



The Daily Bulletin: Wednesday, May 21, 2014

PUBLIC/HOUSE BILLS

H 725 (2013-2014) [YOUNG OFFENDERS REHABILITATION ACT](#). Filed Apr 10 2013, *A BILL TO BE ENTITLED AN ACT TO ESTABLISH THE JUVENILE JURISDICTION ADVISORY COMMITTEE, TO CREATE A PILOT CIVIL CITATION PROCESS FOR JUVENILES, AND TO RAISE THE AGE OF JUVENILE JURISDICTION TO INCLUDE SIXTEEN- AND SEVENTEEN-YEAR-OLDS WHO HAVE COMMITTED MISDEMEANOR OFFENSES.*

House amendment #1, as perfected by amendments #2 and #3, makes the following changes:

Amends GS 7B-1501(7), effective July 1, 2016, and GS 143B-805(6), effective July 1, 2020, to establish that the definition of a delinquent juvenile includes individuals less than 17 but at least 16 years of age who commit a misdemeanor or infraction under state law or other ordinances and regulations (previously, included in the definition someone who commits indirect contempt by a juvenile).

Amends GS 7B-2200, changing subsection title to Transfer of jurisdiction of juvenile to superior court; transfer of jurisdiction to district criminal court, enacting a new subsection GS 7B-2200(b), which provides that after it has been established that a juvenile is a member of a street gang, the prosecutor, juvenile's attorney, or the court can make a motion to transfer jurisdiction from juvenile court to district criminal court if the juvenile has reached 16 years of age at the time of the alleged offense that would be a misdemeanor if committed by an adult, provided the alleged defense is related to membership in a street gang.

Enacts new GS 7B-2203.1, Hearing to determine street gang membership, effective July 1, 2019, establishing provisions for hearings to determine street gang membership of a juvenile that is at least 16 years old at the time of the alleged offense, and to determine whether the alleged offense is related to the juvenile's gang membership. Sets out what can be considered in the hearing and provides that if by a preponderance of the evidence the juvenile is a street gang member and the alleged offense was related to gang membership, then the court must transfer the juvenile as provided in GS 7B-2200(b), detailed above.

Makes conforming changes.

Intro. by Avila, Moffitt, Mobley, D. Hall.

[GS 5A](#), [GS 7B](#), [GS 14](#), [GS 143B](#)

[View summary](#)

[Courts/Judiciary, Juvenile Law, Delinquency](#)

H 1032 (2013-2014) [PATENT ABUSE BILL](#). Filed May 14 2014, *A BILL TO BE ENTITLED AN ACT TO PREVENT THE ABUSIVE USE OF PATENTS.*

House committee substitute makes the following changes to the 1st edition:

Makes a technical change.

Includes a provision providing that nothing in this act is intended to alter current law regarding piercing the corporate veil.

Amends the definition section for Article 8, adding the term *affiliate* to the definitions list. Makes organizational changes.

Expands section providing that this new Article does not apply to specified types of demand letters or assertions.

Amends bond provisions, providing that persons that fail to prove a patent infringement and that fail to pay all or part of any fee or cost ordered by the court within 30 days will have the owed amount paid out of the bond. Makes technical changes.

Deletes previous changes to GS 14-118.4, Extortion.

Makes conforming changes.

Intro. by Murry.

[GS 14, GS 75](#)

[View summary](#)

[Courts/Judiciary, Civil, Civil Law, Criminal Justice, Criminal Law and Procedure](#)

H 1034 (2013-2014) [VOLUNTEER FIRE AND RESCUE FINANCES \(PED\)](#). Filed May 14 2014, *A BILL TO BE ENTITLED AN ACT TO AMEND THE LAWS RELATED TO (1) LOCAL FIREFIGHTERS' RELIEF FUNDS, THE STATEWIDE FIREFIGHTERS' RELIEF FUND, AND THE RESCUE SQUAD WORKERS' RELIEF FUND, (2) WORKERS' COMPENSATION FOR FIREFIGHTERS AND RESCUE SQUAD WORKERS, (3) SUPPLEMENTAL PENSIONS FOR FIREFIGHTERS AND RESCUE SQUAD WORKERS, AND (4) THE VOLUNTEER FIRE DEPARTMENT FUND AND VOLUNTEER RESCUE/EMS FUND, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE.*

House committee substitute makes the following changes to the 1st edition.

Amends GS 58-87-10(e) to delete language that required the State Fire and Rescue Commission to impose assessments in addition to the annual amount set on eligible units and eligible entities so that the Workers' Compensation Fund could meet its payment obligations.

Makes the effective date for GS 58-87-10(f), as amended by Section 20.2(e) of SL 2013-360, April 1, 2016 (was, January 1, 2015). Makes conforming changes to match the change in the effective date. Adds provision that if the Department of Insurance contracts with the same actuary as the Volunteer Safety Workers Compensation Board (Board) contracts with to perform the study under this section, then the Department of Insurance does not have to pay the actuary for data collection and analysis that the actuary has previously performed as a part of its loss reserve analysis for the Board.

Intro. by Howard, Moffitt, Lucas.

[APPROP, GS 58, GS 97, GS 105](#)

[View summary](#)

[Employment and Retirement, Government, Budget/Appropriations](#)

H 1050 (2013-2014) [OMNIBUS TAX LAW CHANGES](#). Filed May 14 2014, *A BILL TO BE ENTITLED AN ACT TO AMEND THE REVENUE LAWS, AS RECOMMENDED BY THE REVENUE LAWS STUDY COMMITTEE.*

House Amendments make the following changes to the 2nd edition.

Amendment #8 amends Amendment #7 to add that a business location does not include an automated teller machine or a cash dispenser.

Amendment #9 makes technical corrections to Amendment #6.

Intro. by Howard, W. Brawley, Lewis, Setzer.

[GS 14](#), [GS 18B](#), [GS 20](#), [GS 105](#), [GS 113](#), [GS 148](#), [GS 153A](#),
[GS 160A](#)

[View summary](#)

Government, Tax

H 1161 (2013-2014) [LEGALIZE MEDICAL MARIJUANA/CONST AMENDMENT](#). Filed May 20 2014, *A BILL TO BE ENTITLED AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO LEGALIZE THE MEDICAL USE OF CANNABIS.*

Amends Article XIV of the NC Constitution by enacting a new Section 7, Medical cannabis protection act, which provides for, upon voter approval at the general election on November 4, 2014, the establishment of a regulated system for the use of medical cannabis to alleviate and treat debilitating medical conditions and their symptoms as well as to protect patients, physicians, and caregivers from prosecution.

Includes language to be on the ballot and submitted to the voters on November 4, 2014, for approval. If the amendment is approved then it is effective December 1, 2014.

Adds new Article 43, "North Carolina Medical Cannabis Act," to GS Chapter 90. Provides broad civil and criminal immunity for a "qualified patient" or a "designated caregiver" for purchasing or possessing cannabis for medical use if the quantity does not exceed an "adequate supply" for the patient as determined by his or her physician. Adequate supply is defined by the Act to, among other things, (1) apply only to cannabis from an intrastate source, (2) limit permitted supply or garden space to amount needed for 3-month period and not more than 24 ounces, (3) limit use to alleviating symptoms or effects of a debilitating medical condition (also defined in the act). Requires the Department of Health and Human Services (DHHS) to issue "registry identification cards" to persons who qualify as qualified patients or designated caregivers, and provides that a card creates a rebuttable presumption of permissible use if the person does not possess more than an adequate supply. Specifies conditions under which provisions of the Act are applicable to minors. Prohibits a school, employer, or landlord from refusing to enroll, employ, or lease to, or to otherwise penalize, a person because of his or her status under the Act or the permissible possession or use of cannabis. Also provides immunity and protection from penalties for licensed producers of medical cannabis and for physicians for conduct consistent with the act. Provides other protections relating to conduct of law enforcement, child custody or visitation, constructive possession, and the unauthorized substances tax. Upon amendment approval, effective December 1, 2014.

