

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

SENATE BILL 381
RATIFIED BILL

AN ACT TO RECONSTITUTE SEVERAL BOARDS AND COMMISSIONS HELD TO HAVE UNCONSTITUTIONALLY APPOINTED MEMBERSHIP PURSUANT TO MCCRORY V. BERGER AND COOPER V. BERGER AND TO MAKE CLARIFICATIONS TO THOSE BOARDS.

The General Assembly of North Carolina enacts:

PART I. CLEAN WATER MANAGEMENT TRUST FUND CLARIFICATIONS

SECTION 1.(a) Part 41 of Article 2 of Chapter 143B of the General Statutes reads as rewritten:

"Part 41. Clean Water Management Trust Fund.

"§ 143B-135.230. Purpose.

It is the intent of the General Assembly that moneys from the Fund created under this Part shall be used to help finance projects that enhance or restore degraded surface waters; protect and conserve surface waters, including drinking supplies, and contribute toward a network of riparian buffers and greenways for environmental, educational, and recreational benefits; provide buffers around military bases to protect the military mission; acquire land that represents the ecological diversity of North Carolina; and acquire land that contributes to the development of a balanced State program of historic properties.

"§ 143B-135.232. Definitions.

The following definitions apply in this Part:

- (1) ~~Council. — The advisory council for the Clean Water Management Trust Fund.~~
- (2) Fund. — The Clean Water Management Trust Fund created pursuant to this Part.
- (3) Land. — Real property and any interest in, easement in, or restriction on real property.
- (4) Local government unit. — Defined in G.S. 159G-20.
- (5) Trustees. — The trustees of the Clean Water Management Trust Fund.

"§ 143B-135.234. Clean Water Management Trust Fund.

(a) Fund Established. — The Clean Water Management Trust Fund is established as a special revenue fund to be administered by the Department of Natural and Cultural Resources. The Clean Water Management Trust Fund shall also be known as the "Land and Water Fund." The Fund receives revenue from the following sources and may receive revenue from other sources:

- (1) Annual appropriations.
- (2) Special registration plates under G.S. 20-81.12.
- (3) Other special registration plates under G.S. 20-79.7.
- (4) Hazard mitigation funds from the Federal Emergency Management Agency and other agencies.

(b) Fund Earnings, Assets, and Balances. — The State Treasurer shall hold the Fund separate and apart from all other moneys, funds, and accounts. Any balance remaining in the Fund at the end of any fiscal year shall be carried forward in the Fund for the next succeeding



fiscal year. Payments from the Fund shall be made on the warrant of the Chair of the Board of Trustees.

(c) Fund Purposes. – Moneys from the Fund are appropriated annually to finance projects to clean up or prevent surface water pollution and for land preservation in accordance with this Part. Revenue in the Fund may be used for any of the following purposes:

- (1) To acquire land for riparian buffers for the purposes of providing environmental protection for surface waters ~~and urban~~ drinking water supplies and establishing a network of riparian greenways for environmental, educational, and recreational uses.
- (2) To acquire conservation easements or other interests in real property for the purpose of protecting and conserving surface waters and enhancing drinking water supplies, including the development of water supply reservoirs.
- (3) To coordinate with other public programs involved with lands adjoining water bodies to gain the most public benefit while protecting and improving water quality.
- (4) To restore previously degraded lands to reestablish their ability to protect water quality.
- (5) To facilitate planning that targets reductions in surface water pollution.
- (6) To finance innovative efforts, including pilot projects, to improve stormwater management, to reduce pollutants entering the State's waterways, to improve water quality, and to research alternative solutions to the State's water quality problems.
- (7) ~~To provide buffers around military bases or for State matching funds for the Readiness and Environmental Protection Initiative, a federal funding initiative that provides funds for military buffers.~~ To prevent encroachment, provide buffers, and preserve natural habitats around military installations or military training areas, or for State matching funds of federal initiatives that provide funds to prevent encroachment, provide buffers, and preserve natural habitats around military installations or military training areas.
- (8) To acquire land that represents the ecological diversity of North Carolina, including natural features such as riverine, montane, coastal, and geologic systems and other natural areas to ensure their preservation and conservation for recreational, scientific, educational, cultural, and aesthetic purposes.
- (9) To acquire land that contributes to the development of a balanced State program of historic properties.
- (10), (11) Repealed by Session Laws 2015-241, s. 14.4, effective July 1, 2015.
- (12) To protect and restore floodplains and wetlands for the purpose of storing water, reducing flooding, improving water quality, providing wildlife and aquatic habitat, and providing recreational opportunities.

(d) Repealed by Session Laws 2015-241, s. 14.4, effective July 1, 2015.

"§ 143B-135.236. North Carolina Conservation Easement Endowment Fund.

