subdivisions (1)d.,
21 (2)c., and (3)e. of subsection (b) of this section shall serve three-year terms. The
22 members initially appointed pursuant to the remaining sub-subdivisions of subsection
23 (c) of this section shall serve four-year terms.

24 (d) Compensation. -- The trustees shall receive per diem and necessary travel and
25 subsistence expenses in accordance with G.S. 138-5. Per diem, subsistence, and travel
26 expenses of the trustees shall be paid from the Fund.

27 (e) Frequency of Meetings. -- The Board of Trustees shall meet at least quarterly
28 each year and may hold special meetings at the call of the chair or a majority of
29 members.

30 (f) Conflict of Interest. -- Trustee members shall comply with the provisions of
31 G.S. 14-234 prohibiting conflicts of interest. A trustee shall not vote on, participate
32 in the deliberation of, or otherwise attempt through his or her official capacity to
33 influence the vote on a grant or other financial assistance award by the Board of
34 Trustees to a nonprofit entity of which the trustee is an officer, director, or employee
35 or to a governmental entity of which the trustee is an employee or a member of the
36 governing board.

37 (g) Limit on Operating and Administrative Expenses. -- No more than two and
38 one-half percent (2 1/2%) of the annual balance of the Fund on July 1 or a total sum
39 of one million dollars (\$1,000,000), whichever is less, may be used each fiscal year for
40 administrative and operating expenses of the Board of Trustees and its staff.

41 **"§ 130A-473. Powers and duties.**

42 The Commission shall have the following powers and duties:

- 43 (1) To administer the provisions of this Article.

- 1 (2) To disburse funds or otherwise provide financial assistance to
2 eligible State agencies, local governments and other political
3 subdivisions of the State or a combination of such entities, or
4 nonprofit organizations, consistent with the purposes of this Article
5 and pursuant to the recommendations of the Board of Trustees,
6 and to develop guidelines or criteria for eligibility and
7 disbursement of funds and the provision of financial assistance.
- 8 (3) To hire staff or contract for other expertise for the administration
9 of the Fund. All administrative expenses of the Commission shall
10 be paid from funds in the Fund.
- 11 (4) To accept gifts or grants from other sources.
- 12 (5) To require grant or financial assistance recipients which are non-
13 State agencies to submit an annual report to the Board of Trustees.
14 The report shall include information concerning how the funds are
15 used, the intended goals and objectives of the recipient's grant
16 proposal or program initiative, and the results of an evaluation of
17 the extent to which the outcomes of the initiative or proposal
18 achieved those goals and objectives.

19 **"§ 130A-474. Health Trust Fund.**

20 (a) Fund Established. -- There is established the Health Trust Fund in the State
21 Treasurer's Office that shall be used to promote the health and wellness of the people
22 of North Carolina in accordance with this Article.

23 (b) Fund Earnings, Assets, and Balances. -- The State Treasurer shall hold the
24 Fund separate and apart from all other moneys, funds, and accounts. The State
25 Treasurer shall be the custodian of the Fund and shall invest its assets in accordance
26 with G.S. 147-69.2 and G.S. 147-69.3. Investment earnings credited to the assets of
27 the Fund shall become part of the Fund. Any balance remaining in the Fund at the
28 end of any fiscal year shall be carried forward in the Fund for the next succeeding
29 fiscal year. Payments from the Fund shall be made on the warrant of the chair of the
30 Board of Trustees, pursuant to the directives of the Board of Trustees. Except as
31 provided in subsection (c) of this section, the Board of Trustees may expend only the
32 investment earnings.

33 (c) Use of Fund Principal. -- The Board of Trustees shall reserve, and not expend,
34 fifty percent (50%) of each annual payment allocated to the Health Trust Fund
35 pursuant to G.S. 143-16.4 during years 2000 through 2025 to create a Reserve. The
36 Board of Trustees shall not expend the Reserve but may expend any investment
37 earnings on the Reserve. Notwithstanding any other provision of this section, the
38 Board of Trustees may not expend more than forty million dollars (\$40,000,000)
39 annually through the year 2005.

40 The Board of Trustees may expend the remaining principal that is not reserved
41 pursuant to this subsection. Any unexpended portion of the nonreserved portion of
42 the principal for years 2000 through 2025 that could have been expended under this
43 subsection may be carried forward to subsequent years and may be expended during

1 any subsequent year in addition to the nonreserved portion of the principal allowed
2 to be expended under this subsection.

3 **"§ 130A-475. Reporting.**

4 (a) The chair of the Commission shall report each year by November 1 to the Joint
5 Legislative Commission on Governmental Operations and the chairs of the Joint
6 Health Care Oversight Committee regarding the implementation of this Article. The
7 report shall include a summary of each recipient's annual report submitted to the
8 Health Trust Fund Commission pursuant to G.S. 130A-473 and an analysis of the
9 extent to which the Commission is achieving its goals, objectives, and outcomes
10 established pursuant to G.S. 130A-470(b). A written copy of the report shall also be
11 sent to the Legislative Library by November 1 each year.

12 (b) No later than November 1, 2000, and quarterly thereafter, the chair of the
13 Board of Trustees shall submit to the Joint Legislative Commission on Governmental
14 Operations a list of the initiatives funded from the Fund for the previous quarter.
15 The list shall include a description of each initiative, including the recipient, the
16 amount of the grant awarded or financial assistance provided, the evaluation methods
17 or process the recipient will use to measure whether the initiative's purpose is
18 achieved, and the extent to which it is anticipated each initiative will be funded
19 through each recipient. A written copy of the list and other information regarding
20 the initiatives shall also be sent to the Legislative Library by November 1, 2000, and
21 for each subsequent quarter.

22 (c) Any non-State agency that receives, uses, or expends any funds from the
23 Commission is subject to the applicable reporting requirements of G.S. 143-6.1.

24 **"§ 130A-476. Health Trust Fund: Advisory Council.**

25 The Board of Trustees shall create an Advisory Council to advise the trustees with
26 regard to issues as requested by the Trustees. The Advisory Council shall include the
27 Secretary of the Department of Health and Human Services, the State Health
28 Director, the Dean of the School of Public Health, and others as deemed necessary
29 by the Board of Trustees.

30 **"§ 130A-477. Open meeting and public records requirements.**

31 The Open Meetings Law (Article 33 of Chapter 143 of the General Statutes) and
32 the Public Records Act (Chapter 132 of the General Statutes) shall apply to the
33 Commission, and it shall be subject to audit by the State Auditor as provided by
34 law."

35

36 **PART II. TOBACCO TRUST FUND AND TOBACCO COMMISSION**

37 Section 2. Chapter 143 of the General Statutes is amended by adding a
38 new Article to read:

39

40 **"ARTICLE 74.**

41

42 **"Tobacco Trust Fund.**

43 **"§ 143-715. Policy; purpose.**

44 Tobacco growers, tobacco allotment holders, and persons engaged in tobacco-
related businesses are entitled to indemnification for the adverse economic effects
resulting from the Master Settlement Agreement; tobacco growers and allotment

1 holders are entitled to compensation for the economic losses resulting from lost
2 quota; and tobacco growers are entitled to compensation for the decline in value of
3 tobacco-related personal property assets and declining market conditions resulting
4 from the Master Settlement Agreement; to the extent that funds are available in the
5 Tobacco Trust Fund to address those purposes. The General Assembly finds that it is
6 a public purpose for these funds to be expended in this manner, and that it is public
7 service for applicants to accept these funds to the end that conditions of
8 unemployment and fiscal distress may be alleviated or avoided, more stable local
9 economies may be created, local tax bases may be stabilized and maintained, natural
10 resources may be optimally used, and the general public may be benefited.

11 **"§ 143-716. Definitions.**

12 As used in this Article:

- 13 (1) 'Commission' means the Tobacco Trust Fund Commission.
14 (2) 'Fund' means the Tobacco Trust Fund.
15 (3) 'Master Settlement Agreement' means the settlement agreement
16 between the tobacco manufacturers and the states, as incorporated
17 in the consent decree entered in the action of State of North
18 Carolina v. Philip Morris Incorporated, et al., 98 CVS 14377, in
19 the General Court of Justice, Superior Court Division, Wake
20 County, North Carolina.
21 (4) 'Trustees' means the Board of Trustees of the Tobacco Trust Fund
22 Commission.

23 **"§ 143-717. Commission.**

24 (a) Creation. -- The Tobacco Trust Fund Commission is created. The Commission
25 shall be administratively located within the Department of Agriculture and Consumer
26 Services but shall exercise its powers independently of the Commissioner of
27 Agriculture and the Department.

28 (b) Membership. -- The Board of Trustees of the Commission shall consist of 16
29 members. The Board shall be appointed as follows: five members by the Governor,
30 five members by the General Assembly upon the recommendation of the President
31 Pro Tempore of the Senate, and five members by the General Assembly upon the
32 recommendation of the Speaker of the House of Representatives. The Commissioner
33 of Agriculture shall serve as an ex officio member. The appointed members shall be
34 appointed as follows:

- 35 (1) The Governor shall make the following appointments:
36 a. A flue-cured tobacco farmer.
37 b. A flue-cured tobacco farmer.
38 c. A burley tobacco farmer.
39 d. A person in or displaced from tobacco-related employment.
40 e. An at-large appointee.
41 (2) The General Assembly shall make the following appointments
42 upon the recommendation of the President Pro Tempore of the
43 Senate:
44 a. A flue-cured tobacco farmer.

- 1 b. A flue-cured tobacco farmer.
2 c. A burley allotment holder who is not also a burley tobacco
3 farmer.
4 d. A person in or displaced from tobacco-related employment.
5 e. An at-large appointee.
6 (3) The General Assembly shall make the following appointments
7 upon the recommendation of the Speaker of the House of
8 Representatives:
9 a. A flue-cured tobacco farmer.
10 b. A flue-cured tobacco farmer.
11 c. A flue-cured allotment holder who is not also a flue-cured
12 tobacco farmer.
13 d. A burley tobacco farmer.
14 e. An at-large appointee.

15 Except as provided for the initial board under subsection (c) of this section,
16 members shall serve four-year terms. No member may serve more than two full
17 consecutive terms. A vacancy in a position appointed by the Governor shall be filled
18 for the unexpired term by the Governor. A vacancy in a position appointed by the
19 General Assembly shall be filled in accordance with G.S. 120-122. A member may
20 be removed from office for cause by the authority that appointed that member.

21 (c) Initial Membership; Staggering. -- To provide for a staggered board
22 membership, the members initially appointed pursuant to sub-subdivisions (1)a., (1)b.,
23 (2)d., and (3)a. of subsection (b) of this section shall serve one-year terms. The
24 members initially appointed pursuant to sub-subdivisions (1)c., (2)a., (3)b., and (3)c.
25 shall serve two-year terms. The members initially appointed pursuant to sub-
26 subdivisions (1)d., (2)c., and (3)e. of subsection (b) of this section shall serve three-
27 year terms. The members initially appointed pursuant to the remaining sub-
28 subdivisions of subsection (b) of this section shall serve four-year terms.

