

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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SENATE BILL 742

Short Title: Living Income Study Commission. (Public)

Sponsors: Senators Lucas; Clodfelter, Dorsett, Gulley, Holloman, and Malone.

Referred to: Rules and Operations of the Senate.

April 3, 2003

1 A BILL TO BE ENTITLED
2 AN ACT CREATING THE LIVING INCOME STUDY COMMISSION AND
3 APPROPRIATING FUNDS FOR THE WORK OF THE COMMISSION.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.(a)** There is created the Living Income Study Commission
6 ("Commission"). The Commission shall consist of 21 members appointed as follows:

7 (1) Seven members appointed by the Governor, to include:

8 a. One person who is knowledgeable about unemployment
9 insurance laws.

10 b. One person who is knowledgeable about State and federal labor
11 laws.

12 c. One person who is knowledgeable about State and federal
13 taxes.

14 d. One person who represents an organization whose primary
15 purpose is to represent the interests of women.

16 e. One person who represents an organization whose primary
17 purpose is to represent the interests of Asian-Americans.

18 f. One person who represents an organization whose primary
19 purpose is to represent the interests of the American Indian
20 community.

21 g. One person who is knowledgeable about the State's public
22 education system.

23 (2) Seven members appointed by the Speaker of the House of
24 Representatives, to include:

25 a. Four members of the House of Representatives.

26 b. One person who is a working citizen of low- to
27 moderate-income.

- 1 c. One person who represents an organization whose primary
2 purpose is to represent the interests of African-American
3 citizens.
4 d. One person from a private business or firm employing 200 or
5 more employees in this State.
6 (3) Seven members appointed by the President Pro Tempore of the Senate,
7 to include:
8 a. Four members of the Senate.
9 b. One person who represents an organization whose primary
10 purpose is to represent the interests of workers.
11 c. One person who represents an organization whose primary
12 purpose is to represent the interests of the Latino and Hispanic
13 community.
14 d. One person from a private business or firm employing fewer
15 than 200 employees in this State.

16 **SECTION 1.(b)** The Commission shall do the following:

- 17 (1) Identify a basic needs budget for North Carolina families and
18 determine the income, hereinafter the "Living Income", and hourly
19 wage needed to support the basic needs budget.
20 (2) Determine the extent to which current labor market participation and
21 wages enable individuals and families to earn a Living Income
22 necessary to meet their basic needs.
23 (3) Determine how many North Carolinians work and earn a Living
24 Income as defined in subdivision (1) of this subsection and how many
25 work and earn wages below two hundred percent (200%) of the
26 Federal Poverty Guideline, and study trends in the size, geographic,
27 and demographic profiles of these groups. To the extent possible, this
28 should be done at the county level and demographic profiles should
29 include, but shall not be limited to, gender, race, country of origin,
30 education level, and age.
31 (4) Examine job market factors that contribute to any changes in the
32 composition and numbers of those working but unable to meet their
33 basic needs including, but not limited to, shifts from manufacturing to
34 service, from full-time to part-time work, from permanent to
35 temporary or other contingent employment, and geographic location of
36 economic development.
37 (5) Examine cost-of-living factors that contribute to changes in the
38 number of those working but unable to meet their basic needs
39 including, but not limited to, child care, housing, health care, and
40 utility costs.
41 (6) Examine the efficacy of current and proposed economic development
42 efforts (especially tax incentives) and other public and private
43 initiatives that could increase household income to an amount adequate
44 to support the household.

- 1 (7) Evaluate the effectiveness of the unemployment insurance system in
2 meeting the needs of low-wage workers when they become
3 unemployed.
- 4 (8) Evaluate the effectiveness of the public school system to educate
5 students about budgeting and economic literacy skills and about their
6 role as consumers and workers in contemporary society.
- 7 (9) Examine the efficacy of a State-earned income tax credit to enable
8 working families to meet the requirements of a basic needs budget.
- 9 (10) Examine the wages, benefits, and protections available to part-time
10 and temporary workers, leased employees, independent contractors,
11 and other contingent workers as compared to regular full-time
12 workers.
- 13 (11) Examine the number, household structure, and demographics of
14 workers earning close to the federal minimum wage, the economic
15 effects in North Carolina of the past increases in the federal minimum
16 wage, and economic effects in other states that have implemented
17 minimum wages higher than the federal minimum, including, but not
18 limited to, the impact on public assistance payments, competitiveness
19 of employers, and other employee benefits.
- 20 (12) Conduct public hearings around the State to solicit first-hand
21 testimony regarding Living Income issues.
- 22 (13) Consider any other matter that the Commission finds relevant to its
23 charge.

24 **SECTION 2.(a)** The Speaker of the House of Representatives and the
25 President Pro Tempore of the Senate shall each appoint a cochair for the Commission.
26 The Commission may contract for consultant services as provided by G.S. 120-32.02.
27 Upon approval of the Legislative Services Commission, the Legislative Services Officer
28 shall assign professional and clerical staff to assist in the work of the Commission.
29 Clerical staff shall be furnished to the Commission through the offices of the House of
30 Representatives and Senate Supervisors of Clerks. The Commission may meet in the
31 Legislative Building or the Legislative Office Building upon the approval of the
32 Legislative Services Commission. The Commission, while in discharge of official
33 duties, may exercise all the powers provided under the provisions of G.S. 120-19
34 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and
35 departments of the State to provide any information, data, or documents within their
36 possession, ascertainable from their records, or otherwise available to them, and the
37 power to subpoena witnesses. Members of the Commission shall receive per diem,
38 subsistence, and travel allowances at the rate established in G.S. 120-3.1. Vacancies
39 shall be filled by the appointing authority.

40 **SECTION 2.(b)** The Commission shall submit an interim report to the 2004
41 Regular Session of the 2003 General Assembly that contains its recommendations,
42 legislative proposals, and cost analyses. The Commission shall make a final report to
43 the 2005 General Assembly and shall terminate upon filing its final report.

1 **SECTION 3.** There is appropriated from the General Fund to the General
2 Assembly the sum of fifty thousand dollars (\$50,000) for the 2003-2004 fiscal year and
3 the sum of fifty thousand dollars (\$50,000) for the 2004-2005 fiscal year for the costs of
4 the work of the Living Income Study Commission, created in Section 1 of this act.

5 **SECTION 4.** This act becomes effective July 1, 2003.