(a) The North Carolina Conservation Easement Endowment Fund is established as a special fund in the Office of the State Treasurer. The principal of the Endowment Fund shall consist of a portion of grant funds transferred by the Trustees to the Endowment Fund from the Clean Water Management Trust Fund for stewardship activities related to projects for conservation easements funded from the Clean Water Management Trust Fund. The principal of the Endowment Fund may also consist of any proceeds of any gifts, grants, or contributions to the State that are specifically designated for inclusion in the Endowment Fund and any investment income that is not used in accordance with subsection (b) of this section. The State Treasurer shall hold the Endowment Fund separate and apart from all other moneys, funds, and accounts. The State Treasurer shall invest the assets of the Endowment Fund in accordance with

the provisions of G.S. 147-69.2 and G.S. 147-69.3. The State Treasurer shall disburse the endowment investment income only upon the written direction of the Chair of the Board of Trustees. No expenditure or disbursement shall be made from the principal of the Endowment Fund.

(b) The Trustees may authorize the disbursement of the endowment investment income only for activities related to stewardship of conservation easements owned by the State.

"§ 143B-135.238. Grant requirements.

(a) Eligible Applicants. – Any of the following are eligible to apply for a grant from the Fund for the purpose of protecting and enhancing water quality:

- (1) A State agency.
- (2) A local government unit.
- (3) A nonprofit corporation whose primary purpose is the conservation, preservation, or restoration of our State's cultural, environmental, or natural resources.

(b) Criteria. – The criteria developed by the Trustees under G.S. 143B-135.242 apply to grants made under this Part.

(c) Matching Requirement. – The Board of Trustees shall establish matching requirements for grants awarded under this Part. This requirement may be satisfied by the donation of land to a public or private nonprofit conservation organization as approved by the Board of Trustees. The Board of Trustees may also waive the requirement to match a grant pursuant to guidelines adopted by the Board of Trustees.

(d) Restriction. – No grant shall be awarded under this Part to satisfy compensatory mitigation requirements under 33 USC § 1344 or G.S. 143-214.11.

(e) Withdrawal. – An award of a grant under this Part is withdrawn if the grant recipient fails to enter into a construction contract for the project within one year after the date of the award, unless the Trustees find that the applicant has good cause for the failure. If the Trustees find good cause for a recipient's failure, the Trustees must set a date by which the recipient must take action or forfeit the grant.

"§ 143B-135.240. Clean Water Management Trust Fund: Board of Trustees established; membership qualifications; vacancies; meetings and meeting facilities.

(a) Board of Trustees Established. – There is established the Clean Water Management Trust Fund Board of Trustees. The Clean Water Management Trust Fund Board of Trustees shall be administratively located within the Department of Natural and Cultural Resources.

(b) Membership. – The Clean Water Management Trust Fund Board of Trustees shall be composed of nine members appointed to three-year terms as follows:

- (1) ~~One member~~ Two members appointed by the Governor to ~~a term~~ terms that ~~expires~~ expire on July 1 of years that precede by one year those years that are evenly divisible by three.
- (2) ~~One member~~ Two members appointed by the Governor to ~~a term~~ terms that ~~expires~~ expire on July 1 of years that follow by one year those years that are evenly divisible by three.
- (3) One member appointed by the Governor to a term that expires on July 1 of years that are evenly divisible by three.
- (4) One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on July 1 of years that precede by one year those years that are evenly divisible by three.
- (5) ~~One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on July 1 of years that follow by one year those years that are evenly divisible by three.~~

- (6) One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on July 1 of years that are evenly divisible by three.
- ~~(7) One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on July 1 of years that precede by one year those years that are evenly divisible by three.~~
- (8) One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on July 1 of years that follow by one year those years that are evenly divisible by three.
- (9) One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on July 1 of years that are evenly divisible by three.

The initial terms of members appointed pursuant to subdivisions (2) and (8) of this subsection shall expire July 1, 2020. The initial terms of members appointed pursuant to subdivisions (1) and (4) of this subsection shall expire July 1, 2021. The initial terms of members appointed pursuant to subdivisions (3), (6), and (9) of this subsection shall expire July 1, 2022.

(c) Qualifications. – The office of Trustee is declared to be an office that may be held concurrently with any other executive or appointive office, under the authority of Article VI, Section 9, of the North Carolina Constitution. When appointing members of the Authority, the Governor, the President Pro Tempore of the Senate, and the Speaker of the House of Representatives shall give consideration to adequate representation from the various regions of the State and shall give consideration to the appointment of members who are knowledgeable in any of the following areas:

- (1) Acquisition and management of natural areas.
- (2) Conservation and restoration of water quality.
- (3) Wildlife and fisheries habitats and resources.
- (4) Environmental management.
- (5) Historic preservation.

(d) Limitation on Length of Service. – No member of the Board of Trustees shall serve more than two consecutive three-year terms or a total of 10 years.

(e) Chair. – The Governor shall appoint one member to serve as Chair of the Board of Trustees.

(e1) Removal. – Members of the Board of Trustees may be removed pursuant to G.S. 143B-16.