29 (d) The Board shall elect from its membership a chair and other officers as
30 necessary. The term of office for a chair or other officer is two years.

31 **"§ 143-718. Powers and duties.**

32 The Commission shall have the following powers and duties:

- 33 (1) To administer the provisions of this Article.
34 (2) To develop guidelines and criteria for eligibility for and
35 disbursement of funds, the forms of direct and indirect economic
36 assistance to be awarded, and procedures for applying for and
37 reviewing applications for assistance from the Fund. In developing
38 guidelines and criteria for eligibility and disbursement of funds, the
39 Commission may consult with and otherwise obtain assistance from
40 the State and local offices of the Farm Service Agency and other
41 agencies of the United States Department of Agriculture. The
42 Commission shall publish the proposed guidelines and criteria
43 under this subdivision in the North Carolina Register and any
44 other publications deemed appropriate by the Commission at least

1 30 days in advance. A public hearing on the proposed guidelines
2 and criteria shall be held prior to adoption of the guidelines or
3 criteria.

4 (3) To provide financial assistance to eligible recipients.

5 (4) To hire staff for the administration of the Trust Fund. All
6 administrative expenses of the Commission shall be paid from
7 funds in the Trust Fund.

8 (5) To accept gifts or grants from other sources.

9 **"§ 143-719. Tobacco Trust Fund; creation; investment.**

10 (a) Fund Established. -- There is established the Tobacco Trust Fund in the State
11 Treasurer's Office that shall be used to provide financial assistance in accordance
12 with this Article.

13 (b) Fund Earnings, Assets, and Balances. -- The State Treasurer shall hold the
14 Fund separate and apart from all other moneys, funds, and accounts. The State
15 Treasurer shall be the custodian of the Fund and shall invest the assets in accordance
16 with G.S. 147-69.2 and G.S. 147-69.3. Investment earnings credited to the assets of
17 the Fund shall become part of the Fund. Any balance remaining in the Fund at the
18 end of any fiscal year shall be carried forward in the Fund for the next succeeding
19 fiscal year. Payments from the Fund shall be made on the warrant of the chair of the
20 Board of Trustees.

21 **"§ 143-720. Benefits and administration of Trust Fund.**

22 (a) The monies in the Fund may be expended as received.

23 (b) The Fund may provide direct and indirect financial assistance, in accordance
24 with criteria established by the trustees and to the extent allowed by law, to
25 accomplish the following:

26 (1) Indemnify tobacco producers, allotment holders, and persons
27 engaged in tobacco-related businesses from the adverse economic
28 effects of the Master Settlement Agreement. For purposes of this
29 Article, 'persons engaged in tobacco-related businesses' does not
30 include those persons engaged in the manufacturing of tobacco
31 products or the sale of tobacco products at wholesale or retail.

32 (2) Compensate tobacco producers and allotment holders for
33 economic loss resulting from lost quota and tobacco producers for
34 the decline in value of tobacco-related personal property assets and
35 declining market conditions resulting from the Master Settlement
36 Agreement.

37 (c) Only tobacco producers, tobacco allotment holders, and persons engaged in
38 tobacco-related businesses are eligible to apply for and receive assistance pursuant to
39 subsection (b) of this section. An applicant may be a natural person, partnership,
40 limited liability company, or corporation. Direct payments made to tobacco producers
41 and tobacco allotment holders shall be based on losses resulting in 1998 and
42 thereafter. Lost quota value shall be a primary determinative factor in calculating the
43 amount of compensable economic loss for tobacco farmers and allotment holders.

1 (d) The trustees shall determine the priority of awards among the categories in
2 subsection (b) of this section and within each of those categories.

3 (e) Financial assistance awards shall be for no more than one year at a time. An
4 award may be renewed annually, without limitation.

5 (f) The trustees may require applicants to provide copies of documents necessary
6 to determine compensable economic loss.

7 (g) In no event shall the amount paid to a tobacco grower or allotment holder
8 pursuant to this Article, when combined with the amount received through the Phase
9 II payment agreement between the tobacco manufacturers and the tobacco producers
10 and allotment holders, exceed the compensable economic loss of the grower or
11 allotment holder.

12 (h) The trustees may consider the criteria used for Phase II payments and may
13 correspond with the Phase II certification entity to ensure that tobacco farmers and
14 allotment holders are treated fairly.

15 **"§ 143-721. Reporting.**

16 The chair of the Commission shall report each year by November 1 to the Joint
17 Legislative Commission on Governmental Operations regarding the implementation
18 of this Article, including a report on funds disbursed during the fiscal year by amount
19 and by category of recipient.

20 **"§ 143-722. Open meetings; public records; audit.**

21 The Open Meetings Law (Article 33 of Chapter 143 of the General Statutes) and
22 the Public Records Law (Chapter 132 of the General Statutes) shall apply to the
23 Commission, and the Commission shall be subject to audit by the State Auditor as
24 provided by law."

25
26 **PART III. APA RULE-MAKING EXEMPTION (TOBACCO)**

27 Section 3. G.S. 150B-1(d) reads as rewritten:

28 "(d) Exemptions from Rule Making. -- Article 2A of this Chapter does not apply
29 to the following:

- 30 (1) The Commission.
- 31 (2) The North Carolina Low-Level Radioactive Waste Management
32 Authority in administering the provisions of G.S. 104G-10 and
33 G.S. 104G-11.
- 34 (3) The North Carolina Hazardous Waste Management Commission in
35 administering the provisions of G.S. 130B-13 and G.S. 130B-14.
- 36 (4) The Department of Revenue, with respect to the notice and
37 hearing requirements contained in Part 2 of Article 2A.
- 38 (5) The North Carolina Global TransPark Authority with respect to
39 the acquisition, construction, operation, or use, including fees or
40 charges, of any portion of a cargo airport complex.
- 41 (6) The Department of Correction, with respect to matters relating
42 solely to persons in its custody or under its supervision, including
43 prisoners, probationers, and parolees.

- 1 (7) The North Carolina Teachers' and State Employees'
- 2 Comprehensive Major Medical Plan in administering the provisions
- 3 of Parts 2 and 3 of Article 3 of Chapter 135 of the General
- 4 Statutes.
- 5 (8) The Tobacco Trust Fund Commission established in Article 74 of
- 6 Chapter 143 of the General Statutes."
- 7

8 **PART IV. STATE PERSONNEL ACT EXEMPTION**

9 Section 4. G.S. 126-5(c1) reads as rewritten:

10 "(c1) Except as to the provisions of Articles 6 and 7 of this Chapter, the

11 provisions of this Chapter shall not apply to:

- 12 (1) Constitutional officers of the State.
- 13 (2) Officers and employees of the Judicial Department.
- 14 (3) Officers and employees of the General Assembly.
- 15 (4) Members of boards, committees, commissions, councils, and
- 16 advisory councils compensated on a per diem basis.
- 17 (5) Officials or employees whose salaries are fixed by the General
- 18 Assembly, or by the Governor, or by the Governor and Council of
- 19 State, or by the Governor subject to the approval of the Council of
- 20 State.
- 21 (6) Employees of the Office of the Governor that the Governor, at any
- 22 time, in his discretion, exempts from the application of the
- 23 provisions of this Chapter by means of a letter to the State
- 24 Personnel Director designating these employees.
- 25 (7) Employees of the Office of the Lieutenant Governor, that the
- 26 Lieutenant Governor, at any time, in his discretion, exempts from
- 27 the application of the provisions of this Chapter by means of a
- 28 letter to the State Personnel Director designating these employees.
- 29 (8) Instructional and research staff, physicians, and dentists of The
- 30 University of North Carolina.
- 31 (9) Employees whose salaries are fixed under the authority vested in
- 32 the Board of Governors of The University of North Carolina by
- 33 the provisions of G.S. 116-11(4), 116-11(5), and 116-14.
- 34 (10) Repealed by Session Laws 1991, c. 84, s. 1.
- 35 (11) North Carolina School of Science and Mathematics' employees
- 36 whose salaries are fixed in accordance with the provisions of G.S.
- 37 116-235(c)(1) and G.S. 116-235(c)(2).
- 38 (12) Employees of the North Carolina Low-Level Radioactive Waste
- 39 Management Authority whose salaries are fixed pursuant to G.S.
- 40 104G-5(g)(1) and G.S. 104G-5(g)(2).
- 41 (13) Employees of the North Carolina Hazardous Waste Management
- 42 Commission whose salaries are fixed pursuant to G.S. 130B-6(g)(1)
- 43 and G.S. 130B-6(g)(2).
- 44 (14) Employees of the North Carolina State Ports Authority.

- 1 (15) Employees of the North Carolina Global TransPark Authority.
2 (16) The executive director and one associate director of the North
3 Carolina Center for Nursing established under Article 9F of
4 Chapter 90 of the General Statutes.
5 (17) Employees of the Tobacco Trust Fund Commission established
6 under Article 74 of Chapter 143 of the General Statutes.
7 (18) Employees of the Health Trust Fund Commission established
8 under Article 21 of Chapter 130A of the General Statutes."
9

10 PART V. NO LEGISLATORS ON COMMISSIONS

- 11 Section 5. G.S. 120-123 is amended by adding a new subdivision to read:
12 "(70) The Tobacco Trust Fund Commission established under Article 74
13 of Chapter 143 of the General Statutes.
14 (71) The Health Trust Fund Commission established under Article 21
15 of Chapter 130A of the General Statutes."
16

17 PART VI. ALLOCATION OF FUNDS

- 18 Section 6.1. G.S. 143-16.4 reads as rewritten:
19 "**§ 143-16.4. Settlement Reserve Fund.**

20 (a) The 'Settlement Reserve Fund' is established as a restricted reserve in the
21 General Fund. ~~Funds shall be expended from the Settlement Reserve Fund only by~~
22 ~~specific appropriation by the General Assembly. The State Controller shall allocate~~
23 and reserve the funds in the Settlement Reserve Fund to the Health Trust Fund, the
24 Tobacco Trust Fund, and the nonprofit corporation in accordance with G.S. 143-
25 15.3E.

26 (b) Unless prohibited by federal law, federal funds provided to the State by block
27 grant or otherwise as part of federal legislation implementing a settlement between
28 United States tobacco companies and the states shall be credited to the Settlement
29 Reserve Fund. Unless otherwise encumbered or distributed under a settlement
30 agreement or final order or judgment of the court, funds paid to the State or a State
31 agency pursuant to a tobacco litigation settlement agreement, or a final order or
32 judgment of a court in litigation between tobacco companies and the states, shall be
33 credited to the Settlement Reserve Fund."

- 34 Section 6.2. Chapter 143 of the General Statutes is amended by adding
35 the following new section to read:

36 "**§ 143-15.3E. Tobacco and Health Trust Funds.**

37 (a) The Tobacco Trust Fund is established in G.S. 143-719. The Health Trust
38 Fund is established in G.S. 130A-472.

