

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011**

**SESSION LAW 2011-340
SENATE BILL 409**

AN ACT TO REFORM THE GOVERNANCE OF THE NORTH CAROLINA GLOBAL
TRANSPARK AND TO REPAY THE LOAN FROM THE ESCHEAT FUND TO THE
GLOBAL TRANSPARK.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 63A-3(a) reads as rewritten:

"(a) Creation. The North Carolina Global TransPark Authority is created as a body corporate and politic having the powers and jurisdiction as provided under this Chapter or any other law. The Authority is a State agency created to perform essential governmental and public functions. The Authority shall be located within the Department of ~~Transportation, but shall exercise all of its powers, including the power to employ, direct, and supervise all personnel, independently of the Secretary of Transportation and, notwithstanding any other provision of law, Transportation and~~ shall be subject to the direction and supervision of the Secretary ~~only with respect to the management functions of coordinating and reporting.~~ Secretary."

SECTION 1.(b) G.S. 63A-3(b) reads as rewritten:

"(b) Board of Directors. The Authority shall be governed by a Board of Directors. The Board shall consist of at least the following 20 members:

- (1) ~~Seven~~ Six members appointed by the Governor. One member shall be representative of the economic development industry, two members shall be representative of commercial real estate development industry, two members shall be representative of the banking and finance industry, and one member shall be representative of environmental interests. Of the Governor's six appointments, at least one member shall come from each of the State's three regions: Western, Piedmont, and Eastern.
- (2) Three members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121. One member shall be representative of the aerospace and aviation industry, one member shall be representative of advanced manufacturing industries, and one member shall be representative of the logistics and supply chain management industry.
- (3) Three members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121. One member shall be representative of the aerospace and aviation industry, one member shall be representative of the emergency response and disaster relief industries, and one member shall be representative of the defense and security industry.
- (4) The State Treasurer, who shall serve as an ex officio nonvoting member.
- (5) The President of the North Carolina System of Community Colleges, provided that the President of the North Carolina Community Colleges may instead appoint to the Board of Directors one member of the board of



trustees of a community college or one president of a community college. If such an appointment is made, the appointee shall serve at the pleasure of the President.

- (6) The President of The University of North Carolina, provided that the President of the University of North Carolina may instead appoint to the Board of Directors one member of the board of trustees of a constituent institution of The University of North Carolina, or one chancellor of a constituent institution of The University of North Carolina. If such an appointment is made, the appointee shall serve at the pleasure of the President.
- (7) The Chairman of the State Ports Authority.
- (8) One member appointed by the board of county commissioners of any county in which the cargo airport complex site is located.
- (9) One member appointed by the city council of the city which is a county seat of any county in which the cargo airport complex site is located.
- (10) The Commissioner of Agriculture.
- (11) The Secretary of the Department of Commerce.

Within 90 days after the Authority acquires land, either by purchase or condemnation, for development as part of a cargo airport complex site, the board of county commissioners in any county in which a portion of the land is located and the city council of the city which is the county seat of the county shall, by resolution, each appoint a person to serve as a member of the Board. If the board of commissioners or the city council appoints one of its own members to the Board, the county commissioner or the member of the city council who is appointed is considered to be serving on the Board as an ex officio voting member as part of the duties of the office of county commissioner or the office of city council member, in accordance with G.S. 128-1.2, and is not considered to be serving in a separate office. Notwithstanding G.S. 116-31(h), a member of the board of trustees of a constituent institution of The University of North Carolina appointed to the Board of Directors under subdivision (6) of this subsection may concurrently serve on the board of trustees and the Board of Directors. Notwithstanding any other provision of law, the Governor may serve on the Board of Directors by his own appointment on or after July 16, 1991, under subdivision (1) of this subsection.

As the holder of an office, each member of the Board shall take the oath required by Article VI, § 7 of the North Carolina Constitution before assuming the duties of a Board member."

SECTION 1.(c) G.S. 63A-3(c) is repealed.