(f) Vacancies. – An appointment to fill a vacancy on the Board of Trustees created by the resignation, removal, disability, or death of a member shall be for the balance of the unexpired term. Vacancies in appointments made by the General Assembly shall be filled as provided in G.S. 120-122.

(g) Frequency of Meetings. – The Board of Trustees shall meet at least twice each year and may hold special meetings at the call of the Chair or a majority of the members.

(h) Quorum. – A majority of the membership of the Board of Trustees constitutes a quorum for the transaction of business.

(i) Per Diem and Expenses. – Each member of the Board of Trustees shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 120-3.1, 138-5, and 138-6, as applicable. Per diem, subsistence, and travel expenses of the Trustees shall be paid from the Fund.

"§ 143B-135.242. Clean Water Management Trust Fund Board of Trustees: powers and duties.

(a) Allocate Grant Funds. – The Trustees shall allocate moneys from the Fund as grants. A grant may be awarded only for a project or activity that satisfies the criteria and furthers the purposes of this Part.

(b) Develop Grant Criteria. – The Trustees shall develop criteria for awarding grants under this Part. The criteria developed shall include consideration of the following:

- (1) The significant enhancement and conservation of water quality in the State.
- (2) The objectives of the various basinwide management plans for the State's river basins and watersheds.
- (2a) The objectives of basinwide integrated water management plans developed and adopted at the regional level.
- (3) The promotion of regional integrated ecological networks insofar as they affect water quality.
- (4) The specific areas targeted as being environmentally sensitive.
- (5) The geographic distribution of funds as appropriate.
- (6) The preservation of water resources with significant recreational or economic value and uses.
- (7) The development of a network of riparian buffer-greenways bordering and connecting the State's waterways that will serve environmental, educational, and recreational uses.
- (8) Water supply availability and the public's need for resources adequate to meet demand for essential water uses. Criteria developed pursuant to this subdivision may include ~~consideration of the likelihood of a proposed water supply project ultimately being permitted and built.~~ the value of preserving capacity by preventing sedimentation and nutrient pollution.
- (9) The protection or preservation of land with outstanding natural or cultural heritage values.
- (10) The protection or preservation of land that contains a relatively undisturbed and outstanding example of a native North Carolina ecological community that is now uncommon; contains a major river or tributary, watershed, wetland, significant littoral, estuarine, or aquatic site, or important geologic feature; or represents a type of landscape, natural feature, or natural area that is not currently in the State's inventory of parks and natural areas.
- (11) The protection or preservation of a site or structure that is of such historical significance as to be essential to the development of a balanced State program of historic properties.
- (12) The rate and likelihood of land-use change and development, where such data is available.
- (13) Priority shall be given to projects that are part of a comprehensive, long-term land-use plan by a State agency, local government unit, or a nonprofit corporation whose primary purpose is the conservation, preservation, or restoration of the State's cultural, environmental, or natural resources.

(c) Develop Additional Guidelines. – The Trustees may develop guidelines in addition to the grant criteria consistent with and as necessary to implement this Part.

(d) Acquisition of Land. – The Trustees may acquire land by purchase, negotiation, gift, or devise. Any acquisition of land by the Trustees must be reviewed and approved by the Council of State and the deed for the land subject to approval of the Attorney General before the acquisition can become effective. In determining whether to acquire land as permitted by this Part, the Trustees shall consider whether the acquisition furthers the purposes of this Part ~~and may also consider recommendations from the Council.~~ Part. Nothing in this section shall allow the Trustees to acquire land under the right of eminent domain.

(e) Exchange of Land. – The Trustees may exchange any land they acquire in carrying out the powers conferred on the Trustees by this Part.

(f) Land Management. – The Trustees may designate managers or managing agencies of the lands acquired under this Part.

(g) Rule-making Authority. – The Trustees may adopt rules to implement this Part. Chapter 150B of the General Statutes applies to the adoption of rules by the Trustees.

"§ 143B-135.244. Clean Water Management Trust Fund: reporting requirement.

The Chair of the Board of Trustees shall report no later than December 1 each year to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Environmental Review Commission, the Subcommittees of the House of Representatives and Senate Appropriations Committees with jurisdiction over natural and economic resources, and the Fiscal Research Division of the General Assembly regarding the implementation of this Part. The report shall include a list of the projects awarded grants from the Fund for the previous 12-month period. The list shall include for each project a description of the project, the amount of the grant awarded for the project, and the total cost of the project.

"§ 143B-135.246. Clean Water Management Trust Fund: Executive Director and staff.

The Secretary of Natural and Cultural Resources shall select and appoint a competent person in accordance with this section as Executive Director of the Clean Water Management Trust Fund Board of Trustees. The Executive Director shall be charged with the supervision of all activities under the jurisdiction of the Trustees and shall serve as the chief administrative officer of the Trustees. Subject to the approval of the Secretary of Natural and Cultural Resources, the Executive Director may employ such clerical and other assistants as may be deemed necessary.