39 (b) Notwithstanding Sections 2(a) and 2(b) of S.L. 1999-2, each annual installment
40 payment that would otherwise be assigned to the nonprofit corporation from the
41 Master Settlement Agreement is hereby transferred to the Settlement Reserve Fund
42 established pursuant to G.S. 143-16.4.

43 Of the funds to be received in the Settlement Reserve Fund for the years 1998
44 through 2025, the State Controller shall allocate monies as follows:

- 1 (1) During the payment period 1998 through 2005, the State
2 Controller shall annually allocate these monies as follows:
3 a. Fifty percent (50%) to the Tobacco Trust Fund established
4 pursuant to Article 74 of Chapter 143 of the General
5 Statutes.
6 b. Fifty percent (50%) to the Health Trust Fund established
7 pursuant to Article 21 of Chapter 130A of the General
8 Statutes.
9 (2) During the payment period 2006 through 2025, the State
10 Controller shall annually allocate these monies as follows:
11 a. Sixty-two and forty-two hundredths percent (62.42%) to the
12 nonprofit corporation.
13 b. Eighteen and seventy-nine hundredths percent (18.79%) to
14 the Tobacco Trust Fund established pursuant to Article 74
15 of Chapter 143 of the General Statutes.
16 c. Eighteen and seventy-nine hundredths percent (18.79%) to
17 the Health Trust Fund established pursuant to Article 21 of
18 Chapter 130A of the General Statutes.

19 For purposes of Section 2(b) of S.L. 1999-2, this subsection constitutes a continuing
20 act preventing the transfer and assignment to the nonprofit corporation of the right,
21 title, and interest of the State to fifty percent (50%) of North Carolina's State Specific
22 Account. Funds shall be allocated to the nonprofit corporation only in accordance
23 with this section.

24 (c) The funds in the Tobacco Trust Fund shall be used only in accordance with
25 Article 74 of Chapter 143 of the General Statutes. The funds in the Health Trust
26 Fund shall be used only in accordance with Article 21 of Chapter 130A of the
27 General Statutes.

28 (d) For purposes of this section and G.S. 143-16.4, 'nonprofit corporation' means
29 the nonprofit corporation established pursuant to the consent decree in the action of
30 State of North Carolina v. Philip Morris et al., 98 CVS 14377, and approved by the
31 General Assembly in S.L. 1999-2.

32 (e) The Health Trust Fund and the Tobacco Trust Fund shall each contribute ten
33 percent (10%) of the annual payments they receive for the 1998-2005 payment period
34 to the nonprofit corporation to be used by the nonprofit corporation, in accordance
35 with its articles of incorporation and criteria, to provide economic assistance
36 primarily to the following:

- 37 (1) Individuals who, as a result of the Master Settlement Agreement,
38 have been or will be displaced from employment in tobacco
39 product manufacturing or the tobacco-related industries described
40 in subdivision (2) of this subsection or whose employment in those
41 industries is or will be adversely impacted as a result of the Master
42 Settlement Agreement.
43 (2) Industries that (i) are involved in the manufacture of tobacco
44 products or component products used in the manufacture of

1 tobacco products, (ii) are adversely impacted by the Master
2 Settlement Agreement, and (iii) need the financial assistance to
3 retool machinery or equipment, convert to the production of new
4 products, convert to a non-tobacco-related use for an existing
5 product, retrain workers, or effect similar changes. Financial
6 assistance shall be available under this subdivision only to the
7 extent that the manufacturer demonstrates that the assistance will
8 retain existing jobs at comparable wages at the manufacturer's
9 plant.

10 The funds required to be contributed under this subsection by the Health Trust
11 Fund and the Tobacco Trust Fund shall be reallocated by the State Controller to the
12 nonprofit corporation annually during the 1998-2005 payment period."

13
14 **PART VII. CONFLICT OF INTEREST (TOBACCO)**

15 Section 7. G.S. 14-234 is amended by adding a new subsection to read:

16 "(d4) Subsection (a) of this section does not apply to an application for or the
17 receipt of a grant or other financial assistance from the Tobacco Trust Fund created
18 under Article 74 of Chapter 143 of the General Statutes by a member of the Board of
19 Trustees of the Tobacco Trust Fund Commission, provided that (i) the member of
20 the Board of Trustees applying for assistance shall not participate in the discussion of,
21 or vote on, the application and (ii) the Commissioner of Agriculture determines that
22 the award is in accordance with general criteria adopted by the Commission for the
23 distribution of funds from the Tobacco Trust Fund."

24
25 **PART VIII. PHASE II IMMUNITY (TOBACCO)**

26 Section 8.(a) The General Assembly finds that:

- 27 (1) Philip Morris, Inc., Brown and Williamson Tobacco Corporation,
28 Lorrillard Tobacco Company, and R.J. Reynolds Tobacco
29 Company (hereinafter, the "tobacco companies") have proposed to
30 create a National Tobacco Grower Settlement Trust under which
31 the tobacco companies will pay, during a 12-year period, a base
32 amount of approximately five billion one hundred fifty million
33 dollars (\$5,150,000,000) into a trust to provide payments to tobacco
34 growers and allotment holders in 14 grower states, including North
35 Carolina, for the purposes of ameliorating potential adverse
36 economic consequences of likely changes in the tobacco market on
37 grower states.
- 38 (2) The tobacco companies desire that the money paid into trust be
39 divided among tobacco producers and allotment holders in
40 accordance with a plan designed and approved by a certification
41 entity in each state.
- 42 (3) The tobacco companies desire that in larger grower states,
43 including North Carolina, the certification entity be a nonprofit
44 corporation governed by a board of directors consisting of the

1 following public officials and persons appointed by public officials:
2 the Governor, who shall serve as chair of the board of directors;
3 the Commissioner of Agriculture, who shall serve as vice-chair; the
4 Attorney General, who shall serve as secretary; a State Senator
5 appointed by the President Pro Tempore of the Senate; a State
6 Representative appointed by the Speaker of the House of
7 Representatives; two members of the North Carolina congressional
8 delegation; and four to seven citizens appointed by the Governor.

9 (4) It is in the public interest that these officials and citizens serve on
10 the board of directors and determine the distribution of these
11 private trust funds to tobacco producers and allotment holders in
12 North Carolina.

13 Section 8.(b) The Governor, the Speaker of the House of
14 Representatives, and the President Pro Tempore of the Senate are authorized to
15 appoint members of the board of directors of the certification entity as provided in
16 Section 8(b)(3), and the public officials referred to in Section 8(b)(3) are authorized
17 to serve on that board.

18 Section 8.(c) No member of the certification entity for the National
19 Tobacco Grower Trust Fund is subject to civil liability for any act or omission arising
20 out of the performance of the member's duties as a member or officer of the
21 certification entity. This section does not apply to liability arising from willful or
22 wanton misconduct, intentional wrongdoing, or the operation of a motor vehicle.

23
24 **PART IX. EFFECTIVE DATE**

25 Section 9. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

D

HOUSE BILL 1431
Committee Substitute Favorable 6/28/99
Committee Substitute #2 Favorable 7/6/99
Proposed Senate Committee Substitute H1431-PCSA266-RU007

Short Title: Tobacco and Health Trust Funds.

(Public)

Sponsors:

Referred to:

April 29, 1999

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR THE CREATION OF THE HEALTH AND
3 WELLNESS TRUST FUND AND ITS COMMISSION, THE CREATION OF
4 THE TOBACCO TRUST FUND AND ITS COMMISSION, TO AMEND THE
5 AUTHORITY OF THE GENERAL ASSEMBLY RELATIVE TO THE
6 NONPROFIT CORPORATION ESTABLISHED PURSUANT TO THE
7 TOBACCO SETTLEMENT CONSENT DECREE, AND TO MAKE
8 CONFORMING CHANGES.

9 The General Assembly of North Carolina enacts:

10

11 **PART I. ALLOCATION OF FUNDS**

12 Section 1. G.S. 143-16.4 reads as rewritten:

13 **"§ 143-16.4. Settlement Reserve Fund.**

14 (a) The 'Settlement Reserve Fund' is established as a restricted reserve in the
15 General Fund. ~~Funds~~ Except as otherwise provided in this section, funds shall be
16 expended from the Settlement Reserve Fund only by specific appropriation by the
17 General Assembly.

18 (a1) A Health Trust Account is established in the Settlement Reserve Fund. The
19 portion of each Master Settlement Agreement payment identified in Section 6(2) of
20 S.L. 1999-2 shall be credited to the Health Trust Account. The State Controller shall

1 transfer all funds in the Health Trust Account to the Health and Wellness Trust Fund
2 created in Article 6C of Chapter 147 of the General Statutes.

3 (a2) A Tobacco Trust Account is established in the Settlement Reserve Fund. The
4 portion of each Master Settlement Agreement payment identified in Section 6(3) of
5 S.L. 1999-2 shall be credited to the Tobacco Trust Account. The State Controller
6 shall transfer all funds in the Tobacco Trust Account to the Tobacco Trust Fund
7 created in Article 75 of Chapter 143 of the General Statutes.

8 (b) Unless prohibited by federal law, federal funds provided to the State by block
9 grant or otherwise as part of federal legislation implementing a settlement between
10 United States tobacco companies and the states shall be credited to the Settlement
11 Reserve Fund. Unless otherwise encumbered or distributed under a settlement
12 agreement or final order or judgment of the court, funds paid to the State or a State
13 agency pursuant to a tobacco litigation settlement agreement, or a final order or
14 judgment of a court in litigation between tobacco companies and the states, shall be
15 credited to the Settlement Reserve Fund."

16

17 PART II. HEALTH AND WELLNESS TRUST FUND AND HEALTH AND 18 WELLNESS COMMISSION

19 Section 2. Chapter 147 of the General Statutes is amended by adding a
20 new Article to read:

21

"ARTICLE 6C.

22

"Health and Wellness Trust Fund.

23

"§ 147-86.30. Health and Wellness Trust Fund established.

24

25 (a) Fund Established. -- There is established the Health and Wellness Trust Fund
26 in the Office of the State Treasurer that shall be used to develop a comprehensive
27 community-based plan and to finance programs and initiatives to improve the health
28 and wellness of the people of North Carolina. As used in this Article, the term
29 'Fund' means the Health and Wellness Trust Fund. It is the intent of the General
30 Assembly that the funds provided pursuant to this Article to address the health needs
31 of North Carolinians be used to supplement, not supplant, existing funding of health
32 and wellness programs.

33

34 (b) Fund Earnings, Assets, and Balances. -- The State Treasurer shall hold the
35 Fund separate and apart from all other moneys, funds, and accounts. The State
36 Treasurer shall be the custodian of the Fund and shall invest its assets in accordance
37 with G.S. 147-69.2 and G.S. 147-69.3. Investment earnings credited to the assets of
38 the Fund shall become part of the Fund. Any balance remaining in the Fund at the
39 end of any fiscal year shall be carried forward in the Fund for the next succeeding
40 fiscal year. Payments from the Fund shall be made on the warrant of the chair of the
41 Commission, pursuant to directives of the Commission. The Commission may
42 expend moneys in the Fund only as provided in subsections (c) and (d) of this
43 section.

