

NORTH CAROLINA GENERAL ASSEMBLY
1969 SESSION

CHAPTER 807
HOUSE BILL 20

AN ACT TO MAKE APPROPRIATIONS FOR CURRENT OPERATIONS OF THE STATE
DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.

The General Assembly of North Carolina do enact:

Section 1. The appropriations made herein are intended to be for maximum amounts necessary to provide the services and accomplish the purposes described in The Budget. It is the intent of the General Assembly that savings shall be effected where the total amounts appropriated shall not be required to perform these services and accomplish these purposes, and that such savings shall be reverted to the appropriate fund at the end of the biennium.

GENERAL FUND

Sec. 2. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated are hereby made for the two fiscal years ending June 30, 1970, and June 30, 1971, respectively, according to the following schedule:

I. GENERAL GOVERNMENT

	<u>1969-70</u>	<u>1970-71</u>
The General Assembly	\$	\$ 1,729,455
Judicial Department	20,911,239	23,366,231
Judicial Council.....	1,165	1,165
Counsel for Indigent Defendants	894,864	982,269
The Governor's Office.....	455,075	446,406
The Lieutenant Governor	18,912	19,267
Department of Administration	8,330,270	7,085,604
Department of Personnel.....	879,713	898,912
Secretary of State	217,996	216,375
State Auditor	935,525	1,016,789
Local Affairs Coordination and Long Range Planning .	250,000	500,000
State Treasurer:		
1. State Treasurer	270,673	263,900
2. Local Government Commission	135,123	136,873
Department of Justice:		
1. Attorney General.....	642,006	646,212
2. State Bureau of Investigation	1,595,177	1,548,622
3. General Statutes Commission	\$ 18,732	\$ 18,870
Department of Revenue.....	9,017,850	9,364,709
Department of Tax Research.....	146,714	156,349
State Board of Assessment.....	144,572	162,432
North Carolina Tax Review Board	8,460	9,166
State Board of Elections.....	55,120	55,428
North Carolina Courts Commission.....	22,500	11,250
Legislative Research Commission	16,000	16,000

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1	North Carolina Capital Planning Commission.....	5,000	5,000
2	North Carolina Capital Building Authority.....	5,000	5,000
3	Governor's Commission on Law and Order.....	18,375	18,375
4	Governor's Committee on Employment		
5	of the Handicapped	22,200	22,200
6	Contingency and Emergency:		
7	1. To provide for contingency and		
8	emergency expenditures for any purpose		
9	authorized by law for which no		
10	specific appropriation is made		
11	hereunder, or for which inadvertently		
12	an insufficient appropriation has been		
13	made under this Section. Allotments		
14	are to be made from this appropriation		
15	under the provisions of G.S. 143-12,		
16	or such other statute as may be applicable	1,750,000	1,750,000
17	Department of Administration — Reserve for Law and		
18	Order Action Programs	350,000	-
19	Salary Increases of State Employees		
20	Subject to the Personnel Act	17,464,726	21,456,560
21	Salary Adjustments of State Employees	<u>2,136,677</u>	<u>3,397,676</u>
22	SUBTOTAL — General Government	<u>\$ 66,719,664</u>	<u>\$ 75,307,095</u>
23	II. PUBLIC SAFETY AND REGULATION		
24	The Adjutant General:		
25	1. Adjutant General's Office.....	\$ 687,745	\$ 699,291
26	2. Armory Commission.....	41,350	42,000
27	State Civil Air Patrol.....	19,607	19,617
28	State Civil Defense Agency	201,282	205,276
29	Department of Motor Vehicles:		
30	1. Automobile Drivers' Financial		
31	Responsibility Program.....	733,364	689,695
32	Utilities Commission.....	624,808	630,958
33	Insurance Department:		
34	1. Insurance Department	\$ 1,023,754	\$ 1,061,954
35	2. State Property Fire		
36	Insurance Fund	250,000	
37	3. Firemen's Relief Fund	1,750	1,750
38	4. Building Code Council.....	3,808	3,808
39	Department of Labor	947,514	961,473
40	Industrial Commission	518,476	525,345
41	State Board of Alcoholic Control.....	929,759	899,229
42	Department of Agriculture:		
43	1. Gasoline and Oil Inspection		
44	Service	<u>150,508</u>	<u>154,146</u>
45	SUBTOTAL — Public Safety and Regulation ..	<u>\$ 6,133,725</u>	<u>6,144,542</u>
46	III. CORRECTION		
47	North Carolina Board of		
48	Juvenile Correction:		
49	1. General Administration.....	\$ 162,765	\$ 164,205
50	2. Stonewall Jackson Training School	873,588	916,010
51	3. State Home and Industrial School for Girls —		