The person selected as Executive Director shall have had training and experience in conservation, protection, and management of surface water resources. The salary of the Executive Director shall be fixed by the Secretary of Natural and Cultural Resources, and the Executive Director shall be allowed travel and subsistence expenses in accordance with G.S. 138-6. The Executive Director's salary and expenses shall be paid from the Fund. The term of office of the Executive Director shall be at the pleasure of the Secretary of Natural and Cultural Resources.

~~These employees shall be exempt from the North Carolina Human Resources Act, as provided in G.S. 126-5(c1).~~

~~**"§ 143B-135.248. Clean Water Management Trust Fund: Advisory Council.**~~

~~There is established the Clean Water Management Trust Fund Advisory Council. The Council shall advise the Trustees with regard to allocations made from the Fund, and other issues as requested by the Trustees. The Council shall be composed of the following or its designees:~~

- ~~(1) Commissioner of Agriculture.~~
- ~~(2) Chair of the Wildlife Resources Commission.~~
- ~~(3) Secretary of Environmental Quality.~~
- ~~(4) Secretary of the Department of Commerce.~~
- ~~(5) Secretary of Natural and Cultural Resources."~~

~~**SECTION 1.(b)** G.S. 126-5(c1)(21) is repealed.~~

~~**SECTION 1.(c)** G.S. 20-79.7(b) reads as rewritten:~~

~~"(b) Distribution of Fees. – The Special Registration Plate Account and the Collegiate and Cultural Attraction Plate Account are established within the Highway Fund. The Division must credit the additional fee imposed for the special registration plates listed in subsection (a) of this section among the Special Registration Plate Account (SRPA), the Collegiate and Cultural Attraction Plate Account (CCAPA), the Clean Water Management Trust Fund (CWMTF), which is established under G.S. 113A-253, G.S. 143B-135.234, and the Parks and Recreation Trust Fund, which is established under G.S. 113-44.15, G.S. 143B-135.56 as follows:~~

~~...."~~

~~**SECTION 1.(d)** Chapter 159I of the General Statutes is repealed.~~

SECTION 1.(e) The Chair of the Board of Trustees shall report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Environmental Review Commission, the Subcommittees of the House of Representatives and Senate Appropriations Committees with jurisdiction over natural and economic resources, and the Fiscal Research Division of the General Assembly regarding the implementation of Section 1.(a) of this act no later than July 1, 2020.

PART II. NORTH CAROLINA PARKS AND RECREATION AUTHORITY RECONSTITUTION

SECTION 2. G.S. 143B-135.202 reads as rewritten:

"§ 143B-135.202. North Carolina Parks and Recreation Authority; members; selection; compensation; meetings.

(a) Membership. – The North Carolina Parks and Recreation Authority shall consist of nine members. The members shall include persons who are knowledgeable about park and recreation issues in North Carolina or with expertise in finance. In making appointments, each appointing authority shall specify under which subdivision of this subsection the person is appointed. Members shall be appointed as follows:

- (1) One member appointed by the Governor.
- (2) One member appointed by the Governor.
- (3) One member appointed by the Governor.
- (4) One member appointed by the ~~General Assembly upon the recommendation of the Speaker of the House of Representatives, as provided in G.S. 120-121.~~ Governor.
- (5) One member appointed by the ~~General Assembly upon the recommendation of the Speaker of the House of Representatives, as provided in G.S. 120-121.~~ Governor.
- (6) One member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, as provided in G.S. 120-121.
- (7) One member appointed by the General Assembly upon the recommendation of the ~~President Pro Tempore of the Senate, Speaker of the House of Representatives,~~ as provided in G.S. 120-121.
- (8) One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, as provided in G.S. 120-121.
- (9) One member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, as provided in G.S. 120-121.

(b) Terms. – Members shall serve staggered terms of office of three years. Members shall serve no more than two consecutive three-year terms. After serving two consecutive three-year terms, a member is not eligible for appointment to the Authority for at least one year after the expiration date of that member's most recent term. Upon the expiration of a three-year term, a member may continue to serve until a successor is appointed and duly qualified as provided by G.S. 128-7. The terms of members appointed under ~~subdivision~~ subdivisions (1), (5), or (8)-(6), and (8) of subsection (a) of this section shall expire on July 1 of years that are evenly divisible by ~~three-three, with the initial appointments expiring July 1, 2022.~~ three-three, with the initial appointments expiring July 1, 2022. The terms of members appointed under ~~subdivision~~ subdivisions (2), (4), or (7)-(3), and (4) of subsection (a) of this section shall expire on July 1 of years that follow by one year those years that are evenly divisible by ~~three-three, with the initial appointments expiring July 1, 2020.~~ three-three, with the initial appointments expiring July 1, 2020. The terms of members appointed under ~~subdivision~~ (3), (6), or subdivisions (5), (7), and (9) of subsection (a) of this section shall expire on July 1 of years that precede by one year those years that are evenly divisible by ~~three-three, with the initial appointments expiring July 1, 2021.~~ three-three, with the initial appointments expiring July 1, 2021.

