



# HOUSE BILL 72: SOG Pilot Project Standards

**This Bill Analysis  
reflects the contents  
of the bill as it was  
presented in  
committee.**

2015-2016 General Assembly

|                       |   |                     |                                   |
|-----------------------|---|---------------------|-----------------------------------|
| <b>Committee:</b>     | House Serial Referral To Appropriations Added | <b>Date:</b>        | March 24, 2015                    |
| <b>Introduced by:</b> | Reps. Hurley, R. Turner, Carney, Lucas        | <b>Prepared by:</b> | Kara McCraw*<br>Committee Counsel |
| <b>Analysis of:</b>   | PCS to First Edition<br>H72-CSTC-3            |                     |                                   |

**SUMMARY:** *HB 72 would require the School of Government at the University of North Carolina at Chapel Hill to develop standards for State agencies to use when designing and implementing pilot projects mandated by the General Assembly. The bill would also require the Office of State Budget and Management to adopt rules implementing the standards, and require all pilot projects mandated by the General Assembly to use those standards after June 1, 2017.*

*The PCS would remove redundant language in Section 2 directing the SOG to create the standards, clarify the effective date and time for application of the standards to new pilots, and consistently use the word “rules” to refer to OSBM rules that will be adopted.*

**CURRENT LAW:** The current statutes do not provide for a set of pilot design standards that must be applied to all pilot projects enacted by the General Assembly.

**BILL ANALYSIS:** HB 72 would require the School of Government (SOG) to develop standards for State agencies to use when designing and implementing pilot projects to provide for sound evaluation of the pilot outcomes.

The SOG would be required to conduct research on pilot standards and make a preliminary report on its research to the Joint Legislative Program Evaluation Oversight Committee (JLPEOC), Director of the Program Evaluation Division, and Office of State Budget and Management (OSBM) by December 1, 2015. The JLPEOC would be required to provide feedback to the SOG on the preliminary report.

The SOG would be required to convene a working group, including members of State agencies and constituent institutions, to develop proposed standards. The proposed standards would be presented to the JLPEOC and OSBM by December 1, 2016.

\$150,000 in non-reverting funds for the 2015-2016 fiscal year would be appropriated to the School of Government for the development of the pilot standards.

A new statute would be created requiring OSBM to adopt rules to implement the proposed standards and report to the JLPEOC upon adoption of the rules. All pilot projects required by the General Assembly after June 1, 2017 would be required to complete pilots in accordance with the rules. The SOG would be required to propose updates to the rules to be adopted by OSBM as necessary.

**EFFECTIVE DATE:** Section 1(e) of HB 72 would become effective July 1, 2015. The remainder of the act would become effective when it becomes law and apply to standards adopted on or after that date. Pilot projects required by the General Assembly on or after June 1, 2017 would be subject to the rules.

**BACKGROUND:** HB 72 was recommended by the Joint Legislative Program Evaluation Oversight Committee. Please see attached JLPEOC memorandum for additional background.

*\*Substantial assistance for the preparation of this summary was provided by Kelly Quick Tornow, Staff Attorney.*

