

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017**

**SESSION LAW 2018-5
SENATE BILL 99**

AN ACT TO MODIFY THE CURRENT OPERATIONS APPROPRIATIONS ACT OF 2017
AND TO MAKE OTHER CHANGES IN THE BUDGET OPERATIONS OF THE STATE.

The General Assembly of North Carolina enacts:

PART I. INTRODUCTION AND TITLE OF ACT

TITLE OF ACT

SECTION 1.1. This act shall be known as the "Current Operations Appropriations Act of 2018."

INTRODUCTION

SECTION 1.2. The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget in accordance with the State Budget Act. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes, and the savings shall revert to the appropriate fund at the end of each fiscal year, except as otherwise provided by law.

PART II. CURRENT OPERATIONS AND EXPANSION GENERAL FUND

CURRENT OPERATIONS AND EXPANSION/GENERAL FUND

SECTION 2.1. Appropriations from the General Fund of the State for the maintenance of the State departments, institutions, and agencies, and for other purposes as enumerated, are adjusted for the fiscal year ending June 30, 2019, according to the schedule that follows. Amounts set out in parentheses are reductions from General Fund appropriations for the 2018-2019 fiscal year:

Current Operations – General Fund	FY 2018-2019
EDUCATION	
Community Colleges System Office	\$ 43,724,296
Department of Public Instruction	59,847,276
Appalachian State University	0
East Carolina University	0
Academic Affairs	(1,100,000)
Health Affairs	0
Elizabeth City State University	0
Fayetteville State University	0



TEXT OMITTED, DOES NOT PERTAIN TO FILM

SECTION 15.3.(a) Subsections (d) and (e) of Section 15.15A of S.L. 2017-57 are repealed.

SECTION 15.3.(b) This section is effective when it becomes law.

MODIFY FILM GRANT FUND

SECTION 15.4.(a) G.S. 143B-437.02A reads as rewritten:

"§ 143B-437.02A. The Film and Entertainment Grant Fund.

(a) Creation and Purpose of Fund. – There is created in the Department of Commerce a special, nonreverting account to be known as the Film and Entertainment Grant Fund to provide funds to encourage the production of motion pictures, television shows, movies for television, productions intended for on-line distribution, and commercials and to develop the filmmaking industry within the State. The Department of Commerce shall adopt guidelines providing for the administration of the program. Those guidelines may provide for the Secretary to award the grant proceeds over a period of time, not to exceed three years. Those guidelines shall include the following provisions, which shall apply to each grant from the account:

- (1) The funds are reserved for a production on which the production company has qualifying expenses of at least the following:
 - a. For a feature-length ~~film, five million dollars (\$5,000,000)-film:~~
 1. Three million dollars (\$3,000,000), if for theatrical viewing.
 2. One million dollars (\$1,000,000), if a movie for television.
 - b. For a television series, one million dollars (\$1,000,000) per episode.
 - c. For a commercial for theatrical or television viewing or on-line distribution, two hundred fifty thousand dollars (\$250,000).
- (2) The funds are not used to provide a grant in excess of any of the following:
 - a. An amount more than twenty-five percent (25%) of the qualifying expenses for the production.
 - b. An amount more than ~~five—seven~~ million dollars ~~(\$5,000,000)(\$7,000,000)~~ for a feature-length film, more than ~~nine~~ twelve million dollars ~~(\$9,000,000)(\$12,000,000)~~ for a single season of a television series, or two hundred fifty thousand dollars (\$250,000) for a commercial for theatrical or television viewing or on-line distribution.

...."

SECTION 15.4.(b) This section is effective when it becomes law and applies to grants for productions awarded on or after that date.

TRANSFER CERTAIN COMMERCE FUNCTIONS TO EDPNC

SECTION 15.5.(a) The Department of Commerce shall enter into negotiations with the nonprofit corporation with which it contracts pursuant to G.S. 143B-431.01 to provide international investment recruiting resources to market and advertise the State as a business destination.

SECTION 15.5.(b) G.S. 143B-431.01(a) reads as rewritten:

"§ 143B-431.01. Department of Commerce – contracting of functions.

(a) Purpose. – The purpose of this section is to establish a framework whereby the Department of Commerce may contract with a North Carolina nonprofit corporation to assist the Department in fostering and retaining jobs and business development, international investment recruiting, international trade, marketing, and travel and tourism. It is the intent of the General Assembly that the Department develop a plan to work cooperatively with a nonprofit corporation for these purposes while safeguarding programmatic transparency and accountability as well as the fiscal integrity of economic development programs of the State."

TEXT OMITTED, DOES NOT PERTAIN TO FILM

EFFECT OF HEADINGS

SECTION 39.5. The headings to the parts, subparts, 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 or subpart.

APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY

SECTION 39.6.(a) Except where expressly repealed or amended by this act, the provisions of S.L. 2017-57, 2017-119, 2017-187, 2017-189, 2017-192, 2017-197, 2017-204, 2017-206, 2017-209, 2017-212, and 2018-2 remain in effect.

SECTION 39.6.(b) Notwithstanding any modifications by this act in the amounts appropriated, except where expressly repealed or amended, the limitations and directions for the 2017-2019 fiscal biennium in S.L. 2017-57, 2017-119, 2017-187, 2017-189, 2017-192, 2017-197, 2017-204, 2017-206, 2017-209, 2017-212, and 2018-2 that applied to appropriations to particular agencies or for particular purposes apply to the newly enacted appropriations and budget reductions of this act for those same particular purposes.

SEVERABILITY CLAUSE

SECTION 39.7. 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.

EFFECTIVE DATE

SECTION 39.8. Except as otherwise provided, this act becomes effective July 1, 2018.

In the General Assembly read three times and ratified this the 1st day of June, 2018.

s/ Rick Gunn
Presiding Officer of the Senate

s/ Tim Moore
Speaker of the House of Representatives

VETO Roy Cooper
Governor

Became law notwithstanding the objections of the Governor at 11:17 a.m. this 12th day of June, 2018.

s/ James White
House Principal Clerk