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ACTIONS BY THE NORTH CAROLINA GENERAL ASSEMBLY

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SUMMARIES OF BILLS FILED

Public Bills

HOUSE BILLS

H 125. [OPTIONAL VOTE CENTERS FOR SECOND PRIMARY.](#) Filed 2/17/11. *TO PERMIT COUNTIES TO HAVE FEWER THAN ALL PRECINCTS OPEN FOR A SECOND PRIMARY.*

Enacts new subsection (e1) to GS 163-111 to authorize a county board of elections to file a plan with the State Board of Elections for approval to open a limited number of precincts during a potential second primary. Allows the county board of elections to open the limited number of precincts if the plan is approved before ballots are printed for that primary. Sets forth the following requirements: (1) the county board must approve and submit the plan no later than 90 days before the primary, (2) the plan must provide for at least two precincts and the county board of elections office to be open for voting during the second primary, (3) the plan must not provide for

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more than the number of early absentee voting sites and the county board office to be open for voting during the second primary, and (4) the plan must provide for voter education about the voting places to be open during the second primary. Also requires the plan to include notice of the second primary sites in any legal notice required under GS Chapter 163 (elections law).

Effective January 1, 2012, and applies to elections held on or after that date.

Intro. by Sager, Jordan.

GS 163

Elections Law; Local Government

H 126. NORTH CAROLINA HEALTH BENEFIT EXCHANGE ACT. Filed 2/17/11. *TO ESTABLISH THE NORTH CAROLINA HEALTH BENEFIT EXCHANGE.*

Enacts new Part 8 in Article 50 of GS Chapter 58, titled the *North Carolina Health Benefit Exchange Act*, to establish the nonprofit entity of the North Carolina Health Benefit Exchange (Exchange) and provide for its membership, authority, and operation.

Definitions. Provides definitions applicable to new Part 8. Defines *qualified health plan* as a health benefit plan that meets certification criteria described in section 1311(c) of the federal Patient Protection and Affordable Care Act, as amended, meets criteria in GS 58-50-324 (health benefit plan certification requirements in proposed Part 8), and meets any additional requirements. A *qualified employer* (1) elects to make full-time employees eligible for one or more qualified health plans offered through the SHOP Exchange and, at the employer's option, some or all of its part-time employees; (2) has its principal place of business in North Carolina; (3) elects to provide coverage through the SHOP Exchange to all eligible employees, wherever employed; and (4) employs no more than the maximum number of employees allowable. The *SHOP Exchange* is the Small Business Health Options Program established in Part 8. Defines *qualified individual* as an individual, including a minor, who (1) is seeking to enroll in a qualified health plan offered to individuals through the Exchange; (2) is legally domiciled in North Carolina on the date of enrollment; (3) is not incarcerated at the time of enrollment, other than incarceration pending disposition of charges; and (4) is a citizen or national of the United States or an alien lawfully present in the U.S., and is also reasonably expected to be in the U.S. for the entire period for which enrollment is sought.

Exchange. Provides that the Exchange, established under Part 8, is not an instrumentality of North Carolina, and will operate under the Exchange Board of Directors. Requires the Exchange to make qualified health plans available to qualified individuals and qualified employers beginning on or after January 1, 2014. Authorizes the Exchange to offer only qualified health plans, unless it is a limited scope dental benefit, as specified. Allows a qualified health plan to voluntarily offer benefits in addition to essential health benefits, unless the Exchange Board of Directors determines it is not in the public interest. Requires the state to defray the costs of the additional benefits to the extent that state law or regulation requires that qualified health plans provide additional benefits. Prohibits the Exchange and any health carrier from charging a fee or penalty for termination of coverage in specified circumstances. Creates a Board of Directors (Board) of the Exchange, consisting of the Commissioner of Insurance (Commissioner), the Director of the Division of Medical Assistance, and eight appointed members, as listed. Details appointment, term, and meeting guidelines. Includes an indemnification provision for the Board and employees of the Exchange and classifies members of the Board as public servants under GS Chapter 138A. Lists additional ethics provisions and subjects the Board to Article 33C of GS Chapter 143 (governing meetings of public bodies). Enumerates the general duties and powers of the Exchange, including the duty to facilitate the purchase and sale of qualified health plans and to assist qualified individuals and qualified employers with enrollment. Also directs the Exchange to establish a SHOP Exchange (1) through which qualified employers may access coverage for their employees and (2) which will enable any qualified employer to specify a level of coverage so any employee may enroll in any qualified health plan offered through the SHOP Exchange at the specified level of coverage.

Sets forth duties, including reporting requirements, for the Board. Requires the Board to develop and submit a Plan of Operation for the Exchange to the Commissioner containing specified information. Provides for public inspection and public comment and specifies components for inclusion in the Plan of Operation.

Health Benefit Plan Certification. Directs the Exchange to certify a health benefit plan as a qualified health plan if the plan meets all of the detailed requirements. Prohibits the Exchange from excluding a health benefit plan by imposing premium price controls. Further prohibits the Exchange from excluding a plan solely because the plan is a fee-for-service plan or because the plan provides treatments necessary to prevent patients' deaths in circumstances the Exchange deems inappropriate or too costly. Provides additional requirements applicable to the certification of qualified health plans and includes criteria related to qualified dental plans. Allows a qualified individual enrolled in a qualified health plan to pay any applicable premium owed by the individual to the insurer issuing the plan.

Consumer Choice. Provides that nothing in Part 8 or in the federal Patient Protection and Affordable Care Act (Affordable Care Act) will be construed to: (1) prohibit a properly authorized insurer from offering a health benefit plan to a qualified individual or employer outside the Exchange; (2) prohibit a qualified individual from

enrolling in, or a qualified employer from selecting for its employees, a health benefit plan outside the Exchange; (3) terminate, abridge, or limit the operation of any requirement under state law with respect to any health benefit plan outside the Exchange; (4) restrict the choice of a qualified individual to enroll or not enroll in a qualified health benefit plan or to participate in the Exchange; or (5) compel an individual to enroll in a qualified health plan or participate in the Exchange. Allows a qualified individual to enroll in any qualified health plan, except that in the case of a catastrophic plan, as described, the individual may enroll in the plan only if the individual is eligible under the Affordable Care Act.

