



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. 9
(to be filled in by
Principal Clerk)

S202-ALB-61 [v.2]

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Comm. Sub. [YES]
Amends Title [NO]

Date JUN 11 2009, 2009

~~Third~~ Edition
5th

Representative Blust

ADOPTED

1 moves to amend the bill on page 235 line 22 by rewriting that line to read

2 "PART XXII. OFFICE OF STATE BUDGET AND MANAGEMENT

3 PROVIDE FOR ZERO BASED BUDGETING

4 SECTION 22.1(a) The General Assembly finds that the traditional method of
5 budgeting may no longer be sufficient to manage the competing demands of North Carolina's
6 complex budget, its rapidly expanding education and health care expenditures, and the need to
7 foster economic development. To meet the State's growing needs, it is necessary to examine
8 new approaches to budgeting and management.

9 SECTION 22.1.(b) The Director of the Budget shall subject every program in
10 State government to zero-based budget review no less often than once every six years.

11 SECTION 22.1.(c) Beginning in 2011, and in each odd year thereafter, the
12 Governor shall submit a zero-based budget for. To accommodate zero-based budget review, the
13 Director of the Budget shall require agencies to prepare and submit a zero-based budget plan in
14 addition to any other information that may be required by statute, rule, or directive. At a
15 minimum, the plan shall contain the following information:

- 16 (1) A description of those discrete activities that comprise the agency, and a
17 justification for the existence of each activity by reference to statute or other
18 legal authority.
- 19 (2) For each activity, a quantitative estimate of any adverse impacts that could
20 reasonably be expected should the activity be discontinued, together with a
21 full description of the methods by which the adverse impact is estimated.
- 22 (3) For each activity, an itemized account of expenditures that would be
23 required to maintain the activity at the minimum level of service required by
24 the statutory authority, together with a concise statement of the quantity and
25 quality of services required at that minimum level.
- 26 (4) For each activity, an itemized account of expenditures required to maintain
27 the activity at current levels of service, together with a concise statement of
28 the quantity and quality of services being provided.
- 29 (5) A ranking of all activities that shows the relative contribution of each
30 activity to the overall goals and purposes of the agency at current service
31 levels.

32 SECTION 22.1.(d) Each odd year beginning in 2011, the General Assembly shall
33 prepare its budget for the fiscal year which begins on July 1 of that year by starting at zero each



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1 agency or program which has been reviewed by the Director that year under this act and subject
2 the same agency program to a thorough legislative review using the same criteria set forth in
3 subsection (c) of this section."
4
5

SIGNED John M. Beust
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED III-2 EV FAILED _____ TABLED _____

Denise Welch
JUN 11 2009

ADOPTED