

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2003**

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**HOUSE DRH30252-LR-78 (03/26)**

Short Title: IT Funds Flexibility.

(Public)

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Sponsors: Representative Miller.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT AMENDING THE EXECUTIVE BUDGET ACT TO PROVIDE FLEXIBILITY IN BUDGETING FOR THE STATE'S INFORMATION TECHNOLOGY NEEDS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143-23(a2) reads as rewritten:

"(a2) Funds appropriated for salaries and wages are also subject to the limitation that they may only be used for:

- (1) Salaries and wages or for premium pay, overtime pay, longevity, unemployment compensation, workers' compensation, temporary wages, moving expenses of employees, payment of accumulated annual leave, certain awards to employees, tort claims, and employer's social security, retirement, and hospitalization payments;
- (2) Contracted personal services if (i) the contract is for temporary services or special project services, (ii) the term of the contract does not extend beyond the fiscal year, (iii) the contract does not impose obligations on the State after the end of the fiscal year; and (iv) the total of all overexpenditures for contracted personal services approved in a program for a fiscal year does not exceed the greater of five hundred thousand dollars (\$500,000) or ten percent (10%) of the lapsed salary funds in the program for the fiscal year; and
- (3) Uses for which overexpenditures are permitted by subdivision (2) of subsection (a1) of this section but the Director of the Budget shall include such use and the reason for it in his quarterly report to the Joint Legislative Commission on Governmental Operations.
- (4) Information technology expenditures if (i) there is a critical need for the expenditure as determined by the Office of State Budget and

1                            Management in consultation with the State Chief Information Officer,  
2                            (ii) the expenditure will be fully funded for the fiscal year, and (iii) the  
3                            expenditure will not continue into the next fiscal year."

4                            **SECTION 2.** This act becomes effective July 1, 2003.