44

45 (c) Creation of Fund Reserve. -- The Commission shall reserve, and shall not
46 expend, fifty percent (50%) of each annual payment allocated to the Health and
47 Wellness Trust Fund pursuant to G.S. 143-16.4 during years 2001 through 2025 to

1 create and build the Fund Reserve. During years 2001 through 2025 the Commission
2 may not expend any investment earnings on the reserved funds. Beginning in year
3 2026, and thereafter, the Commission shall not expend the reserved funds but may
4 expend any investment earnings on the reserved funds.

5 (d) Use of Nonreserved Funds. -- The Commission may expend all of the annual
6 payments for years 1998, 1999, and 2000 and may expend the remaining fifty percent
7 (50%) portion of each annual payment thereafter through the year 2025 that is not
8 reserved pursuant to subsection (c) of this section. Any unexpended portion of the
9 nonreserved portion of each annual payment for years 2001 through 2025 that has not
10 been expended by the second June 30th following the date of the receipt of the
11 payment shall be reserved pursuant to subsection (c) of this section. The Commission
12 may expend any investment earnings on the nonreserved funds in the year in which
13 the investment earnings are received by the Fund.

14 (e) Fund Purposes. -- Moneys from the Fund may be used for any of the following
15 purposes:

16 (1) To fund programs and initiatives that include research, education,
17 prevention, and treatment of health problems in North Carolina
18 and to increase the capacity of communities to respond to the
19 public's health needs.

20 (2) To develop a comprehensive, community-based plan to improve
21 the health and wellness of the people of North Carolina with a
22 priority on preventing, reducing, and remedying the health effects
23 of tobacco use and with an emphasis on reducing youth tobacco
24 use.

25 (f) Limit on Operating and Administrative Expenses. -- No more than two and
26 one-half percent (2 1/2%) of the annual receipts of the Fund for the fiscal year
27 beginning July 1 or a total sum of one million dollars (\$1,000,000), whichever is less,
28 may be used each fiscal year for administrative and operating expenses of the
29 Commission and its staff. All administrative expenses of the Commission shall be
30 paid from the Fund.

31 **"§ 147-86.31. Health and Wellness Trust Fund; eligibility for grants.**

32 Eligible Grant Applicants. -- Any of the following are eligible to apply for a grant
33 from the Fund:

34 (1) A State agency.

35 (2) A local government or other political subdivision of the State or a
36 combination of such entities.

37 (3) A nonprofit corporation which has as a significant purpose
38 promoting the public's health, limiting youth access to tobacco
39 products, or reducing the health consequences of tobacco use.

40 **"§ 147-86.32. Health and Wellness Trust Fund; Commission established; membership**
41 **qualifications; vacancies.**

42 (a) Commission Established. -- There is established the Health and Wellness Trust
43 Fund Commission. As used in this Article, the term 'Commission' means the Health
44 and Wellness Trust Fund Commission. The Commission shall exercise its powers

1 independently, but for administrative purposes, the Commission shall be located
2 within the Office of the State Treasurer.

3 (b) Membership. -- The Commission shall consist of 15 members as follows:

4 (1) Five appointed by the Governor;

5 (2) Five appointed by the General Assembly upon the
6 recommendation of the Speaker of the House of Representatives
7 under G.S. 120-121; and

8 (3) Five appointed by the General Assembly upon the
9 recommendation of the President Pro Tempore of the Senate
10 under G.S. 120-121.

11 In appointing members, the appointing authorities shall consider persons who are
12 affiliated with nonprofit organizations, medical institutions, organizations involved in
13 the delivery of health care services or products, governmental or law enforcement
14 agencies, or individuals who are involved in the delivery of medical services or sale
15 of products which have a major principle purpose of promoting the public's health,
16 reducing youth access to tobacco products, and reducing the health consequences of
17 tobacco use, and other persons from the general public. It is the intent of the
18 General Assembly that the appointing authorities, in appointing members, shall
19 appoint members who represent the geographic, gender, and racial diversity of the
20 State.

21 (c) Initial Appointments. -- Each appointing authority shall designate two of the
22 authority's initial appointments to serve one-year terms ending June 30, 2001, two to
23 serve two-year terms ending June 30, 2002, and one to serve a three-year term ending
24 June 30, 2003. Thereafter, as the term of each member expires, that member's
25 successor shall be appointed for a term of four years beginning July 1. Members may
26 continue to serve beyond their terms until their successors are duly appointed, but
27 any holdover shall not affect the expiration date of the succeeding term. A member
28 may be removed from the Commission for cause by the authority that appointed the
29 member.

30 The Commission shall elect from its membership a chair, vice-chair and other
31 officers as necessary for two-year terms beginning July 1 at the first meeting of the
32 Commission held on or after July 1 of every even numbered year. The vice-chair
33 may act for the chair in the absence of the chair as authorized by the Commission.

34 (d) Vacancies. -- Vacancies shall be filled by the designated appointing authority
35 for the remainder of the unexpired term in accordance with G.S. 120-122.

36 (e) Frequency of Meetings. -- The Commission shall meet at least twice each year
37 and may hold special meetings at the call of the chair or a majority of the voting
38 members. The Governor shall call the initial meeting of the Commission.

39 (f) Quorum; Majority. -- Eight members shall constitute a quorum of the
40 Commission. The Commission may act upon a majority vote of all the members of
41 the Commission on matters involving the disbursement of funds and personnel
42 matters properly before the Commission. On all other matters, the Commission may
43 act by majority vote of the members of the Commission at a meeting at which a
44 quorum is present.

1 (g) Meeting Facilities. -- The Office of the State Treasurer shall provide meeting
2 facilities for the Commission and its staff as requested by the chair of the
3 Commission.

4 (h) Per Diem and Expenses. -- The members of the Commission shall receive per
5 diem and necessary travel and subsistence expenses in accordance with the provisions
6 of G.S. 138-5. Per diem, subsistence, and travel expenses of the members shall be
7 paid from the Fund.

8 (i) Conflict of Interest. -- The members of the Commission shall comply with the
9 provisions of G.S. 14-234 prohibiting conflicts of interest. In addition to the
10 restrictions imposed under G.S. 14-234, a member shall not vote on, participate in the
11 deliberations of, or otherwise attempt through his or her official capacity to influence
12 the vote on a grant or other financial assistance award by the Commission to a
13 nonprofit entity of which the member is an officer, director, or employee or to a
14 governmental entity of which the member is an employee or a member of the
15 governing board. A violation of this subsection is a Class 1 misdemeanor.

16 **"§ 147-86.33. Health and Wellness Trust Fund; powers and duties.**

17 (a) The Commission shall do the following:

18 (1) Allocate moneys from the Fund as grants. A grant may be
19 awarded only for a program or initiative that satisfies the criteria
20 and furthers the purposes of this Article.

21 (2) Develop criteria for awarding grants under this Article. The
22 criteria shall include types of programs and initiatives to be
23 funded, including programs which address the short- and long-term
24 health and wellness of the citizens of North Carolina.

25 (3) Develop criteria by which to measure the outcomes of funded
26 programs to evaluate the extent to which those programs achieved
27 the goals for which funds were awarded.

28 (4) Develop a mechanism with which to evaluate individual
29 applications.

30 (5) Ensure that good faith efforts are made to achieve federal
31 mandates targeting the reduction of youth access to tobacco
32 products.

33 (6) Administer the provisions of this Article.

34 (7) Adopt rules to implement this Article.

35 (b) The Commission is authorized to hire staff or contract for other expertise for
36 the administration of the Fund. The Dean of the UNC School of Public Health and
37 the State Health Director may be consulted by the Commission.

38 (c) Gifts and Grants. -- The Commission is authorized to accept gifts or grants
39 from other sources.

40 **"§ 147-86.34. Health and Wellness Trust Fund; reporting requirements.**

41 (a) The chair of the Commission shall report each year by November 1 to the
42 Joint Legislative Committee on Governmental Operations and to the chairs of the
43 Joint Legislative Health Care Oversight Commission regarding implementation of this
44 Article, including a report on funds disbursed during the fiscal year by amount,

1 purpose and category of recipient, and other information as requested by the Joint
2 Legislative Commission on Governmental Operations. A written copy of the annual
3 report shall also be sent to the Legislative Library by November 1 each year. Written
4 reports shall also be sent on a quarterly basis to the Joint Legislative Committee on
5 Governmental Operations.

6 (b) Any non-State corporation, organization, or institution that receives, uses, or
7 expends any funds from the Commission is subject to the applicable reporting
8 requirements of G.S. 143-6.1.

9 **"§ 147-86.35. Health and Wellness Trust Fund; open meeting and public records**
10 **requirements.**

11 The Open Meetings Law (Article 33 of Chapter 143 of the General Statutes) and
12 the Public Records Act (Chapter 132 of the General Statutes) shall apply to the Fund
13 and the Commission, and the Fund and the Commission shall be subject to audit by
14 the State Auditor as provided by law."

15

16 **PART III. TOBACCO TRUST FUND AND TOBACCO COMMISSION**

17 Section 3. Chapter 143 of the General Statutes is amended by adding a
18 new Article to read:

19

"ARTICLE 75.

20

"Tobacco Trust Fund.

21 **"§ 143-715. Policy; purpose.**

22 The General Assembly finds:

23 (1) For many years, the State and its prosperity have been supported
24 by its agricultural economy and particularly by the tobacco-related
25 segment of the agricultural economy. The Master Settlement
26 Agreement is expected to cause significant economic hardship
27 upon the tobacco-related segment of the agricultural economy in
28 that it is expected to result in reduced demand, sales, and prices
29 for tobacco as an agricultural product.

30 (2) Tobacco growers, tobacco allotment holders, and persons engaged
31 in tobacco-related businesses are entitled to indemnification for the
32 adverse economic effects in the State resulting from the Master
33 Settlement Agreement, tobacco growers and allotment holders are
34 entitled to compensation for the economic losses resulting from lost
35 quota value in this State, and tobacco growers are entitled to
36 compensation for the decline in value of tobacco-related personal
37 property assets and declining market conditions in this State
38 resulting from the Master Settlement Agreement, to the extent that
39 funds are available in the Tobacco Trust Fund to address those
40 purposes.

41 (3) Even in the absence of the Master Settlement Agreement, the
42 tobacco-related segment of the State's economy is experiencing
43 severe economic hardship as it confronts a national decline in the
44 use of, and demand for, tobacco products, which decline is

1 expected to continue. At present, the tobacco growers, tobacco
2 allotment holders, and persons engaged in tobacco-related
3 businesses are facing an economic crisis that threatens their health
4 and survival. Therefore, in addition to indemnification and
5 compensation for losses in this State resulting from the Master
6 Settlement Agreement, the public interest will be served by the
7 funding of qualified agricultural programs that support, foster,
8 encourage, and facilitate a strong agricultural economy in North
9 Carolina. To the extent that funds are available in the Tobacco
10 Trust Fund, expenditure of those funds to finance qualified
11 agricultural programs is in the public interest.

