

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**2**

**HOUSE BILL 320  
Senate Appropriations/Base Budget Committee Substitute Adopted 8/12/05**

Short Title: Budget Technical Corrections.

(Public)

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Sponsors:

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Referred to:

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February 21, 2005

A BILL TO BE ENTITLED

AN ACT TO MAKE TECHNICAL AND CLARIFYING AMENDMENTS TO THE  
CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS  
APPROPRIATIONS ACT OF 2005.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
then Section 2.1. of that act reads as rewritten:

**"SECTION 2.1.** 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 made for the biennium ending June 30, 2007, according to the  
following schedule:

<b>Current Operations – General Fund</b>	<b>2005-2006</b>	<b>2006-2007</b>
<b>EDUCATION</b>		
Community Colleges System Office	\$ 787,685,943	\$ 767,295,886
Department of Public Instruction	6,607,998,945	6,579,807,097
University of North Carolina – Board of Governors		
Appalachian State University	97,708,514	98,114,232
East Carolina University		
Academic Affairs	165,132,181	168,098,010
Health Affairs	45,624,110	45,671,394
Elizabeth City State University	28,376,210	28,173,367
Fayetteville State University	42,540,261	42,778,425
North Carolina Agricultural and Technical State University	76,497,695	76,533,207

1	North Carolina Central University	59,223,437	58,883,106
2	North Carolina School of the Arts	21,173,905	20,698,614
3	North Carolina State University		
4	Academic Affairs	299,773,341	304,775,818
5	Agricultural Extension	36,389,142	35,668,328
6	Agricultural Research	45,200,460	45,281,347
7	University of North Carolina at Asheville	29,211,816	29,705,695
8	University of North Carolina at Chapel Hill		
9	Academic Affairs	212,164,735	220,475,219
10	<del>Health Affairs</del>	<del>162,938,570</del>	<del>164,709,561</del>
11	<u>Health Affairs</u>	<u>163,938,570</u>	<u>165,709,561</u>
12	Area Health Education Centers	44,743,422	44,743,422
13	University of North Carolina at Charlotte	125,613,588	132,319,883
14	University of North Carolina at Greensboro	112,318,841	113,459,797
15	University of North Carolina at Pembroke	41,277,854	41,754,482
16	University of North Carolina at Wilmington	74,161,294	76,371,666
17	Western Carolina University	71,404,729	71,990,778
18	Winston-Salem State University	48,726,028	48,658,641
19	General Administration	48,804,831	48,890,151
20	University Institutional Programs	24,610,415	28,278,415
21	Related Educational Programs	112,937,512	114,905,552
22	North Carolina School of Science and		
23	Mathematics	14,555,420	14,513,392
24	UNC Hospitals at Chapel Hill	<del>44,944,579</del> <u>43,944,579</u>	43,944,579
25	Total University of North Carolina –		
26	Board of Governors	\$ 2,086,052,890	<del>\$2,119,397,081</del>
27			<u>\$2,120,397,081</u>
28			
29	<b>HEALTH AND HUMAN SERVICES</b>		
30			
31	Department of Health and Human Services		
32	Office of the Secretary	\$ 113,855,919	\$ 118,880,919
33	Division of Aging	29,975,639	29,495,139
34	Division of Blind Services/Deaf/HH	9,676,797	9,681,220
35	Division of Child Development	268,350,017	267,356,799
36	Division of Education Services	33,852,267	34,281,895
37	Division of Facility Services	13,608,838	15,959,466
38	Division of Medical Assistance	2,509,772,054	2,751,209,159
39	Division of Mental Health	603,315,155	602,556,655
40	NC Health Choice	68,169,765	51,882,902
41	Division of Public Health	152,391,232	150,814,496
42	Division of Social Services	188,512,693	190,679,285
43	Division of Vocational Rehabilitation Services	41,755,526	42,142,193
44	Total Health and Human Services	\$ 4,033,235,902	\$ 4,264,940,128

1			
2	<b>NATURAL AND ECONOMIC RESOURCES</b>		
3			
4	Department of Agriculture and Consumer Services	\$ 52,040,846	\$ 51,032,884
5			
6	Department of Commerce		
7	Commerce	49,686,999	36,728,265
8	Commerce State-Aid	26,512,085	11,722,085
9	NC Biotechnology Center	12,083,395	10,583,395
10	Rural Economic Development Center	25,277,607	25,052,607
11			
12	Department of Environment and Natural Resources	177,197,119	167,451,089
13			
14	Department of Labor	14,419,553	14,434,925
15			
16	<b>JUSTICE AND PUBLIC SAFETY</b>		
17			
18	Department of Correction	\$ 1,029,924,421	\$ 1,048,492,502
19			
20	Department of Crime Control and Public Safety	34,793,934	35,153,488
21			
22	Judicial Department	342,604,760	345,726,582
23	Judicial Department – Indigent Defense	94,037,973	88,648,414
24			
25	Department of Justice	77,322,567	78,697,271
26			
27	Department of Juvenile Justice and		
28	Delinquency Prevention	140,377,666	138,873,166
29			
30	<b>GENERAL GOVERNMENT</b>		
31			
32	Department of Administration	\$ 62,039,261	\$ 58,818,473
33			
34	Office of Administrative Hearings	2,987,410	2,969,712
35			
36	Department of State Auditor	10,850,737	10,840,918
37			
38	Office of State Controller	10,043,268	10,044,511
39			
40	Department of Cultural Resources		
41	Cultural Resources	73,433,514	62,917,147
42	Roanoke Island Commission	1,783,374	1,783,374
43			
44	State Board of Elections	5,107,543	5,069,307

