

Daily Bulletin

ACTIONS BY THE NORTH CAROLINA GENERAL ASSEMBLY

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House Legislative Day 73

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Senate Legislative Day 73

Tuesday, May 31, 2011

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SUMMARIES OF BILLS FILED

Public Bills

None

Local Bills

None

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ACTION ON BILLS

May 31, 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

H0098	Breweries to Sell Malt Beverages on Premises. 04-20-11, 05-19-11	H	Concurred In S/Com Sub
H0115	North Carolina Health Benefit Exchange. 03-30-11, 05-10-11, 05-25-11	S	Passed 1st Reading
		S	Ref To Com On Rules and Operations of the Senate
H0165	Planned Community & Condo Act Amends. 05-31-11	HA	Reptd Fav Com Substitute
		H	Cal Pursuant Rule 36(b)
		H	Placed On Cal For 6/1/2011
H0183	HOA/Limit Foreclosures. 05-31-11	HA	Reptd Fav Com Substitute
		H	Re-ref Com On Rules, Calendar, and Operations of the House
H0200	Appropriations Act of 2011. 04-26-11, 04-28-11, 05-03-11, 05-25-11, 05-26-11, 05-31-11	S	Withdrawn From Cal
		S	Re-ref to Appropriations/ Base Budget. If fav, re-ref to Finance
		S	Reptd Fav Com Substitute
		SA	Com Substitute Adopted
		S	Re-ref Com On Finance
		S	Reptd Fav
H0209	Amend SW Financial Assurance Rqmts.	H	Reptd Fav
		H	Cal Pursuant Rule 36(b)
		H	Placed On Cal For 6/1/2011
H0233	Department of Correction/Ex-Offenders.	H	Passed 2nd & 3rd Reading
H0242	Nat'l Gas/Bonds/Fees/Studies 04-19-11, 05-26-11, 05-31-11	HA	Amend Adopted 1
		H	Passed 2nd & 3rd Reading
		H	Ordered Engrossed
H0373	Insurance Changes to Payments & Group Life. 05-31-11	HA	Reptd Fav Com Substitute
		H	Cal Pursuant Rule 36(b)
		H	Placed On Cal For 6/1/2011
H0439	Allow EB Look Back/Continue Expenditures 2011.	H	Withdrawn From Cal
		H	Re-ref Com On Rules, Calendar, and Operations of

		the House
05-25-11		
H0489	Mechanics Lien and Bond Law Changes.	H Passed 2nd & 3rd Reading
05-25-11		
H0491	Repeal State Capital Facilities Finance Act.	H Postponed To 6/7/2011
05-26-11		
H0503	Nutrition Stds./All Foods Sold at School.	H Postponed To 6/1/2011
05-18-11, 05-24-11		
H0517	Magistrates/Calendaring.	H Passed 2nd & 3rd Reading
05-25-11		
H0586	Enhance Water Supply Funding.	HA Reptd Fav Com Substitute H Cal Pursuant Rule 36(b)
05-31-11		
H0590	Amend Interpreter Laws/Cued Speech.	H Withdrawn From Com H Re-ref Com On Health and Human Services
H0603	Paying of Overweight Fines by Private Parties.	HA Reptd Fav Com Substitute H Cal Pursuant Rule 36(b) H Placed On Cal For 6/1/2011
05-31-11		
H0609	Promote Water Supply Development.	HA Reptd Fav Com Substitute H Cal Pursuant Rule 36(b)
05-31-11		
H0619	Job Creation Act of 2011.	H Passed 2nd & 3rd Reading
05-26-11		
H0623	Eliminate Agency Final Decision Authority.	S Passed 1st Reading S Ref To Com On Judiciary I
05-16-11, 05-25-11		
H0642	Justice Reinvestment Act.	HA Reptd Fav Com Sub 2 H Cal Pursuant Rule 36(b) H Placed On Cal For 6/1/2011
04-14-11, 05-31-11		
H0644	Establish Pharmacy Audit Rights.	HA Reptd Fav Com Substitute H Cal Pursuant Rule 36(b) H Placed On Cal For 6/1/2011
05-31-11		
H0652	Property Owners Protection Act.	H Withdrawn From Com H Re-ref Com On Judiciary Subcommittee A
H0654	Homeowner/Homebuyer Protection Act.	H Assigned To Commerce and Job Development Subcommittee on Business and Labor
H0656	Controlled Substances/Photo ID.	H Passed 2nd Reading
05-25-11		
H0661	CDL/HAZMAT Endorsement Expiration.	HA Reptd Fav Com Substitute H Cal Pursuant Rule 36(b) H Placed On Cal For 6/1/2011
05-31-11		
H0664	Disclosure/Group Life Insurance.	S Passed 1st Reading S Ref To Com On Insurance
05-25-11		
H0685	Government Transparency Act	H Withdrawn From Com