SECTION 1.(d) G.S. 63A-3 is amended by adding a new subsection to read as follows:

"(d1) Notwithstanding the terms of board members appointed by the General Assembly as specified in subsection (d) of this section, terms of board members appointed by the General Assembly shall end June 30, 2011. After June 30, 2011, the six members appointed by the General Assembly shall be divided into two classes. The first class shall consist of three persons, two of whom shall be appointed upon recommendation of the Speaker of the House of Representatives and one of whom shall be appointed upon recommendation of the President Pro Tempore of the Senate, to serve an initial term expiring June 30, 2013, with subsequent terms expiring each fourth June 30th thereafter. The second class shall consist of three persons, two of whom shall be appointed upon recommendation of the President Pro Tempore of the Senate and one of whom shall be appointed upon recommendation of the Speaker of the House of Representatives, to serve an initial term expiring June 30, 2015, with subsequent terms expiring each fourth June 30th thereafter."

SECTION 1.(e) G.S. 63A-23 reads as rewritten:

"§ 63A-23. Annual ~~and quarterly~~ reports.

The Authority shall, promptly following the close of each fiscal year, submit an annual written report of its activities for the preceding year to the Governor, the General Assembly, and the Local Government Commission. Each report shall be accompanied by an audit of its books and ~~accounts~~. accounts, as well as quarterly and annual financial statements. The audit shall be conducted by the State Auditor. The costs of all audits shall be paid from funds of the Authority.

As part of the report, the Authority shall include the following performance measures of the private sector jobs within the Global TransPark:

- (1) The number, type, and wage level of jobs created or retained.
- (2) The actual full-time equivalent jobs employed, as well as the median and average salaries for those jobs.

The Authority shall submit ~~quarterly reports~~ its annual report to the General Assembly to both the Joint Legislative Commission on Governmental Operations. Operations and the Program Evaluation Division. ~~The reports shall summarize the Authority's activities during the quarter and contain~~ Authority shall also submit any information about the Authority's activities that is requested by the Commission.

The Authority shall also provide a copy of its annual report on its public Web site."

SECTION 1.(f) G.S. 63A-24(3) reads as rewritten:

- "(3) Except for G.S. 146-29.1, 146-79, and 146-80, Chapter 146 of the General Statutes does not apply to the Authority. Notwithstanding this exemption from Chapter 146 of the General Statutes, the Secretary of Transportation may designate employees of the Authority as subject to Chapter 146 of the General Statutes."

SECTION 2.(a) There is appropriated to Statewide Reserves the sum of seventeen million five hundred thousand dollars (\$17,500,000) for payment to the Escheat Fund. The Office of State Budget and Management shall remit to the Escheat Fund the sum of seventeen million five hundred thousand dollars (\$17,500,000) as payment on the outstanding loan from the Escheat Fund to the Global TransPark Authority authorized under G.S. 63A-4(a)(22) and G.S. 147-69.2(b)(11).

SECTION 2.(b) If House Bill 200 of the 2011 Regular Session becomes law, then Section 9.8(a) of that act reads as rewritten:

"**SECTION 9.8.(a)** There is appropriated from the Escheat Fund income to the Board of Governors of The University of North Carolina the sum of ~~thirty two million one hundred twenty two thousand two hundred forty two dollars (\$32,122,242)~~forty-nine million six hundred twenty-two thousand two hundred forty-two dollars (\$49,622,242) for the 2011-2012 fiscal year and the sum of thirty-two million one hundred twenty-two thousand two hundred forty-two dollars (\$32,122,242) for the 2012-2013 fiscal year to be used for The University of North Carolina Need-Based Financial Aid Program."