1			
2	General Assembly	42,934,588	46,965,432
3			
4	Office of the Governor		
5	Office of the Governor	5,324,590	5,344,528
6	Office of State Budget and Management	5,019,735	5,021,795
7	OSBM – Reserve for Special Appropriations	11,358,429	5,111,429
8	Housing Finance Agency	10,450,945	4,750,945
9			
10	Department of Insurance		
11	Insurance	28,220,714	28,110,582
12	Insurance – Volunteer Safety Workers'		
13	Compensation	2,000,000	4,500,000
14			
15	Office of Lieutenant Governor	754,737	753,037
16			
17	Department of Revenue	81,447,475	80,630,250
18			
19	Department of Secretary of State	8,934,063	9,269,633
20			
21	Department of State Treasurer		
22	State Treasurer	8,690,595	8,295,843
23	State Treasurer – Retirement for Fire		
24	and Rescue Squad Workers	8,651,457	8,651,457
25			
26	<b>TRANSPORTATION</b>		
27			
28	Department of Transportation	\$ 200,000	\$ 0
29			
30	<b>RESERVES, ADJUSTMENTS AND DEBT SERVICE</b>		
31			
32	Reserve for Compensation Increases	\$ 243,181,327	\$ 235,185,705
33			
34	Salary Adjustment Fund: 2005-2007 Biennium	4,500,000	4,500,000
35			
36	Salary Adjustment Fund: 2004-2005 Fiscal Year	4,500,000	4,500,000
37			
38	Reserve for Teachers' and State Employees'		
39	Retirement Contribution	13,810,800	13,810,800
40			
41	Reserve for Retirement System Payback	25,000,000	0
42			
43	Reserve for Death Benefit Trust	12,899,200	12,899,200
44			

1	Reserve for Disability Income Plan	6,586,500	6,586,500
2			
3	Reserve for State Health Plan	108,648,000	142,728,000
4			
5	Contingency and Emergency Fund	5,000,000	5,000,000
6			
7	Reserve for Information Technology		
8	Rate Adjustments	(2,300,000)	(2,300,000)
9			
10	Information Technology Fund	24,375,000	8,025,000
11			
12	MH/DD/SAS Trust Fund	10,000,000	0
13			
14	Health and Wellness Trust Fund	10,000,000	0
15			
16	Reserve for Job Development		
17	Investment Grants (JDIG)	9,000,000	12,400,000
18			
19	Reserve for Increased Fuel Costs	3,000,000	0
20			
21	Reserve for Contingent Appropriations	85,000,000	85,000,000
22			
23	Debt Service		
24	General Debt Service	489,544,211	619,291,140
25	Federal Reimbursement	1,616,380	1,616,380
26			

**TOTAL CURRENT OPERATIONS –  
GENERAL FUND**

**\$ 17,025,846,458** ~~**\$ 17,293,127,963**~~  
**\$17,294,127,963**"

**SECTION 1.(b)** If Senate Bill 622, 2005 Regular Session, becomes law, then Section 2.2.(a) of that act reads as rewritten:

**"SECTION 2.2.(a)** The General Fund availability used in developing the 2005-2007 biennial budget is shown below:

	<b>FY 2005-2006</b>	<b>FY 2006-2007</b>
34		
35		
36	Unappropriated Balance Remaining	
37	from Previous Year	\$0
38		<u>\$117,227,875</u>
39	Projected Over Collections FY 2004-2005	681,500,000
40	Projected Reversions FY 2004-2005	115,000,000
41	Less Earmarkings of Year End Credit Balance	
42	Savings Reserve Account	(199,125,000)
43	Repairs and Renovations	(125,000,000)
44	<b>Beginning Unreserved Credit Balance</b>	<b>\$472,375,000</b>
		<b>\$114,345,875</b>

1			<u>\$113,652,875</u>
2			
3	<b>Revenues Based on Existing Tax Structure</b>	<b>\$15,417,300,000</b>	<b>\$ 16,993,257,284</b>
4			<b><u>\$ 16,077,600,000</u></b>
5			
6	<b>Nontax Revenues</b>		
7	Investment Income	74,800,000	78,700,000
8	Judicial Fees	144,800,000	148,300,000
9	Disproportionate Share	100,000,000	100,000,000
10	Insurance	49,500,000	51,300,000
11	Other Nontax Revenues	138,000,000	151,300,000
12	Highway Trust Fund/Use Tax		
13	Reimbursement Transfer	252,558,117	252,663,009
14	Highway Fund Transfer	16,166,400	16,166,400
15	<b>Subtotal Nontax Revenues</b>	<b>\$ 775,824,517</b>	<b>\$ 798,429,409</b>
16			
17	<b>Total General Fund Availability</b>	<b>\$ 16,665,499,517</b>	<b>\$ 16,990,375,284</b>
18			<b><u>\$ 16,989,682,284</u></b>
19			
20	<b>Adjustments to Availability: 2005 Session</b>		
21	Streamlined Sales Tax Changes	40,000,000	61,700,000
22	Maintain 4.5% Sales Tax Rate	417,100,000	462,700,000
23	Other Sales Tax Changes		
24	Apply Sales Tax to Candy	9,800,000	15,800,000
25	Apply General Sales Tax Rate to Cable	10,900,000	26,100,000
26	Exempt Potting Soil for Farmers	(200,000)	(300,000)
27	Tobacco Tax Rate Changes	118,800,000	189,400,000
28	Extend 8.25% Individual Income		
29	Tax Rate for 2 years	39,800,000	89,700,000
30	Continue Use Tax Line on Individual Returns	3,200,000	3,200,000
31	Conform Estate Tax to Federal Sunset	29,100,000	115,600,000
32	Film Industry Jobs Incentives	(3,500,000)	(3,500,000)
33	IRC Update – Partial Conformance	(8,000,000)	(10,700,000)
34	Adjust Rates for Health Maintenance		
35	Organizations	0	14,300,000
36	Increase Earmarking for		
37	NC Grape Growers Council	(150,000)	(150,000)
38	Proceeds from the Sale of the Polk Building	4,977,781	0
39	Justice and Public Safety Fees	17,028,271	20,428,271
40	Transfer from Tobacco Trust Fund	34,000,000	30,000,000
41	Transfers from Special Revenue and Other Funds	5,453,950	0
42	Reimburse Debt Service for		
43	Certain Capital Facilities and		
44	Land Acquisition per S.L. 2004-179	5,958,723	21,060,827