Risk Pooling. Requires an insurer who delivers or issues for delivery any health benefit plan in North Carolina to consider all enrollees in all health benefit plans, other than grandfathered health plans offered by the insurer in the individual market or in the small group market, including enrollees who do not enroll in individual plans or small group plans, to be members of a single risk pool. Authorizes the Commissioner to merge or separate the individual and small group insurance markets, if appropriate.

Funding. Shares the funding stream, beginning in 2014, currently supporting the North Carolina Health Insurance Risk Pool to support the Exchange in 2015 and subsequent years. Provides criteria for charging assessments or user fees. Requires the Exchange to publish the average costs of taxes, assessments, licensing, regulatory fees, administrative costs, monies lost to fraud and waste, and any other payments, on the Internet. Provides for an annual audit and exempts the Exchange from all state taxes.

Additional Provisions. Authorizes the Board and the Commissioner to adopt rules, as required, to implement Part 8. Deems all documents, made or received in connection with the Exchange, public records and subject to GS Chapter 132 (governing public records), except as protected under state or federal law. States that nothing in Part 8 will be construed to conflict with, preempt, or supersede the Commissioner's authority to regulate the business of insurance. Requires all health carriers offering qualified health plans to comply fully with all applicable laws, unless specifically excepted. Reserves GS 58-50-344 through GS 58-50-349 for future codification purposes.

Directs the Exchange to study and make recommendations to the 2013 Regular Session of the General Assembly regarding a Board fund for administrative expenses. Directs the Exchange to study and make recommendations to the Department of Insurance (DOI) regarding whether large employers, as defined, should be offered coverage through the Exchange in or after 2017. Also requires collaboration with DOI to study costs associated with mandated coverage and to report the results and any recommendations before the 2012 session convenes.

Enacts new GS 58-3-300 to direct the Commissioner to establish, no later than January 1, 2014, a reinsurance program, as specified in the Affordable Care Act, for the individual market. Directs the Commissioner to either assess a charge on or make a payment to health plans and health insurers, depending upon whether the actuarial risk of the enrollees of the plans or coverage for a year is more or less than the average actuarial risk of all enrollees in all plans or covered in the state for that year that are not self-insured group health plans and which are subject to the federal Employee Retirement Income Security Act of 1974, as amended. Defines applicable terms.

Enacts new GS 58-3-305 to require insurers providing coverage under a health benefit plan in the individual or group markets to comply with section 1311(e)(3) of the Affordable Care Act (transparency in coverage), except that a plan or coverage that is not offered through the Exchange will only be required to (1) submit the information required to the U.S. Department of Health and Human Services and to the Commissioner and (2) make that information public. Defines applicable terms.

Intro. by Insko.

GS 58

Health, Social Services, and Aging;
Business and Commerce

H 127. ALLOW EXPANSION OF CAPITATED WAIVER. Filed 2/17/11. *TO ALLOW THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO EXPAND THE CAPITATED 1915(B)/(C) MEDICAID WAIVER TO ADDITIONAL LOCAL MANAGEMENT ENTITY CATCHMENT AREAS, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON MENTAL HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES.*

As title indicates. Requires a demonstration to the General Assembly's satisfaction that the expansion (1) is allowable under Medicaid, (2) will result in savings to the state, and (3) will provide outcomes equal to or better than those that could be achieved without the proposed expansion.

Intro. by Insko.

UNCODIFIED

Health, Social Services, and Aging

H 128. FUNDS/NC SPECIAL OLYMPICS. Filed 2/17/11. *TO APPROPRIATE FUNDS FOR THE NORTH CAROLINA SPECIAL OLYMPICS.*

Appropriates \$100,000 for 2011-12 and \$100,000 for 2012-13 in nonrecurring funds from the General Fund to the Department of Health and Human Services to support the NC Special Olympics. Lists allowable uses for the funds. Effective July 1, 2011.

Intro. by Insko.

APPROP

Budget and Appropriations; Health, Social Services, and Aging

H 129. LEVEL PLAYING FIELD/LOCAL GOV'T COMPETITION. Filed 2/17/11. *TO PROTECT JOBS AND INVESTMENT BY REGULATING LOCAL GOVERNMENT COMPETITION WITH PRIVATE BUSINESS.*

Adds new Article 16A (Provision of Communications Service by Cities) to GS Chapter 160A to regulate local government competition with private business for purposes as indicated by the title.

Definitions. Provides definitions for the following terms as used in the proposed Article: (1) *city-owned communications service provider*, (2) *communications network*, (3) *communications service*, (4) *high-speed Internet access service*, (5) *interlocal agreement*, and (6) *joint agency*.

Requirements. Directs a city-owned communications service provider to meet all of the following specified requirements: (1) compliance with all local, state, and federal laws; (2) establishing one or more separate enterprise funds for the provision of communications service; (3) providing communications service only within the jurisdictional boundaries of the city that is providing the communications service; and (4) providing non-discriminatory access to necessary material, equipment, and facilities to private communications service providers unless the facilities have insufficient capacity for access and capacity cannot be reasonably added to the facilities. These requirements also include prohibiting the city-owned communications service provider from (1) airing ads or other promotions for the city-owned communications service on the city's public, educational, or governmental access channel and (2) directly or indirectly exercising any power or withholding or delaying the provision of a monopoly utility service to require persons to use or subscribe to a communication service provided by the city-owned communications service provider.