(c) Chair. – The Governor shall appoint one member of the North Carolina Parks and Recreation Authority to serve as Chair.

(d) Vacancies. – A vacancy on the North Carolina Parks and Recreation Authority shall be filled by the appointing authority responsible for making the appointment to that position as provided in subsection (a) of this section. An appointment to fill a vacancy shall be for the unexpired balance of the term.

(e) Removal. – The Governor may remove, as provided in Article 10 of Chapter 143C of the General Statutes any member of the North Carolina Parks and Recreation Authority appointed by the Governor for misfeasance, malfeasance, or nonfeasance. The General Assembly may remove any member of the North Carolina Parks and Recreation Authority appointed by the General Assembly for misfeasance, malfeasance, or nonfeasance.

(f) Compensation. – The members of the North Carolina Parks and Recreation Authority shall receive per diem and necessary travel and subsistence expenses according to the provisions of G.S. 138-5.

(g) Meetings. – The North Carolina Parks and Recreation Authority shall meet at least quarterly at a time and place designated by the Chair.

(h) Quorum. – A majority of the North Carolina Parks and Recreation Authority shall constitute a quorum for the transaction of business.

(i) Staff. – All clerical and other services required by the North Carolina Parks and Recreation Authority shall be provided by the Secretary of Natural and Cultural Resources."

PART III. CHILD CARE COMMISSION RECONSTITUTION

SECTION 3. G.S. 143B-168.4 reads as rewritten:

"§ 143B-168.4. Child Care Commission – members; selection; quorum.

(a) The Child Care Commission of the Department of Health and Human Services shall consist of 17 members. ~~Seven~~Nine of the members shall be appointed by the Governor and ~~10~~eight by the General Assembly, ~~five~~four upon the recommendation of the President Pro Tempore of the Senate, and ~~five~~four upon the recommendation of the Speaker of the House of Representatives. Four of the members appointed by the Governor, two by the General Assembly on the recommendation of the President Pro Tempore of the Senate, and two by the General Assembly on the recommendation of the Speaker of the House of Representatives, shall be members of the public who are not employed in, or providing, child care and who have no financial interest in a child care facility. Two of the foregoing public members appointed by the Governor, one of the foregoing public members recommended by the President Pro Tempore of the Senate, and one of the foregoing public members recommended by the Speaker of the House of Representatives shall be parents of children receiving child care services. Of the remaining two public members appointed by the Governor, one shall be a pediatrician currently licensed to practice in North Carolina. Three of the members appointed by the Governor shall be child care providers, one of whom shall be affiliated with a ~~for-profit~~for-profit child care center, one of whom shall be affiliated with a ~~for-profit~~for-profit family child care home, and one of whom shall be affiliated with a nonprofit facility. Two of the members appointed by the Governor shall be early childhood education specialists. Two of the members appointed by the General Assembly on the recommendation of the President Pro Tempore of the Senate, and two by the General Assembly on recommendation of the Speaker of the House of Representatives, shall be child care providers, one affiliated with a ~~for-profit~~for-profit child care facility, and one affiliated with a nonprofit child care facility. ~~The General Assembly, upon the recommendation of the President Pro Tempore of the Senate, and the General Assembly, upon the recommendation of the Speaker of the House of Representatives, shall appoint two early childhood education specialists.~~ None of the members may be employees of the State.

(b) Members shall be appointed as follows:

- (1) Of the Governor's initial appointees, ~~four~~five shall be appointed for terms expiring June 30, ~~2015, 2020,~~ and ~~three~~four shall be appointed for terms expiring June 30, ~~2016;~~2021.

- (2) Of the General Assembly's initial appointees appointed upon recommendation of the President Pro Tempore of the Senate, ~~three-two~~ shall be appointed for terms expiring June 30, ~~2015, 2020~~, and two shall be appointed for terms expiring June 30, ~~2016;2021~~.
- (3) Of the General Assembly's initial appointees appointed upon recommendation of the Speaker of the House of Representatives, two shall be appointed for terms expiring June 30, ~~2015, 2020~~, and ~~three-two~~ shall be appointed for terms expiring June 30, ~~2016;2021~~.

Appointments by the General Assembly shall be made in accordance with G.S. 120-121. After the initial appointees' terms have expired, all members shall be appointed to serve two-year terms. Any appointment to fill a vacancy on the Commission created by the resignation, dismissal, death, or disability of a member shall be for the balance of the unexpired term.

(c) A vacancy occurring during a term of office is filled:

- (1) By the Governor, if the Governor made the initial appointment;
- (2) By the General Assembly, if the General Assembly made the initial appointment in accordance with G.S. 120-122.