1	Transfer to Civil Penalty and Forfeiture Fund	(80,000,000)	(85,000,000)
2	Suspend Highway Fund Transfer	(16,166,400)	(16,166,400)
3	Adjust Transfer from Insurance Regulatory Fund	389,013	243,813
4	Adjust Transfer from Treasurer's Office	468,478	67,478
5			
6	<b>Subtotal Adjustments to Availability:</b>		
7	<b>2005 Session</b>	<b>\$ 628,959,816</b>	<b>\$ 934,483,989</b>
8			
9	<b>Revised General Fund Availability</b>	<b>\$ 17,294,459,333</b>	<b>\$ 17,927,741,273</b>
10			<b><u>17,924,166,273</u></b>
11			
12	<b>Less: General Fund Appropriations</b>		
13	<del>SB 622 (2005 Appropriations Act)</del>	<del>(17,077,231,458)</del>	<del>(17,293,127,963)</del>
14	<u>SB 622 (2005 Appropriations Act)</u>	<u>(17,080,806,458)</u>	<u>(17,294,127,963)</u>
15	G.S. 143-15.3B: Clean Water		
16	Management Trust Fund	(100,000,000)	(100,000,000)
17			
18	<b>Total General Fund Appropriations</b>		
19	<del>2005-2007 Biennium</del>	<del>(\$17,177,231,458)</del>	<del>(\$17,393,127,963)</del>
20	<u>2005-2007 Biennium</u>	<u>(\$17,180,806,458)</u>	<u>(\$17,394,127,963)</u>
21			
22	<del>Unappropriated Balance Remaining</del>	<del>\$117,227,875</del>	<del>\$534,613,310</del>
23	<u>Unappropriated Balance Remaining</u>	<u>\$113,652,875</u>	<u>\$530,038,310</u>

24           **SECTION 2.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
25 then Section 6.12.(b) of that act reads as rewritten:

26           **"SECTION 6.12.(b)** If this section, or any portion of the amendment made to  
27 G.S. 66-291(b)(2) by this section, is held by a court of competent jurisdiction to be  
28 unconstitutional, then G.S. 66-291(b)(2) shall be deemed to be repealed in its entirety. If  
29 G.S. ~~66-291(b)(2)~~66-291(b) shall thereafter be held by a court of competent jurisdiction  
30 to be unconstitutional, then this section shall be repealed, and G.S. 66-291(b)(2) shall be  
31 restored as if no amendments had been made by this section. Neither any judicial  
32 holding of unconstitutionality nor the repeal of G.S. 66-291(b)(2) shall affect, impair, or  
33 invalidate any other portion of Part 1 of Article 37 of Chapter 66 of the General Statutes  
34 or the application of Part 1 of Article 37 of Chapter 66 of the General Statutes to any  
35 other person or circumstance, and the remaining portions of Part 1 of Article 37 of  
36 Chapter 66 of the General Statutes shall at all times continue in full force and effect."

37           **SECTION 2.(b)** This section becomes effective January 1, 2006.

38           **SECTION 3.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
39 then G.S. 58-58-30(a3), as amended by Section 6.29 of that act, reads as rewritten:

40           "(a3) Whenever any health benefit plan, subscriber contract, or policy of insurance  
41 issued by a health maintenance organization, hospital or medical service corporation, or  
42 insurer governed by Articles 1 through 67 of this Chapter provides coverage for  
43 medically necessary treatment, the insurer shall not impose any limitation on treatment  
44 or levels of coverage if performed by a duly licensed chiropractor acting within the

1 scope of the chiropractor's practice as defined in G.S. 90-151 unless a comparable  
2 limitation is imposed on the medically necessary treatment if performed or authorized  
3 by any other duly licensed physician. An insurer shall not impose as a limitation on  
4 treatment or level of coverage a co-payment amount charged to the insured for  
5 chiropractic services that is higher than the co-payment amount charged to the insured  
6 for the services of a duly licensed primary care physician for ~~the same~~ a comparable  
7 medically necessary treatment or condition."

8 **SECTION 3.(b)** This section becomes effective October 1, 2005.

9 **SECTION 4.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
10 Section 7.5 of that act reads as rewritten:

11 "**SECTION 7.5.** Effective July 1, 2005, any permanent certified personnel  
12 employed on ~~July 1, 2003,~~ July 1, 2005, and paid on the teacher salary schedule with  
13 29+ years of experience shall receive a one-time bonus equivalent to the average  
14 increase of the 26 to 29 year steps. Effective July 1, 2005, any permanent personnel  
15 employed on ~~July 1, 2004,~~ July 1, 2005, and paid at the top of the principal and assistant  
16 principal salary schedule shall receive a one-time bonus equivalent to two percent (2%).

17 For permanent part-time personnel, the one-time bonus shall be adjusted pro rata.  
18 Personnel defined under G.S. 115C-325(a)(5a) are not eligible to receive the bonus."

