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JUDICIAL BRANCH SALARIES	
SECTION 30.3.(a) The annual salaries, payable monthly, for specified judicial branch officials for the 2015-2017 fiscal biennium are set as follows:.....	275

SECTION 30.3.(b) The annual salaries of permanent full-time employees of the Judicial Department whose salaries are not itemized in this act shall be increased by two percent (2%), effective July 1, 2015.	276
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SECTION 30.3.(c) The district attorney or public defender of a judicial district, with the approval of the Administrative Officer of the Courts or the Commission on Indigent Defense Services, respectively, shall set the salaries of assistant district attorneys or assistant public defenders, respectively, in that district such that the average salaries of assistant district attorneys or assistant public defenders in that district do not exceed seventy-four thousand two hundred fifty-three dollars (\$74,253), and the minimum salary of any assistant district attorney or assistant public defender is at least thirty-nine thousand four hundred one dollars (\$39,401), effective July 1, 2015.	276
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SECTION 30.3.(d) G.S. 7A-101(a) reads as rewritten:	276
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SECTION 30.3.(e) G.S. 7A-102(c1) reads as rewritten:	276
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SECTION 30.3.(f) G.S. 7A-171.1(a)(1) reads as rewritten:	276
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SECTION 30.3.(g) G.S. 7A-171.1(a1)(1) reads as rewritten:	277
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SECTION 30.3.(h) G.S. 7A-341 reads as rewritten:	277
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SECTION 30.3.(i) G.S. 7A-342 reads as rewritten:	277
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SECTION 30.3.(j) Salary reserves generated by the clerk of superior court offices during the 2015-2016 fiscal year shall be used exclusively by the clerks of superior court. The clerks of superior court may use these funds to award salary increases in addition to those specifically provided for deputy and assistant clerks under the respective salary plans. Any additional increases may be awarded at the discretion of each elected clerk of superior court. The Administrative Office of the Courts shall (i) allocate funds for additional discretionary salary adjustments on a per capita basis and (ii) adopt a plan for distribution of the funds in consultation with the Conference of Clerks of Superior Court.	277
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LEGISLATIVE BRANCH SALARIES	
SECTION 30.4.(a) For the 2015-2017 fiscal biennium, the salaries of members and officers of the General Assembly shall remain unchanged at the amounts set under G.S. 120-3, as provided in 1994 by the 1993 General Assembly.	278

SECTION 30.4.(b) G.S. 120-37(b) reads as rewritten:.....	278
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SECTION 30.4.(c) G.S. 120-37(c) reads as rewritten:	278
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SECTION 30.4.(d) The annual salaries of the Legislative Services Officer and of nonelected employees of the General Assembly in effect on June 30, 2015, shall be increased by two percent (2%).....	278
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COMMUNITY COLLEGES PERSONNEL	
SECTION 30.5.(a) Effective July 1, 2015, the minimum salaries for nine-month, full-time curriculum community college faculty shall be increased as follows:	278

SECTION 30.5.(b) For the 2015-2017 fiscal biennium, the community college boards of trustees may provide employees a salary increase pursuant to the policies adopted by the State Board of Community Colleges. Funds for compensation increases may be used for any one or more of the following purposes: (i) merit pay, (ii) across-the-board increases, (iii) recruitment bonuses, (iv) retention increases, and (v) any other compensation increase pursuant to policies adopted by the State Board of Community Colleges. The State Board of Community Colleges shall make a report on the use of these funds to the 2016 Regular Session of the 2015 General Assembly no later than March 1, 2016.	278
UNIVERSITY OF NORTH CAROLINA SYSTEM	
SECTION 30.6.(a) Effective for the 2015-2017 fiscal biennium:	279
SECTION 30.6.(b) For the 2015-2017 fiscal biennium, the Board of Governors of The University of North Carolina may provide UNC EHRA employees with salary increases pursuant to policies adopted by the Board of Governors, including, but not limited to, increases for any one or more of the following purposes: (i) merit pay, (ii) across-the-board increases, (iii) recruitment bonuses, and (iv) retention increases. The Board of Governors shall make a report on the use of compensation funds under this subsection to the 2016 Regular Session of the 2015 General Assembly no later than March 1, 2016.	279
SECTION 30.6.(c) For the 2015-2016 fiscal year, the Board of Trustees of the North Carolina School of Science and Mathematics shall award the step increases authorized by the Teacher Salary Schedule under Section 9.1 of this act.	279
STATE AGENCY TEACHERS	
SECTION 30.7. Employees of schools operated by the Department of Health and Human Services, the Department of Public Safety, and the State Board of Education who are paid on the Teacher Salary Schedule shall receive the experience step increases authorized in Section 9.1 of this act...279	279
ALL STATE-SUPPORTED PERSONNEL	
SECTION 30.8.(a) Effective July 1, 2015, except as otherwise specifically provided by this act, the annual compensation of all employees subject to or exempt from the North Carolina Human Resources Act for the 2015-2017 fiscal biennium shall be increased by two percent (2%) from that authorized on June 30, 2015, or the last date in pay status during the 2014-2015 fiscal year, if earlier.	279
SECTION 30.8.(b) Salaries and Related Benefits for Positions That are Funded. -	279
SECTION 30.8.(c) The salary increases provided in this act become effective July 1, 2015, and do not apply to persons separated from State service due to resignation, dismissal, reduction in force, death, or retirement, or whose last workday is prior to July 1, 2015.....	280
SECTION 30.8.(d) Payroll checks issued to employees after July 1, 2015, that represent payment of services provided prior to July 1, 2015, shall not be eligible for salary increases provided for in this act. This subsection applies to all employees paid from State funds, whether or not subject to or exempt from the North Carolina Human Resources Act, including employees of public schools, community colleges, and The University of North Carolina.	280
SECTION 30.8.(e) Nothing in this act authorizes the transfer of funds between the General Fund and the Highway Fund for salary increases.	280
SECTION 30.8.(f) Unless otherwise provided by this act, for the 2015-2016 fiscal year, permanent full-time State agency employees and State-funded public school employees who work a nine-, 10-, or 11-month work year schedule shall receive the two percent (2%) annual increase provided by this act.	280
MOST STATE EMPLOYEES	
SECTION 30.9. Except as otherwise specifically set forth in this act, the salaries in effect for the following employees on June 30, 2015, shall be increased by two percent (2%):	280