The Act does not permit a person to control a motor vehicle, aircraft, or motorboat while impaired by cannabis; undertake any task under the influence of cannabis that would constitute negligence or malpractice; or smoke cannabis in a school bus or on public transportation, on school grounds, in a correctional facility, or in any public place in the state. No government-sponsored medical assistance program or private health insurer is required by the Act to cover costs of medical use of cannabis, and an employer is not required to accommodate use in the workplace. Makes fraudulent representation to law enforcement of any fact relating to medical use of cannabis to avoid arrest or prosecution a Class 2 misdemeanor punishable by a fine of up to \$500 and any other applicable penalty. Specifies criteria and procedures for DHHS's issuance or renewal of registry identification cards and requires that DHHS maintain a confidential list of persons to whom cards are issued. Allows DHHS to verify for law enforcement whether a card is valid and to report to law enforcement about falsified or fraudulent information submitted to DHHS. Makes violation of the confidentiality provision a Class 1 misdemeanor, subject to a fine of up to \$1,000. Upon amendment approval, effective December 1, 2014.

Directs the Department of Agriculture and Consumer Services to establish a medical cannabis supply system to provide a safe, regulated supply of quality medical cannabis for use by qualified patients with a valid registry identification card and to generate revenue sufficient to maintain and operate the system. Prohibits use of

appropriations from the General Fund to establish or operate the system, which must be funded by authorized fees. Establishes criteria for licensing of medical cannabis supply centers and producers of medical cannabis, as well as for suspending or revoking licenses. Requires the Department of Agriculture and Consumer Services to maintain a confidential list of licensees and specifies when it may release information to law enforcement. Requires the North Carolina Medical Care Commission to adopt rules to implement the supply system, and provides for temporary rules in the interim. Specifies when medical use of cannabis may be asserted as an affirmative defense to a criminal charge. Expresses the General Assembly's intent that the University of North Carolina system undertake scientific research regarding the efficacy and safety of the medical use of cannabis and, subject to approval by the UNC Board of Governors, directs the University to create the North Carolina Cannabis Research Program. Makes conforming changes to GS 106-121 (definitions under Food, Drugs, and Cosmetics Act). Upon amendment approval, effective December 1, 2014.

Amends GS 105-164.4(a) to impose a privilege tax on specified cannabis sales. Upon amendment approval, effective December 1, 2014, applying to sales made on or after that date.

Intro. by Alexander.

[CONST, GS 90, GS 105, GS 106](#)

[View summary](#)

[Constitution, Government, Tax, Health and Human Services, Health](#)

H 1169 (2013-2014) [UPDATE/MODERNIZE MIDWIFERY PRACTICE ACT](#). Filed May 21 2014, *AN ACT TO UPDATE AND MODERNIZE THE MIDWIFERY PRACTICE ACT, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON HEALTH AND HUMAN SERVICES.*

Amends GS Chapter 90 by adding new section, GS 90-18.7, Limitations on nurse-midwives, providing that nurse-midwives approved under Article 10A of GS Chapter 90 may use the title certified nurse-midwife. Others that hold themselves out as such are in violation. Certified nurse-midwives are authorized to write prescriptions if (1) the individual has been approved by the joint subcommittee of the North Carolina Medical Board and the Board of Nursing (subcommittee) established under GS 90-178.4; (2) the subcommittee has assigned an identification number to the nurse-midwife, which appears on the written prescription; (3) written instructions about indications and contraindications for prescribing drugs and policy for periodic review of the drugs prescribed have been provided to the nurse-midwife by the subcommittee. Directs the subcommittee to adopt rules for approving individual nurse-midwives to write prescriptions, with any limitations deemed in the best interest of patient health and safety.

Amends GS 90-178.2, Definitions, by adding and defining certified nurse-midwife, collaborating provider, and collaborating provider agreement. Updates, adds language to, and makes technical and conforming changes to interconceptual care, midwifery, newborn care, postpartum care, and prenatal care definitions.

Amends GS 90-178.3, Regulation of midwifery, to provide that a certified nurse mid-wife approved under this Article (Article 1, GS Chapter 90) must consult, collaborate with, or refer a patient to other providers licensed under this Article, if indicated by the health status of the patient. Authorizes a certified nurse-midwife approved under this Article to write drug prescriptions in accordance with GS 90-18.7(b).

Requires a certified nurse-midwife with less than 24 months and 2,400 hours of practice (1) to have a collaborative provider agreement with a collaborating provider and (2) to maintain signed and dated copies of the collaborative provider agreement as required by practice guidelines and any rules adopted by the joint subcommittee of the North Carolina Medical Board and the Board of Nursing. Provides that if a provider agreement is terminated before the

certified nurse-midwife attains the level of experience required under this Article, then the certified nurse-midwife has 90 days from the termination date to enter into a new collaborative provider agreement. Permits the certified nurse-midwife to continue to practice midwifery as defined under this Article during the 90-day period.

Amends GS 90-178.4(a) regarding the membership and qualifications of the appointees to the joint subcommittee of the North Carolina Medical Board and the Board of Nursing created under GS 90-18.2.

Enacts new subsection (a1) to GS 90-178.4 to require that a certified nurse-midwife who attends a planned birth outside of a hospital setting, (1) obtain a signed informed consent agreement from the patient and (2) provide the patient with a detailed, written plan for emergent and nonemergent transfer. Specifies content that must be included in the informed consent agreement and that which must be included in the written plan for emergent and nonemergent transfer.

Midwifery standards must be consistent with the standards of care established by the American Midwifery Certification Board. Amends GS 90-178.5, Qualification for approval, requiring a person seeking approval of certification under this Article to submit evidence of certification by the American Midwifery Certification Board (under current law, American College of Nurse Midwives) and of a collaborative provider agreement. Authorizes a certified nurse-midwife who submits evidence to the joint subcommittee of having completed 24 months and 2,400 hours of practice under a collaborative provider agreement to practice midwifery independently .

Amends GS 90-178.7, Enforcement, to provide that any person practicing midwifery without being approved and registered in as required under this Article is prohibited from maintaining any action to collect any fee for midwifery services. Makes practicing midwifery without meeting the standards and requirements in this Article guilty of a Class 3 misdemeanor. Makes it a Class I felony to falsely represent oneself as having met the requirements and been approved as a certified nurse-midwife under this Article.

Enacts new GS 90-178.8, Limit vicarious liability, limiting the liability of physicians, physician assistants, or nurses licensed under GS 90 from being held liable for civil damages as a result of medical care given to a woman or infant in an emergency situation when the emergency situation arises during the delivery or birth of the infant as a consequence of care provided by a nurse midwife approved under GS Chapter 90, who attends a planned birth outside of a hospital setting. However, provides that the physician, physician assistant, or nurse remains liable for his or her own independent acts of negligence. Also limits the liability of health care facilities licensed under GS 122C and 131E in the same manner. However, provides that the health care facility remains liable for its own independent acts of negligence. Additionally, provides that liability is not limited in cases of gross negligence or wanton misconduct.

Makes other technical and conforming changes. Effective when this act becomes law.

Intro. by Stevens.

GS 90

[View summary](#)

Health and Human Services, Health, Health Care Facilities and Providers

H 1170 (2013-2014) **DISAPPROVE FUNERAL BOARD RULE**. Filed May 21 2014, *AN ACT TO DISAPPROVE A RULE ADOPTED BY THE NORTH CAROLINA BOARD OF FUNERAL SERVICES*.

Disapproves 21 NCAC 34A .0201 adopted by the Board of Funeral Services on September 11, 2013, and approved by the Rules Review Commission on October 17, 2013. Effective when the act becomes law.

Intro. by Stevens.