19 **SECTION 5.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
20 then Section 7.32.(b) of that act reads as rewritten:

21 "**SECTION 7.32.(b)** These funds shall be used to establish new high schools in  
22 which a local school administrative unit, two- and four-year colleges and universities,  
23 and local employers work together to ensure that high school and postsecondary college  
24 curricula operate seamlessly and meet the needs of participating employers.

25 Funds shall not be allotted until Learn and Earn high schools and planning sites are  
26 ~~certified as operational.~~ approved by the State Board of Education. Within funds  
27 available, the State Board of Education may approve additional planning sites. Learn  
28 and Earn planning sites are expected to complete the planning process by the end of the  
29 fiscal year for which the planning funds are awarded."

30 **SECTION 5.(b)** If Senate Bill 622, 2005 Regular Session, becomes law,  
31 then G.S. 115C-238.51(c), as amended by that act reads as rewritten:

32 "(c) The application shall be submitted to the State Board of Education and the  
33 applicable governing ~~Boards by November 1 of each year.~~ Boards. The Boards shall  
34 appoint a joint advisory committee to review the applications and to recommend to the  
35 Boards those programs that meet the requirements of this Part and that achieve the  
36 purposes set out in G.S. 115C-238.50."

37 **SECTION 5.(c)** If Senate Bill 622, 2005 Regular Session, becomes law,  
38 then G.S. 115C-238.51(d), as amended by that act reads as rewritten:

39 "(d) The Boards may approve programs recommended by the joint advisory  
40 committee or may approve other programs that were not recommended. The Boards  
41 shall approve all applications by ~~March 15~~ June 30 of each year. No application shall  
42 be approved unless the State Board of Education and the applicable governing Board  
43 find that the application meets the requirements set out in this Part and that granting the  
44 application would achieve the purposes set out in G.S. 115C-238.50. Priority shall be



1 given to applications that are most likely to further State education policies, to address  
2 the economic development needs of the economic development regions in which they  
3 are located, and to strengthen the educational programs offered in the local school  
4 administrative units in which they are located."

5 **SECTION 6.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
6 Section 7.57 of that act reads as rewritten:

7 "**SECTION 7.57.** Of the funds appropriated for Student Transportation for the  
8 2005-2006 fiscal year, the Department of Public Instruction shall use up to one hundred  
9 fifty thousand dollars (\$150,000) for a study of the current allotment formula for school  
10 transportation. The study shall be conducted by an independent consultant.

11 In the course of the study, the consultant shall consider whether (i) the current  
12 formula sufficiently encourages the efficient and effective use of school transportation  
13 funds by urban and rural school systems, (ii) the formula is adequately and equitably  
14 meeting the needs of school systems, and (iii) the formula is appropriate in light of the  
15 Leandro litigation. The consultant shall also propose options for reducing the severe and  
16 growing disparity in funding that exists under the formula among local school  
17 administrative units.

18 The consultant shall report the results of its study to the State Board of Education by  
19 ~~December 1, 2005.~~March 1, 2006. The State Board of Education shall submit a plan for  
20 the implementation of the consultant's report to the Joint Legislative Education  
21 Oversight Committee by ~~March 15, 2006.~~April 15, 2006."

22 **SECTION 7.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
23 Section 8.11 of that act reads as rewritten:

24 "**SECTION 8.11.** ~~Funds appropriated in this act for North Carolina Electronics and~~  
25 ~~Information Technologies Association's Defense Technology Innovation Center~~ Of the  
26 funds appropriated in this act to the Community Colleges System Office, the sum of two  
27 million dollars (\$2,000,000) for the 2005-2006 fiscal year shall be allocated to the  
28 Partnership for Defense Innovation for the establishment of the Defense Technology  
29 Innovation Center. These funds shall be used for the following:

- 30 (1) Site selection and acquisition, including the purchase or lease of real  
31 property to house the Center; the construction of buildings or other site  
32 structures; the improvement or refurbishment of existing structures to  
33 provide appropriate laboratory and administrative space; and the  
34 improvement of existing infrastructure at the facility, including  
35 improvements to utility, telecommunications, and Internet  
36 infrastructure.
- 37 (2) Equipment acquisition, including acquisition of laboratory equipment  
38 and supplies and office furniture, equipment, and supplies.
- 39 (3) Employment of staff to support the mission of the Center and to  
40 oversee day-to-day operations of the Center.
- 41 (4) Implementation of a comprehensive business and marketing plan for  
42 the Center.
- 43 (5) Development of a tenant screening process and the recruitment of  
44 appropriate tenants for the Center.

1 (6) Administration and operation of the Center and the development of a  
2 sustainable business plan for the Center."

3 **SECTION 8.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
4 Section 9.6(d) of that act reads as rewritten:

5 "**SECTION 9.6.(d)** All obligations to students for uses of the funds ~~set out in~~  
6 ~~sections~~ that were made before the date this act becomes law shall be fulfilled as to  
7 students who remain eligible under the provisions of the respective programs."

8 **SECTION 9.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
9 Section 9.16 of that act reads as rewritten:

10 "**SECTION 9.16.** Of the funds appropriated by this act to the Board of Governors of  
11 The University of North Carolina for the 2005-2006 fiscal year the sum of ~~one million~~  
12 ~~eighty-eight thousand nine hundred forty-one dollars (\$1,088,941)~~ one million  
13 eighty-nine thousand dollars (\$1,089,000) shall be allocated to North Carolina  
14 Agricultural and Technical State University for agricultural and research extension  
15 programs. It is the intent of the General Assembly to fully fund these programs for the  
16 2006-2007 fiscal year."