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1	Samarcaand Manor.....	853,256	883,553
2	4. Morrison Training School.....	965,001	1,003,411
3	5. Eastern Carolina Training School.....	622,949	661,917
4	6. State Training School for Girls — Dobbs Farm ..	587,477	643,982
5	7. Leonard Training School	704,943	744,370
6	8. Juvenile Evaluation Center	1,140,522	1,201,471
7	9. C. A. Dillon School.....	444,208	483,278
8	Fugitives from Justice	6,500	6,500
9	Department of Correction	19,061,549	21,294,730
10	Probation Commission.....	2,841,254	3,175,545
11	Board of Paroles.....	<u>1,255,300</u>	<u>1,305,257</u>
12	SUBTOTAL — Correction.....	<u>\$ 29,519,312</u>	<u>\$ 32,484,229</u>
13	IV. PUBLIC WELFARE		
14	Department of Social Services:		
15	1. Department of Social Services	\$ 22,754,111	\$ 25,328,972
16	2. Child Welfare and Day Care Services	1,484,652	1,536,531
17	3. Local Confinement Facilities		
18	Improvement Fund	200,000	-
19	State Commission for the Blind	2,182,130	2,429,311
20	Department of Veterans Affairs:		
21	1. Department of Veterans Affairs	\$ 673,244	\$ 681,539
22	2. County Service Officers	94,000	94,000
23	Confederate Women's Home	82,709	84,390
24	Oxford Orphanage.....	70,250	70,250
25	Junior Order Children's Home	63,000	63,000
26	Central Orphanage of North Carolina.....	98,500	98,500
27	Odd Fellows Home	13,500	13,500
28	Pythian Home.....	11,000	11,000
29	Alexander Schools, Inc	51,000	51,000
30	Eliada Homes, Inc	24,000	24,000
31	Boys Home of North Carolina, Inc	10,000	10,000
32	Sipe's Orchard Home, Inc	<u>12,593</u>	<u>12,593</u>
33	SUBTOTAL — Public Welfare.....	<u>\$ 27,824,689</u>	<u>\$ 30,508,586</u>
34	V. EDUCATION		
35	Department of Public Instruction:		
36	1. Administration and Supervision.....	\$ 1,447,876	\$ 1,468,368
37	State Board of Education:		
38	1. Nine Months School Fund	423,218,681	465,364,089
39	2. State Board of Education	1,133,623	1,368,387
40	3. Vocational Education	18,534,229	17,308,983
41	4. Purchase of Free Textbooks	11,313,854	8,871,788
42	5. Vocational Textile School.....	215,103	160,663
43	6. Purchase of School Buses	3,435,071	3,435,071
44	7. Division of School Planning	302,244	309,275
45	8. Comprehensive School		
46	Improvement Project	793,553	795,898
47	9. Vocational Rehabilitation	1,928,092	1,939,921
48	10. Department of Community Colleges —		
49	Equipment	6,000,000	1,500,000
50	11. Instruction and Training for Trainable		
51	Mentally Handicapped Children	2,174,505	2,337,746

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1	12. National Defense Education Program.....	256,515	262,119
2	13. Department of Community Colleges	34,139,530	42,720,730
3	14. Program of Education by Television.....	140,896	142,049
4	15. Advancement School	669,011	725,707
5	16. Professional Improvement of Teachers.....	611,849	612,741
6	17. Financial Assistance to Hospital		
7	Programs of Nursing Education	330,000	320,000
8	State Board of Higher Education:		
9	1. State Board of Higher		
10	Education	1,934,310	1,956,086
11	2. Reserves for Equalization		
12	and Improvement	\$ 5,769,456	\$ 2,499,354
13	3. State Education Assistance		
14	Authority.....	53,500	53,500
15	Department of Administration —		
16	Reserve for Educational		
17	Benefits — Children		
18	of Veterans	975,000	1,000,000
19	University of North Carolina		
20	(Consolidated):		
21	1. General Administration.....	1,391,091	1,424,356
22	2. University of North Carolina		
23	at Chapel Hill:		
24	a. University of North Carolina		
25	at Chapel Hill.....	22,617,536	24,267,059
26	b. Division of Health Affairs.....	9,077,610	10,941,107
27	3. North Carolina State		
28	University at Raleigh	18,476,017	20,101,234
29	4. University of North Carolina		
30	at Greensboro.....	7,537,155	8,058,874
31	5. University of North Carolina		
32	at Charlotte	3,311,080	3,953,455
33	6. University of North Carolina		
34	at Asheville	1,408,731	1,352,622
35	7. University of North Carolina		
36	at Wilmington	1,547,590	1,627,409
37	East Carolina University	9,783,207	10,117,196
38	North Carolina Agricultural		
39	and Technical State University	4,033,924	4,140,454
40	Western Carolina University.....	4,748,602	4,982,313
41	Appalachian State University.....	5,629,781	5,910,829
42	Pembroke State University.....	1,581,818	1,680,296
43	Winston-Salem State College	1,734,914	1,757,792
44	Elizabeth City State College	1,335,030	1,408,227
45	Fayetteville State College	1,268,355	1,271,240
46	North Carolina Central University	3,730,864	3,866,528
47	North Carolina Board of Science		
48	and Technology.....	511,952	514,557
49	North Carolina School for the Deaf	1,857,464	2,259,890
50	Eastern North Carolina School for the Deaf	851,809	1,230,596
51	The Governor Morehead School.....	1,899,769	1,627,214