UNCODIFIED

[View summary](#)

Government, Public Safety

H 1171 (2013-2014) [MODIFY 2013 APPROPRIATIONS ACT](#). Filed May 21 2014, *AN ACT TO MODIFY THE CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS ACT OF 2013 AND FOR OTHER PURPOSES.*

Blank bill.

Intro. by Dollar.

[APPROP](#)

[View summary](#)

[Government, Budget/Appropriations](#)

H 1172 (2013-2014) [HYPERTENSION AWARENESS DAY](#). Filed May 21 2014, *A HOUSE RESOLUTION RECOGNIZING THE THIRD WEDNESDAY OF MAY AS HYPERTENSION/HIGH BLOOD PRESSURE AWARENESS DAY, AS RECOMMENDED BY THE JUSTUS-WARREN HEART DISEASE AND STROKE PREVENTION TASK FORCE.*

As title indicates.

Intro. by Carney, Fulghum.

[HOUSE RES](#)

[View summary](#)

[Government, Cultural Resources and Museums](#)

H 1173 (2013-2014) [LICENSING BOARDS RULES FOR PROF. CORPS](#). Filed May 21 2014, *AN ACT TO AUTHORIZE LICENSING BOARDS SUBJECT TO CHAPTER 55B OF THE GENERAL STATUTES TO ADOPT RULES TO IMPLEMENT THE PROVISIONS OF THE CHAPTER, AS RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE.*

Amends GS 55B-12 to provide that, any licensing boards subject to GS Chapter 150B, have the authority to adopt rules to implement the provisions of GS Chapter 55B as well as any rules needed to establish fees authorized by this Chapter.

Intro. by Moffitt.

[GS 55B](#)

[View summary](#)

[Business and Commerce](#)

H 1174 (2013-2014) [DEFER CUTOFF TO QUALIFY FOR MASTER'S SUPP](#). Filed May 21 2014, *AN ACT TO APPROPRIATE FUNDS TO EXTEND THE CUTOFF DATE FOR SCHOOL EMPLOYEES TO QUALIFY FOR CERTAIN EDUCATION-BASED SALARY SUPPLEMENTS.*

Amends Section 8.22 of SL 2013-360 to provide that only certain teachers or instructional support personnel, as specified in the act, including certified school nurses in a position that requires a master's degree, will be paid on the "M" salary schedule or receive a salary supplement for being at the six-year degree level or doctoral degree level for the 2014-15 school year and subsequent years (previously, eligible teachers or personnel could only receive the salary supplement if they were receiving it prior to the 2014-15 school year).

Appropriates \$18,700,000 from the General Fund to the Department of Public Instruction for fiscal year 2014-15 to extend the cutoff date by one year for school employees to qualify for certain education-based salary supplements.

Effective July 1, 2014.

Intro. by Riddell, Holloway, S. Ross, Whitmire.

APPROP

[View summary](#)**Education, Government, Budget/Appropriations, State Agencies, Department of Public Instruction**

H 1175 (2013-2014) **ANNIVERSARY OF FIRST STATE HOUSE SESSION**. Filed May 21 2014, *A HOUSE RESOLUTION HONORING THE TWO HUNDRED TWENTIETH ANNIVERSARY OF THE ASSEMBLY'S FIRST SESSION IN THE STATE HOUSE IN THE CITY OF RALEIGH.*

As title indicates.

Intro. by Murry.

HOUSE RES

[View summary](#)**Government, General Assembly**

H 1176 (2013-2014) **INCREASE LEGISLATOR PAY**. Filed May 21 2014, *AN ACT TO INCREASE LEGISLATOR PAY EFFECTIVE UPON THE CONVENING OF THE 2015 GENERAL ASSEMBLY.*

Amends GS 120-3, concerning the salary of the members and officers of the General Assembly, changing the salary amounts as follows:

The Speaker Pro Tempore of the House will receive an annual salary of \$36,000 (was, \$21,739).

The Deputy President Pro Tempore of the Senate will receive an annual salary of \$36,000 (was, \$21,739).

The majority and minority leaders in the House and Senate will receive an annual salary of \$36,000 (was, \$17,048).

All other members of the General Assembly will receive an annual salary of \$36,000 (was, \$13,951).

Appropriates from the General Fund to the General Assembly the sum of \$2,248,773 for the 2014-15 fiscal year.

Intro. by R. Brawley.

APPROP, GS 120

[View summary](#)**Government, Budget/Appropriations, General Assembly**

H 1177 (2013-2014) **PROPERTY TAX FOR TEACHER COMPENSATION**. Filed May 21 2014, *AN ACT TO REQUIRE AN INCREASE IN PROPERTY TAXES BY ONE CENT FOR TEACHER COMPENSATION.*

Enacts new GS 153A-149(c1), requiring each county to levy a 1-cent property tax per \$100 of appraised property value to be used only to supplement salaries of teachers employed by local school administrative units within the county. Directs the counties to ensure funds from this tax are not used for any other purpose. Exempts new tax from being counted under the rate limitation imposed in GS 153A-149(c).

Effective for taxable years, beginning on or after July 1, 2014.

Intro. by R. Brawley.

GS 153A

[View summary](#)[Education, Government, Tax, Local Government](#)

H 1178 (2013-2014) [FUNDS/PROCEDURE FOR CHARTER SCHOOL CLOSURE](#). Filed May 21 2014, *AN ACT TO REQUIRE A CHARTER SCHOOL TO RESERVE FUNDS FOR CONDUCTING CLOSURE PROCEEDINGS IN THE EVENT OF A VOLUNTARY OR INVOLUNTARY DISSOLUTION OF THE SCHOOL AND TO PROVIDE FOR PROCEDURES RELATED TO THE DISSOLUTION OF CHARTER SCHOOLS, INCLUDING THE RETURN OF ANY OVERPAYMENT OF FUNDS.*

Repeals GS 115C-238.29F(i), *Distribution of Assets*, which provided that upon the dissolution of a charter school or the nonrenewal of a charter, all of the charter school's net assets purchased with public funds were deemed to be the property of the local school administrative unit in which the charter school was located. This provision now appears in new GS 115C-238.29L(e).

Enacts new GS 115C-238.29L to provide for the voluntary or involuntary dissolution of a charter school. Requires a charter school to maintain a minimum of \$50,000 in an escrow account to be used to pay expenses related to a voluntary or involuntary dissolution of the charter school. Prohibits the State Board of Education (SBE) from allocating funds to a charter school under GS 115C-238.29H unless the charter school has provided the SBE with documentation that the escrow account has been established and funded for this purpose.

Directs the SBE to establish policies and procedures in accordance with this section for the voluntary dissolution of a charter school, and the involuntary dissolution of a charter school upon the revocation or nonrenewal of its charter by the SBE.

Requires a charter school to notify the SBE within 10 days of any official action taken by the board of directors to initiate voluntary dissolution of the school. Requires the notice to include the circumstances requiring the school's closure and the effective date of closure.

Additionally requires the charter school to transmit final financial information to the Department of Public Instruction (DPI) upon the effective date of closure. Provides specific details as to a charter school's responsibilities to conduct a financial audit and to refund any overpayments within 20 days following receipt of a notification of overpayment.

Makes a conforming change to GS 115C-238.29G(a1)(2).

Makes this act effective when it becomes law and applies to charter schools that submit applications for an initial charter or the renewal of a charter to the SBE on or after that date.

Intro. by Glazier, Fisher, Carney, Goodman.

[GS 115C](#)

[View summary](#)[Education, Elementary and Secondary Education](#)

H 1179 (2013-2014) [STATUS REPORTS FILED BY GUARDIANS](#). Filed May 21 2014, *AN ACT TO AMEND THE REQUIRED CONTENTS OF A STATUS REPORT FILED BY A PUBLIC GUARDIAN, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON HEALTH AND HUMAN SERVICES.*

Identical to [S 803](#), filed 5/19/14.

