

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011**

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**SENATE BILL 187
Transportation Committee Substitute Adopted 4/6/11
House Committee Substitute Favorable 6/27/12**

Short Title: Modifications/2012 Appropriations Act.

(Public)

Sponsors:

Referred to:

March 3, 2011

A BILL TO BE ENTITLED
AN ACT TO MAKE TECHNICAL, CLARIFYING, AND OTHER MODIFICATIONS TO
THE CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS
APPROPRIATIONS ACTS.

The General Assembly of North Carolina enacts:

PART I. GENERAL PROVISIONS

SECTION 1.1. If House Bill 950, 2012 Regular Session becomes law, then the portion of Section 2.1 of that act relating to Education 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 adjusted for the fiscal year ending June 30, 2013, according to the schedule that follows. Amounts set out in parentheses are reductions from General Fund appropriations for the 2012-2013 fiscal year.

Current Operations – General Fund	2012-2013
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EDUCATION

...	
University of North Carolina – Board of Governors	
Appalachian State University	573,876
East Carolina University	
Academic Affairs	4,447,287
Health Affairs	0
Elizabeth City State University	0
Fayetteville State University	473,656
NC A&T State University	0
NC Central University	0
NC State University	
Academic Affairs	3,346,252
Agricultural Research	0
Agricultural Extension	0
UNC-Asheville	0
UNC-Chapel Hill	



1	Academic Affairs	0
2	Health Affairs	<u>015,000,000</u>
3	AHEC	0
4	UNC-Charlotte	0
5	UNC-Greensboro	103,534
6	UNC-Pembroke	0
7	UNC-School of the Arts	0
8	UNC-Wilmington	434,038
9	Western Carolina University	0
10	Winston-Salem State University	0
11	General Administration	9,808,141
12	University Institution Programs	15,560,828
13	Related Educational Programs	(12,139,141)
14	UNC Financial Aid Private Colleges	4,500,000
15	NC School of Science & Math	0
16	UNC Hospitals	(3,000,000) (18,000,000)
17	Total University of North Carolina – Board of Governors	\$ 24,108,471

18
19"

20 **SECTION 1.2.** If House Bill 950, 2012 Regular Session of the General Assembly,
21 becomes law, then that act is amended by adding a new section to read:

22 **"EXEMPTIONS FROM MANAGEMENT FLEXIBILITY REDUCTIONS**

23 **"SECTION 6.15.** Notwithstanding the provisions of Section 6.14 of this act and
24 G.S. 143C-6-4, and unless otherwise specifically directed in this act or in S.L. 2011-145,
25 additional funds appropriated for the 2012-2013 fiscal year to State agencies as defined by
26 G.S. 143C-1-1(d)(24) shall not be used to offset management flexibility adjustments enacted in
27 this act or in S.L. 2011-145."
28

29 **PART II. EDUCATION**

30 **SECTION 2.1.** If House Bill 950, 2012 Regular Session of the General Assembly,
31 becomes law, then that act is amended by adding a new section to read:

32 **"AUTHORITY TO ESTABLISH PERSONNEL POSITIONS TO ADMINISTER THE
33 EXCELLENT PUBLIC SCHOOLS ACT**

34 **"SECTION 7A.11.** The Department of Public Instruction may establish 11 personnel
35 positions to administer the provisions of Section 7A.1 of this act."
36

37 **SECTION 2.2.** If House Bill 950, 2012 Regular Session of the General Assembly,
38 becomes law, then that act is amended by adding a new section to read:

39 **"FUNDING FOR BOWLES CENTER FOR ALCOHOL STUDIES**

40 **"SECTION 9.16.** G.S. 20-7(i1) reads as rewritten:

41 "(i1) Restoration Fee. – Any person whose drivers license has been revoked pursuant to
42 the provisions of this Chapter, other than G.S. 20-17(a)(2) shall pay a restoration fee of fifty
43 dollars (\$50.00). A person whose drivers license has been revoked under G.S. 20-17(a)(2) shall
44 pay a restoration fee of one hundred dollars (\$100.00). The fee shall be paid to the Division
45 prior to the issuance to such person of a new drivers license or the restoration of the drivers
46 license. The restoration fee shall be paid to the Division in addition to any and all fees which
47 may be provided by law. This restoration fee shall not be required from any licensee whose
48 license was revoked or voluntarily surrendered for medical or health reasons whether or not a
49 medical evaluation was conducted pursuant to this Chapter. The fifty-dollar (\$50.00) fee, and
50 the first fifty dollars (\$50.00) of the one-hundred-dollar (\$100.00) fee, shall be deposited in the
51 Highway Fund. Twenty-five dollars (\$25.00) of the one-hundred-dollar (\$100.00) fee shall be
used to fund a statewide chemical alcohol testing program administered by the Forensic Tests

1 for Alcohol Branch of the Chronic Disease and Injury Section of the Department of Health and
 2 Human Services. The remainder of the one-hundred-dollar (\$100.00) fee shall be deposited in
 3 the General Fund. The Office of State Budget and Management shall annually report to the
 4 General Assembly the amount of fees deposited in the General Fund and transferred to the
 5 Forensic Tests for Alcohol Branch of the Chronic Disease and Injury Section of the Department
 6 of Health and Human Services under this subsection.

7 ~~It is the intent of the General Assembly to annually appropriate~~ Effective with the
 8 2011-2012 fiscal year, from the funds deposited in the General Fund under this subsection the
 9 sum of five hundred thirty-seven thousand four hundred fifty-five dollars (\$537,455) shall be
 10 transferred to the Board of Governors of The University of North Carolina to be used for the
 11 operating expenses of the Bowles Center for Alcohol Studies at The University of North
 12 Carolina at Chapel Hill."

13 **SECTION 2.3.** If House Bill 950, 2012 Regular Session of the General Assembly,
 14 becomes law, then that act is amended by adding a new section to read:

15 **"FUNDING FOR UNC MEDICAL SCHOOL**

16 **"SECTION 9.17.(a)** Notwithstanding any provision of law to the contrary, of the funds
 17 appropriated by this act for the 2012-2013 fiscal year to the Board of Governors of The
 18 University of North Carolina the sum of forty-four million eleven thousand eight hundred
 19 eighty-two dollars (\$44,011,882) in recurring funds, the recurring reduction of those funds in
 20 the amount of three million dollars (3,000,000), and the nonrecurring reduction of those funds
 21 in the amount of twenty-six million eleven thousand eight hundred eighty-two dollars
 22 (\$26,011,882) shall be transferred from the UNC Hospitals Budget Code 16095 to the UNC
 23 School of Medicine Budget Code 16021 and shall be used for medical education. The transfer
 24 of the appropriation of the sum of forty-four million eleven thousand eight hundred eighty-two
 25 dollars (\$44,011,882) in recurring funds and the transfer of the recurring reduction of those
 26 funds in the amount of three million dollars (3,000,000) shall be a permanent transfer of
 27 appropriation and reduction in funds from the UNC Hospitals Budget Code 16095 to the UNC
 28 School of Medicine Budget Code 16021 that shall be reflected in those budget codes for the
 29 2012-2013 fiscal year and in the continuation budgets for those budget codes for each
 30 subsequent fiscal year."

31 **SECTION 2.4.** If House Bill 950, 2012 Regular Session of the General Assembly,
 32 becomes law, then Section 7.18 of that act is repealed.

33
 34 **PART III. HEALTH AND HUMAN SERVICES**

35 **SECTION 3.1.(a)** If House Bill 950, 2012 Regular Session of the General
 36 Assembly, becomes law, then the portion of Section 10.25(a) of that act setting forth the
 37 allocation for County Departments of Social Services for Local Program Expenditures,
 38 Divisions of Social Services and Aging and Adult Services, under the Social Services Block
 39 Grant reads as rewritten:

40 **"SECTION 10.25.(a)** Appropriations from federal block grant funds are made for the
 41 fiscal year ending June 30, 2013, according to the following schedule:

42 ...