of 2011.	H	Re-ref Com On Government
H0687 Atty Fees/City or County	S	Passed 1st Reading
Action Outside Auth.	S	Ref To Com On Judiciary I
05-23-11, 05-24-11		
H0694 ASU Wind Demonstration	HA	Reptd Fav Com Substitute
Project.	H	Pursuant 38(b)
	H	Re-ref Com On Finance
05-31-11		
H0702 Educ. Assistance for Minimum	HA	Reptd Fav Com Substitute
Wage Workers.	H	Re-ref Com On Appropriations
05-31-11		
H0709 Protect and Put NC Back to	H	Passed 2nd Reading
Work.		
05-27-11		
H0730 Local Bds of Education/403(b)	H	Withdrawn From Com
Option.	H	Re-ref Com On Finance
H0746 Citizen Participation Act.	H	Assigned To Judiciary
		Subcommittee A
H0755 Amend Fox Laws.	HA	Reptd Fav Com Substitute
	H	Cal Pursuant Rule 36(b)
	H	Placed On Cal For 6/1/2011
05-31-11		
H0774 Study Insurance for Contract	H	Reptd Fav
Growers.	H	Re-ref Com On Rules,
		Calendar, and Operations of
		the House
H0787 NC Water Efficiency Act.	HA	Reptd Fav Com Substitute
	H	Cal Pursuant Rule 36(b)
05-31-11		
H0798 Fraudulent Firearm Purchase	H	Assigned To Judiciary
Prevention Act.		Subcommittee C
H0810 Consumer Finance Act	HA	Reptd Fav Com Substitute
Amendments.	H	Cal Pursuant Rule 36(b)
	H	Placed On Cal For 6/1/2011
05-31-11		
H0811 Assess Transportation Process	S	Passed 1st Reading
and Funding.	S	Ref To Com On Transportation
05-25-11		
H0816 Animal Welfare Advisory Board/	HA	Reptd Fav Com Substitute
Fund.	H	Cal Pursuant Rule 36(b)
	H	Placed On Cal For 6/1/2011
05-31-11		
H0823 Governance of the Dep't of	S	Rec From House
Public Instruction.	S	Passed 1st Reading
	S	Ref To Com On Education/
		Higher Education
05-24-11, 05-25-11		
H0837 Completion of CPR by Students	HA	Reptd Fav Com Substitute
Required.	H	Cal Pursuant Rule 36(b)
	H	Placed On Cal For 6/1/2011
05-31-11		
H0855 Personal Learning Plan for	HA	Reptd Fav Com Substitute
Each Child.	H	Cal Pursuant Rule 36(b)
	H	Placed On Cal For 6/1/2011
05-31-11		
H0916 Statewide Expansion of	HA	Reptd Fav Com Substitute

1915(b)/(c) Waiver.	H	Re-ref Com On Finance
	H	Withdrawn From Com
	H	Cal Pursuant Rule 36(b)
	H	Placed On Cal For 6/1/2011
05-31-11		
S0034 The Castle Doctrine.	H	Assigned To Judiciary Subcommittee C
02-22-11, 02-24-11		
S0252 Devisee/Devise/Statutory Construction.	H	Assigned To Judiciary Subcommittee A
S0307 Smart Card Biometrics Against Medicaid Fraud.	H	Reptd Fav
	H	Cal Pursuant Rule 36(b)
	H	Placed On Cal For 6/1/2011
04-14-11, 04-21-11		
S0378 Energy Crops for Biofuels Feedstocks.	H	Reptd Fav
	H	Re-ref Com On Finance
04-05-11		
S0413 Ordinance first reading vote.	H	Assigned To Judiciary Subcommittee B
S0501 Swine House Renovations/Site Limits.	H	Passed 3rd Reading
04-26-11, 05-25-11		
S0727 No Dues Checkoff for School Employees.	H	Passed 1st Reading
	H	Ref To Com On Rules, Calendar, and Operations of the House
05-19-11		
S0730 Taxpayer Action if No DOR Determination.	H	Passed 1st Reading
	H	Ref To Com On Finance
05-19-11		