Provides that the following requirements do not apply to communications service provided by a city on or before January 1, 2011: (1) prohibition against subsidizing the provision of communications service with funds from other non-communications service or other revenue service, (2) prohibition against setting the price of any communications service at an amount less than the actual cost of providing the service, and (3) requiring the city to pay an annual amount equivalent to all taxes and fees paid by a private communications provider to the city's general fund.

Does not require a city-owned communications service provider to obtain voter approval under GS 160A-321 prior to the sale or discontinuance of the city's communications network.

Exemptions. Exempts a city's provision of communications service within its jurisdictional boundaries for the city's internal governmental purposes from the requirements of proposed GS 160A-340.1 (city-owned communications service provider requirements), 160A-340.4 (financing), and 160A-340.5 (taxes; payments in lieu of taxes). Additionally provides that the above proposed statutes do not apply to the provision of communications in unserved areas. Requires filing a petition to the Utilities Commission for a determination that an area is unserved. Defines *unserved area* as a geographical area in which at least 90% of households have no access to high-speed Internet service or only have access to high-speed Internet service from a satellite provider.

Notice and public hearing. Directs a city proposing to provide communications service to hold no less than two public hearings that are held no less than 30 days apart. Provides requirements for distributing notice of the public hearings. Provides that private communications service providers may fully participate in the public hearings. Declares that any feasibility study, business plan, or public survey prepared by the city in connection with the proposed communications service project is a public record under GS 132-1.

Financing. Prohibits a city or joint agency that is subject to the provisions of proposed GS 160A-340.1 (city-owned communications service provider requirements) from entering into a contract under GS 160A-19 (leases) or 160A-20 (security interests) to purchase, finance, or refinance (1) the purchase of property for use in a communication network or (2) the construction of fixtures or improvements for use in a communications network. These provisions do not apply to the repair or improvement of an existing communications network.

Taxes. Exempts a communications network owned or operated by a city or joint agency from property taxes; instead requires a city that has an ownership share of a communications network and a joint agency owning a network to pay to any county authorized to levy property taxes the amount which would be assessed as taxes on real and personal property in lieu of taxes. Directs a city-owned communications service provider to pay annually to the state an amount in lieu of taxes that would otherwise be due to the state if the service provider was a private communications service provider. Directs the Department of Revenue to set annually the amount of the payment in lieu of taxes. Provides that a city-owned communications service provider is not eligible for a refund under GS 105-164.14(c) (certain governmental entities allowed an annual refund of sales and use tax) for sales and use taxes except to the extent that a private communications service provider would be exempt from taxes.

Makes conforming changes to GS 62-3 (defining *public utility*). Makes a conforming change to Article 9A, (Borrowing by Cities for Competitive Purposes) of GS Chapter 159, Subchapter IV, enacting new GS 159-175.10 (additional requirements for review of city financing application; communication service).

Provides that a city that is a public utility under GS Chapter 62 when this act becomes law is not subject to the provisions of this act when it comes to any of the city's operations authorized under GS Chapter 62.

Provides that the provisions of this act are severable.

Effective when the act becomes law and applies to the provision of communications service by a city or joint agency under Part 1 of Article 20 of GS Chapter 160A on and after the effective date.

Intro. by Avila.

GS 62, 159, 160A

Local Government; Business and Commerce; Energy and Utilities

H 130. WOMEN AT RISK FUNDS. Filed 2/17/11. *TO PROVIDE FUNDING FOR THE WOMEN AT RISK PROGRAM.*

Appropriates \$280,000 for 2011-12 and \$280,000 for 2012-13 from the General Fund to the Department of Correction for the Women at Risk Program for female offenders in Buncombe and surrounding counties. Effective July 1, 2011.

Intro. by Fisher, Keever.

APPROP

Budget and Appropriations;
Criminal Law, Procedure, and Sentencing

H 131. FUNDS/ONE SCHOOL SUPERINTENDENT PER COUNTY. Filed 2/17/11. *DIRECTING THE STATE BOARD OF EDUCATION TO PROVIDE FUNDS FOR ONLY ONE LOCAL SCHOOL SUPERINTENDENT PER COUNTY.*

Prohibits the State Board of Education from allotting state funds for the superintendent of a city school administrative unit. Requires a reduction in the central office allotment of each city school administrative unit by an amount equal to the midpoint of the state salary range for that unit in order to meet the act's requirement. Requires each city school administrative unit to use non-state funds for its superintendent's salary and benefits. Effective July 1, 2011.

Intro. by Lucas, Parmon.

UNCODIFIED

Education; Budget and Appropriations

H 132. MAKE UP SNOW DAYS WITH DISTANCE LEARNING (=S 62). Filed 2/17/11. *TO ALLOW LOCAL SCHOOL ADMINISTRATIVE UNITS TO MAKE UP SNOW DAYS BY REQUIRING STUDENTS TO COMPLETE LESSONS POSTED ONLINE.*

Identical to S 62, filed 2/10/11.

Intro. by Lucas.

GS 115C

Education

H 135. EFFICIENT AND AFFORDABLE ENERGY RATES BILL. Filed 2/17/11. *(1) TO REQUIRE THE NORTH CAROLINA UTILITIES COMMISSION TO ESTABLISH TIERED ELECTRICITY RATES FOR RESIDENTIAL, COMMERCIAL, PUBLIC, AND INDUSTRIAL CUSTOMERS TO ENCOURAGE ENERGY CONSERVATION AND ENERGY EFFICIENCY; (2) TO CREATE THE ENERGY EFFICIENCY PUBLIC BENEFIT LOAN FUND TO BE USED FOR LOANS TO CUSTOMERS FOR THE COSTS OF CERTAIN ENERGY EFFICIENCY OR RENEWABLE ENERGY PROJECTS; AND (3) TO CREATE AN INCENTIVE FOR CONSUMERS TO PURCHASE ENERGY STAR QUALIFIED HOUSEHOLD PRODUCTS.*