1	Student Loan Funds:		
2	1. Medical Care Commission —		
3	Medical Education	400,000	400,000
4	2. State Board of Education —		
5	Teacher Education	1,000,000	1,000,000
6	Department of Archives and History	1,237,580	1,262,970
7	Tryon Palace — Department of		
8	Archives and History.....	147,132	151,402
9	State Library:		
10	1. Library.....	\$ 397,452	\$ 405,912
11	2. State Aid to Public Libraries	1,377,702	1,879,754
12	North Carolina Museum of Art	354,455	354,589
13	North Carolina State Art Society	8,000	8,000
14	North Carolina Symphony Society, Inc	75,000	75,000
15	North Carolina School of the Arts	916,409	1,073,684
16	Old Salem, Inc.....	62,500	62,500
17	Highlands Biological Station, Inc	31,050	31,050
18	Moore's Creek Battleground Assoc.....	500	500
19	SUBTOTAL — Education.....	\$625,718,977	\$674,351,084
20	VII. NON-HIGHWAY TRANSPORTATION		
21	State Ports Authority	\$ 240,873	\$ 243,736
22	VIII. HEALTH AND HOSPITALS		
23	State Board of Health	\$ 8,334,895	\$ 8,511,578
24	Medical Care Commission	223,312	227,894
25	University of North Carolina:		
26	1. Memorial Hospital —		
27	Psychiatric Center	1,252,666	1,367,517
28	2. Memorial Hospital	7,507,316	7,954,316
29	Department of Mental Health:		
30	1. General Administration.....	6,112,085	6,823,018
31	2. Alcoholic Rehabilitation Center -		
32	Black Mountain	556,903	583,757
33	3. Alcoholic Rehabilitation Center —		
34	Butner	587,107	613,093
35	4. Alcoholic Rehabilitation Center —		
36	Greenville	551,203	578,057
37	5. Dorothea Dix Hospital	8,683,643	9,122,736
38	6. Broughton Hospital	7,094,393	7,400,456
39	7. Western Carolina Center	3,868,940	4,537,085
40	8. Cherry Hospital	7,981,692	8,293,841
41	9. O'Berry Center	4,087,196	4,215,128
42	10. John Umstead Hospital	6,229,476	6,379,340
43	11. Murdoch Center	5,891,198	6,000,073
44	12. Caswell Center	5,496,069	5,700,138
45	13. Wright School	235,379	244,991
46	Advisory Council on Mental Retardation	220,941	226,450
47	North Carolina Orthopedic Hospital	844,885	858,894
48	North Carolina Cerebral Palsy Hospital.....	354,725	365,252
49	North Carolina Sanatorium System:		
50	1. General Administration.....	80,553	82,346
51	2. North Carolina Sanatorium	1,888,184	1,929,014