17 **SECTION 10.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
18 that act is amended by adding a new section to read:

19 "**SECTION 9.38.** Of the funds appropriated by this act to the Board of Governors of  
20 The University of North Carolina for the University of North Carolina at Chapel Hill –  
21 Health Affairs the sum of one million dollars (\$1,000,000) for the 2005-2006 fiscal year  
22 and the sum of one million dollars (\$1,000,000) for the 2006-2007 fiscal year shall be  
23 used by the University of North Carolina at Chapel Hill School of Medicine to establish  
24 and operate a translational medicine program."

25 **SECTION 11.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
26 Section 5.1.(v) of that act reads as rewritten:

27 "**SECTION 5.1.(v)** The sum of one million seven hundred six thousand sixty-three  
28 dollars (\$1,706,063) appropriated in this section in the ~~TANF~~ Social Services Block  
29 Grant for child caring agencies for the 2005-2006 fiscal year shall be allocated to the  
30 State Private Child Caring Agencies Fund."

31 **SECTION 12.** If Senate Bill 622, 2005 General Assembly, becomes law,  
32 then Section 10.39 of that act is amended by adding the following new subsection to  
33 read:

34 "**SECTION 10.39.(d)** Subsection (a) of this section becomes effective October 1,  
35 2005."

36 **SECTION 13.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
37 then Section 10.59F.(a) of that act reads as rewritten:

38 "**SECTION 10.59F.(a)** Program established. – There is established in the  
39 Department of Health and Human Services, Division of Public Health, the Governor's  
40 Vision Care Program. The purpose of the Program is to provide funds for early  
41 detection and correction of vision problems in children ~~enrolled~~ enrolling in grades K  
42 through 3 who are eligible for services under the Program. These funds shall be  
43 allocated to reimburse optometrists and ophthalmologists licensed to practice in this

1 State for the comprehensive eye examination, including necessary spectacles, provided  
 2 to meet the requirements of G.S. 130A-440.1."

3 **SECTION 13.(b)** If Senate Bill 622, 2005 Regular Session, becomes law,  
 4 then Section 10.59F.(b) of that act reads as rewritten:

5 "SECTION 10.59F.(b) Eligibility. – Children eligible for services under this section  
 6 shall be those with a family income not exceeding two hundred fifty percent (250%) of  
 7 the federal poverty level, who do not ~~have~~ receive comparable services through private  
 8 health insurance coverage, and are not eligible for services under NC Health Choice,  
 9 Medicaid, the Department of Health and Human Services' Commission for the Blind  
 10 programs, VSP's Sight for Students, or the Lions Club Foundation."

11 **SECTION 13.(c)** This section becomes effective with the 2006-2007 school  
 12 year.

13 **SECTION 14.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
 14 Section 12.5(a) of that act reads as rewritten:

15 "SECTION 12.5.(a) Of the funds appropriated in this act to the Department of  
 16 Environment and Natural Resources for the Grassroots Science Program, the sum of  
 17 three million one hundred ninety-seven thousand seven hundred sixty-two dollars  
 18 (\$3,197,762) for the 2005-2006 fiscal year is allocated as grants-in-aid for each fiscal  
 19 year as follows:

	2005-2006
22 Aurora Fossil Museum	\$59,057
23 Cape Fear Museum	\$161,007
24 Carolina Raptor Center	\$112,174
25 Catawba Science Center	\$133,429
26 Colburn Gem and Mineral Museum, Inc.	\$74,545
27 Discovery Place	\$662,865
28 Eastern NC Regional Science Center	\$50,000
29 <del>Elizabeth City Science Center</del>	\$50,000
30 <u>Port Discover: Northeastern North Carolina's</u>	
31 <u>Center for Hands-On Science, Inc.</u>	
32 Fascinate-U	\$80,742
33 Granville County Museum Commission,	
34 Inc.–Harris Gallery	\$56,422
35 Greensboro Children's Museum	\$135,076
36 The Health Adventure Museum of Pack	
37 Place Education, Arts and	
38 Science Center, Inc.	\$134,499
39 Highlands Nature Center	\$79,268
40 Imagination Station	\$86,034
41 Kidsenses	\$50,000
42 Museum of Coastal Carolina	\$74,192
43 Natural Science Center of Greensboro	\$186,354
44 North Carolina Museum of Life	

1	and Science	\$379,826
2	Rocky Mount Children's Museum	\$72,254
3	Schiele Museum of Natural History	\$229,547
4	Sci Works Science Center and	
5	Environmental Park of Forsyth County	\$146,499
6	Western North Carolina Nature Center	\$112,879
7	Wilmington Children's Museum	\$71,093
8		
9	Total	\$3,197,762"

10 **SECTION 15.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
 11 Section 13.4(a) of that act reads as rewritten:

12 "**SECTION 13.4.(a)** Funds from the Employment Security Commission Reserve  
 13 Fund shall be available to the Employment Security Commission to use as collateral to  
 14 secure federal funds and to pay the administrative costs associated with the collection of  
 15 the Employment Security Commission Reserve Fund surcharge. ~~The total~~  
 16 ~~administrative costs paid with funds from the Reserve shall not exceed the total~~  
 17 ~~administrative costs paid in fiscal year 2004-2005.~~ The total administrative costs paid  
 18 with funds from the Reserve in the 2005-2006 fiscal year shall not exceed two million  
 19 dollars (\$2,000,000)."

20 **SECTION 16.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
 21 that act is amended by adding a new section to read:

22 "**SECTION 13.15.** G.S. 143B-472.80 is amended by adding a new subdivision to  
 23 read:

24 (5) To prepare a biennial report by county on the status of trends that  
 25 reflect the impact of education on economic growth for the twenty-first  
 26 century. This report shall contain information about the status of each  
 27 county with regard to education and economic growth. The Board shall  
 28 provide the report to the General Assembly prior to February 1, 2007,  
 29 and biennially thereafter."