Amends GS 35A-1242, regarding the contents of status reports required to be filed by public guardians of incompetent persons, providing that each status report must include 8 items, including a report on the guardian's efforts to restore competency and a report of the guardian's efforts to seek alternatives to guardianship. Provides that specified status reports must be made available to the Director of the Division of Aging or the Director's designee. Establishes that a clerk, or any interested party can file a motion in the county where the guardianship is docketed to request

modification of the order appointing guardianship or for consideration of matters in the status report.

Amends the definition of status report found in GS 35A-1202, deleting all included content requirements for status reports.

Effective October 1, 2014.

Intro. by Jones, Dollar, Earle.

[GS 35A](#)

[View summary](#)

[Health and Human Services, Social Services](#)

H 1180 (2013-2014) [HONOR FALLEN SOLDIERS](#). Filed May 21 2014, *A HOUSE RESOLUTION EXPRESSING GRATITUDE TO THE MEMBERS OF THE MILITARY FOR THEIR SERVICE AND HONORING THE MEMORY OF THOSE KILLED IN THE LINE OF DUTY.*

As title indicates.

Intro. by Blust, G. Martin, Cleveland, L. Hall.

[HOUSE RES](#)

[View summary](#)

[Military and Veteran's Affairs](#)

H 1181 (2013-2014) [PARTNERSHIP FOR A HEALTHY NORTH CAROLINA 2014-AB](#) Filed May 21 2014, *AN ACT TO FURTHER REFORM THE NORTH CAROLINA MEDICAID DELIVERY SYSTEM, TO IMPLEMENT A COORDINATED CARE MODEL OF DELIVERY TO BRING LONG-TERM PREDICTABILITY, SUSTAINABILITY, AND EFFICIENCY TO THE STATE'S MEDICAID PROGRAM, AND TO APPROPRIATE FUNDS.*

Includes whereas clauses discussing the NC Medicaid program.

Enacts new GS Chapter 108E, Medicaid Accountable Care Organizations (ACOs), wherein is found the provisions for the establishment of a Medicaid ACO Program to reform the current fee-for-service system in a manner modeled by the federal Medicare Shared Savings Program. Provides that the intent of the General Assembly is that all Medicaid beneficiaries will receive services through a Medicaid ACO.

Sets out terms and definitions for use in this Chapter, including *ACO* and *Local Management Entity Managed Care Organization*.

Gives the Secretary of DHHS (Secretary) 16 specific duties regarding the development of the ACO Program, including overseeing the development and implementation of the Medicaid ACO Program and adopting rules for public reporting by the Medicaid ACO of quality measures and organizational information.

Requires DHHS to develop a process to certify applicants for participation in the Medicaid ACO Program and to ensure approved applicants meet the specified minimum requirements. Sets out information and capabilities required in order to be certified as an ACO, including a requirement that the applicant commit to becoming accountable for the quality, cost, and overall care of the beneficiaries assigned to it.

Sets out organizational and governance requirements for ACOs, including that they are recognized and authorized to conduct business in North Carolina. Sets out five ways or combinations in which a Medicaid ACO can be sponsored and constituted, including networks of individually licensed health care providers or joint venture arrangements of hospitals and health care providers. Sets out further governance requirements, such as requiring that the ACOs must be managed by a designated executive and have a management structure that includes administrative and clinical

controls. Requires governance by a body with authority to execute statutory functions of the ACO. Board must be comprised of a majority of health care providers or hospital representatives, with at least one individual representing the community without a conflict of interest with the ACO.

Sets out compliance and cooperation requirements as well as prohibited acts. Requires tax identification and national provider numbers to be submitted to DHHS. Requires ACOs to have a compliance plan that must include five things, including a lead compliance officer, mechanisms for identifying compliance issues, as well as compliance training. Prohibits ACOs from offering gifts, cash, or other remuneration to beneficiaries for choosing a particular provider. Also prohibits certain activities that would prevent an assigned beneficiary from receiving entitled benefits.

Provides limitations for primary care physicians (PCPs), including that PCPs can only be affiliated with one ACO at a time, while all other providers and facilities can be associated with one or more ACOs. Requires ACOs to have enough PCPs to serve a sizeable and diverse Medicaid population and have, at all times, the capacity to serve at least 5,000 Medicaid beneficiaries.

Sets out process by which eligible beneficiaries are assigned to ACOs, providing that assignment of beneficiaries is based on the beneficiary's selection of a PCP. Sets out other assignment procedures, as well as assignment of beneficiaries receiving limited Medicaid benefits.

Requires DHHS to develop a formal methodology for determining a Medicaid ACO payment model. Requires stakeholder input and validation by an independent actuary in the creation of the methodology. Sets out three detailed features that, to the extent actuarially sound, must be incorporated in the payment model, including (1) a set of Medicaid-covered/NC Health Choice covered services to be included in the pool of funds for which ACOs will share savings and losses, (2) a process to determine and establish spending benchmarks for ACOs, and (3) a process to compute savings and losses and the share of savings owed to the ACO by the state or the share of loss owed to the state. Includes further details on the above three features of the payment system. Also requires DHHS to devise and implement a savings and loss arrangement for outpatient prescription drugs where ACOs and LME/MCOs jointly participate in the cost outcomes for beneficiaries. Sets out further requirements for this arrangement. Requires ACOs to be responsible for receiving and distributing shared savings and shared losses, and submitting repayment to DHHS. Exempts certified ACOs from Department of Insurance Licensure.

Sets out requirements to use stakeholder input to develop specified medical quality measurement protocols and benchmarks. Requires ACOs and DHHS to share specified clinical data for quality measurements such as health needs assessments, care coordination, treatment, health care operations, and performance evaluation. Provides that the above data and information disclosures will and must comply with HIPAA.

Authorizes DHHS, subject to approval by the Centers for Medicare & Medicaid Services, to develop different types of pilot projects, such as a model where an ACO assumes greater risk for health costs and quality than specified in this Chapter. Requires DHHS to regularly report to the Joint Legislative Oversight Committee.

Provides an immunity clause for state action in undertaking the Medicaid ACO program, specifically from state and federal antitrust laws. Provides limits on state immunity.

Sets out plan for applying for state plan amendments and waivers in order to implement GS Chapter 108E.

Amends GS 150B-1(d), to provide that Article 2A of GS Chapter 50B, Administrative Procedure Act rulemaking requirements, do not apply to DHHS with respect to GS Chapter 108E.

Amends GS 143C-9-1(a), to provide that the state's share of savings from the Medicaid ACO Program will go into the Medicaid Special Fund. Makes conforming changes.

Requires DHHS to annually evaluate the Medicaid ACO Program to assess cost savings realized through implementation. Results are to be reported to the Joint Legislative Oversight Committee on Health and Human Services.

Provides limitation clauses for the act, providing nothing in the act can or will be construed to limit choice or access for any type of health care services or preclude qualified providers from participating in other ACOs.

Appropriates \$1 million from the General Fund to DHHS for necessary changes to NCTracks, benchmark setting and actuarial validation, and costs incurred to otherwise implement this act. Effective July 1, 2014.

Directs DHHS to report to the Joint Legislative Oversight Committee on Health and Human Services by February 16, 2015, on the findings and recommendations of the Department's strategic planning for long-term services and supports for Medicaid beneficiaries.

Intro. by Dollar, Burr, Avila, Lambeth.