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1	3. Western North Carolina Sanatorium	1,775,129	1,797,325
2	4. Eastern North Carolina Sanatorium	2,186,007	2,269,197
3	5. Gravelly Sanatorium	\$ 881,943	\$ 897,939
4	North Carolina Cancer Institute, Inc	26,000	26,000
5	Asheville Orthopedic Hospital	135,000	135,000
6	SUBTOTAL — Health and Hospitals	\$ 83,086,840	\$ 87,140,435
7	IX. NATURAL RESOURCES AND RECREATION		
8	Department of Conservation and Development:		
9	1. Department of Conservation		
10	and Development	\$ 8,964,095	\$ 8,492,627
11	2. Kerr Reservoir Development		
12	Commission — Nutbush		
13	Conservation Area	86,646	80,774
14	Department of Water and Air Resources	1,284,020	1,341,268
15	North Carolina National Park, Parkway		
16	and Forests Development Commission	11,292	11,306
17	Industrial Extension Service —		
18	North Carolina State University at Raleigh	339,221	360,340
19	Rural Electrification Authority	94,295	96,589
20	North Carolina Recreation Commission	170,867	174,168
21	Confederate Museum — Richmond, Virginia	200	200
22	Confederate Cemetery — Raleigh, North Carolina	350	350
23	Garden Clubs of North Carolina, Inc. —		
24	The Elizabethan Garden	5,500	5,500
25	Brevard Music Center	25,000	25,000
26	SUBTOTAL — Natural Resources		
27	and Recreation	\$ 10,981,486	\$ 10,588,122
28	X. AGRICULTURE		
29	Department of Agriculture	\$ 5,127,453	\$ 5,209,393
30	Agricultural Experiment Station —		
31	North Carolina State		
32	University at Raleigh	6,258,011	6,662,095
33	Cooperative Agricultural		
34	Extension Service — North		
35	Carolina State University at Raleigh	5,729,246	6,099,383
36	State Soil and Water Conservation Committee	284,533	295,996
37	SUBTOTAL — Agriculture	\$ 17,399,243	\$ 18,266,867
38	XII. RETIREMENT AND PENSIONS		
39	Teachers' and State Employees' Retirement System:		
40	1. Administration	\$ 699,703	\$ 716,600
41	2. Pension Payments to Retired		
42	State Employees	367,000	339,000
43	Law Enforcement Officers'		
44	Benefit and Retirement Fund —		
45	Contributions from General Fund	25,000	25,000
46	North Carolina Firemen's Pension Fund	527,587	528,300
47	Pensions — Confederate Widows	31,842	28,392
48	Pensions - Widows of Governors	15,000	15,000
49	SUBTOTAL — Retirement and Pensions	\$ 1,666,132	\$ 1,652,292
50	XIII. DEBT SERVICE		
51	Interest on Bonds	\$ 5,994,222	\$ 5,677,503

1	Redemption of Bonds.....	<u>11,780,000</u>	<u>12,080,000</u>
2	SUBTOTAL — Debt Service	<u>\$ 17,774,222</u>	<u>\$ 17,757,503</u>
3	XIV. TITLE XIX (MEDICAID)		
4	Reserve for Implementation of Title XIX	<u>\$ 3,350,000</u>	<u>\$ 4,700,000</u>
5	TOTAL — GENERAL FUND	<u>\$890,415,163</u>	<u>\$959,144,491</u>

HIGHWAY FUND

SECTION 3. Appropriations from the Highway Fund of the State for the expense of collecting revenues, for the service of the highway debt, and for the maintenance of the highway activities, are hereby made for the two fiscal years ending June 30, 1970, and June 30, 1971, respectively, according to the following schedule:

I. GENERAL GOVERNMENT

12	Salary Adjustments of Highway		
13	Fund Employees.....	\$ 932,515	\$ 1,311,212
14	Salary Increases of Highway		
15	Fund Employees.....	<u>9,958,428</u>	<u>11,970,769</u>
16	SUBTOTAL — General Government	<u>\$ 10,890,943</u>	<u>\$ 13,281,981</u>

II. PUBLIC SAFETY AND REGULATION

18	Department of Motor Vehicles.....	\$ 22,255,321	\$ 22,952,676
19	Transportation Inspection (Utilities Commission).....	221,250	218,818
20	Gasoline Inspection Service		
21	(Department of Agriculture)	476,979	462,437
22	Coordinator, Governor's Highway Safety Program	<u>1,662,973</u>	<u>1,763,953</u>
23	SUBTOTAL — Public Safety and Regulation	<u>\$ 24,616,523</u>	<u>\$ 25,397,884</u>

V. EDUCATION

25	Driver Training and Safety Education	<u>\$ 2,552,114</u>	<u>\$ 2,472,631</u>
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VI. HIGHWAYS

State Highway Commission:

28	1. Merit Salary Increments	\$ 2,622,276	\$ 4,363,050
29	2. Reserve for Contingencies	500,000	500,000
30	3. General Administration.....	3,556,185	3,527,590
31	4. Engineering Administration		
32	and Supervision	7,693,524	7,639,433
33	5. State Maintenance and Construction:		
34	a. Primary System	72,288,420	76,718,420
35	b. Secondary System	59,923,670	62,678,670
36	c. Urban System	18,597,710	19,712,710
37	d. Public Service Roads.....	1,400,000	1,400,000
38	6. State Funds to Match Federal Aid		
39	Highway Planning Survey and Highway		
40	Planning Research	700,000	700,000
41	7. State Funds to Match Federal Aid		
42	Construction.....	45,700,000	45,700,000
43	8. State Aid to Municipalities	11,000,000	11,541,667
44	9. Employer's Contribution — Retirement	5,330,493	5,455,217
45	10. Employer's Contribution —		
46	Social Security	<u>3,238,559</u>	<u>3,452,434</u>
47	SUBTOTAL — Highways.....	<u>\$232,550,837</u>	<u>\$243,389,191</u>