SPECIAL ANNUAL LEAVE BONUS

SECTION 30.9A.(a) Any person who is (i) a full-time permanent employee of the State or a community college institution on July 1, 2015, and (ii) eligible to earn annual leave shall have a one-time additional five days of annual leave credited on July 1, 2015.....280

SECTION 30.9A.(b) The additional leave shall be accounted for separately with the leave provided by Section 28.3A of S.L. 2002-126, by Section 30.12B(a) of S.L. 2003-284, by Section 29.14A of S.L. 2005-276, and by Section 35.10A of S.L. 2014-100 and shall remain available until used, notwithstanding any other limitation on the total number of days of annual leave that may be carried forward. Part-time permanent employees shall receive a pro rata amount of the five days.280

USE OF FUNDS APPROPRIATED FOR LEGISLATIVELY MANDATED SALARY INCREASES

SECTION 30.10.(a) The appropriations set forth in Section 2.1 of this act include appropriations for legislatively mandated salary increases in amounts set forth in the committee report described in Section 33.2 of this act. The Office of State Budget and Management shall ensure that those funds are used only for legislatively mandated salary increases.280

SECTION 30.10.(b) If the Director of the Budget determines that funds appropriated to a State agency for legislatively mandated salary increases exceed the amount required by that agency for that purpose, the Director may reallocate those funds to other State agencies that received insufficient funds for legislatively mandated salary increases.....280

SECTION 30.10.(c) No later than January 1, 2016, the Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations on the expenditure of funds for legislatively mandated salary increases. This report shall include at least the following information for each State agency for the 2015-2016 fiscal year:280

MONITOR SALARY INCREASES

SECTION 30.11.(a) The Office of State Budget and Management and the Office of State Human Resources shall submit a semiannual report to the Joint Legislative Commission on Governmental Operations on nonlegislative salary increases in (i) State agencies, departments, and institutions, including authorities, boards, and commissions; (ii) the judicial branch; and (iii) The University of North Carolina and its constituent institutions. The reports required by this section shall include the following information:281

SECTION 30.11.(b) The Legislative Services Officer shall report semiannually to the Joint Legislative Commission on Governmental Operation on nonlegislative salary increases.281

COMPENSATION LIMITATIONS/LOTTERY COMMISSION

SECTION 30.12. For the 2015-2017 fiscal biennium, notwithstanding the provisions of G.S. 18C-114(a)(11) and G.S. 18C-120(b)(3), the Lottery Commission shall not expend funds for compensation bonuses or for merit-based or performance-based increases.281

EXTEND REORGANIZATION THROUGH REDUCTION AUTHORIZATION

SECTION 30.13.(a) Section 8.3 of S.L. 2013-382, as amended by Section 55.3(g) of S.L. 2014-115, reads as rewritten:281

SECTION 30.13.(b) Payments under the Reorganization Through Reduction program shall be made from funds available within the reorganizing State agency.282

SALARY DETERMINATIONS FOR CERTAIN LICENSED HEALTH PROFESSIONALS

SECTION 30.14. State agencies, departments, and institutions shall have salary administration flexibility for licensed physicians, dentists, nurses, physicians assistants, pharmacists, and other allied health professionals and may exercise the flexibility within existing resources. No salary determination made under this section may exceed the maximum of the applicable salary range established by the Office of State Human Resources under Chapter 126 of the General Statutes. Beginning September 1, 2015, and then annually thereafter, the Office of State Human Resources shall report to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division on the salary actions taken under this section.....282

STATE HIGHWAY PATROL SALARIES

SECTION 30.15.(a) Effective July 1, 2015, the salaries of all sworn members of the State Highway Patrol are increased by three percent (3%).....282

SECTION 30.15.(b) Effective July 1, 2015, the starting pay for an entry-level position in the State Highway Patrol is increased by three percent (3%).....282

SECTION 30.15.(c) The increases granted by subsection (a) of this section are in addition to any other salary increase that a member of the State Highway Patrol is eligible to receive under this act or G.S. 20-187.3.....282