APPROP

[View summary](#)

Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Health and Human Services, Social Services

H 1182 (2013-2014) **UNC NONAPPROPRIATED CAPITAL PROJECTS**. Filed May 21 2014, *AN ACT TO AUTHORIZE THE ACQUISITION OR CONSTRUCTION AND THE FINANCING, WITHOUT APPROPRIATIONS FROM THE GENERAL FUND, OF CERTAIN CAPITAL IMPROVEMENTS PROJECTS OF THE CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA.*

As the title indicates. Provides that the financing for the capital improvement projects listed in this act is via funds available from gifts, grants, receipts, self-liquidating indebtedness, Medicare reimbursements for education costs, hospital receipts from patient care, or other funds, or any combination of these funds. Excludes funds received for tuition or appropriated from the General Fund unless previously authorized by General Statute. Also provides that pursuant to GS 116D-26, the Board of Governors may issue, subject to the approval of the Director of the Budget, special obligation bonds to pay all or part of the cost of acquiring, constructing, or providing for the projects authorized in this project. Limits the maximum principal amount of bonds to be issued to be no more than the specified project costs in this act plus 5 percent of such amount to pay issuance expenses, fund reserve funds, pay capitalized interest and other related additional costs, plus any increase in the specific project costs authorized by the Director of the Budget under Section 3 of this act.

This act lists the ten capital improvement projects and their respective costs.

Intro. by W. Brawley, Ramsey, B. Brown, R. Moore.

UNCODIFIED

[View summary](#)

Education, Higher Education, Government, Budget/Appropriations

H 1183 (2013-2014) [IN-STATE TUITION/CERTAIN VETERANS & FAMILY](#). Filed May 21 2014, *AN ACT TO MAKE CERTAIN VETERANS AND THEIR SPOUSES AND DEPENDENT RELATIVES WHO ENROLL IN ANY OF THE STATE'S PUBLIC INSTITUTIONS OF HIGHER EDUCATION ELIGIBLE FOR IN-STATE TUITION BY WAIVING THE TWELVE-MONTH STATE RESIDENCY REQUIREMENT AND TO APPROPRIATE FUNDS TO IMPLEMENT THE PROVISIONS OF THIS ACT.*

Enacts new GS 116-143.3A to make veterans meeting the following criteria eligible for the in-state tuition rate and applicable mandatory fees for enrollment without satisfying the residency requirement: (1) served active duty and was discharged or released from the Armed Forces under conditions other than dishonorable, (2) applies for admission to the institution of higher education and enrolls as an undergraduate at a constituent university or at a community college within three years of discharge or release, (3) North Carolina is the veteran's home of record or last duty station, (4) qualifies for 100 percent of the specified federal education benefits, and (5) North Carolina is the abode of the veteran on the date of enrollment. Makes a spouse or dependents of the veteran eligible for the in-state tuition rate and applicable mandatory fees if the spouse or dependent meets the following: (1) applies for admission to the institution of higher education and enrolls as an undergraduate at a constituent university or at a community college within three years of the veteran's discharge or release; (2) North Carolina is the abode of the individual on the date of enrollment; and (3) receives transferred federal educational benefits from an eligible veteran.

Appropriates \$5 million from the General Fund to the UNC Board of Governors for 2014-15 and \$1.9 million to the State Board of Community Colleges for 2014-15 for implementation.

Effective July 1, 2014, and applies to veterans discharged or released on or after July 1, 2014, and their spouses and dependents.

Intro. by Cleveland, J. Bell, Catlin.

[APPROP, GS 116](#)

[View summary](#)

[Education, Higher Education, Government, Budget/Appropriations, Military and Veteran's Affairs](#)

H 1184 (2013-2014) [REPEAL E-VERIFY EXEMPTION FOR TEMPS/FUNDS](#). Filed May 21 2014, *AN ACT TO REPEAL THE E-VERIFY EXEMPTION FOR TEMPORARY EMPLOYEES; TO AUTHORIZE AN EMPLOYER TO OBTAIN A NINE-MONTH WAIVER OF THE REQUIREMENT THAT EMPLOYERS USE THE E-VERIFY SYSTEM TO VERIFY THE WORK AUTHORIZATION OF THEIR EMPLOYEES WHO ARE FARM WORKERS; AND TO APPROPRIATE FUNDS TO HIRE AN ADDITIONAL INVESTIGATIVE ASSISTANT.*

Current law requires that an employer verify that an employee hired to work in the United States is authorized to work via E-Verify and provides an E-Verify exemption for an individual whose term of employment is less than nine months in a calendar year.

Amends GS 64-25(3) to repeal the E-verify exemption for temporary employees working less than nine months. Instead, enacts new GS 64-39 to permit an employer to seek a nine-month waiver from the requirements of GS 64-26 from the Department of Labor for employees who are *farm workers*. Provides that an application for a waiver under this section is to be for a specified number of newly hired employees and a waiver that is issued under this section may waive the requirements of GS 64-26 only for that number of newly hired employees. Imposes a civil penalty of \$5,000 for each false statement by an employer on a waiver application.

Makes a conforming change to the definition for *employee* in GS 64-25.

Effective July 1, 2014, appropriates \$60,000 from the General Fund to the Department of Labor for a new investigative assistant position to assist in the administration of the waiver system created under this act.

Except as otherwise indicated, this act becomes effective October 1, 2014.

Intro. by Cleveland, Millis, Conrad.

APPROP, GS 64

[View summary](#)**Agriculture, Employment and Retirement, Government, Budget/Appropriations, State Agencies, Department of Labor**

H 1185 (2013-2014) **MODIFY 2013 APPROPRIATIONS ACT**. Filed May 21 2014, *AN ACT TO MODIFY THE CURRENT OPERATIONS AND CAPITAL IMPROVEMENTS ACT OF 2013 AND FOR OTHER PURPOSES.*

Blank bill.

Intro. by Burr.

APPROP

[View summary](#)**Government, Budget/Appropriations**

H 1186 (2013-2014) **SBE STUDY OF EDUCATOR COMP**. Filed May 21 2014, *AN ACT TO DIRECT THE STATE BOARD OF EDUCATION TO STUDY A STATEWIDE PERFORMANCE COMPENSATION PLAN FOR EDUCATORS, AS RECOMMENDED BY THE NORTH CAROLINA EDUCATOR EFFECTIVENESS AND COMPENSATION TASK FORCE.*

Identical to [S 833](#), filed 5/21/14.

Requires the State Board of Education (State Board) to study the development and implementation of a statewide compensation plan that incorporates information from the NC Educator Evaluator System, the recognition of educator performance in relation to compensation, and compensation for employment in hard to staff schools and subject areas. Provides that the goal of a statewide compensation system is to improve learning by providing every student with a highly effective teacher. Specifies five ways in which a proposed plan must increase student achievement. Requires the State Board to: (1) examine compensation models that incorporate the listed goals, and (2) consider nine specified factors in implementing a statewide compensation model that incorporates information from the NC Educator Evaluation System, including using a point based scale correlating with evaluation standards and effectiveness ratings, professional support, and development of a proposed implementation timeline. Require the State Board, based on the study results, to develop a proposal for a statewide compensation plan that incorproates educator performance information and data, taking feedback from educators and stakeholders into consideration. Requires a report by the State Board to the Joint Legislative Education Oversight Committee by November 15, 2014. Requires that the State Board submit the final proposal for the plan to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Subcommittee on Education, and Fiscal Research Division by March 15, 2015. Prohibits the State Board from implementing any element of the plan without the General Assembly enacting legislation.

Intro. by Bryan, Murry, Jeter, Horn.

STUDY

[View summary](#)**Education, Elementary and Secondary Education, Government, State Agencies, State Board of Education**

H 1187 (2013-2014) **MOTOR VEHICLE CIVIL PENALTY/DISTRICT COURT**. Filed May 21 2014, *AN ACT TO ALLOW JUDICIAL REVIEW OF CIVIL PENALTIES ON MOTOR VEHICLES IMPOSED BY THE DEPARTMENT OF PUBLIC SAFETY IN THE DISTRICT COURT OF THE COUNTY IN WHICH THE PENALTY WAS ASSESSED, AS RECOMMENDED BY THE*

AGRICULTURE AND FORESTRY AWARENESS STUDY COMMISSION.

Identical to [S 764](#), filed 5/14/14.