43 **SOCIAL SERVICES BLOCK GRANT**

44 Local Program Expenditures

45 Divisions of Social Services and Aging and Adult Services

46
 47
 48
 49 01. County Departments of Social Services \$ 32,249,206 \$30,452,068
 50 (Transfer from TANF \$4,148,001)

51"

SECTION 3.1.(b) If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then the portion of Section 10.25(a) of that act setting forth the allocation for Children's Health Services for Local Program Expenditures, Division of Public Health, under the Maternal and Child Health Block Grant reads as rewritten:

"SECTION 10.25.(a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 2013, according to the following schedule:

MATERNAL AND CHILD HEALTH BLOCK GRANT

Local Program Expenditures

Division of Public Health

01. Children's Health Services \$-8,487,547 \$ 8,569,465
...."

SECTION 3.1.(c) If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then the portion of Section 10.25(a) of that act setting forth the allocation for HIV/STD Prevention and Community Planning for Local Program Expenditures, Division of Public Health, under the Preventive Health Services Block Grant reads as rewritten:

"SECTION 10.25.(a) Appropriations from federal block grant funds are made for the fiscal year ending June 30, 2013, according to the following schedule:

PREVENTIVE HEALTH SERVICES BLOCK GRANT

Local Program Expenditures

Division of Public Health

01. HIV/STD Prevention and Community Planning
(Transfer from Social Services Block Grant) 180,470
...."

SECTION 3.1.(d) If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then Section 10.25(l) of that act reads as rewritten:

"SECTION 10.25.(l) The sum of ~~thirty-two million two hundred forty-nine thousand two hundred six dollars (\$32,249,206)~~ thirty million four hundred fifty-two thousand sixty-eight dollars (\$30,452,068) appropriated in this section in the Social Services Block Grant to the Department of Health and Human Services, Division of Social Services, for the 2012-2013 fiscal year shall be used for County Block Grants. The Division shall certify these funds in the appropriate State-level services based on prior year actual expenditures. The Division has the authority to realign the authorized budget for these funds among the State-level services based on current year actual expenditures."

SECTION 3.1.(e) If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then Section 10.25 of that act is amended by adding a new subsection to read:

"SECTION 10.25.(r1) The sum of two million seven hundred twenty-eight thousand dollars (\$2,728,000) appropriated in this section in the Social Services Block Grant for the 2012-2013 fiscal year to the Department of Health and Human Services, Division of Social Services, shall be used for tobacco cessation and prevention. These funds are exempt from the provisions of 10A NCAC 71R .0201(3)."

SECTION 3.2.(a) If House Bill 950, 2012 Regular Session of the General Assembly, becomes law, then Section 10.4(a) of that act reads as rewritten:

1 **"SECTION 10.4.(a)** Of the funds appropriated to the Department of Health and Human
2 Services, Division of Child Development and Early Education, for the North Carolina
3 Partnership for Children, Inc., the sum of three million five hundred thousand dollars
4 (\$3,500,000) for the 2012-2013 fiscal year shall be used by the North Carolina Partnership for
5 Children, Inc., to develop and administer an early literacy initiative pilot program, to be known
6 as "Read NC," hire four North Carolina Partnership for Children, Inc., development officers,
7 and provide additional funds for rural ~~partnerships; provided, however, the Department shall~~
8 ~~not expend the funds appropriated in this section for the 2012-2013 fiscal year until January 1,~~
9 ~~2013, pending a determination by the Office of State Budget and Management that there is~~
10 ~~adequate funding for the Medicaid budget for the 2012-2013 fiscal year, as provided in Section~~
11 ~~10.9G of this act.~~partnerships. "Read NC" will focus on increasing the early literacy skills of
12 children who are most at risk for reading below grade level. The pilot program shall be
13 distributed geographically to ensure adequate representation of the diverse areas of the State."