ESTABLISH CODIFIER OF RULES POSITION

SECTION 30.16.(a) G.S. 150B-2(1c) reads as rewritten:282

SECTION 30.16.(b) G.S. 7A-760 reads as rewritten:282

STUDY COMPENSATION OF EMERGENCY MANAGEMENT PERSONNEL

SECTION 30.17.(a) The Office of State Human Resources shall study the salary classifications of State emergency management personnel within the Department of Public Safety and make recommendations for market-based salary adjustments based on market-rate compensation and turnover, recruitment, and retention issues experienced by the Department for these personnel. By October 1, 2015, the Office of State Human Resources shall report its findings to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division.....282

SECTION 30.17.(b) If the Office of State Human Resources finds pursuant to subsection (a) of this section that market-based salary increases are warranted, notwithstanding the provisions of Section 30.10 of this act, the salaries of emergency management personnel within the Department of Public Safety may be increased to competitive market rates using funds remaining in the Compensation Increase Reserves appropriated within this act.....283

WORKERS' COMPENSATION STUDY

SECTION 30.18.(a) The Joint Legislative Workers' Compensation Study Committee (Committee) is established. The Committee shall be composed of 15 voting and six nonvoting ex officio members as follows:283

SECTION 30.18.(b) The Committee shall make recommendations regarding the following:.....284

SECTION 30.18.(c) Members of the Committee shall receive subsistence and travel allowances at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate. The Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Committee. The Committee may hold its meetings in the State Legislative Building or the Legislative Office Building. The Committee, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request all officers, agents, agencies, and departments of the State to provide any information, data, or documents within their possession, ascertainable from their records or otherwise available to them, and the power to subpoena witnesses.284

SECTION 30.18.(d) The Committee shall report its findings and recommendations to the 2016 Regular Session of the 2015 General Assembly. The Committee shall terminate on May 15, 2016, or upon the filing of its report, whichever occurs first.....284

JUDGES' LONGEVITY AMENDMENTS

SECTION 30.19.(a) G.S. 7A-10(c) reads as rewritten:284

SECTION 30.19.(b) G.S. 7A-18(b) reads as rewritten:.....284

SECTION 30.19.(c) G.S. 7A-44(b) reads as rewritten:285

SECTION 30.19.(d) G.S. 7A-144(b) reads as rewritten:.....285

SALARY-RELATED CONTRIBUTIONS

SECTION 30.20.(a) Effective for the 2015-2017 fiscal biennium, required employer salary-related contributions for employees whose salaries are paid from department, office, institution, or agency receipts shall be paid from the same source as the source of the employee's salary. If an employee's salary is paid in part from the General Fund or Highway Fund and in part from department, office, institution, or agency receipts, required employer salary-related contributions may be paid from the General Fund or Highway Fund only to the extent of the proportionate part paid from the General Fund or Highway Fund in support of the salary of the employee, and the remainder of the employer's requirements shall be paid from the source that supplies the remainder of the employee's salary. The requirements of this section as to source of payment are also applicable to payments on behalf of the employee for hospital medical benefits, longevity pay, unemployment compensation, accumulated leave, workers' compensation, severance pay, separation allowances, and applicable disability income benefits.285

SECTION 30.20.(b) Effective July 1, 2015, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 2015-2017 fiscal biennium are (i) fifteen and sixty-seven hundredths percent (15.67%) – Teachers and State Employees; (ii) twenty and sixty-seven hundredths percent (20.67%) – State Law Enforcement Officers; (iii) twelve and eighty-six hundredths percent (12.86%) – University Employees' Optional Retirement Program; (iv) twelve and eighty-six hundredths percent (12.86%) – Community College Optional Retirement Program; (v) thirty-three and twenty-six hundredths percent (33.26%) – Consolidated Judicial Retirement System; and (vi) nine and one hundredth percent (9.01%) – Legislative Retirement System. Each of the foregoing contribution rates includes five and sixty-one hundredths percent (5.61%) for hospital and medical benefits. The rate for the Teachers and State Employees, State Law Enforcement Officers, University Employees' Optional Retirement Program, and the Community College Optional Retirement Program includes forty-one hundredths percent (0.41%) for the Disability Income Plan. The rates for Teachers and State Employees and State Law Enforcement Officers include sixteen hundredths percent (0.16%) for the Death Benefits Plan. The rate for State Law Enforcement Officers includes five percent (5%) for Supplemental Retirement Income. The rate for Teachers and State Employees and State Law Enforcement Officers includes one hundredth percent (0.01%) for the Qualified Excess Benefit Arrangement.285

SECTION 30.20.(c) Effective July 1, 2015, the maximum annual employer contributions, payable monthly, by the State for each covered employee or retiree for the 2015-2016 fiscal year to the State Health Plan for Teachers and State Employees are (i) Medicare-eligible employees and retirees – four thousand two hundred fifty-eight dollars (\$4,258) and (ii) non-Medicare-eligible employees and retirees – five thousand four hundred seventy-nine dollars (\$5,479).....286

PROVIDE COST-OF-LIVING INCREASES FOR MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE LEGISLATIVE RETIREMENT SYSTEM, AND THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM

SECTION 30.21.(a) G.S. 135-5 is amended by adding a new subsection to read:286

SECTION 30.21.(b) G.S. 120-4.22A is amended by adding a new subsection to read:286