Enacts new GS 20-178.1(c1), concerning civil penalties imposed by the Department of Public Safety (DPS), providing that a person who was operating a truck or other motor vehicle carrying items for the purpose of carrying out a farming or forestry operation, and has paid the civil penalty as required in GS 20-178.1(b), can bring an action against DPS for refund of the penalty imposed, within 60 days of the decision, in the district court of the county where the civil penalty was assessed. The court must review the DPS Secretary's decision but make independent findings of fact and conclusions of law, while not giving deference to the prior decision of the Secretary. The hearing will be conducted by the court without a jury. Attorneys' fees can be awarded to a successful plaintiff only upon a showing of bad faith by DPS. Awarded fees must also be supported by the findings of fact and conclusions of law.

Effective October 1, 2014, applying to penalties assessed on or after that date.

Intro. by Younts, Dixon, Langdon.

[GS 20](#)

[View summary](#)

[Courts/Judiciary, Motor Vehicle](#)

H 1188 (2013-2014) [NCSU PLANT SCIENCES RESEARCH INITIATIVE](#). Filed May 21 2014, *AN ACT TO AUTHORIZE FUNDING FOR A PROPOSAL AND ECONOMIC NEEDS ASSESSMENT TO ESTABLISH A NORTH CAROLINA STATE UNIVERSITY PLANT SCIENCES RESEARCH AND INNOVATION INITIATIVE, AS RECOMMENDED BY THE AGRICULTURE AND FORESTRY AWARENESS STUDY COMMISSION.*

Includes whereas clauses about agriculture.

Appropriates \$250,000 from the General Fund to North Carolina State University for the 2014-15 fiscal year in order to develop a formal proposal and economic needs assessment for the establishment of a public/private partnership which is to be known as the "Plant Sciences Research and Innovation Initiative."

North Carolina State University must submit a copy of the proposal and report to the Agriculture and Forestry Awareness Study Commission detailing the results of the economic needs assessment by January 1, 2015.

Intro. by Langdon, Dixon.

[View summary](#)

H 1189 (2013-2014) [FARM GPS COORDINATES/PHOTOS/PUBLIC RECORDS](#). Filed May 21 2014, *AN ACT TO PROTECT NORTH CAROLINA FARMERS BY PROVIDING THAT THE GLOBAL POSITIONING SYSTEM COORDINATES OF THEIR AGRICULTURAL OPERATIONS ARE NOT PUBLIC RECORDS, AS RECOMMENDED BY THE AGRICULTURE AND FORESTRY AWARENESS STUDY COMMISSION.*

Identical to [S 762](#), filed 5/14/14.

Includes whereas clauses about NC agriculture and agribusiness.

Enacts new GS 132-1.23 (Agricultural operation GPS coordinates and aerial photographs), providing that records that the state possesses containing GPS coordinates or aerial photographs of an agricultural operation are not public records, as public records are defined in GS 132-1.

Intro. by Dixon, Langdon.

GS 132

[View summary](#)**Agriculture**

H 1190 (2013-2014) **DPS STUDY COMMERCIAL VEHICLE SAFETY ALLIANCE**. Filed May 21 2014, *AN ACT TO STUDY THE STATE'S PARTICIPATION IN THE COMMERCIAL VEHICLE SAFETY ALLIANCE NORTH AMERICAN STANDARD INSPECTION PROGRAM, AS RECOMMENDED BY THE AGRICULTURE AND FORESTRY AWARENESS STUDY COMMISSION.*

Identical to [S 740](#), filed on May 14, 2014.

Directs the Department of Public Safety to study the state's participation in the Commercial Vehicle Safety Alliance North American Standard Inspection Program for roadside commercial vehicle safety inspections. Requires the study to include (1) an explanation of how the program is implemented, (2) history of when North Carolina began to participate in the program, (3) data on the amount of safety inspection decals that are issued each year, and (4) a geographic analysis of where the decals are issued. The results of the study are to be submitted to the Agriculture and Forestry Awareness Study Commission by November 1, 2014.

Intro. by Langdon, Dixon.

STUDY

[View summary](#)**Agriculture, Government, State Agencies, Department of Public Safety**

H 1191 (2013-2014) **AUTHORITY TO ADOPT LOCAL ORDINANCES**. Filed May 21 2014, *AN ACT TO CLARIFY THE AUTHORITY OF LOCAL GOVERNMENTS TO ADOPT CERTAIN AGRICULTURAL AND ENVIRONMENTAL ORDINANCES, AS RECOMMENDED BY THE AGRICULTURE AND FORESTRY AWARENESS STUDY COMMISSION.*

Enacts new GS 106-678 prohibiting cities and counties from adopting or continuing in effect any ordinance, rule, regulation, or resolution concerning fertilizer.

Amends GS 153A-452 and GS 160A-458.5 to prohibit counties and cities from adopting ordinances or enforcing rules, regulations, or resolutions that regulate the removal, replacement, and preservation of trees on private property within their jurisdiction.

Intro. by Dixon, Langdon.

GS 106, GS 153A, GS 160A

[View summary](#)**Agriculture, Environment, Government, Local Government**

H 1192 (2013-2014) **RETURN TO FIVE-YEAR VESTING**. Filed May 21 2014, *AN ACT TO RETURN TO A FIVE-YEAR VESTING PERIOD FOR MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM WHO BECAME MEMBERS ON OR AFTER AUGUST 1, 2011, AND TO MAKE A CONFORMING CHANGE TO THE SPECIAL SEPARATION ALLOWANCE FOR LAW ENFORCEMENT OFFICERS, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION'S COMMITTEE ON TREASURER INVESTMENT TARGETS AND STATE EMPLOYEE RETIREMENT OPTIONS.*

Amends various provisions of GS Chapter 135, concerning the retirement system for teachers and state employees,

and the Judicial Retirement System, specifically GS 135-3(8), 135-5(a), 135-5(b19), 135-5(m), 135-57, and 135-106(b), deleting language that previously required a 10-year vesting period for those that became members after August 1, 2011, and returning to a five-year vesting period for all members.

Repeals GS 135-5(a2), 135-5(b20), and 135-5(m3), all subsections dealing with retirement benefits specific to those that became members after August 1, 2011.

Amends GS 143-166.41, making conforming changes to the law enforcement officer special separation allowance, reflecting the reversion to a 5-year vesting period for members hired on or after August 1, 2011.

Intro. by Collins, S. Ross.

GS 135, GS 143

[View summary](#)

Courts/Judiciary, Court System, Education, Employment and Retirement, Government, State Government, State Personnel

H 1193 (2013-2014) [RETIREMENT TECHNICAL CORRECTIONS ACT OF 2014](#). Filed May 21 2014, *AN ACT TO MAKE TECHNICAL CHANGES TO THE STATUTES AFFECTING THE STATE RETIREMENT SYSTEMS.*

To be summarized.

Intro. by Collins, S. Ross.

GS 58, GS 120, GS 128, GS 135, GS 143

[View summary](#)

Employment and Retirement, Government, State Agencies, Office of State Personnel

H1194 (2013-2014) [RETIREMENT ADMIN. CHANGES ACT OF 2014](#). Filed May 21 2014, *AN ACT TO MAKE CHANGES TO ADMINISTRATION OF THE STATE RETIREMENT SYSTEMS.*

To be summarized.

Intro. by Collins, S. Ross.

GS 120, GS 128, GS 135

[View summary](#)

Employment and Retirement, Government, State Agencies, Office of State Personnel

H 1195 (2013-2014) [FISCAL INTEGRITY/PENSION-SPIKING PREVENTION](#). Filed May 21 2014, *AN ACT TO ENACT ANTI-PENSION-SPIKING LEGISLATION BY ESTABLISHING A CONTRIBUTION-BASED BENEFIT CAP, TO ALLOW MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE LOCAL GOVERNMENTAL EMPLOYEES' RETIREMENT SYSTEM WHO LEAVE EMPLOYMENT WITHIN FIVE YEARS TO RECEIVE A RETURN OF THEIR CONTRIBUTIONS WITH ACCUMULATED INTEREST, AND TO RETURN TO A FIVE-YEAR VESTING PERIOD FOR MEMBERS OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM AND THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM WHO BECAME MEMBERS ON OR AFTER AUGUST 1, 2011, AND MAKE A CONFORMING CHANGE TO THE SPECIAL SEPARATION ALLOWANCE FOR LAW ENFORCEMENT OFFICERS.*

To be summarized.