LOCAL BILLS

H0292 Incorporate Rougemont.	S	Passed 1st Reading
	S	Ref To Com On Finance
05-24-11		
S0019 Union Fire Fee Sunset Repealed.	H	Passed 2nd Reading
S0120 New Bern Charter Amendments.	S	Concurred In H/com Sub
03-22-11, 05-19-11		
S0274 Greenville Alcoholic Beverage Tax.	S	Withdrawn From Com
	S	Re-ref Com On Finance

SUMMARIES OF AMENDMENTS AND COMMITTEE SUBSTITUTES

HOUSE BILLS

H 165. PLANNED COMMUNITY & CONDO ACT AMENDS. Filed 2/23/11. House committee substitute makes the following changes to 1st edition. Deletes all provisions of previous edition and replaces it with *AN ACT TO AMEND THE PLANNED COMMUNITY ACT AND THE CONDOMINIUM ACT CONCERNING THE TIME PERIOD FOR FORECLOSURE OF A CLAIM OF LIEN FOR UNPAID ASSESSMENTS, TO AMEND THE LAW CONCERNING DISCLOSURE OF INFORMATION ABOUT HOMEOWNERS ASSOCIATIONS TO POTENTIAL PURCHASERS, AND TO REQUIRE THE REAL ESTATE COMMISSION TO PREPARE AND MAKE AVAILABLE*

INFORMATION ABOUT RESTRICTIVE COVENANTS TO POTENTIAL PURCHASERS. Rewrites GS 47F-3-116(a) to allow an association, acting through its executive board, to foreclose the claim of lien in like manner as a mortgage on real estate under power of sale or under Article 2A of GS Chapter 45, if the assessment remains unpaid for 90 days or more; requires the executive board to vote to commence the foreclosure proceeding against the specific lot. Makes similar change to GS 47C-3-116(a) (concerning the NC Condominium Act).

Amends GS 47E-2(11) to specify that transfers between parties when both parties agree not to complete a residential property disclosure statement or an owners' association and mandatory covenants disclosure statement are exempt from the provisions of GS Chapter 47E (Residential Property Disclosure Act). Enacts new subsection (b1) to GS 47E-4 to require the owner of real property to furnish to a purchaser an owners' association and mandatory covenants disclosure statement, as detailed. Directs the North Carolina Real Estate Commission to develop, by December 1, 2011, the disclosure statement. Makes conforming changes to GS 47E-5, GS 47E-6, GS 47E-7, and GS 47E-8. The provisions of the act concerning the owners' association and mandatory covenants disclosure statement are effective January 1, 2012, and applicable to real estate transfers or dispositions occurring on or after that date.

The remainder of the act is effective when it becomes law, and applies to foreclosure actions filed on or after October 1, 2011.

Property, Land Use, and Housing;
State Government

H 183. STUDY HOAS/FORECLOSURES (NEW). Filed 2/24/11. House committee substitute makes the following changes to 1st edition.

Deletes all provisions of 1st edition and replaces with *AN ACT TO AUTHORIZE THE GENERAL ASSEMBLY TO STUDY ISSUES RELATED TO HOMEOWNERS ASSOCIATION FORECLOSURE OF PROPERTY WHERE THE DEBT SECURING THE ASSOCIATION ASSESSMENT LIEN CONSISTS OF UNPAID HOMEOWNERS ASSOCIATION DUES OR OTHER COSTS ASSOCIATED WITH UNPAID HOMEOWNERS ASSOCIATION DUES*. Authorizes the General Assembly as title indicates. Permits the study committee to make an interim report to the 2011 General Assembly when it convenes in 2012, and a final report to the 2013 General Assembly.