SECTION 30.21.(c) G.S. 135-65 is amended by adding a new subsection to read:286

USE OF FUNDS APPROPRIATED FOR STATE RETIREMENT CONTRIBUTION AND STATE HEALTH PLAN INCREASES

SECTION 30.22.(a) The appropriations set forth in Section 2.1 of this act include appropriations for State Retirement contribution and State Health Plan increases in amounts set forth in the committee report described in Section 33.2 of this act. The Office of State Budget and Management shall ensure that those funds are used only for State Retirement contribution and State Health Plan increases.287

SECTION 30.22.(b) If the Director of the Budget determines that funds appropriated to a State agency for increases exceed the amount required by that agency for that purpose, the Director may reallocate those funds to other State agencies that received insufficient funds for State Retirement contribution and State Health Plan increases.....	287
SECTION 30.22.(c) No later than January 1, 2016, the Office of State Budget and Management shall report to the Joint Legislative Commission on Governmental Operations on the expenditure of funds for State Retirement contribution and State Health Plan increases. This report shall include at least the following information for each State agency for the 2015-2016 fiscal year:	287
ENHANCE THE BENEFITS OF PROBATION/PAROLE OFFICERS WHO ARE MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM	
SECTION 30.23.(a) G.S. 135-1 reads as rewritten:.....	287
SECTION 30.23.(b) G.S. 143-166.41(b) reads as rewritten:.....	287
SECTION 30.23.(c) This section becomes effective July 1, 2015, and applies to persons retiring on or after that date.	288
ENHANCE BENEFITS PAYABLE THROUGH THE NATIONAL GUARD PENSION FUND	
SECTION 30.24. G.S. 127A-40(a) reads as rewritten:.....	288
ALLOW RETIREES WHO RETURN TO WORK FOR THE STATE IN NONPERMANENT POSITIONS TO RETAIN THEIR COVERAGE OPTIONS UNDER THE STATE HEALTH PLAN FOR TEACHERS AND STATE EMPLOYEES RATHER THAN LIMITING SUCH RETIREES' COVERAGE OPTIONS TO THE "BRONZE LEVEL" HIGH-DEDUCTIBLE HEALTH PLAN NECESSITATED BY THE AFFORDABLE CARE ACT	
SECTION 30.25.(a) G.S. 135-48.40 reads as rewritten:.....	288
SECTION 30.25.(b) G.S. 135-48.41(j) reads as rewritten:.....	289
RESERVE FOR FUTURE BENEFITS NEEDS	
SECTION 30.26. It is the intent of the General Assembly to make funds in the Reserve for Future Benefits Needs available for increasing employer contributions to the State Health Plan for Teachers and State Employees during the 2016-2017 fiscal year only if the General Assembly determines that the State Treasurer and the Board of Trustees established under G.S. 135-48.20 have adopted sufficient measures to limit projected employer contribution increases during the 2017-2019 fiscal biennium, in accordance with their powers and duties enumerated in Article 3B of Chapter 135 of the General Statutes.	289
LEGISLATIVE RESEARCH COMMISSION/STUDY SUPPLEMENTAL POST-TAX BENEFITS FOR STATE EMPLOYEES	
SECTION 30.27. The Legislative Research Commission (LRC) may study the supplemental post-tax benefits that State agencies and constituent institutions of The University of North Carolina offer beyond NC Flex pre-tax options, including (i) the process for selecting the benefits, (ii) consolidation of the committees selecting benefits, (iii) the cost and value of the coverage selected, and (iv) a comparison of the benefits to the NC Flex options and to options available to the public employees of other states. The LRC shall submit a report to the 2016 Regular Session of the 2015 General Assembly, upon its convening, on any findings and legislative proposals pertaining to the study.....	289
DISTRIBUTION OF STATEWIDE SALARY RESERVES	
SECTION 30.28.(a) The funds appropriated for salaries and benefits within the Statewide Reserves set forth herein shall be distributed to the respective State agencies, departments, and institutions based on the provisions of Part 9, Part 28, and Part 30 of this act.....	290
SECTION 30.28.(b) In order to effectuate the salary increase authorized by this act in the Department of Transportation, funds appropriated for the Secondary Road Maintenance and Improvement Program are reduced by the sum of nine million eight hundred eighty-four thousand two hundred eleven dollars (\$9,884,211) for the 2015-2016 fiscal year and funds appropriated to the Reserve for General Maintenance are reduced by the sum of eleven million five hundred thirty-seven thousand seven hundred eleven dollars (\$11,537,711) for the 2016-2017 fiscal year.	290

SECTION 30.28.(c) With respect to subsections (a) and (b) of this section, the appropriate totals are adjusted accordingly.290

PART XXXI. CAPITAL PROJECTS

GENERAL FUND CAPITAL APPROPRIATIONS/INTRODUCTION

SECTION 31.1. The appropriations made by the 2015 General Assembly for capital improvements are for constructing, repairing, or renovating State buildings, utilities, and other capital facilities, for acquiring sites for them where necessary, and for acquiring buildings and land for State government purposes.290

CAPITAL PROJECTS/GENERAL FUND

SECTION 31.2.(a) Of the funds appropriated in this act from the General Fund for the 2015-2017 fiscal biennium the following amounts shall be allocated for capital improvements:290