SECTION 2.(c) If House Bill 200 of the 2011 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 fiscal biennium ending June 30, 2013, according to the following schedule:

Current Operations – General Fund	2011-2012	2012-2013
EDUCATION		
Community Colleges System Office	\$ 985,000,000	\$ 985,000,000
Department of Public Instruction	7,464,492,057	7,450,000,000

University of North Carolina – Board of Governors		
Appalachian State University	145,563,319	145,680,676
East Carolina University		
Academic Affairs	247,397,807	247,397,807
Health Affairs	65,196,439	65,196,439
Elizabeth City State University	38,226,042	38,398,361
Fayetteville State University	56,925,951	56,925,951
NC A&T State University	105,355,805	105,794,754
NC Central University	94,342,683	94,342,683
NC State University		
Academic Affairs	434,563,241	434,677,423
Agricultural Research	59,239,461	59,239,461
Agricultural Extension	43,539,609	43,539,609
UNC-Asheville	42,004,444	42,004,444
UNC-Chapel Hill		
Academic Affairs	309,481,584	312,843,120
Health Affairs	219,507,009	222,570,732
AHEC	49,747,851	49,747,851
UNC-Charlotte	216,455,073	217,471,216
UNC-Greensboro	173,180,926	173,180,926
UNC-Pembroke	61,534,005	62,277,254
UNC-School of the Arts	27,796,473	27,796,473
UNC-Wilmington	105,943,181	107,138,757
Western Carolina University	90,591,556	91,070,460
Winston-Salem State University	76,496,951	76,496,950
General Administration	38,186,863	27,628,722
University Institution Programs	(375,153,400)	(383,808,914)
Related Educational Programs	85,679,060 68,179,060	115,272,420
UNC Financial Aid Private Colleges	91,635,664	86,534,065
NC School of Science & Math	18,937,535	18,937,535
UNC Hospitals	18,000,000	18,000,000
Total University of North Carolina – Board of Governors	\$ 2,540,375,132 <u>2,522,875,132</u>	\$ 2,551,672,698

HEALTH AND HUMAN SERVICES

Department of Health and Human Services		
Division of Central Management and Support	\$ 50,177,377	\$ 44,577,987
Division of Aging and Adult Services	37,019,667	37,019,667
Division of Services for Blind/Deaf/Hard of Hearing	8,389,110	8,372,886
Division of Child Development	266,102,933	266,102,933
Division of Health Service Regulation	16,133,031	16,133,031
Division of Medical Assistance	2,958,388,184	2,907,276,302
Division of Mental Health, Developmental Disabilities, and Substance Abuse Services	665,712,232	710,712,232
NC Health Choice	79,452,317	83,717,865
Division of Public Health	190,443,245	157,538,834
Division of Social Services	186,183,068	186,183,068
Division of Vocational Rehabilitation	37,125,788	37,528,128

Total Health and Human Services	\$ 4,495,126,952	\$ 4,455,162,933
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NATURAL AND ECONOMIC RESOURCES

Department of Agriculture and Consumer Services	\$ 65,460,864	\$ 62,198,634
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Department of Commerce

Commerce	50,852,340	33,250,463
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Commerce State-Aid	32,851,025	30,151,984
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NC Biotechnology Center	17,551,710	17,551,710
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Rural Economic Development Center	25,376,729	25,376,729
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Department of Environment and Natural Resources	165,784,887	148,148,105
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DENR Clean Water Management Trust Fund	11,250,000	11,250,000
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Department of Labor	15,836,887	15,836,887
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Wildlife Resources Commission	18,000,000	17,221,179
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JUSTICE AND PUBLIC SAFETY

Department of Correction	\$ 1,337,816,346	\$ 1,348,410,793
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Department of Crime Control and Public Safety	225,258,795	215,164,518
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Judicial Department	438,920,048	435,141,107
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Judicial Department – Indigent Defense	110,091,526	112,748,733
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Department of Justice	80,704,013	80,864,138
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Department of Juvenile Justice and Delinquency Prevention	135,593,692	131,140,565
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GENERAL GOVERNMENT

Department of Administration	\$ 63,607,330	\$ 65,511,460
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Department of State Auditor	11,857,574	10,676,035
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Office of State Controller	28,368,957	28,368,957
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Department of Cultural Resources

Cultural Resources	63,524,857	61,697,001
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Roanoke Island Commission	1,805,236	1,203,491
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State Board of Elections	5,186,603	5,126,603
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General Assembly	53,259,495	50,104,208
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Office of the Governor