XIII. DEBT SERVICE

49	State Secondary Road Bond Interest		
50	and Redemption.....	\$ 12,386,250	\$ -
51	Bond Fund Act of 1965 Interest		

1	and Redemption.....	18,407,000	20,147,000
2	Highway Bond Anticipation Notes — Interest	<u>1,200,000</u>	-
3	SUBTOTAL — Debt Service	<u>\$ 31,993,250</u>	<u>\$ 20,147,000</u>
4	TOTAL — HIGHWAY FUND	<u>\$302,603,667</u>	<u>\$304,688,687</u>

5 Transfers and changes may be made in the Highway Fund from Merit Salary Increments,
6 Salary Increases, and Salary Adjustments to other operating appropriations in the Highway
7 Fund by authorization of the Director of the Budget. Transfers and changes may be made from
8 Reserve for Contingencies to other operating appropriations in the Highway Fund by
9 authorization of the Governor and Council of State. Transfers and changes may be made to
10 and/or from Title VI -3,4,5(a), (b),(c), (d), 6, and 7 by authorization of the Director of the
11 Budget: Provided, Title VI -5(a), (b), (c), (d), shall not be reduced by more than thirty percent
12 (30%) of the appropriations herein stated for State Maintenance and Construction Systems and
13 Title VI-6 and 7 shall not be reduced by more than ten percent (10%) of the appropriations
14 herein stated. In the event that the State revenues accruing to the Highway Fund exclusive of
15 one cent (\$.01) gasoline tax for Debt Service exceed the estimated revenues for each year of the
16 biennium, to wit, two hundred sixty-seven million, eight hundred fifty-seven thousand, five
17 hundred dollars (\$267,857,500) for the fiscal year 1969-70 and two hundred seventy-seven
18 million, three hundred seventy-seven thousand, five hundred dollars (\$277,377,500) for the
19 fiscal year 1970-71, such excesses may be allocated in the next succeeding year by the Director
20 of the Budget, to increase the appropriations under Titles II and VI-3, 4, 5(a), (b), (c), (d), 6 and
21 7. Increases in Highway Fund surplus from sources other than revenues may be allocated in the
22 next succeeding year by the Director of the Budget, to increase the appropriations under Titles
23 II and VI -3, 4, 5(a), (b), (c), (d), 6 and 7.

24 **Sec. 4.** There is hereby appropriated out of funds available in the various Special
25 Funds sufficient amounts to carry on required activities included under each Fund's operations
26 subject to provisions of the Executive Budget Act, Chapter 143, Article I, General Statutes of
27 North Carolina.

28 GENERAL PROVISIONS

29 **Sec. 5.** All insurance and all official fidelity and surety bonds authorized for the
30 several departments, institutions, and agencies shall be effected and placed by the Insurance
31 Department, and the cost of such placement shall be paid by the department, institution, or
32 agency involved upon bills rendered to and approved by the Insurance Commissioner.

33 SPECIAL PROVISIONS

34 **Sec. 6.** The appropriation made out of the General Fund for the Department of
35 Correction includes funds to be transferred or paid to the Dorothea Dix Hospital at Raleigh and
36 Cherry Hospital at Goldsboro for care, custody, and treatment of the criminally insane
37 prisoners, and to the North Carolina Sanatorium for care, custody, and treatment of prisoners
38 who have tuberculosis, with the amount of funds to be determined as follows: At the beginning
39 of each month the Dorothea Dix Hospital at Raleigh, the Cherry Hospital at Goldsboro, and
40 North Carolina Sanatorium shall render to the Department of Correction a bill, on the basis of
41 the per capita cost per day for the preceding fiscal year, as may be determined by the Director
42 of the Budget, for the care, custody, and treatment, during the preceding month, of criminally
43 insane prisoners and prisoners who have tuberculosis and who have been transferred from the
44 Prison System to said institutions, and the Department of Correction shall pay such bills
45 monthly.

46 **Sec. 7.** Appropriations made herein to the various State agencies for the purpose of
47 purchasing medical, dental, optometric and hospital services, including all services provided
48 under Title XIX of the Social Security Act, and for care in homes for the aged, will be
49 disbursed on the basis of rates and fee schedules approved by the Advisory Budget
50 Commission.