SECTION 31.2.(b) The General Assembly authorizes planning of the Plant Sciences Building at North Carolina State University to be funded at a maximum cost of fourteen million dollars (\$14,000,000) in accordance with this section. The sum of five million dollars (\$5,000,000) allocated for this purpose in subsection (a) of this section shall be used for this purpose. The remainder shall be funded with receipts or from other non-General Fund sources available to North Carolina State University, and those funds are hereby appropriated for that purpose.....291

WATER RESOURCES DEVELOPMENT PROJECTS

SECTION 31.3.(a) The Department of Environment and Natural Resources shall allocate funds for water resources development projects in accordance with the schedule that follows. The amounts set forth in the schedule include funds appropriated in this act for water resources development projects and funds carried forward from previous fiscal years in accordance with subsection (b) of this section. These funds will provide a State match for an estimated forty-four million three hundred fifty-three thousand dollars (\$44,353,000) in federal funds.291

SECTION 31.3.(b) It is the intent of the General Assembly that funds carried forward from previous fiscal years be used to supplement the five million eighty-three thousand dollars (\$5,083,000) allocated for water resources development projects in Section 31.2(a) of this act. Therefore, the following funds carried forward from previous fiscal years shall be used for the following projects:292

SECTION 31.3.(c) Where the actual costs are different from the estimated costs under subsection (a) of this section, the Department may adjust the allocations among projects as needed. If any projects funded under subsection (a) of this section are delayed and the budgeted State funds cannot be used during the 2015-2016 fiscal year or if the projects funded under subsection (a) of this section are accomplished at a lower cost, the Department may use the resulting fund availability to fund any of the following:.....292

SECTION 31.3.(d) The Department shall make semiannual reports on the use of these funds to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division, and the Office of State Budget and Management. Each report shall include all of the following:292

SECTION 31.3.(e) Notwithstanding any provision of law to the contrary, funds appropriated for a water resources development project shall be used to provide no more than fifty percent (50%) of the nonfederal portion of funds for the project. This subsection applies to funds appropriated in this act and to funds appropriated prior to the 2015-2017 fiscal biennium that are unencumbered and proposed for reallocation to provide the nonfederal portion of funds for water resources development projects. The limitation on fund usage contained in this subsection applies only to projects in which a local government or local governments participate.292

NON-GENERAL FUND CAPITAL IMPROVEMENT AUTHORIZATIONS

SECTION 31.4.(a) The General Assembly authorizes the following capital projects to be funded with receipts or from other non-General Fund sources available to the appropriate department: ...293

SECTION 31.4.(b) From funds deposited with the State Treasurer in a capital improvement account to the credit of the Department of Agriculture and Consumer Services pursuant to G.S. 146-30, the sum of seventy-five thousand dollars (\$75,000) for the 2015-2016 fiscal year and the sum of seventy-five thousand dollars (\$75,000) for the 2016-2017 fiscal year shall be transferred to the Department of Agriculture and Consumer Services to be used, notwithstanding G.S. 146-30, by the Department for its plant conservation program under Article 19B of Chapter 106 of the General Statutes for costs incidental to the acquisition of land, such as land appraisals, land surveys, title searches, and environmental studies, and for the management of the plant conservation program preserves owned by the Department.	293
REPAIRS AND RENOVATIONS RESERVE ALLOCATION	
SECTION 31.5.(a) Of the funds in the Reserve for Repairs and Renovations for the 2015-2016 and the 2016-2017 fiscal years, the following allocations shall be made to the following agencies for repairs and renovations pursuant to G.S. 143C-4-3:.....	294
SECTION 31.5.(b) Notwithstanding G.S. 143C-4-3(d), of the funds allocated to the Board of Governors of The University of North Carolina in subsection (a) of this section, a portion shall be used each fiscal year by the Board of Governors for the installation of fire sprinklers in university residence halls. This portion shall be in addition to funds otherwise appropriated in this act for the same purpose. Such funds shall be allocated among the University's constituent institutions by the President of The University of North Carolina, who shall consider the following factors when allocating those funds:	294
SECTION 31.5.(c) Notwithstanding G.S. 143C-4-3(d), of the funds allocated to the Board of Governors of The University of North Carolina in subsection (a) of this section, a portion shall be used each fiscal year by the Board of Governors for campus public safety improvements allowable under G.S. 143C-4-3(b).	294
SECTION 31.5.(d) The Board of Governors shall consider the availability of non-General Fund resources in determining which projects to fund with funds allocated to the Board of Governors of The University of North Carolina in subsection (a) of this section.	295
PROCEDURES FOR DISBURSEMENT OF CAPITAL FUNDS	
SECTION 31.6. The appropriations made by the 2015 General Assembly for capital improvements shall be disbursed for the purposes provided by this act. Expenditure of funds shall not be made by any State department, institution, or agency until an allotment has been approved by the Governor as Director of the Budget. The allotment shall be approved only after full compliance with the State Budget Act, Chapter 143C of the General Statutes. Prior to the award of construction contracts for projects to be financed in whole or in part with self-liquidating appropriations, the Director of the Budget shall approve the elements of the method of financing of those projects, including the source of funds, interest rate, and liquidation period. Provided, however, that if the Director of the Budget approves the method of financing a project, the Director shall report that action to the Joint Legislative Commission on Governmental Operations at its next meeting.....	295
REPORTING ON CAPITAL PROJECTS	
SECTION 31.7.(a) Definitions. – The following definitions apply in this section:	295
SECTION 31.7.(b) Reporting. – The following reports are required:	295
SECTION 31.7.(c) The reports required by subsection (b) of this section shall include at least the following information about every agency capital project:	295
SECTION 31.7.(d) In addition to the other reports required by this section, on October 1, 2015, and every six months thereafter, the Office of State Construction shall report on the status of the Facilities Condition Assessment Program (FCAP) to the Joint Legislative Commission on Governmental Operations. The report shall include (i) summary information about the average length of time that passes between FCAP assessments for an average State building; (ii) detailed information about when the last FCAP assessment was for each State building complex; and (iii) detailed information about the condition and repairs and renovations needs of each State building complex.....	296