At its first meeting the Commission members shall elect a ~~chairman~~ Chair to serve a ~~two-year term~~ Chairmen term expiring June 30, 2020. A successor Chair shall be elected for two-year terms thereafter. The same member may serve as ~~chairman~~ Chair for two consecutive terms.

Commission members may be removed pursuant to G.S. 143B-13(d).

Commission members may be reappointed and may succeed themselves for a maximum of four consecutive terms.

The Commission shall meet quarterly, and at other times at the call of the ~~chairman~~ Chair or upon written request of at least six members.

The members of the Commission shall receive per diem and necessary travel and subsistence expenses in accordance with the provisions of G.S. 138-5. A majority of the Commission shall constitute a quorum for the transaction of business.

All clerical and other services required by the Commission shall be supplied by the Secretary of Health and Human Services."

PART IV. PRIVATE PROTECTIVE SERVICES BOARD RECONSTITUTION

SECTION 4. G.S. 74C-4 reads as rewritten:

"§ 74C-4. Private Protective Services Board established; members; terms; vacancies; compensation; meetings.

(a) The Private Protective Services Board is hereby established in the Department of Public Safety to administer the licensing and set educational and training requirements for persons, firms, associations, and corporations engaged in a private protective services profession within this State.

(b) The Board shall consist of 14 members: the Secretary of Public Safety or the Secretary's designated representative, ~~three-seven~~ persons appointed by the Governor, ~~five-three~~ persons appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, and ~~five-three~~ persons appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives. All appointments by the General Assembly shall be subject to the provisions of G.S. 120-121, and vacancies in the positions filled by those appointments shall be filled pursuant to G.S. 120-122. One of those persons appointed by the General Assembly upon the recommendation of the President Pro Tempore of the ~~Senate~~ Senate, three of the members appointed by the Governor, and all ~~five~~ three persons appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives shall be licensees under this Chapter; all other appointees may not be licensees of the Board nor licensed by the Board while serving as Board members. All persons appointed shall serve terms of three years. With the exception of the Secretary of Public Safety

or the Secretary's designated representative, no person shall serve more than eight consecutive years on the Board. Board members may continue to serve until their successors have been appointed. The initial terms of three of the members appointed by the Governor shall expire July 1, 2020. The initial terms of one member appointed by each authority making an appointment pursuant to this subsection shall expire July 1, 2021. All other initial terms of members appointed pursuant to this subsection shall expire July 1, 2022.

(c) Vacancies on the Board occurring for any reason shall be filled by the authority making the original appointment of the person causing the vacancy.

(d) Each member of the Board, before assuming the duties of his office, shall take an oath for the faithful performance of his duties. A Board member may be removed at the pleasure of the authority making the original appointment or by the Board for misconduct, incompetence, or neglect of duty.

(e) Members of the Board who are State officers or employees shall receive no per diem compensation for serving on the Board, but shall be reimbursed for their expenses in accordance with G.S. 138-6. Members of the Board who are full-time salaried public officers or employees other than State officers or employees shall receive no per diem compensation for serving on the Board, but shall be reimbursed for their expenses in accordance with G.S. 138-6 in the same manner as State officers or employees. All other Board members shall receive per diem compensation and reimbursement in accordance with G.S. 93B-5.

(f) The Board shall elect a ~~chairman, vice chair,~~ Chair, vice-chair, and other officers and committee ~~chairmen~~ Chairs from among its members as the Board deems necessary and desirable at the first meeting after July 1 of each year. The ~~chairman~~ Chair and ~~vice chairman~~ vice-chair shall be selected by the members of the Board for a term of one year and shall be eligible for reelection. The Board shall meet at the call of the ~~chairman~~ Chair or a majority of the members of the Board at such time, date, and location as may be decided upon by a majority of the Board.

(g) All decisions heretofore made by the Private Protective Services Board, established pursuant to Chapter 74B, shall remain in full force and effect unless and until repealed or suspended by action of the Private Protective Services Board established herein.

(h) The Board shall pay the appropriate State agency for the use of physical facilities and services provided to it by the State."

PART V. RURAL INFRASTRUCTURE AUTHORITY RECONSTITUTION AND CLARIFICATION

SECTION 5. G.S. 143B-472.128 reads as rewritten:

"§ 143B-472.128. Rural Infrastructure Authority created; powers.

(a) Creation. – The Rural Infrastructure Authority is created within the Department of Commerce.

(b) Membership. – The Authority shall consist of ~~16~~ 17 members who shall be appointed as follows:

- (1) The Secretary of ~~Commerce, who shall serve as a nonvoting ex officio member, except in the case of a tie.~~ Commerce, ex officio, or the Secretary's designee.
- (2) ~~Five~~ Four members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, and they shall each represent a Tier 1 or Tier 2 county.
- (3) ~~Five~~ Four members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, and they shall each represent a Tier 1 or Tier 2 county.
- (4) ~~Five~~ Eight members appointed by the Governor, and they shall each represent a Tier 1 or Tier 2 county.