Property, Land Use, and Housing

H 200. APPROPRIATIONS ACT OF 2011. Filed 3/1/11. Changes made by the Senate committee substitute to the 6th edition will be summarized in tomorrow's *Daily Bulletin*.

H 242. NAT. GAS/BONDS/FEES/STUDIES. Filed 3/7/11. House amendment makes the following change to 3rd edition. Provides that the Department of Environment and Natural Resources must report its findings no later than May 1, 2012 (previously February 1, 2012) to the Environmental Review Commission.

Energy and Utilities

H 373. INSURANCE CHANGES TO PAYMENTS & GROUP LIFE. Filed 3/16/11. House committee substitute makes the following changes to 1st edition. Rewrites GS 58-3-145 to clarify that an insurer, agent or broker may accept payment of an insurance premium by credit card or debit card so long as the insurer complies with the prohibition against unfair discrimination contained in GS 58-63-15(7), and the insurer pays the fees charged by the credit card company or debit card issuer for the payment of premiums by credit card or debit card. Makes a clarifying change, and a technical change. Makes conforming changes to the bill title.

Business and Commerce

H 586. ENHANCE WATER SUPPLY FUNDING. Filed 4/4/11. House committee substitute makes the following changes to 1st edition. Amends proposed GS 113A-256(8) to clarify that the Clean Water Management Trust Fund Board of Trustees may consider the likelihood of a proposed water supply project ultimately being permitted and built when developing specified criteria for awarding grants. Makes other technical changes, including a technical change to the bill title.

Agriculture, Environment, and
Natural Resources

H 603. PAYING OF OVERWEIGHT FINES BY PRIVATE PARTIES. Filed 4/4/11. House committee substitute makes the following changes to 1st edition. Amends proposed GS 20-118(1) to direct the Secretary of

Transportation to adopt rules governing payment arrangements for civil fines for overweight vehicles, and to post the rules on the Department of Transportation's (DOT) website. Requires the citations issued for these violations to advise the driver to consult the DOT website or to contact the DOT to find out if the state will agree to a payment arrangement and, if so, on what terms. Previous edition authorized certain persons to make a payment arrangement of \$250 or more for any penalty assessed. Effective January 1, 2012, and applies to violations occurring on or after that date (was, effective when the act becomes law). Makes conforming changes to the bill title.

Transportation

H 609. PROMOTE WATER SUPPLY DEVELOPMENT. Filed 4/4/11. House committee substitute makes the following changes to 1st edition. Deletes amendments to GS 143-352 concerning the purpose and construction of Article 38 of GS Chapter 143. Deletes proposed provisions in new GS 143-355.7 concerning priority requests to the Department of Environment and Natural Resources, and public policy statements. Makes other clarifying changes.

State Government; Agriculture,
Environment, and Natural
Resources

H 642. JUSTICE REINVESTMENT ACT. Filed 4/5/11. Changes made by the House Committee Substitute will be summarized in tomorrow's *Daily Bulletin*.

Criminal Law, Procedure, and
Sentencing

H 644. ESTABLISH PHARMACY AUDIT RIGHTS. Filed 4/5/11. House committee substitute makes the following changes to 1st edition.

Amends proposed GS 90-85.50, specifying that a pharmacy has the right to at least 21 days advance notice (was, 30 days) of the initial on-site audit for each audit cycle. Clarifies that the pharmacy has the right to have any audit that involves clinical or professional judgment conducted with a pharmacist employed or working under contract with the auditing entity, and the right to have the auditing entity provide, upon request, all records related to the audit if required under the contract. Clarifies that the audit is limited to claims identified by prescription numbers if the audit is conducted for an identified problem; otherwise the audit is limited to 40 selected prescriptions (rather than 25 randomly selected prescriptions). States that the pharmacy will not be subject to the initiation or scheduling of audits during the first five (was, seven) calendar days of any month due to the high volume of prescriptions filled during that time, without express consent; requires the pharmacy to cooperate with the auditor to establish an alternate date if necessary. Clarifies that a final audit report must be delivered to the pharmacy within 90 days (was, six months) after the end of the specified appeals period. Amends proposed GS 90-85.51, clarifying that each entity conducting an audit must provide a copy of the audit findings after completion of the appeals process, if required by the contract. Makes other clarifying changes.