SECTION 31.7.(e) In addition to the other reports required by this section, on October 1, 2015, and quarterly thereafter, the State Construction Office shall report to the General Assembly on the status of plan review, approval, and permitting for each State capital improvement project and community college capital improvement project over which the Office exercises plan review, approval, and permitting authority. Each report shall include (i) summary information about the workload of the Office during the previous quarter, including information about the average length of time spent by the State Construction Office on each major function it performs that is related to capital project approval, and (ii) detailed information about the amount of time spent engaged in those functions for each project that the State Construction Office worked on during the previous quarter.296

NATIONAL GUARD PROJECTS

SECTION 31.8.(a) The Department of Public Safety shall allocate the funds allocated for armory and facility development projects in Section 31.2(a) of this act to projects designated by the Adjutant General of the North Carolina National Guard. The Adjutant General shall only provide for the allocation of funds to projects that were included in the latest Armory and Facilities Development Plan developed pursuant to G.S. 127A-210 and may determine which fiscal year of the biennium each designated project shall be funded. These funds will provide a State match for federal funds made available for this purpose.296

SECTION 31.8.(b) No later than June 1, 2017, and every two years thereafter, the Department shall report on the use of these funds to the Joint Legislative Commission on Governmental Operations, the Fiscal Research Division of the General Assembly, and the Office of State Budget and Management. Each report shall include all of the following:296

SECTION 31.8.(c) Notwithstanding subsection (a) of this section, the sum of two hundred fifty thousand dollars (\$250,000) of the funds allocated in Section 31.2(a) of this act for armory and facility development projects in the 2015-2016 fiscal year shall be used to provide a State match to federal funds for planning and construction of a North Carolina National Guard facility to be located within the 420 acres surrounding the latitude and longitude point 35°11.0994'N – 082°37.1166'W. The Department shall consult with the North Carolina National Guard in the design and site selection of the facility. Funds allocated pursuant to this subsection shall not revert at the end of the 2015-2016 fiscal year but shall be retained by the Department until the facility is completed or June 30, 2020, whichever first occurs.....297

REQUIRE NON-GENERAL FUND RESOURCES TO BE USED FOR ADVANCED PLANNING OF UNIVERSITY CAPITAL PROJECTS

SECTION 31.9. G.S. 143C-3-3 reads as rewritten:297

TRANSFER OF THE DEPARTMENT OF HEALTH AND HUMAN SERVICES OFF OF THE DOROTHEA DIX CAMPUS

SECTION 31.10.(a) The Department of Administration, in consultation with the Department of Health and Human Services and any other relevant State agencies, shall develop a plan for moving the personnel and resources of the Department of Health and Human Services that currently reside on the Dorothea Dix campus to other space available to the State. The Department of Administration shall report the plan to the Joint Legislative Commission on Governmental Operations and to the Fiscal Research Division no later than the earlier of October 1, 2016, or six months prior to the date on which the Department is required to move some or all of its personnel and resources from the Dorothea Dix campus under the terms of an agreement between the State and the City of Raleigh. The plan required by this section shall include at least the following information:.....297

SECTION 31.10.(b) Notwithstanding any other provision of law, the Department of Administration shall not enter into any lease or other agreement to move the personnel or resources of the Department of Health and Human Services that currently reside on the Dorothea Dix campus to other space until specifically authorized to do so by the General Assembly.....298

MODIFY SPECIAL INDEBTEDNESS PROVISIONS

SECTION 31.11.(a) G.S. 143-128.1C reads as rewritten:298
SECTION 31.11.(b) This section is effective when this act becomes law.299