(c) Terms. – Members shall serve for a term of three years, except for initial terms as provided in this section. No member of the Authority shall serve for more than two consecutive terms, but a person who has been a member for two consecutive terms may be reappointed after being off the Authority for a period of at least three years. An initial term that is two years or less shall not be counted in determining the limitation on consecutive terms. ~~Initial terms shall commence on July 1, 2013.~~

In order to provide for staggered terms, two persons appointed to the positions designated in subdivision (b)(2) of this section, ~~one person~~ section and two persons appointed to the positions designated in subdivision (b)(3) of this section, ~~and two persons appointed to the positions designated in subdivision (b)(4) of this section~~ shall be appointed for initial terms ending on June 30, 2014. ~~One person~~ 2020. Two persons appointed to the positions designated in subdivision (b)(2) of this section, two persons appointed to the positions designated in subdivision (b)(3) of this section, and ~~two~~ four persons appointed to the positions designated in subdivision (b)(4) of this section shall be appointed for initial terms ending on June 30, 2015. ~~Two persons appointed to the positions designated in subdivision (b)(2) of this section, two persons appointed to the positions designated in subdivision (b)(3) of this section, and one person~~ 2021. Four persons appointed to the positions designated in subdivision (b)(4) of this section shall be appointed for initial terms ending on June 30, ~~2016~~ 2022.

(d) Officers. – The Authority members shall select from among the membership of the Authority a person to serve as chair and vice-chair. The chair and vice-chair shall each serve for a term of one year, but may be re-elected to serve successive terms.

(e) Compensation. – Authority members shall receive no salary as a result of serving on the Authority, but are entitled to per diem and allowances in accordance with G.S. 138-5 and G.S. 138-6, as appropriate.

(f) Meetings. – The Secretary shall convene the first meeting of the Authority within 30 days after the appointment of Authority members under subsection (b) of this section. Meetings shall be held as necessary as determined by the Authority.

(g) Quorum. – A majority of the members of the Authority constitutes a quorum for the transaction of business. A vacancy in the membership of the Authority does not impair the right of the quorum to exercise all rights and to perform all duties of the Authority.

(h) Vacancies. – A vacancy on the Authority shall be filled in the same manner in which the original appointment was made, and the term of the member filling the vacancy shall be for the balance of the unexpired term. Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122.

(i) Removal. – Members may be removed in accordance with G.S. 143B-13. A member who misses three consecutive meetings of the Authority may be removed for nonfeasance.

(j) Powers and Duties. – The Authority has the following powers and duties:

- (1) To receive and review applications from local government units for grants or loans authorized under G.S. 143B-472.127.
- (2) To award grants or loans as provided in G.S. 143B-472.127. In awarding grants or loans under G.S. 143B-472.127(a), priority shall be given to local government units of the counties that have one of the 80 highest rankings under G.S. 143B-437.08.
- (3) To formulate policies and priorities for grant and loan making under G.S. 143B-472.127, which shall include, among other things, providing for (i) at least four grant application cycles during each fiscal year, (ii) the timely distribution of grants and loans so as to allow local government units to undertake infrastructure and other projects authorized under this Part without undue delay, and (iii) the use of federal funds first instead of General Fund appropriations where the project meets federal requirements or guidelines.

- (4) To establish a threshold amount for emergency grants and loans that may be awarded by the Assistant Secretary without the prior approval of the Authority. Any emergency grants or loans awarded by the Assistant Secretary pursuant to this subdivision shall meet the requirements of G.S. 143B-472.127(a) or (b), and shall comply with policies and procedures adopted by the Authority. The Assistant Secretary shall, as soon as practicable, inform the Authority of any emergency grants or loans made under this subdivision, including the name of the local government unit to which the grant or loan was made, the amount of the grant or loan, and the project for which the grant or loan was requested.
- (5) To determine ways in which the Rural Economic Development Division can aid local government units in meeting the costs for preliminary project planning needed for making an application for a grant or loan under G.S. 143B-472.127.
- (6) To determine ways in which the Rural Economic Development Division can effectively disseminate information to local government units about the availability of grants or loans under G.S. 143B-472.127, the application and review process, and any other information that may be deemed useful to local government units in obtaining grants or loans.
- (7) To review from time to time the effectiveness of the grant or loan programs under G.S. 143B-472.127 and to determine ways in which the programs may be improved to better serve local government units.
- (8) No later than September 1 of each year, to submit a report to the Senate Appropriations Committee on Natural and Economic Resources, the House Appropriations Subcommittee on Natural and Economic Resources, and the Fiscal Research Division that details all of the following:
 - a. Total number of awards made in the previous fiscal year.
 - b. Geographic display of awards made.
 - c. Total number of jobs created in the previous fiscal year.
 - d. Recommended policy changes that would benefit economic development in rural areas of the State."

PART VI. STATE BUILDING COMMISSION RECONSTITUTION

SECTION 6. G.S. 143-135.25 reads as rewritten:

"Article 8B.