Enacts new GS 62-155.1 requiring the North Carolina Utilities Commission (Commission) to develop a rate structure for all residential, commercial, public, and industrial customers of electric power that includes all of the following: (1) an inverted rate structure under which customers using larger quantities of electricity will pay a higher price per kilowatt hour and customers using lesser quantities will pay a lower price; (2) requires the rate structure to be in tiered blocks; (3) requires development of separate inverted tiered block rate structures (rate structures) for residential, commercial, public, and industrial customers; (4) directs that the inverted tiered blocks are to be developed for the purpose of promoting energy conservation and energy efficiency; (5) provides that the rate structures for residential customers be designed to avoid a negative economic impact on low-income families and rental units; (6) requires that the rate structure for residential customers be scaled to achieve a 40% to 60% statewide reduction in electricity use from 2010 use levels within 10 years; (7) provides that the rate structure for industrial and commercial customers be tailored on a case-by-case basis; and (8) directs that all rate structures be designed to guarantee that electric public utilities regulated under the proposed new additions to GS Chapter 62 receive a reasonable rate of return on their capital expenditures.

Enacts new GS 62-155.2 to create the Energy Efficiency Public Benefit Loan Fund (Loan Fund). Directs the Commission to contract with a third-party administrator or an independent government agency to administer the Loan Fund. Specifies the sources for the Loan Fund. Identifies the purpose of the Loan Fund is to issue loans subject to provisions in subsection (e) of proposed GS 62-155.2, regarding grants to low-income households, to customers for use in investing in energy efficiency and renewable energy projects designed to promote energy conservation and efficiency and a reduction in electric energy consumption. Additionally provides criteria regarding loan payments and eligible projects. Defines *renewable energy* as it is defined in GS 62-133.8. Authorizes the Commission to adopt rules to implement this section.

Adds new Article 5H (Avoidable Pollution Tax for Certain Energy Inefficient Products) to GS Chapter 105. Provides that the definitions in GS 105-164.3 apply to proposed Article 5H, except provides that *sale* does not include lease or rental, and defines *energy inefficient product* to mean a product that (1) is used for residential purposes, (2) belongs to a product category evaluated by the U.S. Environmental Protection Agency and the U.S. Department of Energy to set energy efficiency guidelines and qualify products for the Energy Star label, and (3) does not qualify for the Energy Star label.

Provides for a 5% privilege tax on energy inefficient product retailers for each such product sold and a 5% excise tax on the storage, use, or consumption of energy inefficient products in the state. Provides details regarding the administration of the privilege and excise taxes, considered additional state sales taxes. Provides that the exemptions and refunds allowed in Article 5 of GS Chapter 105 do not apply to the taxes imposed in new Article 5H except for the exemption for sales that the state is constitutionally prohibited from taxing. Directs the Secretary of Revenue (Secretary) to credit the taxes collected under proposed Article 5H to the Loan Fund created in new GS 62-155.2 minus the amount owed to the Department of Revenue (Department) for administrative expenses. Permits the Secretary to retain no more than \$425,000 annually as reimbursement to the Department for its collection costs.

Reserves GS 105-187.75 through 105-187.79 for future codification purposes.

Effective January 1, 2012.

Intro. by Keever.

GS 62, 105

Energy and Utilities; Taxation;
Agriculture, Environment, and
Natural Resources

H 136. CLARIFY 2010 IMPROVE SUCCESS OF FMPS. Filed 2/17/11. *TO CLARIFY THE APPLICABILITY OF S.L. 2010-13, AN ACT TO IMPROVE THE SUCCESS OF FISHERY MANAGEMENT PLANS, AS RECOMMENDED BY THE JOINT LEGISLATIVE COMMISSION ON SEAFOOD AND AQUACULTURE.*

Clarifies that the provisions of GS 113-182.1(b)(5) as enacted by SL 2010-13, Section 1, *do not apply* to the Fishery Management Plan (FMP) for Spotted Seatrout submitted to the Joint Legislative Commission on Seafood and Aquaculture on August 23, 2010, by the Secretary of Environment and Natural Resources; however, provides that the provisions of GS 113-182.1(b)(5) as enacted by SL 2010-13 *do apply* to the FMP for Spotted Seatrout for all subsequent reviews and revisions of the FMP.

Provides that despite the provisions of GS 113-182.1(d) (providing that each FMP must be reviewed at least once every five years), the Marine Fisheries Commission must review the FMP for Spotted Seatrout no later than January 1, 2014.

Makes this act effective retroactively to June 23, 2010.

Intro. by Wainwright.

UNCODIFIED

Agriculture, Environment, and
Natural Resources

H 137. TWO-THIRDS BONDS ACT OF 2011. Filed 2/17/11. *TO ENACT THE TWO-THIRDS BONDS ACT OF 2011.*

Authorizes the State Treasurer, by and with the consent of the Council of State, to issue and sell general obligation bonds of the state or notes of the state, in the aggregate principal amount of \$138,498,560, at one time or from time to time in the biennium ending June 30, 2013. The amount is deemed not in excess of two-thirds of the amount that the state's outstanding indebtedness was reduced by during the biennium ending June 30, 2011. The amount must be reduced if necessary to meet the two-thirds threshold. Provides that the proceeds of the bonds and notes will be used to finance the cost of state capital facilities, as specified. Sets forth procedures for expending and disbursing the proceeds and requires the Office of State Budget and Management (OSBM) to report, semiannually, to the listed entities on the expenditures. Allocates the proceeds as follows: (1) \$23,498,560 to complete Phase One of the Highway Patrol Training Facility, Department of Crime Control and Public Safety; (2) \$15 million to complete the School of Aviation Complex at Elizabeth City State University; and (3) \$100 million to repair and renovate state facilities and related infrastructure, with these funds transferred to the Reserve for Repairs and Renovations.