- 12 (4) It is a public purpose for these funds to be expended in this
13 manner, and it is public service for these persons to accept these
14 funds to the end that conditions of unemployment and fiscal
15 distress may be alleviated or avoided, more stable local economies
16 may be created, local tax bases may be stabilized and maintained,
17 natural resources may be optimally used, and the general public
18 may be benefited.

19 **"§ 143-716. Definitions.**

20 The following definitions apply in this Article:

- 21 (1) Commission. -- The Tobacco Trust Fund Commission.
22 (2) Compensatory programs. -- Programs developed by the
23 Commission to identify, locate, compensate, and indemnify tobacco
24 growers, allotment holders, and persons engaged in tobacco-related
25 businesses who have suffered actual economic losses in this State
26 due to lost quota, the decline in value of tobacco-related personal
27 property assets, and declining market conditions resulting from the
28 Master Settlement Agreement or declines in the tobacco-related
29 segment of the State's economy.
30 (3) Fund. -- The Tobacco Trust Fund.
31 (4) Master Settlement Agreement. -- The settlement agreement
32 between certain tobacco manufacturers and the states, as
33 incorporated in the consent decree entered in the action of State of
34 North Carolina v. Philip Morris, Incorporated, et al., 98 CVS
35 14377, in the General Court of Justice, Superior Court Division,
36 Wake County, North Carolina.
37 (5) National Tobacco Grower Settlement Trust. -- The trust
38 established by tobacco companies to provide payments to tobacco
39 growers and allotment holders in 14 states for the purposes of
40 ameliorating potential adverse economic consequences of likely
41 reduction in demand, sales, and prices for tobacco as an
42 agricultural product as a result of the Master Settlement
43 Agreement.

- 1 (6) Qualified agricultural programs. -- Programs developed by the
2 Commission to support and foster the vitality and solvency of the
3 tobacco-related segment of the State's agricultural economy,
4 particularly the segment adversely affected by the Master
5 Settlement Agreement, with the objective of alleviating and
6 avoiding unemployment, preserving and increasing local tax bases,
7 and encouraging the economic stability of participants in the
8 State's agricultural economy. Examples of qualified agricultural
9 programs include programs to finance the modernization of
10 farming equipment, programs to finance the conversion of existing
11 equipment to conform to environmental and other regulatory
12 requirements, and programs to finance the conversion or
13 replacement of equipment in order to cultivate crops that are more
14 profitable than are currently being cultivated.
- 15 (7) Tobacco product component business. -- An individual,
16 partnership, limited liability company, corporation, or other
17 commercial entity that engages in the manufacture of component
18 products for use in the manufacture of tobacco products.
- 19 (8) Tobacco-related business. -- An individual, partnership, limited
20 liability company, corporation, or other commercial entity that
21 provides products or services used directly in (i) the production of
22 tobacco, or (ii) support of the business of the production of
23 tobacco. The term does not include the manufacturing of tobacco
24 products or the sale of tobacco products at wholesale or retail.
- 25 (9) Tobacco-related employment. -- Employment in a tobacco-related
26 business, or in the manufacturing of tobacco products or the
27 component products used in the manufacture of tobacco products.
28 The term does not include persons employed in the sale of tobacco
29 products at wholesale or retail.

30 **§ 143-717. Commission.**

31 (a) Creation. -- The Tobacco Trust Fund Commission is created. The Commission
32 shall be administratively located within the Department of Agriculture and Consumer
33 Services but shall exercise its powers independently of the Commissioner of
34 Agriculture and the Department. All administrative expenses of the Commission
35 shall be paid from the Fund.

36 (b) Membership. -- The Commission shall consist of 18 members. The
37 Commission shall be appointed as follows: six members by the Governor, six
38 members by the General Assembly upon the recommendation of the President Pro
39 Tempore of the Senate in accordance with G.S. 120-121, and six members by the
40 General Assembly upon the recommendation of the Speaker of the House of
41 Representatives in accordance with G.S. 120-121. It is the intent of the General
42 Assembly that the appointing authorities, in appointing members, shall appoint
43 members who represent the geographic, gender, and racial diversity of the State, and
44 represent flue-cured tobacco farmers, burley tobacco farmers, flue-cured tobacco

1 allotment holders, burley tobacco allotment holders, persons in or displaced from
2 tobacco-related employment, as well as the general public.

3 Except as provided for the initial members under subsection (c) of this section,
4 members shall serve four-year terms beginning July 1. A vacancy in a position
5 appointed by the Governor shall be filled for the unexpired term by the Governor.
6 A vacancy in a position appointed by the General Assembly shall be filled in
7 accordance with G.S. 120-122. A member may be removed from office for cause by
8 the authority that appointed that member.

9 (c) Initial Membership; Staggering. -- To provide for a staggered membership, the
10 members initially appointed to the Commission shall be appointed to staggered terms.
11 Of the initial appointments to the Commission made by the Governor, two members
12 shall serve one-year terms ending on June 30, 2001, two members shall serve two-year
13 terms ending on June 30, 2002, one member shall serve a three-year term ending on
14 June 30, 2003, and one member shall serve a four-year term ending on June 30, 2004.
15 Of the initial appointments to the Commission made by the General Assembly upon
16 the recommendation of the President Pro Tempore of the Senate, one member shall
17 serve a one-year term ending on June 30, 2001, one member shall serve a two-year
18 term ending on June 30, 2002, two members shall serve three-year terms ending on
19 June 30, 2003, and two members shall serve four-year terms ending on June 30,
20 Of the initial appointments to the Commission made by the General Assembly upon
21 the recommendation of the Speaker of the House of Representatives, one member
22 shall serve a one-year term ending on June 30, 2001, one member shall serve a two-
23 year term ending on June 30, 2002, two members shall serve three-year terms ending
24 on June 30, 2003, and two members shall serve four-year terms ending on June 30,
25 2004.

26 Members may continue to serve beyond their terms until their successors are duly
27 appointed, but any holdover shall not affect the expiration date of the succeeding
28 term.

29 (d) Officers. -- The Commission shall elect from its membership a chair, vice-
30 chair, and other officers as necessary for two-year terms beginning July 1 at the first
31 meeting of the Commission held on or after July 1 of every even-numbered year.
32 The vice-chair may act for the chair in the absence of the chair as authorized by the
33 Commission.

34 (e) Frequency of Meetings. -- The Commission shall meet at least quarterly each
35 year and may hold special meetings at the call of the chair or a majority of members.
36 The Governor shall call the initial meeting of the Commission.

37 (f) Quorum; Majority. -- Ten members shall constitute a quorum of the
38 Commission. The Commission may act upon a majority vote of the members of the
39 Commission on matters involving the disbursement of funds and personnel matters
40 properly before the Commission. On all other matters, the Commission may act by
41 majority vote of the members of the Commission at a meeting at which a quorum is
42 present.

43 (g) Conflict of Interest. -- Members of the Commission shall comply with the
44 provisions of G.S. 14-234 prohibiting conflicts of interest, except that G.S. 14-234(a)

1 shall not apply to an application for or the receipt of a grant or other financial
2 assistance award by a member of the Commission from the Fund created under this
3 Article, or an entity in which a member of the Commission has an interest, if both of
4 the following conditions are met:

5 (1) A member does not vote on, participate in the deliberation of, or
6 otherwise attempt through his or her official capacity to influence
7 the vote on, a grant or other financial assistance award by the
8 Commission to the member.

9 (2) The Commissioner of Agriculture determines that any award to a
10 member is in accordance with general criteria adopted by the
11 Commission for the distribution of funds from the Fund.

12 (h) Limit on Operating and Administrative Expenses. -- No more than two and
13 one-half percent (2 1/2%) of the annual receipts of the Fund for the fiscal year
14 beginning July 1 or a total sum of one million dollars (\$1,000,000), whichever is less,
15 may be used each fiscal year for administrative and operating expenses of the
16 Commission and its staff. All administrative expenses of the Commission shall be
17 paid from the Fund.

18 **"§ 143-718. Powers and duties.**

19 The Commission shall have the following powers and duties:

20 (1) To administer the provisions of this Article.

21 (2) To develop compensatory programs and qualified agriculture
22 programs, including guidelines and criteria for eligibility for and
23 disbursement of funds, the forms of direct and indirect economic
24 assistance to be awarded, and procedures for applying for and
25 reviewing applications for assistance from the Fund. In developing
26 guidelines and criteria for eligibility and disbursement of funds, the
27 Commission may consult with and otherwise obtain assistance from
28 the State and local offices of the Farm Service Agency and other
29 agencies of the United States Department of Agriculture.

30 (3) To provide financial assistance to eligible recipients, in carrying
31 out compensatory programs and qualified agricultural programs.

32 (4) To hire staff for the administration of the Fund.

33 (5) To contract with other persons to assist in the administration of the
34 Commission's programs.

35 (6) To accept gifts or grants from other sources.

36 (7) To adopt rules to implement this Article.

37 **"§ 143-719. Tobacco Trust Fund; creation; investment.**

38 (a) Fund Established. -- The Tobacco Trust Fund is established in the Office of
39 the State Treasurer. The Fund shall be used to provide financial assistance in
40 accordance with this Article.