Sec. 8. Funds appropriated herein to the State Department of Social Services and in the Special Reserve for the purpose of implementing Title XIX (Medicaid) effective January 1, 1970, are intended to provide for the following:

- (a) Persons eligible for services will be limited to (1) public assistance recipients and (2) individuals who are over 65 years of age, or are permanently and totally disabled, or are blind, or are members of families with dependent children, and whose incomes are insufficient to provide necessary medical care, as determined by the Board of Social Services.
- (b) The services provided will be limited to hospital care (in-patient and out-patient), x-ray, laboratory, physicians services (practitioners of medicine or surgery, podiatry, and osteopathy), home health services, nursing home care, drugs, dental care and dentures, optometric services and eyeglasses.
- (c) Eligible patients in State mental and tuberculosis hospitals will be included.
- (d) The Department of Social Services is designated as the administering agency for a single state plan covering all public assistance categories including aid to the blind.
- (e) The State Board of Health will have the responsibility and authority for establishing and maintaining standards for institutions in which beneficiaries may receive services.
- (f) Administrative costs, as approved by the Advisory Budget Commission required for the Department of Social Services, the State Board of Health, and the county departments of welfare will be provided from funds appropriated and otherwise available for this program. The non-federal share of the costs of administration in the Department of Social Services and the State Board of Health will be borne by the State. The non-federal share of payments in behalf of patients in mental and tuberculosis hospitals will be borne by the State. The non-federal share of all other program costs will be divided equally between the State and counties.
- (g) The Department of Social Services will develop the State Plan for Title XIX to meet State and Federal requirements and establish policies to assure adequate program control subject to the approval of the Advisory Budget Commission.

Sec. 9. The Director of the Budget is authorized and empowered to transfer, as between the three institutions, the appropriations made in this Act for the North Carolina School for the Deaf, the Eastern North Carolina School for the Deaf, and the Governor Morehead School, and as between the eight training schools under the jurisdiction of the Board of Juvenile Correction, the appropriations made to any of them, when in his opinion it shall be deemed to be in the best interest of the State.

Sec. 10. It is the intention of this Act that, as to new units except those herein authorized, no recommendations for establishment of additional units shall be made by the Department of Community Colleges in the absence of a showing of a clear and urgent need in a particular area of the State. It is the further intention of this Act that it shall be the announced policy of the Department of Community Colleges that, as to capital improvement projects, no construction contracts may be let until it has been clearly established that funds are available for the related permanent equipment.

Funds appropriated herein to the State Board of Education, Department of Community Colleges, to purchase equipment for the Community College Institutions, (Code 18057) shall be permanent appropriations, and unexpended portions of these appropriations shall not revert to the General Fund at the end of the biennium.

Sec. 11. The Director of the Budget shall require that the Highway Fund, other special funds employing personnel, and other operations employing personnel which are

designated by the resolution of the Governor and Advisory Budget Commission as self-supporting operations shall budget as a line item object of expenditure sufficient funds to pay their employer proportion of contributions to the Teachers' and State Employees' Retirement System as required by the Act creating said system.

No part of the appropriations made in Section 2 of this Act shall be used to supply the State's or employer's contribution for retirement system purposes or Social Security purposes with respect to the compensation of any State employee (1) whose compensation is paid out of receipts of any state institution or agency (other than gifts, including foundation funds), which receipts are deposited in institutional funds for the specific purpose of paying the compensation of such employee or (2) who performs his duties for an operation or activity designated by the Director of the Budget as a self-supporting operation or activity, or (3) who performs his duties for an operation or activity not supported by an appropriation from the State General Fund. In those instances in which an employee's salary is paid in part from the General Fund or from gifts (including foundations) and in part from receipts of the State institution or agency (other than gifts, including foundation funds), which receipts are deposited in institutional funds for the specific purpose of paying part of the compensation of such State employee, the appropriations described above shall be used to pay a portion of the employer's contribution for retirement and social security equal to that proportion of the employee's total salary paid from the General Fund or from gifts (including foundations), and the remainder of the employer's contribution shall be paid from the same sources as supply the remainder of such employee's salary. It is the intent and purpose of this Act that, when retirement system or social security matching funds are required to be made on behalf of the State as an employer in the situations described above in this paragraph, such matching funds to the extent necessary shall be paid out of the funds of the institution or operation or activity described above in this paragraph. Notwithstanding the restrictions in this paragraph, the Director of the Budget is authorized and empowered to promulgate rules and regulations to apply to receipts-supported operations of a central services nature where the payments for services originate from appropriations, to the end that the effective purchasing power of such appropriations shall not be materially reduced as a result of payment of the employer's contribution for retirement and social security. Any question as to the applicability of this paragraph shall be resolved by the Director of the Budget and the Advisory Budget Commission.

Sec. 12. Subject to rules and regulations promulgated by the Department of Administration and approved by the Director of the Budget, any State department, institution, or agency of the State is hereby authorized to expend, from appropriations made in this Act, funds to pay the expenses of transporting the household goods and furniture of an employee and members of his household when such an employee is directed by the employing agency to transfer from one location to another.