"State Building Commission.

"§ 143-135.25. State Building Commission – Creation; staff; membership; appointments; terms; vacancies; ~~chairman~~; Chair; compensation.

(a) A State Building Commission is created within the Department of Administration to develop procedures to direct and guide the State's capital facilities development and management program and to perform the duties created under this Article.

(b) The State Construction Office of the Department of Administration shall provide staff to the State Building Commission. The ~~chairman~~Chair of the Commission shall provide direction to the State Construction Office on its work for the Commission.

The director of the State Construction Office shall be a registered engineer or licensed architect and shall be technically qualified by educational background and professional experience in building design, construction, or facilities management. The administrative head shall be appointed by the Secretary of the Department of Administration.

(c) The Commission shall consist of nine members qualified and appointed as follows:

- (1) A licensed architect whose primary practice is or was in the design of buildings, chosen from among not more than three persons nominated by the

North Carolina Chapter of the American Institute of Architects, appointed by the Governor.

- (2) A registered engineer whose primary practice is or was in the design of engineering systems for buildings, chosen from among not more than three persons nominated by the Consulting Engineers Council and the Professional Engineers of North Carolina, appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.
- (3) A licensed building contractor whose primary business is or was in the construction of buildings, or an employee of a company holding a general contractor's license, chosen from among not more than three persons nominated by the Carolinas AGC (Associated General Contractors), appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.
- (4) A licensed electrical contractor whose primary business is or was in the installation of electrical systems for buildings, chosen from among not more than three persons nominated by the North Carolina Association of Electrical Contractors, and the Carolinas Electrical Contractors' Association, appointed by the Governor.
- (5) A public member appointed by the ~~General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.~~ Governor.
- (6) A licensed mechanical contractor whose primary business is or was in the installation of mechanical systems for buildings, chosen from among not more than three persons nominated by the ~~North Carolina Association of Plumbing, Heating, Cooling Contractors, Plumbing-Heating-Cooling Contractors of North Carolina, Inc.,~~ appointed by the ~~General Assembly upon the recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.~~ Governor.
- (7) An employee of the university system currently involved in the capital facilities development process, chosen from among not more than three persons nominated by the Board of Governors of The University of North Carolina, appointed by the Governor.
- (8) A public member who is knowledgeable in the building construction or building maintenance area, appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate in accordance with G.S. 120-121.
- (9) A representative of local government, chosen from among not more than two persons nominated by the North Carolina Association of County Commissioners and two persons nominated by the North Carolina League of Municipalities, appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives in accordance with G.S. 120-121.

The members shall be appointed for staggered three-year terms: ~~The initial appointments to the Commission shall be made within 15 days of the effective date of this act [April 14, 1987].~~ The initial terms of members appointed pursuant to subdivisions (1), ~~(2), (4), and (3)-(5)~~ of this subsection shall expire June 30, ~~1990; 2020;~~ the initial terms of members appointed pursuant to ~~(4), (5),~~ subdivisions (2), (3), and (6) of this subsection shall expire June 30, ~~1989; 2021;~~ and the initial terms of members appointed pursuant to subdivisions (7), (8), and (9) of this subsection shall expire June 30, ~~1988; 2022.~~ Members may serve no more than six consecutive years. In making new appointments or filling vacancies, the Governor shall ensure that minorities and women are represented on the Commission.

Members of the Commission may be removed pursuant to G.S. 143B-13(d).

Vacancies in appointments made by the Governor shall be filled by the Governor for the remainder of the unexpired terms. Vacancies in appointments made by the General Assembly shall be filled in accordance with G.S. 120-122. Persons appointed to fill vacancies shall qualify in the same manner as persons appointed for full terms.

The ~~chairman~~-Chair of the Commission shall be elected by the Commission. The Secretary of State shall serve as ~~chairman~~-Chair until a ~~chairman~~-Chair is elected.

(d) The Commission shall meet at least four times a year on or about January 15, April 15, July 15, and October 15. The Commission shall also meet upon the call of the ~~chairman~~, Chair, or upon call of at least five members. The Secretary of State shall call the first meeting within 30 days of the effective date of this act; the first order of business at the first meeting shall be the election of a ~~chairman~~-Chair by the Commission.

(e) Members of the Commission who are not State officers or employees shall receive per diem of one hundred dollars (\$100.00) a day when the Commission meets and shall be reimbursed for travel and subsistence as provided in G.S. 138-5. Members who are State officers or employees shall be reimbursed for travel and subsistence as provided in G.S. 138-6."

PART VII. EFFECTIVE DATE

SECTION 7. This act becomes effective July 1, 2019. All rules, regulations, and decisions made by the predecessor boards and authorities reconstituted in this act shall remain in full force and effect until and unless duly modified by the successor entities.

In the General Assembly read three times and ratified this the 12th day of June, 2019.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

Roy Cooper
Governor

Approved _____ .m. this _____ day of _____, 2019