41 (b) Fund Earnings, Assets, and Balances. -- The State Treasurer shall hold the
42 Fund separate and apart from all other moneys, funds, and accounts. The State
43 Treasurer shall be the custodian of the Fund and shall invest the assets in accordance
44 with G.S. 147-69.2 and G.S. 147-69.3. Investment earnings credited to the Fund shall

- 1 become part of the Fund. Any balance remaining in the Fund at the end of any
2 fiscal year shall be carried forward in the Fund for the next succeeding fiscal year.
3 Payments from the Fund shall be made on the warrant of the chair of the
4 Commission, pursuant to the directives of the Commission.
5 **"§ 143-720. Benefits and administration of Fund for compensatory programs.**
6 (a) Funds held in the Fund may be expended on compensatory programs as
7 provided in this section.
8 (b) The Fund may provide direct and indirect financial assistance, in accordance
9 with criteria established by the Commission and to the extent allowed by law, to
10 accomplish the following:
11 (1) Indemnify tobacco producers, allotment holders, and persons
12 engaged in tobacco-related businesses from the adverse economic
13 effects in this State of the Master Settlement Agreement.
14 (2) Compensate tobacco producers and allotment holders for
15 economic loss resulting from lost quota value and compensate
16 tobacco producers for the decline in value of tobacco-related
17 personal property assets and declining market conditions resulting
18 from the Master Settlement Agreement in this State.
19 (3) Compensate individuals displaced from tobacco-related
20 employment in this State as a result of the adverse economic
21 effects of the Master Settlement Agreement.
22 (4) Compensate tobacco product component businesses that are (i)
23 adversely impacted by the Master Settlement Agreement and that
24 (ii) need financial assistance to retool machinery or equipment or
25 to retrain workers, in order to convert to the production of new
26 products or nontobacco use of existing products, or to effect other
27 similar changes.
28 (c) Only tobacco producers, persons engaged in tobacco-related businesses,
29 individuals displaced from tobacco-related employment, and tobacco product
30 component businesses in this State, and holders of North Carolina tobacco allotments,
31 are eligible to apply for and receive assistance pursuant to subsection (b) of this
32 section. Direct payments made to tobacco producers and tobacco allotment holders
33 shall be based on losses resulting in 1998 and thereafter. Lost quota value shall be a
34 primary determinative factor in calculating the amount of compensable economic loss
35 for tobacco producers and allotment holders.
36 (d) The Commission shall determine the priority of awards among the categories
37 in subsection (b) of this section and within each of those categories.
38 (e) Financial assistance awards shall be for no more than one year at a time. An
39 award may be renewed annually, without limitation.
40 (f) The Commission may require applicants to provide copies of documents
41 necessary to determine compensable economic loss.
42 (g) In no event shall the amount paid to a tobacco producer or allotment holder
43 pursuant to this Article, when combined with the amount received through the

1 National Tobacco Grower Settlement Trust, exceed the compensable economic loss
2 of the producer or allotment holder.

3 (h) The Commission may consider the criteria used for National Tobacco Grower
4 Settlement Trust payments and may correspond with the National Tobacco Grower
5 Settlement Trust certification entity to ensure that tobacco farmers and allotment
6 holders are treated fairly.

7 **"§ 143-721. Benefits and administration of Fund for qualified agricultural programs.**

8 (a) Funds held in the Fund may be expended on qualified agricultural programs
9 as provided in this section.

10 (b) In implementing qualified agricultural programs, the Commission shall
11 endeavor to identify those areas of the tobacco-related segment of the State's
12 economy in need of assistance to be provided by the Fund in order to assure the
13 continued vitality and solvency of those areas. The Commission shall endeavor to
14 select for funding qualified agricultural programs that will have the greatest favorable
15 impact on the long-term health of the tobacco-related economy of the State.

16 (c) The benefits of qualified agricultural programs are not limited to persons
17 suffering economic loss resulting from the Master Settlement Agreement, but these
18 programs shall be designed to foster, support, and assist the tobacco-related segment
19 of the agricultural economy.

20 (d) The Commission may solicit and accept proposals from agencies and
21 departments of the State, including institutions of The University of North Carolina,
22 local units of government, the federal government, and members of the private sector
23 for qualified agricultural programs to be funded with money held in the Fund.

24 **"§ 143-722. Reporting.**

25 (a) The chair of the Commission shall report each year by November 1 to the
26 Joint Legislative Commission on Governmental Operations and the chairs of the
27 House and Senate Appropriation Committees regarding the implementation of this
28 Article, including a report on funds disbursed during the fiscal year by amount,
29 purpose and category of recipient, and other information as requested by the Joint
30 Legislative Commission on Governmental Operations. A written copy of the report
31 shall also be sent to the Legislative Library by November 1 each year.

32 (b) Any non-State corporation, organization, or institution that receives, uses, or
33 expends any funds from the Commission is subject to the applicable reporting
34 requirements of G.S 143-6.1.

35 **"§ 143-723. Open meetings; public records; audit.**

36 The Open Meetings Law (Article 33 of Chapter 143 of the General Statutes) and
37 the Public Records Act (Chapter 132 of the General Statutes) shall apply to the Fund
38 and the Commission, and the Fund and the Commission shall be subject to audit by
39 the State Auditor as provided by law."

40

41 **PART IV. STATE PERSONNEL ACT EXEMPTION**

42 Section 4. G.S. 126-5(c1) reads as rewritten:

43 "(c1) Except as to the provisions of Articles 6 and 7 of this Chapter, the
44 provisions of this Chapter shall not apply to:

- 1 (1) Constitutional officers of the State.
- 2 (2) Officers and employees of the Judicial Department.
- 3 (3) Officers and employees of the General Assembly.
- 4 (4) Members of boards, committees, commissions, councils, and
5 advisory councils compensated on a per diem basis.
- 6 (5) Officials or employees whose salaries are fixed by the General
7 Assembly, or by the Governor, or by the Governor and Council of
8 State, or by the Governor subject to the approval of the Council of
9 State.
- 10 (6) Employees of the Office of the Governor that the Governor, at any
11 time, in his discretion, exempts from the application of the
12 provisions of this Chapter by means of a letter to the State
13 Personnel Director designating these employees.
- 14 (7) Employees of the Office of the Lieutenant Governor, that the
15 Lieutenant Governor, at any time, in his discretion, exempts from
16 the application of the provisions of this Chapter by means of a
17 letter to the State Personnel Director designating these employees.
- 18 (8) Instructional and research staff, physicians, and dentists of The
19 University of North Carolina.
- 20 (9) Employees whose salaries are fixed under the authority vested in
21 the Board of Governors of The University of North Carolina by
22 the provisions of G.S. 116-11(4), 116-11(5), and 116-14.
- 23 (10) Repealed by Session Laws 1991, c. 84, s. 1.
- 24 (11) North Carolina School of Science and Mathematics' employees
25 whose salaries are fixed in accordance with the provisions of G.S.
26 116-235(c)(1) and G.S. 116-235(c)(2).
- 27 (12) Employees of the North Carolina Low-Level Radioactive Waste
28 Management Authority whose salaries are fixed pursuant to G.S.
29 104G-5(g)(1) and G.S. 104G-5(g)(2).
- 30 (13) Employees of the North Carolina Hazardous Waste Management
31 Commission whose salaries are fixed pursuant to G.S. 130B-6(g)(1)
32 and G.S. 130B-6(g)(2).
- 33 (14) Employees of the North Carolina State Ports Authority.
- 34 (15) Employees of the North Carolina Global TransPark Authority.
- 35 (16) The executive director and one associate director of the North
36 Carolina Center for Nursing established under Article 9F of
37 Chapter 90 of the General Statutes.
- 38 (17) The executive director of the independent staff of the Information
39 Resources Management Commission established under G.S. 143B-
40 472.41A.
- 41 (18) Employees of the Tobacco Trust Fund Commission established in
42 Article 75 of Chapter 143 of the General Statutes.
- 43 (19) Employees of the Health and Wellness Trust Fund Commission
44 established in Article 21 of Chapter 130A of the General Statutes."

1

2 **PART V. NO LEGISLATORS ON COMMISSIONS**3 Section 5. G.S. 120-123 is amended by adding two new subdivisions to
4 read:5 "**§ 120-123. Service by members of the General Assembly on certain boards and**
6 **commissions.**7 No member of the General Assembly may serve on any of the following boards or
8 commissions:

9

10 (70) The Tobacco Trust Fund Commission established in Article 75 of
11 Chapter 143 of the General Statutes.12 (71) The Health and Wellness Trust Fund Commission established in
13 Article 21 of Chapter 130A of the General Statutes."

14

15 **PART VI. CONFLICT OF INTEREST (TOBACCO)**

16 Section 6. G.S. 14-234 is amended by adding a new subsection to read:

17 "(d4) Subsection (a) of this section does not apply to an application for, or the
18 receipt of a grant or other financial assistance from, the Tobacco Trust Fund created
19 under Article 75 of Chapter 143 of the General Statutes by a member of the Tobacco
20 Trust Commission or an entity in which a member of the Commission has an interest
21 provided that the requirements of G.S. 143-717(g) are met."

22

23 **PART VII. NATIONAL TOBACCO GROWER SETTLEMENT DISCRETIONARY**
24 **TRUST CLARIFICATION**

25 Section 7. G.S. 36A-115(b) reads as rewritten:

26 "(b) Subsection (a) hereof shall not apply to a beneficiary's estate or interest in
27 any one or any combination of one or more of the trusts described below, in which
28 the beneficiary's estate or interest shall not be alienable either voluntarily or
29 involuntarily.30 (1) Discretionary Trust. -- A trust wherein the amount to be received
31 by the beneficiary, including whether or not the beneficiary is to
32 receive anything at all, is within the discretion of the trustee. A
33 discretionary trust within the meaning of this subsection shall also
34 include a trust for the benefit of one or more classes of
35 beneficiaries as defined in the trust, wherein the amount to be
36 received by any beneficiary or class of beneficiaries, including
37 whether or not that beneficiary or class of beneficiaries is to
38 receive anything at all, is determined by the board of directors of a
39 certification entity. A certification entity is one that delivers on a
40 yearly basis to the trustee a plan describing the categories of
41 persons or entities to whom trust distributions will be made and
42 explaining how each category falls within the definition of class or
43 classes of beneficiaries defined in the trust.

- 1 (2) Support Trust. -- A trust wherein the trustee has no duty to pay or
2 distribute any particular amount to the beneficiary, but has only a
3 duty to pay or distribute to the beneficiary, or to apply on behalf
4 of the beneficiary such sums as the trustee shall, in his discretion,
5 determine are appropriate for the support, education or
6 maintenance of the beneficiary.
- 7 (3) Protective Trust. -- A trust wherein the creating instrument
8 provides that the interest of the beneficiary shall cease if
9 a. The beneficiary alienates or attempts to alienate that
10 interest; or
11 b. Any creditor attempts to reach the beneficiary's interest by
12 attachment, levy, or otherwise; or
13 c. The beneficiary becomes insolvent or bankrupt."
14

15 PART VIII. GOLDEN L.E.A.F. AMENDMENTS

16 Section 8.(a) Section 2(a) of S.L. 1999-2 reads as rewritten:
17 "Section 2(a). ~~Except as provided in subsection 2(b), transfer~~ The transfer and
18 assignment to the nonprofit corporation referred to in Section 1 of this act of the
19 right, title, and interest of the State to each annual installment payment constituting
20 the fifty percent (50%) of North Carolina's State Specific Account specified in
21 subparagraph VI.A.1 of the Consent Decree is hereby approved."

22 Section 8.(b) Section 2(b) of S.L. 1999-2 reads as rewritten:
23 "Section 2(b). ~~Unless provided otherwise by an act of the General Assembly~~
24 ~~before the installment payment is received in North Carolina's State Specific~~
25 ~~Account, the~~ The right, title, and interest to each installment payment vests in the
26 nonprofit corporation upon receipt of that payment in North Carolina's State Specific
27 Account for the public charitable purposes of providing economic impact assistance
28 to economically affected or tobacco dependent regions of North Carolina. These
29 funds shall be distributed to the nonprofit corporation under the Consent Decree and
30 shall constitute support of the nonprofit corporation from the State of North
31 Carolina."