Intro. by Collins, S. Ross.

[View summary](#)

PUBLIC/SENATE BILLS

S 261 (2013-2014) [SALES TAX ON PRIVATE RES. RENTED BY BROKER \(NEW\)](#). Filed Mar 12 2013, *AN ACT TO RESTORE THE DEPARTMENT OF REVENUE'S INTERPRETATION OF THE APPLICATION OF SALES TAX ON PRIVATE RESIDENCES RENTED FOR FEWER THAN FIFTEEN DAYS WHEN RENTED THROUGH A REAL ESTATE AGENT OR BROKER.*

House committee substitute to the 1st edition deletes all provisions of the bill and makes the following changes.

Amends GS 105-164.4(a)(3), concerning the privilege tax imposed on the rental of accommodations, deleting all the substantive provisions of the subsection and replacing them with language that states that these types of rentals are to be taxed in accordance with newly enacted GS 105-164.4F, Accommodation rentals. New GS 105-164.4F states that gross receipts from accommodation rentals are to be taxed at the general rate set in GS 105-164.4, 4.75 percent. GS 105-164.4F includes language and provisions that were previously found in GS 105-164.4(a)(3), with a few changes that clarify that the tax does not apply to private residences, cottages, or similar accommodations that are rented for less than 15 days and that are not listed with a real estate broker or agent. Defines rental agent for use in this section; term was not set out and defined in GS 105-164.4(a)(3). All other language and provisions are identical to the deleted language from GS 105-164.4(a)(3). Effective June 1, 2014, applying to gross receipts derived from the rental of an accommodation that a person occupies or has the right to occupy on or after that date. However, a retailer is not liable for an over- or undercollection of sales or occupancy taxes, from June 14, 2012, to July 1, 2014, if the retailer has made good faith efforts to comply with and collect the proper tax amount that is due and the collection error is due to changes to the law.

Intro. by Jenkins.

[GS 105](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Government, Tax](#)

S 734 (2013-2014) [REGULATORY REFORM ACT OF 2014 \(NEW\)](#). Filed May 14 2014, *AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA BY PROVIDING FOR VARIOUS ADMINISTRATIVE REFORMS, BY ELIMINATING CERTAIN UNNECESSARY OR OUTDATED STATUTES AND REGULATIONS AND MODERNIZING OR SIMPLIFYING CUMBERSOME OR OUTDATED REGULATIONS, BY MAKING VARIOUS OTHER STATUTORY CHANGES, AND BY UPDATING AND AMENDING CERTAIN ENVIRONMENTAL AND NATURAL RESOURCES LAWS.*

The Senate committee substitute to the 2nd edition makes the following changes.

Adds that local governments must repeal local ordinances as required by Section 3.4 (water supply watershed classifications) on or before the date that the rules adopted under new GS 143-214.5(c1) become effective.

Amends proposed GS 8-58.53 to remove the requirement that administrative proceedings from which an environmental audit report is immune from discovery and not admissible, be instituted by an enforcement agency.

Amends proposed GS 8-58.60 to remove the reference to enforcement agencies in relation to fines from which owners or operations are immune.

Adds that nothing in the section concerning inlet hazard areas is intended to prevent the Commission from modifying existing inlet hazard areas consistent with Section 3.12(c).

Adds an amendment to GS 143-215.22L(w) to provide that a petition for a certificate to withdraw or transfer water stored in any multipurpose reservoir constructed by the US Army Corps of Engineers and partially located in a state adjacent to North Carolina, provided the US Army Corps of Engineers approved the withdrawal or transfer on or before July 1, 2014, is to be considered and a determination made upon the specified procedures.

Deletes Section 3.19 which transferred rule making authority for wastewater systems from the Commission for Public Health to the Environmental Management Commission.

Deletes Section 3.32, clarify rights of marine artifact donors.

Adds new Section 3.37. Enacts new GS 143-135.29 requiring the State Construction Office to maintain, and make publicly available, maps of areas surrounding major military installations that are subject to the provisions of Article 9G of GS Chapter 143. Amends the definitions in GS 143-151.71 to remove the term Building Code Council and add State Construction Office. Makes conforming changes to GS 143-151.73, and GS 143-151.75. Repeals GS 143-138(j2).

Adds new Section 3.38. Enacts new subsection (d), Meetings and Records, to GS 127C-1, which established the North Carolina Military Affairs Commission (Commission). Provides that regardless of Article 33C of GS Chapter 143 and GS Chapter 132, the Commission may withhold documents and discussions related to the federal government's process to determine closure or realignment of military installations until a final decision has been made by the federal government in that process.

Intro. by Wade, B. Jackson, Brock.

[GS 8, GS 14, GS 18B, GS 18C, GS 20, GS 55B, GS 57D, GS 62, GS 66, GS 75A, GS 83A, GS 87, GS 89A, GS 89C, GS 89D, GS 89G, GS 90, GS 93A, GS 93B, GS 105, GS 106, GS 110, GS 113, GS 113A, GS 114, GS 115C, GS 116C, GS 117, GS 120, GS 121, GS 127C, GS 130, GS 130A, GS 131E, GS 143, GS 143B, GS 143C, GS 150, GS 153, GS 158, GS 160A, GS 166A](#)

[View summary](#)

[Alcoholic Beverage Control, Business and Commerce, Courts/Judiciary, Motor Vehicle, Criminal Justice, Development, Land Use and Housing, Education, Environment, Energy, Government, APA/Rule Making, General Assembly, State Agencies, Local Government, Health and Human Services, Health, Public Health, Lottery and Gaming, Military and Veteran's Affairs](#)

S 734 (2013-2014) [REGULATORY REFORM ACT OF 2014 \(NEW\)](#). Filed May 14 2014, *AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA BY PROVIDING FOR VARIOUS ADMINISTRATIVE REFORMS, BY ELIMINATING CERTAIN UNNECESSARY OR OUTDATED STATUTES AND REGULATIONS AND MODERNIZING OR SIMPLIFYING CUMBERSOME OR OUTDATED REGULATIONS, BY MAKING VARIOUS OTHER STATUTORY CHANGES, AND BY UPDATING AND AMENDING CERTAIN ENVIRONMENTAL AND NATURAL RESOURCES LAWS.*

The Senate committee substitute to the 1st edition makes the following changes.

Part I. Administrative Reforms

Hardison Amendment Clarification

Amends GS 150B-19.3, concerning limitations of environmental rules, providing that rules required by a subdivision of GS 150B-19.3 will be treated as if they had received 10 written objections under GS 150B-21.3(b2), thus requiring a delayed effective date pursuant to GS 150B-21.3(b1), the earlier of the 31st legislative day or the day of adjournment of the next regular session of the General Assembly that begins at least 25 days after the date the rule was approved. Effective July 1, 2014.

Amends GS 150B-21.3A(a)(3), concerning periodic review of existing rules, providing that a rule will also be classified as necessary with public interest if the rule imposes a more restrictive standard, limitation, or requirement than those imposed by federal law. Makes technical and conforming changes. Effective August 23, 2013.

Scope of Local Authority for Ordinances

Amends previously new GS 106-678, changing title of the subsection to Authority of local government to regulate fertilizers (previously, Authority of Board of Agriculture to regulate fertilizers). Makes clarifying changes providing that cities and counties are not allowed to regulate the use, sale, distribution, etc. of fertilizer.