14 **SECTION 3.2.(b)** If House Bill 950, 2012 Regular Session of the General
15 Assembly, becomes law, then Section 10.8(b) of S.L. 2011-145, as amended by Section 10.10
16 of that act, reads as rewritten:

17 **"SECTION 10.8.(b)** Of the funds appropriated in this act to the Department of Health and
18 Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse
19 Services, the sum of twenty-nine million one hundred twenty-one thousand six hundred
20 forty-four dollars (\$29,121,644) for the 2011-2012 fiscal year and the sum of thirty-eight
21 million one hundred twenty-one thousand six hundred forty-four dollars (\$38,121,644) for the
22 2012-2013 fiscal year shall be allocated for the purchase of local inpatient psychiatric beds or
23 bed days; ~~provided, however, the Department shall not expend nine million dollars~~
24 ~~(\$9,000,000) of the funds appropriated in this section for the 2012-2013 fiscal year until~~
25 ~~January 1, 2013, pending a determination by the Office of State Budget and Management that~~
26 ~~there is adequate funding for the Medicaid budget for the 2012-2013 fiscal year, as provided in~~
27 ~~Section 10.9G of House Bill 950, 2012 Regular Session.~~days. In addition, at the discretion of
28 the Secretary of Health and Human Services, existing funds allocated to LMEs for
29 community-based mental health, developmental disabilities, and substance abuse services may
30 be used to purchase additional local inpatient psychiatric beds or bed days. These beds or bed
31 days shall be distributed across the State in LME catchment areas, including any catchment
32 areas served by managed care organizations, and according to need as determined by the
33 Department. The Department shall enter into contracts with the LMEs and community hospitals
34 for the management of these beds or bed days. The Department shall work to ensure that these
35 contracts are awarded equitably around all regions of the State. Local inpatient psychiatric beds
36 or bed days shall be managed and controlled by the LME, including the determination of which
37 local or State hospital the individual should be admitted to pursuant to an involuntary
38 commitment order. Funds shall not be allocated to LMEs but shall be held in a statewide
39 reserve at the Division of Mental Health, Developmental Disabilities, and Substance Abuse
40 Services to pay for services authorized by the LMEs and billed by the hospitals through the
41 LMEs. LMEs shall remit claims for payment to the Division within 15 working days of receipt
42 of a clean claim from the hospital and shall pay the hospital within 30 working days of receipt
43 of payment from the Division. If the Department determines (i) that an LME is not effectively
44 managing the beds or bed days for which it has responsibility, as evidenced by beds or bed days
45 in the local hospital not being utilized while demand for services at the State psychiatric
46 hospitals has not reduced, or (ii) the LME has failed to comply with the prompt payment
47 provisions of this subsection, the Department may contract with another LME to manage the
48 beds or bed days, or, notwithstanding any other provision of law to the contrary, may pay the
49 hospital directly. The Department shall develop reporting requirements for LMEs regarding the
50 utilization of the beds or bed days. Funds appropriated in this section for the purchase of local
51 inpatient psychiatric beds or bed days shall be used to purchase additional beds or bed days not

1 currently funded by or through LMEs and shall not be used to supplant other funds available or
2 otherwise appropriated for the purchase of psychiatric inpatient services under contract with
3 community hospitals, including beds or bed days being purchased through Hospital Utilization
4 Pilot funds appropriated in S.L. 2007-323. Not later than March 1, 2012, the Department shall
5 report to the House of Representatives Appropriations Subcommittee on Health and Human
6 Services, the Senate Appropriations Committee on Health and Human Services, the Joint
7 Legislative Oversight Committee on Mental Health, Developmental Disabilities, and Substance
8 Abuse Services, and the Fiscal Research Division on a uniform system for beds or bed days
9 purchased (i) with local funds, (ii) from existing State appropriations, (iii) under the Hospital
10 Utilization Pilot, and (iv) purchased using funds appropriated under this subsection."