32 Section 8.(c) Section 3 of S.L. 1999-2 reads as rewritten:
33 "Section 3. The Attorney General shall draft articles of incorporation for the
34 nonprofit corporation to enable the nonprofit corporation to carry out its mission as
35 set out in the Consent Decree. The articles of incorporation shall provide for the
36 following:

- 37 (1) Consultation; reporting. -- The nonprofit corporation shall consult
38 with the Joint Legislative Commission on Governmental
39 Operations ("Commission") prior to the corporation's board of
40 directors (i) adopting bylaws and (ii) adopting the annual operating
41 budget. The nonprofit corporation shall also report on its
42 programs and activities to the Commission on or before March 1 of
43 each fiscal year and more frequently as requested by the
44 Commission. The report shall include information on the activities

1 and accomplishments during the fiscal year, itemized expenditures
2 during the fiscal year, planned activities and goals for at least the
3 next 12 months, and itemized anticipated expenditures for the next
4 fiscal year. The nonprofit corporation shall also annually provide
5 to the Commission an itemized report of its administrative
6 expenses and copies of its annual report and tax return
7 information.

8 (2) Public records; open meetings. -- The nonprofit corporation is
9 subject to the Open Meetings Law as provided in Article 33C of
10 Chapter 143 of the General Statutes and the Public Records Act as
11 provided in Chapter 132 of the General Statutes. The nonprofit
12 corporation shall publish at least annually a report, available to the
13 public and filed with the Joint Legislative Commission on
14 Governmental Operations, of every expenditure or distribution in
15 furtherance of the public charitable purposes of the nonprofit
16 corporation.

17 ~~(3) Transfer of assets. -- The nonprofit corporation may not dispose of~~
18 ~~assets pursuant to G.S. 55A-12-02 without the approval of the~~
19 ~~General Assembly.~~

20 (4) Charter repeal. -- The charter of the nonprofit corporation may be
21 repealed at any time by the legislature pursuant to Article VIII,
22 Section 1 of the North Carolina Constitution. ~~The nonprofit~~
23 ~~corporation may not amend its articles of incorporation without~~
24 ~~the approval of the General Assembly.~~

25 (5) Dissolution. -- The nonprofit corporation may be dissolved
26 pursuant to Chapter 55A of the General Statutes, ~~by the General~~
27 ~~Assembly, Statutes~~ or by the Court pursuant to the Consent
28 Decree. Upon dissolution, all unencumbered assets and funds of
29 the nonprofit corporation, including the right to receive future
30 funds pursuant to Section 2 of this act, are transferred to the
31 Settlement Reserve Fund established pursuant to G.S. 143-16.4."
32

33 PART IX. APPLICABILITY AND EFFECTIVE DATE

34 Section 9.(a) Interpretation of Act. -- The foregoing sections of this act
35 provide an additional and alternative method for the doing of the things authorized
36 by the act, are supplemental and additional to powers conferred by other laws, and
37 do not derogate any powers now existing.

38 Section 9.(b) References in this act to specific sections or Chapters of the
39 General Statutes are intended to be references to those sections or Chapters as
40 amended and as they may be amended from time to time by the General Assembly.

41 Section 9.(c) This act, being necessary for the health and welfare of the
42 people of the State, shall be liberally construed to effect its purposes.

43 Section 9.(d) If any provision of this act or its application is held invalid,
44 the invalidity does not affect other provisions or applications of this act that can be

1 given effect without the invalid provisions or application, and to this end the
2 provisions of this act are severable.

3 Section 10. Effective Date. -- This act is effective when it becomes law.

RULES AND OPERATIONS OF THE SENATE COMMITTEE


**Thursday, July 6, 2000
Senate Chamber**

MINUTES

The Rules and Operations of the Senate Committee met on Thursday, July 6, 2000, at 3:35 p.m. in the Chamber of the Legislative Building. Eleven members of the committee were present.

Senator Tony Rand called the meeting to order to discuss SB 1385, Pro Tem Appointments. Senator Luther Jordan moved the adoption of a committee substitute for SB 1385. The motion carried unanimously. Senator Rand and Norma Mills explained the changes in the bill. Senator John Carrington moved unfavorable report as to the original bill, but favorable as to the committee substitute. The motion carried unanimously.

The business being completed, the meeting was adjourned.



Senator Tony Rand, Chair



Dot Waugaman, Acting Comm. Assistant

**NORTH CAROLINA GENERAL ASSEMBLY
SENATE**

**RULES AND OPERATIONS OF THE SENATE COMMITTEE REPORT
Senator Tony Rand, Chair**

Thursday, July 06, 2000

SENATOR RAND,
submits the following with recommendations as to passage:

UNFAVORABLE AS TO BILL, BUT FAVORABLE AS TO C.S. BILL

| | | |
|-----------|-----------------------|---------|
| S.B. 1385 | Pro Tem Appointments. | |
| | Draft Number: | PCS3999 |
| | Sequential Referral: | None |
| | Recommended Referral: | None |
| | Long Title Amended: | Yes |

TOTAL REPORTED:1

Committee Clerk Comment:

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

1

SENATE BILL 1385

Short Title: Pro Tem Appointments.

(Public)

Sponsors: Senators Rand; and Warren.

Referred to: Rules and Operations of the Senate.

May 23, 2000

1 A BILL TO BE ENTITLED
2 AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE
3 RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE
4 SENATE.

5 Whereas, G.S. 120-121 authorizes the General Assembly to make certain
6 appointments to public offices upon the recommendation of the President Pro
7 Tempore of the Senate; and

8 Whereas, the President Pro Tempore of the Senate has made
9 recommendations; Now, therefore,

10 The General Assembly of North Carolina enacts:

11 Section 1. Julia Bryan Jones Daniels of Wake County and Linda
12 Godwin Murphy of Duplin County are appointed to the Board of Trustees of the
13 North Carolina Museum of Art for terms expiring on June 30, 2001.

14 Section 2. Unless otherwise specified, all appointments made by this act
15 are for terms to begin July 1, 2000.

16 Section 3. This act is effective when it becomes law.

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

S

D

SENATE BILL 1385
Proposed Committee Substitute S1385-PCS3999-LG1

Short Title: Pro Tem Appointments.

(Public)

Sponsors:

Referred to:

May 23, 2000

1 A BILL TO BE ENTITLED
2 AN ACT TO APPOINT PERSONS TO VARIOUS PUBLIC OFFICES UPON THE
3 RECOMMENDATION OF THE PRESIDENT PRO TEMPORE OF THE
4 SENATE AND TO MAKE CHANGES IN THE LAW RELATING TO
5 APPOINTMENTS TO PUBLIC OFFICE.

6 Whereas, G.S. 120-121 authorizes the General Assembly to make certain
7 appointments to public offices upon the recommendation of the President Pro
8 Tempore of the Senate; and

9 Whereas, the President Pro Tempore of the Senate has made
10 recommendations; Now, therefore,
11 The General Assembly of North Carolina enacts:

12
13 PART I. PRESIDENT PRO TEMPORE'S RECOMMENDATIONS

14
15 Section 1.1. Julia Bryan Jones Daniels of Wake County and Linda
16 Godwin Murphy of Duplin County are appointed to the Board of Trustees of the
17 North Carolina Museum of Art for terms expiring on June 30, 2001.

18 Section 1.2. Tracy Lindsay of Buncombe County is appointed to the
19 North Carolina Arboretum Board of Directors for a term expiring on June 30, 2004.

20 Section 1.3. Florence Moses of Wake County and Rick Proctor of
21 Guilford County are appointed to the North Carolina Board of Athletic Trainer
22 Examiners for terms expiring on July 31, 2003.

1 Section 1.4. William D. McInnis of Union County and Dr. Joseph
2 Estwanik of Mecklenburg County are appointed to the North Carolina State Boxing
3 Commission for terms expiring on December 31, 2002.

4 Section 1.5. Frances P. Walker of Currituck County is appointed to the
5 North Carolina Bridge Authority for a term expiring on June 30, 2003.

6 Section 1.6. Charles E. Truelove of Wake County is appointed to the
7 State Building Commission for a term expiring on June 30, 2003.

8 Section 1.7. Diana Jones Wilson of Chowan County is appointed to the
9 Child Care Commission for a term expiring on June 30, 2002.

10 Section 1.8. William Joseph Brooks, III of Haywood County and Dickson
11 McLean, Jr. of Robeson County are appointed to the Clean Water Management Trust
12 Fund Board of Trustees for terms expiring on December 31, 2004.

13 Section 1.9. Deborah Simpson of Cumberland County is appointed to
14 the North Carolina Code Officials Qualification Board for a term expiring on June
15 30, 2004.

16 Section 1.10. Ann Ake of Wake County is appointed to the North
17 Carolina Board of Dietetics/Nutrition for a term expiring on June 30, 2003.

18 Section 1.11. Joseph L. Ray of Columbus County is appointed to the
19 Dispute Resolution Commission for a term expiring on September 30, 2002.

20 Section 1.12. Ashly Maag of Buncombe County is appointed to the
21 North Carolina Educational Facilities Finance Agency for a term expiring on March
22 1, 2004.

23 Section 1.13. M. Durwood Stephenson of Johnston County is appointed
24 to the North Carolina Global TransPark Authority for a term expiring on June 30,
25 2003, to fill unexpired term of Jeanette Hyde.

26 Section 1.14. Joe A. Connolly of Buncombe County and Dean Gurley of
27 Wayne County are appointed to the State Health Plan Purchasing Alliance Board for
28 terms expiring on July 1, 2003.

29 Section 1.15. Gerald Holleman of Wake County, Ed Moran of Craven
30 County, Jeanne C. Tedrow of Wake County, and Jeffrey D. Null of Cumberland
31 County are appointed to the North Carolina Housing Partnership for terms expiring
32 on August 31, 2002.

33 Section 1.16. Paul Brooks of Robeson County is appointed to the North
34 Carolina State Commission of Indian Affairs for a term expiring on June 30, 2001.

35 Section 1.17. Randy Gregory of Cumberland County is appointed to the
36 State Judicial Council for a term expiring on December 31, 2004.

37 Section 1.18. Candace C. Frye of Pitt County and Maria Narf Spuller of
38 Forsyth County are appointed to the North Carolina Board of Massage and
39 Bodywork Therapy for terms expiring on June 30, 2003.

40 Section 1.19. Jim Sponenburg, III of Caldwell County is appointed to the
41 Natural Heritage Trust Fund Board of Trustees for a term expiring on December 31,
42 2005.

1 Section 1.20. Donna Whitley of Pitt County and Marti D. Koch of
2 Buncombe County are appointed to the North Carolina Center for Nursing for terms
3 expiring on June 30, 2003.

4 Section 1.21. Leslie Anderson of Buncombe County and Harriet L.
5 Farringham of Duplin County are appointed to the North Carolina Parks and Recreation
6 Authority for terms expiring on June 30, 2002.

7 Section 1.22. Douglas A. Fox of New Hanover County is appointed to
8 the North Carolina State Ports Authority for a term expiring on June 30, 2002.

9 Section 1.23. Sue Anderson of Tyrrell County is appointed to the North
10 Carolina Principal Fellows Commission for a term expiring on June 30, 2003.