Sec. 13. Subject to a recommendation of the Director of the Budget, funds not to exceed one hundred thousand dollars (\$100,000) for each year of the biennium 1969-71 may be allotted out of the Contingency and Emergency Appropriation for use by the State Department of Agriculture, North Carolina Agricultural Experiment Station, and the U.S. Department of Agriculture, for a witch weed control program; and, subject to a recommendation by the Director of the Budget, funds not to exceed fifty thousand dollars (\$50,000) each year may be allotted out of the Contingency and Emergency Fund for use by the State Department of Agriculture for payment of hog cholera indemnities.

Of the total amount appropriated herein to the Agricultural Experiment Station, the sum of one hundred one thousand, two hundred fifty two dollars (\$101,252) shall be solely for research in the mechanization of blueberry harvesting, and the sum of sixty seven thousand, eight hundred dollars (\$67,800) shall be used solely for research in post harvest physiology of fruits.

Sec. 14. Appropriations made herein to the Department of Social Services for the purpose of providing State matching funds to cities and counties for improvements in local jail facilities will be disbursed on the basis of a State plan for such assistance. The State plan shall be developed by the Department of Social Services subject to the approval of the Advisory Budget Commission.

Sec. 15. It is the intention of this Act that the amount of three hundred thousand dollars (\$300,000) unobligated Bureau Reserve Funds held by the State Commission for the Blind be transferred into General Fund Operating Code 16041 during fiscal 1969-70 to support authorized additional expenditures as provided for in this Act.

SALARIES AND WAGES

Sec. 16. The Director of the Budget is authorized and empowered to transfer from the appropriations for Salary Increases of State Employees Subject to the Personnel Act, such amounts, including the retirement and social security contributions, as may be required to increase salaries in effect on June 30, 1969, for all full-time permanent employees in accordance with a graduated scale of increases ranging from approximately thirteen and nine-tenths percent (13.9%) at the lowest step to approximately seven and one-half percent (7.5%) at higher levels, rounded to conform to the steps in such salary ranges as may be adopted by the State Personnel Board. For an employee whose salary is not equal to a specific pay rate within the present salary schedule, the annual increase will be the amount applicable to the next lower pay rate. The increases hereby provided for shall be based on salaries in effect on June 30, 1969, except that for certain employees whose salaries, by direction of the Governor, were adjusted to the annual rate of three thousand, seven hundred and fifty-six dollars (\$3,756) effective April 1, 1969, the increases hereby provided for shall be based on the salaries such employees would have received on June 30, 1969, if such adjustment had not been made. Salary increases hereby provided for shall be in accordance with the following schedule:

Annual Salary As of June 30, 1969	% Increase	Annual Salary As of July 1, 1969
\$ 3,024	13.89	\$ 3,444
3,168	13.64	3,600
3,336	12.59	3,756
3,468	12.80	3,912
3,636	12.21	4,080
3,804	11.99	4,260
3,984	11.75	4,452
4,176	11.49	4,656
4,380	11.23	4,872
4,584	10.99	5,088
4,812	10.72	5,328
5,040	10.71	5,580
5,280	10.68	5,844
5,556	10.15	6,120
5,832	9.88	6,408
6,108	9.82	6,708
6,408	9.55	7,020
6,708	9.48	7,344
7,044	9.03	7,680
7,380	8.78	8,028
7,752	8.51	8,412
8,124	8.42	8,808
8,520	8.17	9,216
8,940	8.05	9,660

1	9,384	7.80	10,116
2	9,852	7.67	10,608
3	10,320	7.56	11,100
4	10,848	7.52	11,664
5	11,376	7.59	12,240
6	11,940	7.54	12,840
7	12,528	7.57	13,476
8	13,128	7.59	14,124
9	13,800	7.57	14,844
10	14,472	7.55	15,564
11	15,192	7.50	16,332
12	15,936	7.53	17,136
13	16,728	7.53	17,988
14	17,556	7.52	18,876
15	18,420	7.56	19,812
16	19,344	7.51	20,796
17	20,292	7.51	21,816
18	21,312	7.55	22,920
19	22,368	7.51	24,048
20	23,472	7.52	25,236
21	24,648	7.50	26,496
22	25,884	7.51	27,828
23	27,180	7.51	29,220
24	28,536	7.53	30,684
25	29,964	7.53	32,220

The Director of the Budget is further authorized and empowered to transfer from the appropriations for the fiscal year 1970-71 for Salary Increases of State Employees Subject to the Personnel Act, such amounts, including the retirement and social security contributions, as may be required to increase salaries by an amount equal to two per cent (2% 1 of the salaries in effect on June 30, 1969, rounded to conform to the steps in such salary ranges as may be adopted by the State Personnel Board.

The Director of the Budget is further authorized to transfer any unexpended balance which may remain, after the provisions of this Section have been fully met, from the appropriations for Salary Increases of State Employees Subject to the Personnel Act, to the appropriations for Salary Adjustments of State Employees.