Adds a section directing a provider to submit to the Division of Medical Assistance a written request for a Reconsideration Review within 30 days of receipt of notice of tentative decision. States that failure to request the Review in the specified time will result in the implementation of the tentative decision as the final decision. Specifies that any provider who received notice of a tentative decision on or after March 1, 2011, is eligible to resubmit a request for a Review within 30 working days of this act becoming law. Directs the Department of Health and Human Services to amend any rule in conflict with this provision. Makes this provision effective when it becomes law. Makes a conforming change to the title.

Health, Social Services, and Aging

H 661. CDL/HAZMAT ENDORSEMENT EXPIRATION. Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Amends proposed GS 20-37.16(c2) by adding language providing that a commercial drivers license that contains an H or X endorsement, as defined, expires on the date of expiration of the licensee's security threat assessment conducted by the Transportation Security Administration of the United States Department of Homeland Security. Provides that when the commercial drivers license also contains an S endorsement and the licensee is certified to drive a school bus in North Carolina, the commercial drivers license expires as provided in GS 20-7(f). Changes the effective date to July 1, 2012 (previously December 1, 2011), and applies to endorsements issued for commercial drivers licenses on or after that date.

Transportation

H 694. ASU WIND DEMONSTRATION PROJECT. Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Removes a provision requiring the Department of Environment and Natural Resources to deny an application for a wind energy facility demonstration permit if the proposed facility would be located in an area designated with a slide hazard ranking of “moderate” or “high” on a Stability Index Map prepared by the North Carolina Geological Survey. Amends the act to provide that the maximum penalty for a violation of permit terms and conditions is \$1,000 per day (previously \$10,000 per day). Removes provision stating that the act does not limit a county’s ability to regulate the siting of a wind energy demonstration project. Makes technical changes.

Education; Agriculture,
Environment, and Natural
Resources

H 702. ESTAB. MINIMUM WAGE WORKER SCHOLARSHIP FUND (NEW). Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Deletes the first edition and replaces it with *AN ACT TO ESTABLISH THE MINIMUM WAGE WORKER SCHOLARSHIP FUND*.

Amends Article 23 of GS Chapter 116 to add new GS 116-209.46 establishing the Minimum Wage Worker Scholarship Fund (Fund). Provides definitions as they apply in the statute including identifying schools that meet the definition of an eligible institution. Provides that the Fund’s purpose is to provide scholarships to students who have worked long term in minimum wage jobs and are pursuing a college degree. Makes scholarships available for part-time or full-time coursework. Provides that the State Education Assistance Authority (Authority) is to administer the Fund and directs the Authority to adopt rules to administer the Fund.

Directs the Authority to develop eligibility criteria for awarding scholarships from the Fund and specifies eligibility criteria that are to be included. Prohibits receiving a scholarship in an amount that when combined with all other federal and state financial aid received by the student, the amount exceeds the student’s attendance cost per academic year as defined for federal Title IV programs. Provides criteria governing the amount of the scholarship awards. Directs the Authority to make an annual report to the Joint Legislative Education Oversight Committee by December 1 regarding the Fund and scholarships awarded from the Fund.

Education

H 709. PROTECT AND PUT NC BACK TO WORK. Filed 4/6/11. House committee substitute makes the following changes to 1st edition. The committee report was reported into the House on 5/27/11.

Amends GS 97-2(19) to include in the definition for *medical compensation* (1) attendant care services prescribed by a health care provider who is authorized by the employer or subsequently by the Industrial Commission (Commission) and (2) vocational rehabilitation. Amends proposed GS 97-2(22) to define *suitable employment* as any employment that is offered to the employee, or if prohibited by the Immigration and Nationality Act, 8 U.S.C. 1324a, employment that is available to the employee (1) that is within the employee’s work restrictions before the employee has reached maximum medical improvement or (2) that the employee is capable of performing after reaching maximum medical improvement given the employee’s pre-existing physical and mental limitations, vocational skills, education and experience, and provided that the work is within a 50-mile radius of the employee’s residence at the time of injury, or current residence if the employee had a legitimate reason to relocate since the date of the accident. Applies to claims that arise on or after the effective date of the act.