11 **SECTION 3.2.(c)** If House Bill 950, 2012 Regular Session of the General
12 Assembly, becomes law, then Section 10.14(a)(5) of that act reads as rewritten:

13 "(5) Local health department ~~initiatives, provided, however, the Department shall~~
14 ~~not use these funds for local health department initiatives until January 1,~~
15 ~~2013, pending a determination by the Office of State Budget and~~
16 ~~Management (OSBM) that there is adequate funding for the Medicaid~~
17 ~~budget for the 2012-2013 fiscal year, as provided in Section 10.9G of this~~
18 ~~act. Upon a determination by OSBM that there is adequate funding for the~~
19 ~~Medicaid budget for the 2012-2013 fiscal year, local~~initiatives. Local
20 health departments shall use these funds only for local community health and
21 wellness initiatives to promote healthy behaviors, including, but not limited
22 to, tobacco cessation, improved nutrition, increased physical activity, disease
23 prevention, and school nurse positions. Funds received by local health
24 departments pursuant to this section shall not supplant existing funds for
25 local health and wellness programs or initiatives."

26 **SECTION 3.2.(d)** If House Bill 950, 2012 Regular Session of the General
27 Assembly, becomes law, then Section 10.9G of that act is repealed.

28 **SECTION 3.3.** If House Bill 950, 2012 Regular Session of the General Assembly,
29 becomes law, then Section 10.9A of that act reads as rewritten:

30 "~~**SECTION 10.9A.(a)** The State Auditor shall conduct a performance audit of the North~~
31 ~~Carolina Medicaid Program and the Division of Medical Assistance operated within the~~
32 ~~Department of Health and Human Services. The audit shall examine the program's~~
33 ~~effectiveness; results of the program; the utilization of outside vendor contracts, including the~~
34 ~~number, cost, and duration of such contracts; fiscal controls and Medicaid forecasting; and~~
35 ~~compliance with requirements of the Centers for Medicare and Medicaid Services and the~~
36 ~~requirements of State law.~~audit the Department of Health and Human Services, Division of
37 Medical Assistance, and the State Medicaid Program operated within the Department. The
38 audit shall include the State Auditor's examination of at least all of the following:

- 39 (1) The administrative functions and responsibilities of permanent Division
40 staff.
41 (2) The administrative functions that are performed either partially or entirely
42 through contracts, cooperative agreements, Memorandums of Understanding
43 (MOUs) with external entities, such as independent contractors, private
44 vendors, universities, county governments, and other State or federal
45 agencies. To identify these administrative functions, the State Auditor shall
46 develop an inventory of all administrative contracts for purchased services,
47 including a brief description of the scope of work, cost, and the period of
48 performance for each contract.
49 (3) The amount of funds, staff, and other resources dedicated to the performance
50 of each administrative function of the Division.

- 1 (4) The timeliness and compliance with State and federal mandates when
2 carrying out the functions of the Division, including all of the following:
3 a. The production of accurate, multiyear projections of Medicaid
4 recipient participation, consumption of services, and costs.
5 b. The oversight of the Medicaid program to ensure that program
6 participation by Medicaid eligible recipients, consumption of
7 services, and expenditures are within the budget authorized by the
8 General Assembly for each fiscal year, including early detection of
9 expenditure trends that indicate potential budget shortfalls.
10 c. The timeliness of preparing and submitting Medicaid State Plan
11 amendments to obtain approval from the Centers for Medicare and
12 Medicaid Services to comply with State and federal laws and
13 regulations.
14 d. The collection, distribution, and maintenance of statistical data and
15 other information on the Medicaid eligible population, eligible
16 recipient participation, consumption of services, Medicaid patient
17 health outcomes, provider participation and related issues, and costs.
18 e. The timeliness of distribution and the presentation of complete and
19 accurate information with supportive documentation to the Secretary
20 of the Department of Health and Human Services, the Governor's
21 Office, and the General Assembly regarding funding needs and
22 policy issues.

23 **"SECTION 10.9A.(b)** The State Auditor shall give a preliminary report on the
24 ~~performance~~ audit required by this section to the Joint Legislative Commission on
25 Governmental Operations and to the Fiscal Research Division by November 1, 2012, and shall
26 complete the ~~performance~~ audit by February 1, 2013.