30 **SECTION 17.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
 31 then that act is amended by adding a new subsection to read:

32 "**SECTION 14.2.(f1)** G.S. 7A-133(a) as amended by Section 14.2(f), of this act  
 33 reads as rewritten:

34 (a) Each district court district shall have the numbers of judges as set forth in the  
 35 following table:

District	Judges	County
36 1	5	Camden
37		Chowan
38		Currituck
39		Dare
40		Gates
41		Pasquotank
42		Perquimans
43		Martin
44 2	4	

1			Beaufort
2			Tyrrell
3			Hyde
4			Washington
5	3A	5	Pitt
6	3B	5	Craven
7			Pamlico
8			Carteret
9	4	8	Sampson
10			Duplin
11			Jones
12			Onslow
13	5	8	New Hanover
14			Pender
15	6A	2	Halifax
16	6B	3	Northampton
17			Bertie
18			Hertford
19	7	7	Nash
20			Edgecombe
21			Wilson
22	8	6	Wayne
23			Greene
24			Lenoir
25	9	4	Granville
26			(part of Vance
27			see subsection (b))
28			Franklin
29	9A	2	Person
30			Caswell
31	9B	2	Warren
32			(part of Vance
33			see subsection (b))
34	10	15	Wake
35	11	8	Harnett
36			Johnston
37			Lee
38	12	9	Cumberland
39	13	6	Bladen
40			Brunswick
41			Columbus
42	14	6	Durham
43	15A	4	Alamance
44	15B	4	Orange

1			Chatham
2	16A	3	Scotland
3			Hoke
4	16B	5	Robeson
5	17A	2	Rockingham
6	17B	4	Stokes
7			Surry
8	18	12	Guilford
9	19A	4	Cabarrus
10	19B	6	Montgomery
11			Moore
12			Randolph
13	19C	4	Rowan
14	20A	4	Stanly
15			
16			Anson
17			Richmond
18	<del>20B</del>	<del>3</del>	<del>Union</del>
19	<u>20B</u>	<u>1</u>	<u>(part of Union</u>
20			<u>see subsection (b))</u>
21	<u>20C</u>	<u>2</u>	<u>(part of Union</u>
22			<u>see subsection (b))</u>
23	21	9	Forsyth
24	22	9	Alexander
25			Davidson
26			Davie
27			Iredell
28	23	4	Alleghany
29			Ashe
30			Wilkes
31			Yadkin
32	24	4	Avery
33			Madison
34			Mitchell
35			Watauga
36			Yancey
37	25	8	Burke
38			Caldwell
39			Catawba
40	26	17	Mecklenburg
41	27A	6	Gaston
42	27B	4	Cleveland
43			Lincoln
44	28	6	Buncombe

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29A	3	McDowell Rutherford
29B	4	Henderson Polk Transylvania
30	5	Cherokee Clay Graham Haywood Jackson Macon Swain."

**SECTION 17.(b)** If Senate Bill 622, 2005 Regular Session, becomes law, then a new subsection is added to that act to read:

**"SECTION 14.2.(f2)** G.S. 7A-133(b) reads as rewritten:

(b) For district court districts of less than a whole county, or with part or all of one county with part of another, the composition of the district is as follows:

- (1) District Court District 9 consists of Franklin and Granville Counties and the remainder of Vance County not in District Court District 9B.
- (2) District Court District 9B consists of Warren County and East Henderson I, North Henderson I, North Henderson II, Middleburg, Townsville, and Williamsboro Precincts of Vance County.
- (3) District Court District 20B consists of the remainder of Union County not in District Court District 20C.
- (4) District Court District 20C consists of Precinct 01: Tract 204.01: Block Group 2: Block 2040, Block 2057, Block 2058, Block 2060, Block 2061, Block 2062, Block 2064, Block 2065; Tract 204.02: Block Group 2: Block 2001, Block 2002, Block 2003, Block 2004, Block 2005, Block 2006, Block 2007, Block 2008, Block 2009, Block 2010, Block 2011, Block 2012, Block 2013, Block 2014, Block 2015, Block 2016, Block 2017, Block 2018, Block 2023, Block 2024, Block 2025, Block 2026, Block 2027, Block 2028, Block 2029, Block 2030, Block 2031, Block 2032, Block 2033, Block 2034; Block Group 3: Block 3000, Block 3003, Block 3004, Block 3005, Block 3006, Block 3007, Block 3008, Block 3009, Block 3010, Block 3011, Block 3012, Block 3013, Block 3014, Block 3015, Block 3016, Block 3017, Block 3018, Block 3019, Block 3020, Block 3021, Block 3022, Block 3023, Block 3024, Block 3025, Block 3026, Block 3027, Block 3028, Block 3029, Block 3030, Block 3031, Block 3032, Block 3033, Block 3034, Block 3035, Block 3036, Block 3037, Block 3038, Block 3039,