Defines terms applicable to the Two-Thirds Bonds Act of 2011. Sets forth terms and conditions, form and registration requirements, and manner of sale procedures for issuing bonds and notes. Details repayment and refunding criteria and provides for tax exemption and investment eligibility. Explains additional considerations relevant to the bonds and notes.

Allows the State Treasurer to provide for variable rate demand bonds and notes, as specified. Provides for statutory interpretation and broad construction and includes a severability clause.

Intro. by Owens.

APPROP

Budget and Appropriations; State Government

H 138. AMEND HEALTH INSURANCE RISK POOL STATUTES. Filed 2/17/11. *TO AMEND THE HEALTH INSURANCE RISK POOL STATUTES.*

Amends GS 58-50-180(e)(4a) (powers and authority of the Health Insurance Risk Pool) to add that the Health Insurance Risk Pool (Pool) may provide premium subsidies from (1) federal grants made to the Pool, *and* (2) the Pool's own funds, not to exceed the amount of the most recent year that the Pool received a federal grant award, as specified. Current law allows the Pool to provide premium subsidies if federal grant funds are available for individuals with incomes up to 300% of the federal poverty guidelines, and if the Pool Board of Directors (Board) deems it is fiscally prudent to do so. Proposed amendments would delete the federal grant funds requirement and would allow the Pool to provide premium subsidies for individuals with incomes up to 300% of the federal poverty guidelines *where* the Board deems it is fiscally prudent.

Amends GS 55-50-190(b) (Risk Pool risk rates) to provide that the Pool rates will be 125% to 175% (currently, 150% to 200%) of rates established as applicable for individual standard rates and will be adjusted annually.

Enacts new GS 58-50-195(a)(8) to add that any individual who is and continues to be a resident of North Carolina is eligible for Pool coverage if the individual is eligible for and has not exhausted current COBRA health insurance coverage at a rate exceeding the Pool rate and provides evidence of eligibility for Pool coverage under any of the subdivisions (1) through (4) of GS 58-50-195(a).

Amends GS 58-50-210(a) to direct Pool coverage to exclude charges or expenses incurred during the first six months (currently, 12 months) following the effective date of coverage, for any condition for which medical advice, care, or treatment was recommended or received during the 12-month period immediately preceding the effective date of coverage, except as specified.

Effective October 1, 2011.

Intro. by Dockham.

GS 55, 58

Health, Social Services, and Aging

H 139. LIMIT CONTRIBUTIONS BY STATE VENDORS. Filed 2/17/11. *TO LIMIT CAMPAIGN CONTRIBUTIONS BY INDIVIDUALS WHO DIRECTLY AND SUBSTANTIALLY BENEFIT FROM CONTRACTS WITH THE STATE TO CANDIDATE CAMPAIGN COMMITTEES OF CERTAIN STATEWIDE CANDIDATES.*

Enacts new GS 163-278.13D to prohibit state vendors from making a contribution greater than \$500 per election to a candidate or a candidate campaign committee as defined in GS 163-278.38Z, for a public servant as defined in GS 138A-3(30)a and GS 120C-104.

Defines *vendor* to mean an individual (1) with a contract greater than \$25,000 with any office established by Article III of the North Carolina Constitution (Constitution) or (2) employed by a corporation or person with a contract greater than \$25,000 with any office established by Article III of the Constitution in any of the specified capacities.

Effective January 1, 2012, and applies to contributions made on or after that date.

Intro. by Stam, Ross, Glazier, McGee.

GS 163

Elections Law; State Government

H 141. BOILING SPRINGS' 100TH ANNIVERSARY. Filed 2/17/11. *HONORING THE TOWN OF BOILING SPRINGS ON ITS CENTENNIAL CELEBRATION.*

As title indicates.

Intro. by T. Moore, Hager, Hastings.

HOUSE RES

General Assembly

H 142. TECH CORR: ELIGIBILITY OF INDUST FACILITIES. Filed 2/17/11. *TO MAKE A TECHNICAL CORRECTION TO THE INDUSTRIAL FACILITIES SALES TAX REFUND.*

Amends GS 105-164.14B(a) (pertaining to certain industrial facilities refunds) to add definitions for *owner*, *paper-from-pulp manufacturing*, and *turbine manufacturing*. Amends GS 105-164.14B(b)(1) to add *paper-from-pulp manufacturing* and *turbine manufacturing* to the list of businesses applicable to industrial facilities allowed a

sales and use tax refund. Makes technical changes. Effective July 1, 2010, and applies to sales made on or after that date.

Intro. by T. Moore, Hager, Hastings.

GS 105

Business and Commerce; Taxation

H 143. ACH & 122C SCREENING & ASSESSMENT FUNDS. Filed 2/17/11. *TO APPROPRIATE FUNDS TO SUPPORT PRE-ADMISSION SCREENING, ASSESSMENT, AND CARE PLAN DEVELOPMENT IN ADULT CARE HOMES AND FACILITIES LICENSED UNDER CHAPTER 122C OF THE GENERAL STATUTES, BASED ON RECOMMENDATION 4.1 FROM THE NORTH CAROLINA INSTITUTE OF MEDICINE TASK FORCE ON THE COLOCATION OF DIFFERENT POPULATIONS IN ADULT CARE HOMES, AND AS RECOMMENDED BY THE NORTH CAROLINA STUDY COMMISSION ON AGING.*

Appropriates from the General Fund to the Department of Health and Human Services (DHHS) \$900,000 in recurring funds for 2011-12 and 2012-13, \$228,000 in non-recurring funds for 2011-12, and \$205,000 in non-recurring funds for 2012-13 to support implementation and use of standardized preadmission screening, resident assessment, and care plan development for adult care homes and facilities licensed under GS Chapter 122C (the Mental Health, Developmental Disabilities, and Substance Abuse Act of 1985). Describes requirements and schedules associated with screenings and directs DHHS, within one year of preadmission screening implementation, to require screening, assessment, and care plan development for residents not previously screened. Effective July 1, 2011.