27 **"SECTION 10.9A.(c)** Of the funds appropriated to the Department of Health and Human
28 Services, Division of Medical Assistance, from the General Fund for the 2012-2013 fiscal year
29 to fund contracts, the Department shall transfer to the North Carolina Office of the State
30 Auditor the amount of funds necessary to complete the ~~performance~~ audit required by this
31 section."

32 **SECTION 3.4.** If House Bill 950, 2012 Regular Session of the General Assembly,
33 becomes law, then Section 10.11(a) of that act is amended by adding a new subdivision to read:

- 34 "(4) The impact of implementing the 1915(b)/(c) Medicaid waiver and other
35 mental health system reforms on public guardianship services, including at
36 least all of the following:
37 a. Guardianship roles, responsibilities, and procedures.
38 b. The effect on existing relationships between guardians and wards.
39 c. Recommended legislation to support the transition of public
40 guardianship services from the Division of Mental Health,
41 Developmental Disabilities, and Substance Abuse Services within the
42 Department of Health and Human Services to county departments of
43 social services."

44 **SECTION 3.5.** If House Bill 950, 2012 Regular Session of the General Assembly,
45 becomes law, then Section 10.9E(a) of that act reads as rewritten:

46 **"SECTION 10.9E.(a)** ~~The~~ By September 15, 2012, the Department of Health and Human
47 Services, Division of Medical Assistance, shall develop and submit to the Centers for Medicare
48 and Medicaid Services an application for a home- and community-based services program
49 under Medicaid State Plan 1915(i) authority for ~~elderly~~ individuals who (i) are typically served
50 in special care and memory care units that meet the criteria of the State-County Special
51 Assistance Program and (ii) have been diagnosed with a progressive, degenerative, irreversible

1 disease that attacks the brain and results in impaired memory, thinking, and behavior. The
2 home- and community-based services program developed by the Department pursuant to this
3 section shall focus on providing these ~~elderly~~ individuals with personal care services necessary
4 to ameliorate the effects of gradual memory loss, impaired judgment, disorientation, personality
5 change, difficulty in learning, and loss of language skills."
6

7 **PART IV. NATURAL AND ECONOMIC RESOURCES**

8 **SECTION 4.1.** If House Bill 950, 2012 Regular Session of the General Assembly,
9 becomes law, then notwithstanding any provision of law to the contrary, the sum of two
10 hundred eighty-two thousand four hundred twelve dollars (\$282,412) in recurring funds shall
11 be transferred from the Department of Environment and Natural Resources to the Department
12 of Health and Human Services to support Division of Environmental Health operations
13 associated with the Department of Environment and Natural Resources' Regional Offices.

14 **SECTION 4.2.** If House Bill 950, 2012 Regular Session of the General Assembly,
15 becomes law, then notwithstanding any provision of law to the contrary, 8.75 full-time
16 equivalents shall be transferred from the Department of Environment and Natural Resources to
17 the Department of Agriculture and Consumer Services for the restoration of Division of Soil
18 and Water Conservation employees associated with Department of Environment and Natural
19 Resources' Regional Offices.

20 **SECTION 4.3.** If House Bill 950, 2012 Regular Session of the General Assembly,
21 becomes law, then that act is amended by adding a new section to read:

22 **"SOIL AND WATER CONSERVATION CLARIFICATIONS**

23 **"SECTION 11.6.(a)** Of the funds appropriated in this act to the Soil and Water
24 Conservation Division of the Department of Agriculture and Community Services for the
25 Conservation Reserve Enhancement Program, the recurring sum of two hundred seventy-five
26 thousand dollars (\$275,000) designated for the Roanoke and Pasquotank River basins and for
27 the implementation of amended Conservation Reserve Enhancement Program agreements in
28 the Neuse, Tar-Pamlico, Chowan, and Jordan Lake basins may be used for operation and
29 implementation of the Conservation Reserve Enhancement Program in any of the State's river
30 basins eligible for the Conservation Reserve Enhancement Program.