Adds a new subsection (k) to GS 97-18 to provide that when the employer or insurer has admitted the employee’s right to compensation or the employer’s liability has been established, the employee may move for reinstatement of compensation on a form prescribed by the Commission. Provides that any challenge to employee’s reinstatement request must be scheduled on a preemptive basis. Applies to claims pending on or after the effective date of the act.

Amends GS 97-25 to give the employee the right to make a written request to the employer for a second opinion evaluation. Provides that if the employer refuses the request for a second opinion, then the employee may request that the Commission order a second opinion examination. Requires an employee requesting a change in treatment or health care provider to show by a preponderance of the evidence (was, by clear and convincing evidence) that the change is reasonably necessary to effect a cure, provide relief, or lessen the period of disability in order for the Commission to approve the employee’s request. Provides that an employee’s refusal to accept any medical compensation (was, medical, hospital, surgical or other treatment or rehabilitative procedure) ordered by the Commission bars the employee from receiving further compensation unless the Commission finds that the circumstances justified the refusal. Requires that any order issued by the Commission suspending compensation under GS 97-18.1 must specify the action that an employee is to take to reinstate the compensation. Applies to claims pending on or after the effective date of the act.

Amends GS 97-25.6 to provide the procedure for employers, their attorneys, and their insurers to obtain relevant medical information relating to an employee without the employee's prior authorization. Clarifies what is considered to be *relevant medical information*. Permits the employer to make a written request for information that is not contained in the records and allows the employer to make an oral request for information that is not contained in the medical records or available through written communication or otherwise. Requires the employer to provide written notice to the employee of the employer's requests for medical records or written requests for additional information, and to provide the employee with a copy of any records or written responses and a summary of any oral communications in which the employee did not participate. Requires advance written notice to the employee before the employer gives the employee's authorized health care provider any relevant medical information not contained in the employee's medical records. Provides that the employee must have 10 business days in which to either consent or object to the employer's proposed communication with the provider. Provides for a hearing before the Commission if the employee refuses consent. Clarifies that each party is responsible for its own compensation owed to a provider under the fee system set by the Commission to compensate the provider for time spent communicating with the employer or employee. Applies to claims pending on or after the effective date of the act.

Adds new subsection (g1) to GS 97-26 directing the Commission to adopt rules requiring electronic medical billing and payment processes, and requiring applicable administrative standards for processing electronic medical bills to comply with 45 CFR 162.

Amends GS 97-27 to clarify that the independent medical examination is subject to specified provisions. Provides that no fact communicated to or otherwise learned by any physician who attended, examined, or was present at any examination is privileged with respect to a claim before the Commission (was, in any workers' compensation case with respect to a claim pending for hearing before the Commission). Permits an employer to communicate with an independent medical examiner chosen by the employer regardless of whether the examiner has physically examined the employee. Provides that any refusal by the employee to submit to an independent medical examination suspends the employee's right to compensation and the employee's right to prosecute any proceedings under the act, and requires the Commission to inform the employee how to end the suspension and reinstate compensation. Directs the employer to provide the employee with a copy of any written report of an independent medical examination within 10 days of its receipt, together with all supporting documents provided to the examiner. Applies to claims pending on or after the effective date of the act.

Rewrites GS 97-29 to direct an employer to pay an employee qualifying for total disability a weekly compensation equal to sixty-six and two-thirds percent of average weekly wages, but not more than the amount established annually to be effective January 1 (was, October 1), nor less than \$30 per week. Places a 500 week limit on the duration of compensation, including medical compensation measured from the date of first disability (was, measured from the date of injury). Allows an employee to seek extended compensation beyond 500 weeks if the employee (1) has received at least 425 weeks of compensation at the time of the request, and (2) shows by a preponderance of the evidence that the employee has sustained a total loss of wage earning capacity. Provides additional specifications regarding rates and length of compensation for total disability. Applies to claims arising on or after the effective date of the act.

Amends GS 97-30 to increase the maximum duration of compensation for partial incapacity from 300 weeks to 500 weeks, and provides that any amount received for total incapacity under GS 97-29 will count toward this limit. Applies to claims arising on or after the effective date of the act.