Intro. by Farmer-Butterfield, Weiss, Earle, Pierce.

APPROP

Budget and Appropriations;
Health, Social Services and Aging

H 144. INCREASE FAMILY COURT FEE (=S 43). Filed 2/17/11. *TO INCREASE THE FEE AUTHORIZED TO BE CHARGED TO PERSONS RECEIVING THE SERVICES OF A SUPERVISED VISITATION AND EXCHANGE CENTER THROUGH A FAMILY COURT PROGRAM.*

Identical to S 43, filed 2/8/11.

Intro. by Glazier, Parfitt.

GS 7A

Courts; Family Law

H 145. WORK/SCHOOL ZONES—SPEED CAMERA PILOT PROGRAM. Filed 2/17/11. *TO ESTABLISH A PILOT PROGRAM TO IMPROVE PUBLIC SAFETY BY AUTHORIZING THE USE OF ELECTRONIC SPEED-MEASURING SYSTEMS BY THE DEPARTMENT OF TRANSPORTATION TO DETECT SPEED LIMIT VIOLATIONS IN HIGHWAY WORK AND SCHOOL ZONES, TO ESTABLISH STANDARDS FOR THE APPROVAL, USE, AND CALIBRATION OF ELECTRONIC SPEED-MEASURING SYSTEMS, TO ESTABLISH A CIVIL PENALTY FOR SPEED VIOLATIONS IN WORK AND SCHOOL ZONES THAT ARE DETECTED BY THOSE SYSTEMS, TO CREATE A NEW SPECIAL FUND WITHIN THE STATE CIVIL PENALTY AND FORFEITURE FUND, TO PROVIDE FOR THE PAYMENT OF THE PENALTIES INTO THE DESIGNATED SPECIAL FUND, AND TO DECREASE THE AMOUNT OF HIGHWAY FUNDS TRANSFERRED TO THE DEPARTMENT OF PUBLIC INSTRUCTION FOR DRIVERS EDUCATION.*

Enacts new GS 20-141.7 to provide for enforcement of speed limits in designated work zones and school speed zones on public highways through the use of fixed or mobile electronic speed-measuring systems (cameras). Secretary of Transportation is to designate up to 15 work zones and 15 school zones at one time for enforcement. Requires that notice be given of the presence of cameras. Violation of the speed limit captured by a camera is subject to a civil penalty of \$125 if within a school zone and \$250 if within a highway work zone, with no insurance or driver's license points. Owner of vehicle is to be mailed notice of violation; owner is liable for payment unless the owner provides identity of other driver. Requires the Division of Motor Vehicles to set hearing procedure for owners to contest responsibility, with appeal to district court for trial *de novo*.

Requires the Department of Transportation (DOT) to set standards for speed-measuring systems and for their calibration and periodic testing. Cameras are required to show tag number, date and location of violation, and vehicle speed. Provides that photographs are admissible as *prima facie* evidence of violation.

Enacts new GS 115C-457.4 to establish a Civil Penalties Litigation Fund within the Civil Penalty and Forfeiture Fund, with 75% of civil penalties under new GS 20-141.7 to go to that new Litigation Fund and 25% to go to State Public School Fund. Amounts paid into the Litigation Fund are to be allocated to individual school systems, on a per pupil basis, to be used exclusively for technology. Provides that the purpose of payment to the Litigation Fund is to satisfy the August 2008 judgment in *NC School Boards Association v. Moore* (\$749 million judgment entered on remand to superior court following North Carolina Supreme Court decision on July 1, 2005, at 359 NC 474). Provisions in GS 115C-457.2 on agency's retention of costs of collecting penalty do not apply to fines under new GS 20-141.7 until judgment is satisfied.

Provides that payments to the Public School Fund under the act are to be used exclusively for the Drivers Education Program and authorizes DOT to pay costs of speed-measuring systems from funds it otherwise would have transferred to the Department of Public Instruction for driver's education. Allows DOT funds to be used to establish new positions with approval of the Joint Legislative Commission on Governmental Operations.

Requires the Secretary of Transportation to evaluate and report to specified General Assembly committees on the speed-measuring systems program, with recommendations for any changes, annually by May 1st beginning in 2012.

Effective October 1, 2011, and expires October 1, 2026.

Intro. by Glazier, Murry, Rapp, Jordan. GS 8, 20, 115C Transportation; Education; Civil Law and Procedure

H 146. DESIGNATE KIDNEY MONTH. Filed 2/17/11. *DESIGNATING THE MONTH OF MARCH OF EACH YEAR AS KIDNEY MONTH IN NORTH CAROLINA.*

Enacts new GS 103-12, as title indicates.

Intro. by Parfitt, Insko. GS 103 State Government

H 147. FUNDS TO PREVENT INFANT MORTALITY (=S 28). Filed 2/17/11. *TO APPROPRIATE FUNDS TO PREVENT INFANT MORTALITY IN NORTH CAROLINA.*

Identical to S 28, filed 2/2/11.

Intro. by Weiss, Earle. APPROP Budget and Appropriations; Health, Social Services, and Aging

H 148. VETERANS PARK DEDICATION (=S 85). Filed 2/17/11. *HONORING THE DEDICATION OF THE NORTH CAROLINA VETERANS PARK.*

Identical to S 85, filed 2/17/11.

Intro. by Parfitt, Glazier, Lucas, Floyd. HOUSE RES General Assembly

SENATE BILLS

S 84. UNC BD OF GOV/STUDENT MEMBER MAY VOTE. Filed 2/17/11. *TO PROVIDE THAT THE STUDENT MEMBER OF THE BOARD OF GOVERNORS OF THE UNIVERSITY OF NORTH CAROLINA SHALL HAVE THE SAME RIGHT TO VOTE AS ALL OTHER MEMBERS.*

Amends GS 116-6.1 as title indicates. Also removes the provision allowing the UNC Association of Student Governments president's designee to serve as an ex officio member of the Board of Governors.