31 **"SECTION 11.6.(b)** G.S. 139-4 reads as rewritten:

32 **"§ 139-4. Powers and duties of Soil and Water Conservation Commission generally.**

33 ...

34 (d) In addition to the duties and powers hereinafter conferred upon the Soil and Water
35 Conservation Commission, it shall have the following duties and powers:

36 ...

- 37 (12) To develop and approve best management practices for the Agriculture Cost
38 Share Program for Nonpoint Source Pollution Control and for use in ~~the~~
39 water quality protection and water use efficiency, availability, and storage
40 programs of the Department of Environment and Natural Resources and to
41 adopt rules that establish criteria governing approval of these best
42 management practices.

43"

44 **"SECTION 11.6.(c)** Section 3.3 of S.L. 1999-329, as amended by Section 6 of S.L.
45 2001-254, Section 1.2 of S.L. 2002-176, Section 6.2 of S.L. 2003-340, and Section 12.7(b) of
46 S.L. 2005-276, reads as rewritten:

47 **"SECTION 3.3.** The Department of ~~Environment and Natural Resources, Agriculture and~~
48 Consumer Services, in consultation with both the Division of Water Quality of the Department
49 of Environment and Natural Resources and the Division of Soil and Water Conservation, shall
50 submit semiannual interim reports no later than 15 April and 15 October of each year beginning
51 15 October 1999 to the Environmental Review Commission, the Fiscal Research Division, and

1 the Appropriations Subcommittees on Natural and Economic Resources in both the Senate and
2 the House of Representatives. These reports shall indicate whether the pilot program has
3 increased the effectiveness of the annual inspections program or the response to complaints and
4 reported problems, specifically whether the pilot program had resulted in identifying violations
5 earlier, taking corrective actions earlier, increasing compliance with the animal waste
6 management plans and permit conditions, improving the time to respond to discharges,
7 complaints, and reported problems, improving communications between farmers and
8 Department employees, and any other consequences deemed pertinent by the Department.
9 These reports shall also compare the costs of conducting operations reviews and inspections
10 under the pilot program with the costs of conducting operations reviews and inspections
11 pursuant to G.S. 143-215.10D and G.S. 143-215.10F and the resources that would be required
12 to expand the pilot program to all counties.""

13 **SECTION 4.4.** If House Bill 950, 2012 Regular Session of the General Assembly,
14 becomes law, then that act is amended by adding a new section to read:

15 **"CLARIFY USE OF FUNDS FROM NATURAL HERITAGE TRUST FUND**

16 **"SECTION 12.10.** G.S. 113-77.9(c) reads as rewritten:

17 "(c) Other Purposes. – The Trustees may authorize expenditures from the Fund to pay
18 for the inventory of natural areas conducted under the Natural Heritage Program established
19 pursuant to the Nature Preserves Act, Article 9A of Chapter 113A of the General Statutes. The
20 Trustees may also authorize expenditures from the Fund to pay for conservation and protection
21 planning and for informational programs for owners of natural areas, as defined in
22 G.S. 113A-164.3. The Trustees shall authorize expenditures from the Fund not to exceed
23 seventy-five thousand dollars (\$75,000) to pay the cost of the Department of Agriculture and
24 Consumer Services to administer the Plant Conservation Program. The Trustees shall authorize
25 expenditures from the Fund not to exceed three hundred twenty-five thousand dollars
26 (\$325,000) to pay the cost of supporting staff in the Office of Conservation Planning and
27 Community Affairs of the Department of Environment and Natural ~~Resources~~.Resources for
28 activities in addition to those conducted in support of the purposes set forth in this section."

29 **SECTION 4.5.** If House Bill 950, 2012 Regular Session of the General Assembly,
30 becomes law, then Section 13.9A of that act is amended by adding a new subsection to read:

31 **"SECTION 13.9A.(c)** The Department of Commerce shall transfer to the Department of
32 Agriculture and Consumer Services position 60080945. This position shall be supported from
33 funds appropriated for the 2012-2013 fiscal year in this act to the Department of Agriculture
34 and Consumer Services for the North Carolina Wine and Grape Growers Council on a
35 nonrecurring basis."