TWO-THIRDS BONDS ACT OF 2015

SECTION 31.12.(a) Short Title. – This section may be cited as the "Two-Thirds Bonds Act of 2015."299
SECTION 31.12.(b) Findings and Determinations. – It is the intent and purpose of the General Assembly by this section to provide for the issuance of general obligation bonds or notes of the State in order to provide funds for the cost of State capital facilities.299
SECTION 31.12.(c) Definitions. – The following definitions apply in this section unless the context otherwise requires:299
SECTION 31.12.(d) Authorization of Bonds and Notes. – The State Treasurer is authorized, by and with the consent of the Council of State, to issue and sell at one time or from time to time general obligation bonds of the State to be designated "State of North Carolina General Obligation Bonds," with any additional designations as may be determined, or notes of the State, in the aggregate principal amount of up to two hundred sixty-nine million five hundred twenty-five thousand two hundred dollars (\$269,525,200), this amount being not in excess of two-thirds of the amount by which the State's outstanding indebtedness was reduced during the fiscal biennium that ended June 30, 2015, for the purpose of providing funds, with any other available funds, for the purposes authorized by this section. However, bonds shall only be issued under this section for projects listed in subsection (f) of this section that are not otherwise authorized by May 31, 2016, to be financed with general obligation debt approved by a majority of the qualified voters of the State who vote thereon.300
SECTION 31.12.(e) Uses of Bond and Note Proceeds. – The proceeds of bonds and notes shall be used for financing the cost of State capital facilities as provided in this section. Any additional monies that may be received by grant from the United States of America or any agency or department thereof or from any other source to aid in financing the cost of any State capital facilities authorized by this section may be placed by the State Treasurer in a separate fund or funds and shall be disbursed, to the extent permitted by the terms of the grant, without regard to any limitations imposed by this section.300
SECTION 31.12.(f) Allocation of Proceeds. – The proceeds of bonds and notes shall be allocated and expended as provided as follows:301
SECTION 31.12.(g) Issuance of Bonds and Notes. –301
SECTION 31.12.(h) Variable Rate Demand Bonds and Notes. – In fixing the details of bonds and notes, the State Treasurer may provide that any of the bonds or notes may:304
SECTION 31.12.(i) Interpretation of Section. –304
SECTION 31.12.(j) The State, upon the direction of the Director of the Budget, and subject to the limitations set forth in subsection (d) of this section, may finance with the proceeds of special indebtedness the capital facility costs of a project set forth in subsection (f) of this section and approved for financing with proceeds of bonds authorized pursuant to this section. If the financing is to be provided by special indebtedness, then such indebtedness may be issued or incurred before the enactment of this act or during or beyond the fiscal biennium ending June 30, 2017. The total amount of financing for a project from special indebtedness and the proceeds of two-thirds bonds issued pursuant to this section shall not exceed the applicable amount set forth in subsection (f) of this section.305
SECTION 31.12.(k) This section is effective when this act becomes law.305

DEBT AFFORDABILITY STUDY FOR THE UNIVERSITY OF NORTH CAROLINA

SECTION 31.13. Chapter 116D of the General Statutes is amended by adding a new Article to read:305

AUTHORIZE STATE AGENCIES TO UNDERTAKE SMALL REPAIRS AND RENOVATIONS PROJECTS WITH FUNDS AVAILABLE

- SECTION 31.14.(a) Notwithstanding G.S. 143C-8-7, a State agency may undertake repairs and renovations projects so long as each project satisfies the following requirements:.....306
- SECTION 31.14.(b) Projects undertaken pursuant to this section shall be reported to the Fiscal Research Division on a quarterly basis. A report under this subsection shall include information about all of the following for each project:.....306

ADVANCE PLANNING/NEW SCHOOL OF SCIENCE AND MATHEMATICS

- SECTION 31.15.(a) Having considered the study conducted by the Board of Governors, the North Carolina School of Science and Mathematics and the Department of Public Instruction on the feasibility for a western campus of the North Carolina School of Science and Mathematics (School of Science and Math), the General Assembly finds that a western School of Science and Math located on the campus of the North Carolina School for the Deaf, vacated Broughton Hospital, or other State property adjacent to one of those tracts shall be established. The General Assembly further finds that the establishment of a western School of Science and Math at that location would be beneficial to the economic growth and workforce preparedness in western North Carolina and would extend the opportunity for the unique study experience provided by the School of Science and Math to a significant number of additional students with excellent academic records.....306
- SECTION 31.15.(b) No later than June 30, 2016, the Board of Governors shall do the following:306
- SECTION 31.15.(c) The School of Science and Math shall consider opportunities to share services (such as maintenance) that may be available with any other State entity that is on, adjacent to, or near the property.307
- SECTION 31.15.(d) The General Assembly authorizes advance planning of the western School of Science and Math to be funded at a maximum cost of two million four hundred thousand dollars (\$2,400,000) in accordance with this section. The sum of one million six hundred thousand dollars (\$1,600,000) allocated for this purpose in Section 31.2(a) of this act shall be used for this purpose. The remainder shall be funded by a non-State entity or combination of non-State entities.307
- SECTION 31.15.(e) The Board of Governors and the School of Science and Math shall report to the Joint Legislative Education Oversight Committee regarding the progress on site selection and advanced planning for the western School of Science and Math by January 30, 2016.307

CREATE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON CAPITAL IMPROVEMENTS

- SECTION 31.16.(a) Article 29 of Chapter 120 of the General Statutes is amended by adding three new sections to read:.....307
- SECTION 31.16.(b) G.S. 120-76(9) is repealed.....308

PART XXXII. FINANCE PROVISIONS

EXTEND RESEARCH AND DEVELOPMENT TAX CREDIT FOR FOUR YEARS

- SECTION 32.1.(a) G.S. 105-129.51(b) reads as rewritten:.....308
- SECTION 32.1.(b) G.S. 105-129.50(6) reads as rewritten:.....308
- SECTION 32.1.(c) This section is effective when this act becomes law.308