Intro. by Robinson. GS 116 Education

S 85. VETERANS PARK DEDICATION. Filed 2/17/11. *HONORING THE DEDICATION OF THE NORTH CAROLINA VETERANS PARK.*

As title indicates.

Intro. by Meredith. SENATE RES General Assembly

S 86. LAURA'S LAW (=H 49). Filed 2/17/11. *TO INCREASE THE PUNISHMENT FOR DWI OFFENDERS WITH THREE OR MORE GROSSLY AGGRAVATING FACTORS, TO AUTHORIZE THE COURT TO REQUIRE CONTINUOUS ALCOHOL MONITORING FOR CERTAIN OFFENDERS, AND TO INCREASE THE COURT COSTS FOR DWI OFFENDERS.* Identical to H 49, filed 2/8/11.

Intro. by Harrington, Clary, Forrester. GS 7A, 20 Criminal Law, Procedure & Sentencing; Transportation; Courts

S 87. LEVEL PLAYING FIELD/LOCAL GOV'T COMPETITION (=H 129). Filed 2/17/11. *TO PROTECT JOBS AND INVESTMENT BY REGULATING LOCAL GOVERNMENT COMPETITION WITH PRIVATE BUSINESS.*

Identical to H 129, filed 2/17/11.

Intro. by Apodaca. GS 62, 159, 160A Local Government; Business and Commerce; Energy and Utilities

Local Bills

HOUSE BILLS

H 133. LEWISVILLE ANNEXATIONS (=S 80). Filed 2/17/11. *TO RESTATE THAT THE TOWN OF LEWISVILLE HAS NO AUTHORITY TO PETITION ITSELF FOR SELF-ANNEXATION OF PROPERTY IT DOES NOT OWN OR HAVE ANY LEGAL INTEREST IN.*

Identical to S 80, filed 2/16/11.

Intro. by McGee. FORSYTH Forsyth

H 134. MODIFY CARTERET COUNTY OCCUPANCY TAX. Filed 2/17/11. *TO MODIFY THE CARTERET COUNTY OCCUPANCY TAX.*

Amends Section 2 of SL 2007-112, as amended, to delete the provision limiting Carteret County from accumulating a balance of occupancy tax proceeds for beach nourishment in excess of \$15 million.

Intro. by McElraft. CARTERET Carteret

H 140. OAK ISLAND/RECALL OFFICIALS. Filed 2/17/11. *AMENDING THE CHARTER OF THE TOWN OF OAK ISLAND TO PROVIDE A PROCEDURE TO RECALL ELECTED OFFICIALS, SUBJECT TO A REFERENDUM.*

Subject to the approval of the registered voters of Oak Island in a referendum conducted on November 8, 2011, adds a new Section 5.4 to the town charter providing for the recall of the mayor or any member of the Town Council (Council). Allows a recall petition committee, comprised of at least five members who are registered voters within the town, to file an affidavit with the Brunswick County Director of Elections (Director) naming the individual for which removal is sought and the grounds for removal. Sets requirements for petition forms to be provided by the Director upon the filing of an affidavit and provides for recordation of the petition. Requires that the petition be signed by at least 25% of the town's registered voters and that the petition be returned to the Board of Elections (Board) within 30 days of filing of an affidavit. Establishes the process to be followed by the Board in investigating the sufficiency of a petition and allows amending a petition upon a finding that the petition is insufficient. Requires an officer to resign within five days if it is determined the recall petition is sufficient; if the official does not resign, requires the Council to order and fix a date for a recall election. Provides for the scheduling and notice of the recall election. Also provides for filling the vacancy when the official does resign. Provides that if less than a majority of the votes in the recall election are for recall, then the official continues in office for the remainder of the term; if a majority of the votes are for recall, the official is deemed removed from office on the date that the Board certifies the results. Provides guidelines for a recall petition against an official who has already been the subject of a recall petition and for the recall of two or more members of the Council (or the Mayor and one or more members of the Council).

Intro. by Iler. BRUNSWICK Brunswick

SENATE BILLS

S 81. ORANGE COUNTY LOCAL DISCLOSURE ACT REPEAL. Filed 2/17/11. *TO REPEAL A LOCAL ACT CONCERNING FINANCIAL DISCLOSURE BY MEMBERS OF THE BOARD OF COMMISSIONERS OF ORANGE COUNTY SINCE A GENERAL LAW NOW PROVIDES FOR AN ETHICS POLICY.* Repeals Title VII (Orange County Disclosure) of SL 1987-460, as title indicates.

Intro. by Kinnaird. ORANGE Orange

S 82. TOWN OF ATKINSON/CHARTER AMENDMENT. Filed 2/17/11. *AMENDING THE CHARTER OF THE TOWN OF ATKINSON TO ALLOW THE QUALIFIED VOTERS OF THE ENTIRE TOWN TO ELECT THE TOWN OFFICERS, TO CHANGE THE NAME OF THE GOVERNING BODY, AND TO EXTEND THE TERM OF OFFICE OF THE MEMBERS OF THE GOVERNING BODY FROM TWO TO FOUR YEARS AND STAGGERING THOSE TERMS.*

As title indicates. Also makes technical and conforming changes.

Intro. by Rabon. PENDER Pender

S 83. WILSON SCHOOL BOARD (=H 67). Filed 2/17/11. TO CHANGE THE DATE THAT MEMBERS OF THE WILSON COUNTY BOARD OF EDUCATION TAKE OFFICE AND TO FIX AN ERROR IN A 1987 LOCAL ACT RELATING TO THAT BOARD.