Amends GS 97-32 to require the Commission to specify in its order suspending compensation how the employee can end the suspension and reinstate compensation. Applies to claims arising on or after the effective date of this act.

Enacts new GS 97-32.2 to provide requirements for the provision of, payment for, and termination of vocational rehabilitation services including a one-time evaluation regardless of whether the employee has reached maximum medical improvement. Provides criteria under which an employee may request vocational rehabilitation services. Provides that an employee's refusal to accept or cooperate with vocational rehabilitation bars the employee from receiving compensation during the period of the refusal, unless the Commission determines the refusal was justified. Applies to claims arising on or after the effective date of the act.

Amends GS 97-40 to increase the maximum compensation payable for burial expenses of an employee who dies without dependents from \$3,500 to \$10,000. Applies to claims arising on or after the effective date of the act.

Amends GS 97-77(a) to reduce the number of members on the Commission from seven to six (was, five) and make additional adjustments to qualifications for commissioners.

Provides that commissioners and deputy commissioners are subject to the Code of Judicial Conduct (was, standards of judicial conduct). Deletes the prohibition against commissioners or deputy commissioners engaging in any other employment, business, profession, or vocation while in office.

Amends GS 97-80(a) to restore the statutory provision deleted in the first edition, which provides that processes, procedure, and discovery are to be as summary and simple as reasonably possible.

Clarifies that rules readopted on or before December 31, 2012, must remain in effect until the rule becomes effective pursuant to the Administrative Procedure Act. Applies to rules adopted on or after the effective date of the act.

Makes conforming changes and organizational changes. Provides that this act is effective when it becomes law, and applies to claims pending or arising on or after the effective date as otherwise indicated in this digest.

Makes a conforming change to the bill title.

Employment and Retirement

H 755. STUDY FOX LAWS (NEW). Filed 4/6/11. House committee substitute makes the following changes to 2nd edition. Deletes all provisions of the previous edition and replaces with *AN ACT TO DIRECT THE WILDLIFE RESOURCES COMMISSION TO STUDY FOX AND COYOTE POPULATIONS AND REPORT ITS RECOMMENDATIONS ON MANAGEMENT METHODS AND CONTROLS TO THE 2012 GENERAL ASSEMBLY*. As title indicates. Specifies issues to be studied, and requires the Commission to complete the study and report to specified committees by April 1, 2012.

Animal Law

H 787. NC WATER EFFICIENCY ACT. Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Deletes all amendments and provisions of previous edition except those directing the Department of Environment and Natural Resources to provide statewide outreach and technical assistance related to water efficiency, including best management practices addressing at least eight enumerated practices. Rewrites GS 143-355(l) to require local water supply plans to include a plan for the reduction of long-term per capita demand for potable water. Rewrites GS 143-355.4(b)(7) to require a local government or large community water system to demonstrate that it has implemented a consumer education program that emphasizes the importance of water conservation and that includes information on measures that residential customers may implement to reduce water consumption in order to be eligible for specified water infrastructure funds. Amends GS 159-52(a), permitting the Local Government Commission to consider whether the local government has prepared a local water supply plan if the proposed bond issue is for a water system described in GS 159-48(b)(21). Clarifies that nothing in the act is to be construed to authorize the adoption of rules necessary to implement the act or construed to negatively impact economic development. Effective October 1, 2011.

Agriculture, Environment, and Natural Resources; Local Government

H 810. CONSUMER FINANCE ACT AMENDMENTS. Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Deletes several provisions of the previous edition. Amends GS 53-166(a), stating that no person can engage in the business of lending in amounts \$15,000 or less (was, \$10,000) as specified. Amends GS 53-173(a) to increase the outstanding principal balance at which the maximum interest rate of 36% per annum applies from \$600 to \$1500. Creates new subsection (g) to GS 53-173 to provide the limitations on loans to individual borrowers. Deletes other amendments made to GS 53-173 in previous edition. Amends 53-176 by (1) raising cap on installment loans to \$15,000 (was \$10,000), (2) increasing the maximum time frame after which an installment loan may not be repayable up to 96 months (previously 84), (3) limiting monthly interest on installment loans to 30% per annum for balances below \$5,000, 24% per annum for balances between \$5,000 and \$10,000, and 18% per annum on remaining balance, (4) deleting in its entirety subsection (d), concerning the right to make loans under the statute by filing written notice, and (5) deleting in its entirety subsection (f), concerning prohibitions on making loans under the statute. Amends GS 53-177 to provide that a licensee may charge a late payment charge for a payment that remains past due for 10 days or more after the due date, with specified limitations. Makes a conforming change to GS 53-179. Retains amendment to GS 53-172 (a).