1           Block 3040, Block 3041, Block 3042, Block 3043, Block 3044,  
2           Block 3045, Block 3046, Block 3047; Block Group 4: Block 4035,  
3           Block 4054, Block 4055; Precinct 02: Tract 205: Block Group 1:  
4           Block 1000, Block 1001, Block 1002, Block 1003, Block 1004,  
5           Block 1005, Block 1006, Block 1007, Block 1009, Block 1010,  
6           Block 1011, Block 1012, Block 1013, Block 1014, Block 1015,  
7           Block 1016, Block 1017, Block 1018, Block 1019, Block 1020,  
8           Block 1021, Block 1022, Block 1023, Block 1037, Block 1038;  
9           Block Group 2: Block 2081, Block 2082, Block 2092, Block 2099,  
10           Block 2100, Block 2101, Block 2102; Tract 206: Block Group 3:  
11           Block 3036, Block 3038, Block 3039, Block 3040, Block 3048;  
12           Block Group 4: Block 4053; Precinct 03, Precinct 04, Precinct 06:  
13           Tract 202.02: Block Group 1: Block 1012, Block 1013, Block 1014,  
14           Block 1015, Block 1017, Block 1018, Block 1021, Block 1022,  
15           Block 1023; Tract 204.01: Block Group 2: Block 2000, Block 2001,  
16           Block 2002, Block 2003, Block 2004, Block 2005, Block 2033,  
17           Block 2034, Block 2035, Block 2036, Block 2041, Block 2042,  
18           Block 2043, Block 2044, Block 2045, Block 2056, Block 2063,  
19           Block 2999; Precinct 08, Precinct 09, Precinct 10, Precinct 13,  
20           Precinct 23: Tract 206: Block Group 4: Block 4051; Precinct 25:  
21           Tract 206: Block Group 4: Block 4036; Precinct 34, Precinct 36,  
22           Precinct 43 of Union County.

23           Precinct boundaries as used in this section for Vance County are those shown on  
24           maps on file with the Legislative Services Office on May 1, 1991, for Union County,  
25           are those shown on the Legislative Services Office's redistricting computer database on  
26           January 1, 2005; and for other counties are those reported by the United States Bureau  
27           of the Census under Public Law 94-171 for the 1990 Census in the IVTD Version of the  
28           TIGER files."

29           **SECTION 17.(c)** If Senate Bill 622, 2005 Regular Session, becomes law,  
30           then Section 142.(h) of that act reads as rewritten:

31           "**SECTION 14.2.(h)** ~~The three district court judgeships for District 20B under~~  
32           ~~subsection (f) of this section shall be filled by the district court judges from current~~  
33           ~~District 20 who reside in Union County. The terms of the three judges living in Union~~  
34           ~~County expire the first Monday in December 2008. Those judges' successors~~ The  
35           district court judgeship for District 20B under subsection (f) of this section shall be  
36           filled by the district court judge from current District 20 who resides in that portion of  
37           Union County included in District 20B. The term of that judge expires the first Monday  
38           in December 2008. That judge's successor shall be elected in the 2008 general election.  
39           The two district court judgeships for District 20C under subsection (f) of this section  
40           shall be filled by the other two district court judges from current District 20 who reside  
41           in Union County. The terms of those judges expire the first Monday in December 2008.  
42           Those judges' successors shall be elected in the 2008 general election."

43           **SECTION 18.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
44           Section 14.22 of that act reads as rewritten:



1       **"SECTION 14.22.** Funds appropriated to the Judicial Department in this act for the  
2 adult Drug Treatment Court program shall be used only to provide treatment and case  
3 coordination to offenders sentenced to intermediate punishment and to offenders  
4 sentenced to community punishment who are at risk of revocation."

5       **SECTION 19.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
6 that act is amended by adding a new section to read:

7       **"SECTION 21.3.** Funds appropriated in this act to the Department of Insurance for  
8 the 2005-2006 fiscal year for the Ansonville Volunteer Fire Department shall be  
9 allocated in equal shares to all volunteer fire departments in Anson County. Funds  
10 appropriated in this act to the Department of Insurance for the 2005-2006 fiscal year for  
11 the Union Volunteer Fire Department shall be allocated in equal shares to all volunteer  
12 fire departments in Union County."

13       **SECTION 20.** If Senate Bill 622, 2005 Regular Session, becomes law, then  
14 Section 22.6 of that act is repealed.

15       **SECTION 21.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
16 then G.S. 143B-267, as amended by Section 17.25(a) of that act, reads as rewritten:

17       **"§ 143B-267. Post-Release Supervision and Parole Commission – members;  
18 selection; removal; chairman; compensation; quorum; services.**

19       Effective August September 1, 2005, the Post-Release Supervision and Parole  
20 Commission shall consist of one full-time member and two half-time members. The  
21 three members shall be appointed by the Governor from persons whose recognized  
22 ability, training, experience, and character qualify them for service on the Commission.  
23 The terms of office of any members serving on the Commission on June 30, 2005, shall  
24 expire on that date. The terms of office of persons appointed by the Governor as  
25 members of the Commission shall be for four years or until their successors are  
26 appointed and qualify. Any appointment to fill a vacancy on the Commission created by  
27 the resignation, removal, death or disability of a member shall be for the balance of the  
28 unexpired term only.

29       The Governor shall have the authority to remove any member of the Commission  
30 from office for misfeasance, malfeasance or nonfeasance, pursuant to the provisions of  
31 G.S. 143B-13. The Governor shall designate a member of the Commission to serve as  
32 chair of the Commission at the pleasure of the Governor.

33       The granting, denying, revoking, or rescinding of parole, the authorization of  
34 work-release privileges to a prisoner, or any other matters of business coming before the  
35 Commission for consideration and action shall be decided by majority vote of the full  
36 Commission.

37       The members of the Commission shall receive the salary fixed by the General  
38 Assembly in the Current Operations Appropriations Act and shall receive necessary  
39 travel and subsistence expenses in accordance with the provisions of G.S. 138-6.

40       All clerical and other services required by the Commission shall be supplied by the  
41 Secretary of Correction."