11 Section 1.24. William A. Allen of Pasquotank County is appointed to the
12 Private Protective Services Board for a term expiring on June 30, 2002. Thomas J.
13 Burgin, Jr. of Lincoln County, Keith S. Shannon of Mecklenburg County, and Julius
14 R. Cauble of Henderson County are appointed to the Private Protective Services
15 Board for a term expiring on June 30, 2003.

16 Section 1.25. Roger Perry of Orange County is appointed to the North
17 Carolina Progress Board for a term expiring on June 30, 2004.

18 Section 1.26. Bebe Woody, Ray Evans, and Tod Clissold of Dare County
19 are appointed to the Roanoke Island Commission for terms expiring on June 30,
20 2001. Bobby Owens, Jo Ann Williams, and Bill Kealy of Dare County are appointed
21 to the Roanoke Island Commission for terms expiring on June 30, 2002.

22 Section 1.27. Randolph Palmer Sugg of Wake County is appointed to the
23 Rules Review Commission for a term expiring on June 30, 2002.

24 Section 1.28. Richard L. Frye of Alamance County is appointed to the
25 North Carolina Sheriffs' Education and Training Standards Commission for a term
26 expiring on June 30, 2003.

27 Section 1.29. Melanie Ross Chumley of Mecklenburg County is
28 appointed to the North Carolina Teaching Fellows Commission for a term expiring
29 on June 30, 2004.

30 Section 1.30. Mayor James H. Mobley, Jr. of Beaufort County is
31 appointed to the North Carolina State Board of Therapeutic Recreation Certification
32 for a term expiring on June 30, 2003.

33 Section 1.31. Gregory E. Bright of Wake County is appointed to the
34 Well Contractors Certification Commission for a term expiring on June 30, 2003.

35 Section 1.32. Neil Franklin Allen of Randolph County is appointed to
36 the Wireless 911 Board for a term expiring on June 30, 2002, to fill the unexpired
37 term of Richard Taylor. Toby Turner of Wake County is appointed to the Wireless
38 911 Board for a term expiring on June 30, 2002, to fill the unexpired term of Doug
39 Matheson.

40

41 PART II. STATUTORY AND SESSION LAW CHANGES

42

43 Section 2.1. Section 1 of S.L. 1997-40 reads as rewritten:

1 "Section 1. The Study Commission on the Future of Electric Service in North
2 Carolina is created. The Commission shall consist of ~~23~~ 24 voting members as
3 follows:

- 4 (1) Six members of the Senate to be appointed by the President Pro
5 Tempore of the Senate;
- 6 (2) Six members of the House of Representatives to be appointed by
7 the Speaker of the House of Representatives;
- 8 (3) The Chief Executive Officer of the North Carolina Electric
9 Membership Corporation or the Chief Executive Officer's
10 designee;
- 11 (4) The Chief Executive Officer of ElectriCities of North Carolina or
12 the Chief Executive Officer's designee;
- 13 (5) The Chief Executive Officer of Duke Power Company or the Chief
14 Executive Officer's designee;
- 15 (6) The Chief Executive Officer of Carolina Power and Light
16 Company or the Chief Executive Officer's designee;
- 17 (6a) The Chief Executive Officer of North Carolina Power Company or
18 the Chief Executive Officer's designee;
- 19 (7) Two residential consumers of electricity, one to be appointed by
20 the President Pro Tempore of the Senate and one to be appointed
21 by the Speaker of the House of Representatives;
- 22 (8) One commercial consumer of electricity to be appointed by the
23 President Pro Tempore of the Senate;
- 24 (9) Two industrial consumers of electricity, one to be appointed by the
25 Speaker of the House of Representatives and one to be appointed
26 by the President Pro Tempore of the Senate;
- 27 (10) One member of the environmental community to be appointed by
28 the Governor; and
- 29 (11) One person representing a nationwide electric power marketer to
30 be appointed by the Speaker of the House of Representatives.

31 The President Pro Tempore of the Senate and the Speaker of the House of
32 Representatives shall each designate a cochair from the General Assembly
33 membership serving on the Commission. The Commission shall meet upon the call
34 of the cochairs. A majority of the Commission shall constitute a quorum for the
35 transaction of business."

36 Section 2.2. Section 3.2 of S.L. 1999-395 reads as rewritten:

37 "Section 3.2. Membership. -- The Commission shall consist of ~~15~~ 17 members who
38 shall represent, insofar as practicable, the diverse interests and geographic regions of
39 the State and shall include individuals with expertise in tax policy, tax administration,
40 and professional tax practice.

41 The Speaker of the House of Representatives shall appoint ~~five~~ six members, as
42 follows: ~~two~~ three members of the General Assembly, one individual nominated by
43 the North Carolina League of Municipalities, one individual who represents business
44 taxpayers, and one public member.

1 The President Pro Tempore of the Senate shall appoint ~~five~~ six members, as
2 follows: ~~two~~ three members of the General Assembly, one individual nominated by
3 the North Carolina Association of County Commissioners, one individual who
4 represents nonbusiness taxpayers, and one public member.

5 The Governor shall appoint five members, as follows: one individual who
6 represents tax practitioners, one individual who represents nonprofit, charitable
7 organizations, one individual who has demonstrated leadership and expertise in tax
8 policy, one individual who represents senior citizens and one individual who
9 represents small business taxpayers.

10 Appointments to the Commission shall be made no later than August 31, ~~1999~~
11 2000. Vacancies shall be filled by the original appointing authority."

12 Section 2.3. G.S. 74C-4(b) reads as rewritten:

13 "(b) The Board shall consist of ~~10~~ 14 members: the Attorney General or his
14 designated representative, two persons appointed by the Attorney General, one
15 person appointed by the Governor, ~~three~~ five persons appointed by the General
16 Assembly upon the recommendation of the President Pro Tempore of the Senate, and
17 ~~three~~ five persons appointed by the General Assembly upon the recommendation of
18 the Speaker of the House of Representatives. All appointments by the General
19 Assembly shall be subject to the provisions of G.S. 120-121, and vacancies in the
20 positions filled by those appointments shall be filled pursuant to G.S. 120-122. One of
21 those persons appointed by the General Assembly upon the recommendation of the
22 President Pro Tempore of the Senate and all ~~three~~ five persons appointed by the
23 General Assembly upon the recommendation of the Speaker of the House of
24 Representatives shall be licensees under this Chapter; all other appointees may not be
25 licensees of the Board nor licensed by the Board while serving as Board members.
26 All persons appointed shall serve terms of three years. With the exception of the
27 Attorney General or his designated representative, no person shall serve more than
28 eight consecutive years on the Board, including years of service prior and subsequent
29 to July 1, 1983. Board members may continue to serve until their successors have
30 been appointed."

31 Section 2.4. G.S. 143B-131.6(i) reads as rewritten:

32 "(i) The Commission shall make its recommendations by ~~September~~ March 15 of
33 each year that terms expire for appointments for terms commencing ~~November~~ July 1
34 of that year; provided the initial appointments for terms commencing October 1,
35 1994, shall be made upon recommendation of the Roanoke Island Historical
36 Association."

37 Section 2.5. G.S. 160A-480.3(b) reads as rewritten:

38 "(b) Membership. -- An authority shall have eight or ~~17~~ 19 members. Members
39 shall be chosen for terms as follows:

40 (1) Four shall be appointed by the General Assembly upon the
41 recommendation of the Speaker of the House of Representatives in
42 accordance with G.S. 120-121, at least one of whom shall be a
43 resident of the territorial jurisdiction of the authority, and at least
44 one other of whom shall have been recommended by the board of

1 trustees of the constituent institution of The University of North
2 Carolina whose main campus is located within the county;

3 (2) Four shall be appointed by the General Assembly upon the
4 recommendation of the President Pro Tempore of the Senate in
5 accordance with G.S. 120-121, at least one of whom shall be a
6 resident of the territorial jurisdiction of the authority, and at least
7 one other of whom shall have been recommended by the Board of
8 Trustees of the constituent institution of The University of North
9 Carolina whose main campus is located within the county; and

10 (3) If the territorial jurisdiction of the authority is a county where the
11 main campus of a constituent institution of The University of
12 North Carolina is located, then:

13 a. Four members shall be appointed by the board of
14 commissioners of that county, one of whom at the time of
15 appointment is a resident of the municipality with the
16 second largest population in the county, according to the
17 most recent decennial federal census;

18 b. Four members shall be appointed by the city council of the
19 city with the largest population in the county, according to
20 the most recent decennial federal census;

21 c. ~~One member~~ Two members shall be appointed jointly by
22 the mayors of all the cities in that county.

23 d. The Chancellor of the main campus of a constituent
24 institution of The University of North Carolina within the
25 county, or the Chancellor's designee.

26 Beginning January 1, 1999, a majority of any executive committee, or other
27 committee however termed having supervisory or management authority over the
28 facility to be constructed by the authority, shall consist of authority members
29 appointed under this subdivision.

30 Neither the board of commissioners nor the city council may appoint a member of
31 its board to serve on the authority.

32 Two of the initial appointments under subdivision (1) of this subsection, two of the
33 initial appointments under subdivision (2) of this subsection, one of the initial
34 appointments under subdivision (3)a. of this subsection, and one of the initial
35 appointments under subdivision (3)b. of this section shall be for terms expiring July 1
36 of the second year after the year in which the authority is created. The remaining
37 initial appointments shall be for terms expiring July 1 of the fourth year after the year
38 in which the authority is created. The third member appointed by the board of
39 commissioners shall serve a term beginning January 1, 1999, and expiring July 1,
40 2001, and the fourth member appointed by the board of commissioners shall serve a
41 term beginning January 1, 1999, and expiring July 1, 2003. The third member
42 appointed by the city council shall serve a term beginning January 1, 1999, and
43 expiring July 1, 2001, and the fourth member appointed by the city council shall
44 serve a term beginning January 1, 1999, and expiring July 1, 2003. Of the two

1 appointments made by the General Assembly in 1999 and quadrennially thereafter
2 upon the recommendation of the Speaker of the House of Representatives, one shall
3 be the person recommended by the board of trustees of the constituent institution of
4 The University of North Carolina whose main campus is located within the county.
5 Of the two appointments made by the General Assembly in 1999 and quadrennially
6 thereafter upon the recommendation of the President Pro Tempore of the Senate, one
7 shall be the person recommended by the board of trustees of the constituent
8 institution of The University of North Carolina whose main campus is located within
9 the county. The second member appointed under subdivision (3)c. of this section
10 shall serve an initial term expiring July 1, 2003. Successors shall be appointed in the
11 same manner for four-year terms. A member may be removed by the appointing
12 authority for cause. Vacancies occurring in the membership of the authority shall be
13 filled by the remaining members."

14

15 PART III. EFFECTIVE DATE

16

17 Section 3.1. Unless otherwise specified, all appointments made by this
18 act are for terms to begin July 1, 2000.

19 Section 3.2. This act is effective when it becomes law.