Business and Commerce; Banking and Finance

H 816. SPAY/NEUTER ADVISORY BOARD/FUND (NEW). Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Enacts new Article 4A of GS Chapter 19A establishing the Spay/Neuter Advisory Board (Board) of the Department of Agriculture and Consumer Services (Department) (previously established the Animal Welfare Advisory Board). Provides details regarding duties of the Board, appointment of membership of

the Board, and terms of membership. Clarifies that the Spay/Neuter Donation and Memorial Fund (Fund) is a nonreverting, interest-bearing special account in the Department. Clarifies that up to 2% of the Fund may be used for administrative costs. Makes a conforming change to the bill title.

Animal Law; Agriculture,
Environment, and Natural
Resources

H 837. COMPLETION OF CPR BY STUDENTS REQUIRED. Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Deletes proposed new subsection (e2) to GS 115C-81 and proposed changes to GS 115C-238.29F(d) and moves the requirements regarding the inclusion of instruction in cardiopulmonary resuscitation (CPR) in public schools to GS 115C-81(e1)(1) (regarding the school health and education program). Delays making successful completion of instruction in CPR a graduation requirement until the 2013-14 school year (was, 2011-12 school year).

Directs the State Board of Education (SBE) to work in cooperation with the American Heart Association, the American Red Cross, and other nationally recognized programs to develop a plan to phase in successful completion of CPR instruction as a graduation requirement by the 2013-14 school year. Provides guidelines as to the content to be included in the plan. Requires the SBE to report on the plan by December 15, 2012, to the Joint Legislative Education Oversight Committee (Ed Oversight) and to report on plan implementation to Ed Oversight by October 15, 2014.

Makes conforming changes to the title and makes organizational changes. Applies beginning with the 2011-12 school year.

Education; Health, Social Services,
and Aging

H 855. PERSONAL LEARNING PLAN FOR EACH CHILD. Filed 4/6/11. House committee substitute makes the following changes to 1st edition. Amends proposed GS 115C-105.42 to clarify that a personal learning plan is to be created by the student and updated by the student from sixth grade through high school graduation. Directs local education authorities to develop the personal learning plan template and the process for students to create their individual plans. Requires that a personal learning plan include self-assessment by the student in specified areas and provides criteria that may be included in a personal learning plan. Requires that the plan be developed and maintained in an electronic format whenever possible. Makes a clarifying change to the title.

Education

H 916. STATEWIDE EXPANSION OF 1915(B)/(C) WAIVER. Filed 5/4/11. House committee substitute makes the following changes to 1st edition. Deletes provision directing the Department of Health and Human Services (DHHS) to prepare and publish, by April 1, 2011, the Request for Applications (RFA) for Local Management Entities (LMEs) to seek approval to operate a 1915(b)/(c) Medicaid Waiver. Provides that by August 1, 2011, DHHS must select LMEs that have been assessed to meet minimum criteria for Waiver operations under the requirements of RFA #2011-261 issued on April 1, 2011. Provides that county governments are not financially liable for overspending or cost overruns of Medicaid services that are associated with a county program or multicounty program's operation of a 1915(b)/(c) Medicaid Waiver beyond the county or multicounty program's Medicaid risk reserve and Medicaid fund balance amounts. Adds *Treatment Plan development* and *Referral to Services* to the managed care functions that LMEs may subcontract to other entities. Makes organizational changes and technical changes.

Health, Social Services, and Aging

Legislation Enacted

None

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Notes

None

NEXT SESSIONS

June 1, 2011

HOUSE convenes at 2:00 pm

SENATE convenes at 11:00 am