EXTEND RENEWABLE ENERGY CREDIT FOR TWO YEARS

- SECTION 32.2.(a) G.S. 105-129.16A(e), as amended by Section 1 of S.L. 2015-11, reads as rewritten:308
- SECTION 32.2.(b) G.S. 105-126.19A(a) reads as rewritten:308
- SECTION 32.2.(c) G.S. 62-133.2(a1)(5) reads as rewritten:309
- SECTION 32.2.(d) Subsection (b) of this section is effective for taxable years beginning on or after January 1, 2017. Subsection (c) of this section is effective July 1, 2015. The remainder of this section is effective when this act becomes law.....309

HISTORIC PRESERVATION TAX CREDIT

- SECTION 32.3.(a) Chapter 105 of the General Statutes is amended by adding a new Article to read:.....309

SECTION 32.3.(b) G.S. 105-129.75 reads as rewritten:312

SECTION 32.3.(c) Subsection (a) of this section becomes effective January 1, 2015, and applies to qualified rehabilitation expenditures and rehabilitation expenses incurred on or after that date. The remainder of the section is effective when this act becomes law.312

SENIOR TAX DEDUCTION FOR MEDICAL EXPENSES

SECTION 32.4.(a) G.S. 105-153.5(a) reads as rewritten:313

SECTION 32.4.(b) This section is effective for taxable years beginning on or after January 1, 2015.....313

EXTEND SALES TAX PREFERENCES FOR MOTORSPORTS FOR FOUR YEARS

SECTION 32.5A.(a) G.S. 105-164.4I(b)(3) reads as rewritten:313

SECTION 32.5A.(b) This section is effective when it becomes law and applies to service contracts purchased on or after January 1, 2014.314

SECTION 32.5B.(a) G.S. 105-164.14A(a) reads as rewritten:314

SECTION 32.5B.(b) This section is effective when this act becomes law.314

EXTEND SALES TAX REFUND FOR PASSENGER AIR CARRIERS FOR FOUR YEARS

SECTION 32.6.(a) G.S. 105-164.14A(a)(1) reads as rewritten:314

SECTION 32.6.(b) This section is effective when this act becomes law.314

DATA CENTER INFRASTRUCTURE

SECTION 32.7.(a) G.S. 105-164.3 reads as rewritten:.....314

SECTION 32.7.(b) G.S. 105-164.13 is amended by adding a new subdivision to read:.....315

SECTION 32.7.(c) This section becomes effective July 1, 2015, and applies to sales made on or after that date.....316

EXEMPT SERVICE CONTRACTS ON AIRCRAFT

SECTION 32.8.(a) G.S. 105-164.4I(b) reads as rewritten:316

SECTION 32.8.(b) This section becomes effective July 1, 2017, and applies to sales made on or after that date.....316

EXEMPT ADMISSION CHARGE TO CERTAIN AGRICULTURAL FAIRS FROM TAX

SECTION 32.10.(a) G.S. 105-164.4G(f) is amended by adding a new subdivision to read:316

SECTION 32.10.(b) This section becomes effective July 1, 2015, and applies to gross receipts derived on or after that date.317

PART XXXIII. MISCELLANEOUS PROVISIONS

STATE BUDGET ACT APPLIES

SECTION 33.1. The provisions of the State Budget Act, Chapter 143C of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference...317

COMMITTEE REPORT

SECTION 33.2.(a) The N.C. House of Representatives Appropriations Committee Report on the Base, Expansion and Capital Budgets for House Bill 97, dated May 19, 2015, as modified by the Committee on Rules, Calendar, and Operations of the House May 20, 2015, which was distributed in the House of Representatives and used to explain this act, shall indicate action by the General Assembly on this act and shall, therefore, be used to construe this act, as provided in the State Budget Act, Chapter 143C of the General Statutes, as appropriate, and for these purposes shall be considered a part of this act and, as such, shall be printed as a part of the Session Laws.....317

SECTION 33.2.(b) The budget enacted by the General Assembly is for the maintenance of the various departments, institutions, and other spending agencies of the State for the 2015-2017 biennial budget as provided in G.S. 143C-3-5. This budget includes the appropriations of State funds as defined in G.S. 143C-1-1(d)(25).317

SECTION 33.2.(c) The budget enacted by the General Assembly shall also be interpreted in accordance with G.S. 143C-5-5, the special provisions in this act, and other appropriate legislation. In the event that there is a conflict between the line-item budget certified by the Director of the Budget and the budget enacted by the General Assembly shall prevail.317

REPORT BY FISCAL RESEARCH DIVISION

SECTION 33.3. The Fiscal Research Division shall issue a report on budget actions taken by the 2015 Regular Session of the General Assembly. The report shall be in the form of a revision of the Committee Report adopted for House Bill 97 pursuant to G.S. 143C-5-5. The Director of the Fiscal Research Division shall send a copy of the report issued pursuant to this section to the Director of the Budget. The report shall be published on the General Assembly's Internet Web site for public access.317

MOST TEXT APPLIES TO THE 2015-2017 FISCAL BIENNIUM

SECTION 33.4. Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 2015-2017 fiscal biennium, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 2015-2017 fiscal biennium.317

EFFECT OF HEADINGS

SECTION 33.5. The headings to the Parts and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act, except for effective dates referring to a Part.318

SEVERABILITY

SECTION 33.6. If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.318

EFFECTIVE DATE

SECTION 33.7. Except as otherwise provided, this act becomes effective July 1, 2015.318