42       **SECTION 21.(b)** If Senate Bill 622, 2005 Regular Session, becomes law,  
43 then Section 29.3 of that act reads as rewritten:

"SECTION 29.3. The annual salaries, payable monthly, for the 2005-2006 and 2006-2007 fiscal years for the following executive branch officials are:

<u>Executive Branch Officials</u>	<u>Annual Salary</u>
Chairman, Alcoholic Beverage Control Commission	\$97,175
State Controller	135,997
Commissioner of Motor Vehicles	97,175
Commissioner of Banks	109,279
Chairman, Employment Security Commission	133,161
State Personnel Director	106,765
Chairman, Parole Commission	88,733
<u>Members of the Parole Commission (effective 7/1/05-8/31/05)</u>	<u>81,921</u>
<u>Members of the Parole Commission (effective 9/1/05)</u>	<u>40,960</u>
Chairman, Utilities Commission	121,701
Members of the Utilities Commission	109,279
Executive Director, Agency for Public Telecommunications	81,921
Director, Museum of Art	99,573
Executive Director, North Carolina Agricultural Finance Authority	94,587
State Chief Information Officer	135,915"

SECTION 21.(c) Subsection (a) of this section becomes effective July 31, 2005.

SECTION 22. If Senate Bill 622, 2005 Regular Session, becomes law, then subsections (a) through (h) of Section 29.30A of that act are repealed.

SECTION 23. If Senate Bill 622, 2005 Regular Session, becomes law, then Section 30.2 of that act reads as rewritten:

"SECTION 30.2. There is appropriated from the General Fund for the 2005-2006 fiscal year the following amount for capital improvements:

<b>Capital Improvements – General Fund</b>	<b>2005-2006</b>
Department of Commerce – State Ports Authority	
Ports of Wilmington and Morehead City	\$ 9,000,000
Department of Cultural Resources	
Capitol Area Visitor's Center	250,000
NC Museum of Art	10,000,000
Department of Environment and Natural Resources	
Division of Forest Resources – District 9	300,000
Water Resources Development Projects	<del>15,260,000</del> <u>18,860,000</u>
University of North Carolina System – Board of Governors	
<del>North Carolina Agricultural and Technical State University</del>	

1	<del>Visual and Performance Arts Building</del>	25,000
2		
3	North Carolina State University – Engineering Complex III	8,700,000
4		
5	University of North Carolina at Chapel Hill –	
6	Renaissance Computing Institute	500,000
7		
8	University of North Carolina at Chapel Hill –	
9	School of Dentistry	2,000,000
10		
11	University of North Carolina at Greensboro	
12	and North Carolina Agricultural and	
13	Technical State University – Joint Millennium Campus	2,000,000
14		
15	University of North Carolina at Wilmington –	
16	School of Nursing	2,600,000
17		
18	Winston-Salem State University –	
19	Laboratory Facility Planning Funds	750,000
20		

**TOTAL CAPITAL IMPROVEMENTS –**  
**GENERAL FUND** **\$51,385,000** **54,960,000"**

**SECTION 24.** If Senate Bill 622, 2005 Regular Session, becomes law, then Section 30.3(a) of that act reads as rewritten:

**"SECTION 30.3.(a)** The Department of Environment and Natural Resources shall allocate the funds appropriated in this act for water resources development projects to the following projects whose costs are as indicated:

29	<b>Name of Project</b>	<b>2005-2006</b>
30		
31	(1) Wilmington Harbor Deepening	\$1,300,000
32	(2) Manteo (Shallowbag) Bay Channel Maintenance	50,000
33	(3) Wilmington Harbor Maintenance Dredging	500,000
34	(4) B. Everett Jordan Water Supply Storage	100,000
35	(5) John H. Kerr Reservoir Operations Evaluation	600,000
36	(6) Bogue Banks Shore Protection Study (Carteret County)	75,000
37	(7) Surf City/North Topsail Beach Protection Study	250,000
38	(8) West Onslow Beach (Topsail)	100,000
39	(9) Wrightsville Beach Nourishment	580,000
40	(10) Hurricane Stream Restoration – Western North Carolina	2,000,000
41	(11) Swan Quarter (Hyde County) Flood Control Dikes	100,000
42	(12) Ocracoke NCCAT Estuarine Shoreline Protection	1,500,000
43	(13) Far Creek Maintenance Dredging	120,000
44	(14) Belhaven Harbor Environmental Improvements	250,000

1	(15)	Lower Lockwoods Folly River	286,000
2	(16)	Walters Slough Maintenance Dredging	122,000
3	(17)	Hurricane Isabel Emergency Stream	
4		Cleanup – Northeastern North Carolina	1,370,000
5	(18)	State-Local Projects	2,000,000
6	(19)	Princeville Flood Control	250,000
7	(20)	Currituck Sound Water Management Study	300,000
8	(21)	Aquatic Weed Control, Lake Gaston and Statewide	375,000
9	(22)	Tar River and Pamlico Sound Feasibility Study	100,000
10	(23)	State Sponsored Dredging Contingency	2,500,000
11	(24)	North Carolina Oyster Habitat Restoration	50,000
12	(25)	Emergency Flood Control Projects	187,000
13	(26)	Projected Feasibility Studies	100,000
14	(27)	Planning Assistance to Communities	95,000
15	(28)	<u>Neuse Regional Water &amp; Sewer Authority</u>	<u>3,600,000</u>
16	<b>TOTALS</b>		<b><u>\$15,260,000</u></b> <b><u>18,860,000"</u></b>

17           **SECTION 25.(a)** If Senate Bill 622, 2005 Regular Session, becomes law,  
18 then G.S. 74-24.16(d), as enacted by Section 42.2(a) of Senate Bill 622, 2005 Regular  
19 Session, reads as rewritten:

20           "(d) The Commissioner may establish fees not to exceed fifty dollars (\$50.00) for  
21 each person participating in education and training programs provided by the  
22 Department of Labor ~~to increase the number and competence of personnel engaged in~~  
23 ~~the field of occupational safety and health.~~ pursuant to this section."

24           **SECTION 25.(b)** This section becomes effective September 1, 2005.

25           **SECTION 26.** Except as otherwise provided in this act, this act becomes  
26 effective July 1, 2005.