Identical to H 67, filed 2/9/11.

Intro. by Newton.

WILSON

Wilson

ACTION ON BILLS

February 17, 2011

- NOTES**
1. Digests appearing under "Summaries of Bills Filed" are for bills stamped with today's filing date.
 2. Amendments and committee substitutes adopted today are summarized following the chamber action.
 3. Subscribers can find the digest of every version of each bill online at www.dailybulletin.unc.edu.
 4. The dates on which previous amendments or committee substitutes were adopted are listed below bill numbers.
 5. The action "Cal Pursuant Rule 36b" indicates that the bill has been reported by committee and is awaiting calendaring.
 6. Enacted bills are indicated by #, failed bills by *. Actions that change a bill are indicated by HA or SA.

PUBLIC BILLS

H0027 Forensic Sciences Act.	S Passed 1st Reading
	S Ref To Com On Judiciary I
02-09-11, 02-15-11	
H0040 Honor John Weatherly.	H Placed On Cal For 2/21/2011
H0048 No Standardized Testing Unless Req'd by Feds.	H Passed 3rd Reading
	H Ordered Engrossed
02-16-11	
H0059 Sex Offenders Can't Be EMS Personnel.	HA Reptd Fav Com Substitute
	H Cal Pursuant Rule 36(b)
	H Placed On Cal For 2/21/2011
02-17-11	
H0088 Honor Clay County's 150th Anniversary.	H Adopted
H0112 Realign Wake Superior Court Districts.	H Passed 1st Reading
	H Ref To Com On Elections
H0113 Motorcycle Safety Act.	H Passed 1st Reading
	H Ref To Com On Transportation
H0114 Assistance to Voters in Family Care Homes.	H Passed 1st Reading
	H Ref To Com On Elections
H0115 North Carolina Health Benefit Exchange Act.	H Passed 1st Reading
	H Ref to the Com on Health and Human Services, if favorable,
	Appropriations
H0116 Delineate Coastal Wetlands Riparian Buffers.	H Passed 1st Reading
	H Ref To Com On Environment
H0117 Electric Cities/Uses of Rate Revenue.	H Passed 1st Reading
	H Ref To Com On Public Utilities
H0119 Amend Environmental Laws 2011.	H Passed 1st Reading
	H Ref To Com On Environment
H0120 Establish Forgivable Loan Fund.	H Passed 1st Reading
	H Ref to the Com on Education, if favorable, Appropriations
H0121 Reappoint Jos. A. Smith Commissioner of Banks.	H Passed 1st Reading
	H Ref To Com On Banking
H0122 Rev Laws Tech, Clarify., & Admin. Chngs.	H Passed 1st Reading
	H Ref To Com On Finance

H0123 Business Entity Changes.	H	Passed 1st Reading
	H	Ref To Com On Finance
H0124 IRC Update.	H	Passed 1st Reading
	H	Ref To Com On Finance
H0136 Clarify 2010 Improve Success of FMPs.	H	Filed
H0137 Two-Thirds Bonds Act of 2011.	H	Filed
H0138 Amend Health Insurance Risk Pool Statutes.	H	Filed
H0139 Limit Contributions by State Vendors.	H	Filed
H0141 Boiling Springs' 100th Anniversary.	H	Filed
H0142 Tech Corr: Eligibility of Indust Facilities.	H	Filed
H0143 ACH & 122C Screening & Assessment Funds.	H	Filed
H0144 Increase Family Court Fee.	H	Filed
H0145 Work/School Zones- Speed Camera Pilot Program.	H	Filed
H0146 Designate Kidney Month.	H	Filed
H0147 Funds to Prevent Infant Mortality.	H	Filed
H0148 Veterans Park Dedication.	H	Filed
S0008 No Cap on Number of Charter Schools.	S	Withdrawn From Cal
	S	Re-ref Com On Finance
02-16-11		
S0017 Joint Regulatory Reform Committee.	H	Passed 2nd Reading
02-07-11, 02-08-11		
S0077 MDPV/Schedule I Controlled Substance.	S	Passed 1st Reading
	S	Ref To Com On Judiciary II
S0078 Special Plate for Girl Scouts.	S	Passed 1st Reading
	S	Ref To Com On Finance
S0079 North Carolina Master Gardener Special Plate.	S	Passed 1st Reading
	S	Ref To Com On Finance
S0084 UNC Bd of Gov/Student Member May Vote.	S	Filed
S0085 Veterans Park Dedication.	S	Filed
S0086 Laura's Law.	S	Filed
S0087 Level Playing Field/Local Gov't Competition.	S	Filed

LOCAL BILLS

H0118 Winston-Salem/Daily Currency/Coins Deposits.	H	Passed 1st Reading
	H	Ref To Com On Government
H0140 Oak Island/Recall Officials.	H	Filed
S0046 Surry Fox and Coyote Trapping Season.	S	Passed 2nd & 3rd Reading
02-16-11		
S0055 Increase Property Tax Appeals Efficiency.	S	Passed 2nd & 3rd Reading
02-16-11		
S0080 Lewisville Annexations.	S	Passed 1st Reading
	S	Ref To Com On State and Local Government
S0081 Orange County Local Disclosure Act Repeal.	S	Filed
S0082 Town of Atkinson/Charter Amendment.	S	Filed
S0083 Wilson School Board.	S	Filed

SUMMARIES OF AMENDMENTS AND COMMITTEE SUBSTITUTES

HOUSE BILLS

H 59. SEX OFFENDERS CAN'T BE EMS PERSONNEL. Filed 2/8/11. House committee substitute makes the following changes to 1st edition.

Makes clarifying changes.

Criminal Law, Procedure, and
Sentencing; Emergency Services

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Notes

None

NEXT SESSIONS

February 21, 2011

HOUSE convenes at 7:00 p.m.

SENATE convenes at 7:00 p.m.