The provisions of this Section shall be applied to increase salaries paid out of special funds or from sources other than tax revenues; provided, the necessary funds are made available from operations or from sponsoring agents. The Director of the Budget is authorized and empowered to allocate out of special operating funds, under which personnel are employed, sufficient funds to conform with the provisions of this Section; provided, funds are available or made available by the sponsoring agents.

Salaries for positions which are paid from funds which are partially from the General Fund and partially from sources other than the General Fund shall be increased from the General Fund appropriation only to the extent of the proportionate part paid from the General Fund.

The salary increases for employees whose salaries are paid from receipts received from self-supporting activities shall be contingent upon availability of funds out of receipts, except that for employees whose salaries are paid from receipts-supported operations of a central-services nature, where the payments for services originate from appropriations, the Director of the Budget is authorized and empowered to promulgate rules and regulations to

1 provide for the salary increases of these employees to the end that the effective purchasing
2 power of such appropriations for services shall not be materially reduced.

3 The salary increases shall not affect the status of eligibility for automatic and/or
4 merit salary increments for which the employee may be eligible for the fiscal years 1969-71
5 notwithstanding the granting of the Legislative salary increase.

6 The salary ranges for all employees under the Personnel Act shall be increased, so
7 far as the maximum is concerned to the end that, after the salary increase provided for in this
8 Act is made, every employee will continue to have the same relative position with respect to
9 salary increases and future increments as he would have had if the salary increases provided by
10 this Act had not been made.

11 The salary increase provided in this Act to be effective July 1, 1969, shall not apply
12 to persons separated from State service due to resignation, dismissal, reduction in force, death
13 or retirement, whose last work day is prior to July 1, 1969; and the salary increase provided in
14 this Act to be effective July 1, 1970, shall not apply to persons separated from State service due
15 to resignation, dismissal, reduction in force, death or retirement, whose last work day is prior to
16 July 1, 1970.

17 **Sec. 17.** The amounts appropriated herein to the State Board of Education for
18 salaries of instructional personnel shall be used to provide salaries according to the Index
19 Salary Schedule established by the State Board of Education and approved by the 1969 General
20 Assembly.

21 **Sec. 18.** The Director of the Budget is authorized and empowered to transfer from
22 the General Fund Salary Adjustment appropriation, and from the Highway Fund Salary
23 Adjustment appropriation to the various departments, institutions and agencies, such amounts
24 as are necessary to support approved salary adjustments made necessary by changes in the
25 labor market which create difficulties in recruiting and holding qualified employees in State
26 Government. These funds are to supplement salary reserve funds in individual operating
27 budgets, and may not be allocated to a department, institution or agency until its appropriate
28 salary reserves are exhausted.

29 **Sec. 18.1.** The salary of the Chief Justice of the Supreme Court shall be thirty
30 thousand dollars (\$30,000) per annum, and the salaries of each of the Associate Justices of the
31 Supreme Court shall be twenty-nine thousand dollars (\$29,000) per annum; the salary of the
32 Chief Judge of the Court of Appeals shall be twenty-seven thousand dollars (\$27,000) per
33 annum, and the salaries of the Judges of said Court shall be twenty-six thousand dollars
34 (\$26,000) per annum; the salaries of the Judges of the Superior Court shall be twenty-two
35 thousand dollars (\$22,000) per annum; the salary of the Chief Judge of each District Court shall
36 be eighteen thousand dollars (\$18,000) per annum, and the salary of each District Court Judge
37 shall be seventeen thousand dollars (\$17,000) per annum, the salary of each District Court
38 Prosecutor shall be thirteen thousand dollars (\$13,000) per annum and the salary of each
39 District Court Assistant Prosecutor shall be eleven thousand dollars (\$11,000) per annum. The
40 salary of the Administrative Officer of the Courts shall be twenty-four thousand five hundred
41 dollars (\$24,500) per annum and the salary of the Assistant Administrative Officer of the
42 Courts shall be seventeen thousand five hundred dollars (\$17,500) per annum.

43 EFFECTIVE

44 **Sec. 19.** The provisions of the Executive Budget Act, Chapter 143, Article 2 of the
45 General Statutes, are re-enacted and shall remain in full force and effect, and are incorporated
46 in this Act by reference.

47 **Sec. 20.** If any section or provision of this Act be declared unconstitutional or
48 invalid by the courts, the same shall not affect the validity of the Act as a whole or any part
49 other than the part so declared to be unconstitutional or invalid.

50 **Sec. 21.** All laws and clauses of laws in conflict with this Act are hereby repealed.

51 **Sec. 22.** This Act shall become effective on July 1, 1969.

1 In the General Assembly read three times and ratified, this the 16th day of June,
2 1969.