Office of the Governor	4,741,157	4,741,157
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Office of State Budget and Management	5,848,663	5,848,663
OSBM – Reserve for Special Appropriations	1,940,612	440,612
Housing Finance Agency	9,673,051	9,673,051
Department of Insurance		
Insurance	36,393,921	36,393,921
Insurance – Volunteer Safety Workers' Compensation	2,294,000	2,623,654
Office of Lieutenant Governor	695,324	695,324
Office of Administrative Hearings	4,983,871	4,983,871
Department of Revenue	78,199,538	78,199,538
Department of Secretary of State	10,654,563	10,654,563
Department of State Treasurer		
State Treasurer	6,657,031	6,621,750
State Treasurer – Retirement for Fire and Rescue Squad Workers	17,812,114	17,812,114
RESERVES, ADJUSTMENTS, AND DEBT SERVICE		
Contingency and Emergency Fund	\$ 5,000,000	\$ 5,000,000
State Retirement System Contribution	248,100,000	336,000,000
Judicial Retirement System Contribution	6,800,000	7,800,000
Firemen's & Rescue Squad Workers' Pension Fund	4,318,042	5,366,928
State Health Plan	7,119,541	102,151,104
Information Technology Fund	4,458,142	6,158,142
Reserve for Job Development Investment Grants (JDIG)	15,400,000	27,400,000
Continuation Review Reserve	0	35,576,758
Comprehensive Review of Compensation Plans	2,000,000	0
Compensation Adjustment and Performance Pay Reserve	0	121,105,840
Severance Expenditure Reserve	69,000,000	0
Automated Fraud Detection Development	1,000,000	7,000,000
Controller – Fraud Detection Development	500,000	500,000
Debt Service		
General Debt Service	688,957,188	759,984,974

Federal Reimbursement	1,616,380	1,616,380
<u>Payment to Escheat Fund</u>	<u>17,500,000</u>	
TOTAL CURRENT OPERATIONS – GENERAL FUND	\$ 19,678,116,193	\$ 19,943,327,275."

SECTION 3. Any monies received from a grant made on or after July 1, 2011, by The Golden Leaf (Long-Term Economic Advancement Foundation), Inc., to the Global TransPark Authority shall be first applied to the payment of any outstanding loan from the Escheat Fund to the Global TransPark Authority authorized under G.S. 63A-4(a)(22) and G.S. 147-69.2(b)(11).

SECTION 4.(a) If House Bill 200 of the 2011 Regular Session becomes law, then Section 6.10 of that act is repealed.

SECTION 4.(b) G.S. 147-69.2(b)(11), as amended by Section 7 of S.L. 2005-144, Section 2 of S.L. 2005-201, Section 28.17 of S.L. 2005-276, Section 27.7 of S.L. 2007-323, and Section 25.2 of S.L. 2009-451, reads as rewritten:

"(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (a) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

- ...
- (11) With respect to assets of the Escheat Fund, obligations of the North Carolina Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed twenty-five million dollars (\$25,000,000), that have a final maturity not later than October 1, ~~2011~~2012. The obligations shall bear interest at the rate set by the State Treasurer. No commitment to purchase obligations may be made pursuant to this subdivision after September 1, 1993, and no obligations may be purchased after September 1, 1994. In the event of a loss to the Escheat Fund by reason of an investment made pursuant to this subdivision, it is the intention of the General Assembly to hold the Escheat Fund harmless from the loss by appropriating to the Escheat Fund funds equivalent to the loss.

If any part of the property owned by the North Carolina Global TransPark Authority now or in the future is divested, proceeds of the divestment shall be used to fulfill any unmet obligations on an investment made pursuant to this subdivision."

SECTION 5. This act becomes effective July 1, 2011.

In the General Assembly read three times and ratified this the 17th day of June,
2011.

s/ Walter H. Dalton
President of the Senate

s/ Thom Tillis
Speaker of the House of Representatives

s/ Beverly E. Perdue
Governor

Approved 11:47 a.m. this 27th day of June, 2011