36 **SECTION 4.6.** If House Bill 950, 2012 Regular Session of the General Assembly,
37 becomes law, then that act is amended by adding a new section to read:

38 **"BIOFUELS CENTER OF NORTH CAROLINA/TVA FUNDS**

39 **"SECTION 13.12AA.** Subsections (a) and (b) of Section 14.14 of S.L. 2011-145 are
40 repealed."
41

42 **PART V. GENERAL GOVERNMENT**

43 **SECTION 5.1.** If House Bill 950, 2012 Regular Session of the General Assembly,
44 becomes law, then that act is amended by adding a new Part to read:

45 **"PART XVIA. DEPARTMENT OF ADMINISTRATION**

46
47 **"NORTH CAROLINA STERILIZATION VICTIMS FOUNDATION FUNDING**

48 **"SECTION 16A.1.** Of the funds appropriated to the Department of Administration, the
49 sum of one hundred twenty-eight thousand six hundred eighteen dollars (\$128,618) for the
50 2012-2013 fiscal year shall be used for the continued operation of the North Carolina
51 Sterilization Victims Foundation on a nonrecurring basis."

1
2 **PART VI. TRANSPORTATION**

3 **SECTION 6.1.** If House Bill 950, 2012 Regular Session of the General Assembly,
4 becomes law, then that act is amended by adding a new section to read:

5 **"DEPARTMENT OF TRANSPORTATION RELOCATION OF MUNICIPAL**
6 **UTILITIES**

7 **"SECTION 24.22.** Article 2 of Chapter 136 of the General Statutes is amended by adding
8 a new section to read:

9 **"§ 136-27.3. Relocation of municipalities' utilities by Department; repayment by**
10 **municipalities.**

11 When requiring municipalities to relocate utilities under its power granted in
12 G.S. 136-18(10), the Department may enter into agreements with municipalities to provide that
13 the necessary engineering and utility construction be accomplished by the Department on a
14 reimbursement basis as follows:

- 15 (1) Reimbursement to the Department shall be due after completion of the work
16 and within 60 days after date of invoice.
17 (2) Interest shall be paid on any unpaid balance due at a variable rate of the
18 prime rate plus one percent (1%)."

19 **SECTION 6.2.** If House Bill 950, 2012 Regular Session, becomes law, then
20 Section 24.18(b) of that act reads as rewritten:

21 ~~"SECTION 24.18.(b) The Department of Transportation shall disregard Executive Order~~
22 ~~No. 116, or any other executive order pertaining to ferry tolls, and shall collect the tolls~~
23 ~~required by S.L. 2011-145 and this section, except for the Cherry Branch/Minnesott Beach~~
24 ~~route, for which the Department of Transportation shall not collect the increased tolls required~~
25 ~~by S.L. 2011-145 during fiscal year 2012-2013. Notwithstanding the clarifying amendment to~~
26 ~~G.S. 136-82 made by subsection (a) of this section and notwithstanding the increase in ferry~~
27 ~~toll revenue required by S.L. 2011-145, the Department of Transportation, Ferry Division, shall~~
28 ~~not collect the increased tolls required by S.L. 2011-145 during the 2012-2013 fiscal year.~~
29 ~~Notwithstanding any other provision of this act, the appropriation to the Department of~~
30 ~~Transportation, Ferry Division, provided elsewhere in this act is increased by the sum of two~~
31 ~~million five hundred thousand dollars (\$2,500,000), nonrecurring, and the amount provided~~
32 ~~elsewhere in this act for the Reserve for General Maintenance in the Highway Fund is~~
33 ~~decreased by the sum of two million five hundred thousand dollars (\$2,500,000),~~
34 ~~nonrecurring."~~

35
36 **PART VII. EFFECTIVE DATE**

37 **SECTION 7.1.** Except as otherwise provided, this act becomes effective July 1,
38 2012.