Lottery Oversight Committee Eliminated

Repeals GS 18C-172, eliminating the Lottery Oversight Committee.
Amends GS 18C-115, making conforming changes.

Representation of Small Business Entities in Administrative Appeals

Amends GS 150B-23(a), concerning contested cases under the Administrative Procedure Act and 105-290, concerning appeals to property tax commission, to provide that in contested hearings or appeals, involving a small business entity, that entity can be represented by one or more of its owners with the written consent of all owners and they cannot be compelled to retain or be represented by an attorney. Provides that a small business entity is a limited liability company owned by no more than two individuals.

Exempt Small Business Entities Buying or Selling Entity-owned Property

Amends GS 93A-2(c)(1), concerning license requirements of real estate brokers, providing that owners of an exempt closely held business as well as officers, managers, and employees of a closely held business entity owned by an exempt person are not subject to licensure or other requirements found in GS 93A-1 or 93A-2.

Reduce State Agency Mobile Device Reporting Frequency

Amends 6A.14(a) of SL 2011-145, concerning limiting the issuance of state cell-phones and other mobile devices, providing that agencies are now only required to report annually (was, quarterly) information concerning mobile device usage and issuance.

Eliminate, as Obsolete, the Small Business Contractor Authority, the Committee on Dropout Prevention, the State Education Committee, the State Education Commission, the National Heritage Area Designation Commission, the Governor's Management Council, the Board of Directors of the North Carolina Center for Nursing, the Board of Corrections; and to Encourage the Chief Justice to Abolish the Actual Innocence Commission

Repeals GS Chapter 143B, Part 20 Article 10, Small Business Contractor Act, thus eliminating the Small Business Contractor Authority.

Amends Section 7.32(e) of SL 2007-323 to provide that the Committee on Dropout Prevention will terminate July 1, 2014 (previously, Committee did not have a termination date).

Repeals Article 26 of GS 143, thus eliminating the State Education Commission. Repeals GS 116C-2, eliminating the State Education Commission, and amends GS 116C-1, making conforming changes.

Amends Section 18.10 of SL 2001-491 to provide that the National Heritage Area Designation Commission will terminate July 1, 2014 (previously, Commission did not have a termination date).

Repeals GS 143B, Article 9, Part 24, thus eliminating the Governor's Management Committee.

Repeals GS 90-171.71, eliminating the Board of Directors of the NC Center for Nursing.

Repeals GS 143B-715, eliminating the Board of Corrections. Amends GS 143B-711, making conforming changes.

Encourages the Chief Justice of the NC Supreme Court to abolish the Actual Innocence Commission, inasmuch as their work has been completed, and the General Assembly established the NC Innocence Inquiry Commission.

Clarify Process for Readoption of Existing Rules

Amends GS 150B-21.3A to require that the Rules Review Commission (RRC) report to the Joint Legislative Administrative Procedure Oversight Committee any agency that fails to conduct the existing rule review. Provides that for the readoption of rules, once the final determination report becomes effective, the RRC must establish a date by which the agency must readopt the rules. Allows the agency to amend a rule as part of the readoption process. Provides that if a rule is readopted without change, the agency is not required to prepare a fiscal note. Makes clarifying and conforming changes.

Authorizing Licensing Boards to Adopt Rules for Professional Corporations

Adds new subsection (b) to GS 55B-12, Application of regulations of licensing boards, to provide that subject to the requirements of Article 2A of GS Chapter 150B, any licensing board subject to GS Chapter 55B (Professional Corporation Act) may adopt rules to implement the provisions of this Chapter, including any rules needed to set fees within the limits set by this Chapter.

Occupational Licensing Board Reporting Amendments

Amends GS 93B-2, concerning required annual reports of occupational licensing boards (OLB), adding reporting requirements that (1) each OLB must file electronically (previously, did not provide for electronic filing) their required annual reports, (2) required reports must also be filed with the Joint Legislative Administrative Procedure Oversight Committee (was, the Joint Regulatory Reform Committee), and (3) that the annual reports must also now include the total number of licensees supervised by the board as well as the number who failed the licensing examination. Makes similar changes to the requirements for financial reports.

Adds language that requires the Joint Legislative Administrative Procedure Oversight Committee to notify any board that fails to file the reports as required.

OAH Electronic Filing

Enacts new GS 150B-23.3 providing that the Office of Administrative Hearings is authorized to electronically file and serve documents in a contested case by using an Electronic Filing Service Provider (EFSP).

Sets out and defines the following terms for use in this new subsection: electronic filing, EFSP, and electronic service.

Section is effective when it becomes law, and applies to contested cases filed on or after that date.

State Board of Education Rulemaking Clarification

Amends GS 115C-12 to provide that the State Board of Education (State Board) is subject to Article 2A of GS Chapter 150B, and may not implement or enforce a policy that meets the definition of a rule if the policy has not been adopted as a rule according to Article 2A.

Amends GS 150B-23 to provide that if an agency fails to take any required action within the specified time period,

any person whose rights are substantially prejudiced by the failure to act may commence a contested case seeking an order that the agency act. If the judge finds that the agency failed to act as required, the agency may be ordered to take the required action within a specified time period. Makes conforming changes to GS 150B-44.

Streamline Rule-Making Process

Repeals GS 150B-19.1(h), which required agencies to obtain a certification of adherence to rulemaking principles before submitting the proposed text of a rule for publication.

Amends GS 150B-21.4(b1) adding language to provide that when an agency's proposed rule change would have a substantial impact, they must also obtain a certification from the Office of State Budget and Management that they adhered to regulatory principles as set out in GS 150B-19.1(a)(2), (5), and (6).

This section is effective when it becomes law, and applies to proposed rules published on or after that date.

Burden Of Proof in Certain Contested Cases

Enacts new GS 150B-25.1, in the Administrative Procedure Act, concerning the burden of proof in certain contested administrative hearings, clarifying that in most contested cases the petitioner has the burden of proof. However, in a contested case involving a civil fine or penalty by a state agency the burden of proof rests with the state agency. Further clarifies that in cases where a career state employee subject to GS Chapter 126 (State Personnel System) was discharged, suspended, or demoted for just cause, the burden of proof rests with the agency employer.

Directs the Joint Legislative Administrative Procedure Oversight Committee to study whether there are other contested cases where the burden of proof should rest with the agency.

This section is effective when it becomes law, and applies to contested cases beginning on or after that date.

Legislative Appointments

Amends GS 120-121 by adding two new subsections, (e) and (f) regarding legislative appointments. Under subsection (e), when the Speaker of the House of Representatives (Speaker) or the President Pro Tempore of the Senate (President Pro Tem) is directed by law to make a recommendation for an appointment by the General Assembly, and the legislator is also directed to make the recommendation in consultation or upon the recommendation of a third party, the following applies: (1) the recommendation or consultation is discretionary and not binding upon the legislator; (2) the third party must make the recommendation or consultation at least 60 days before the expiration of the Term or within 10 business days from the occurrence of a vacancy; (3) failure by the third party to submit the recommendation or consultation to the legislature within the required time periods are to be viewed as a waiver by the third party of the opportunity.

Provides that subsection (f) applies when the Speaker or the President Pro Tem is directed by law to make a recommendation for an appointment by the General Assembly and the legislator is also directed to make the recommendation from nominees provided by a third party. Under subsection (f), the third party must submit the nominees at least 60 days before the expiration of the term or within 10 business days from when the vacancy occurs; if the third party fails to submit the nomination to the legislator within the time periods required under this subsection, the failure to submit the nomination is deemed a waiver on the part of the third party.

Enacts new GS 120-124, Appointments made by legislators, to provide that in any case where a legislator is called upon by law to appoint a member to a board or commission on the recommendation or in consultation with a third party, the recommendation, or consultation is discretionary and is not binding on the legislator. Requires the third party to submit the recommendation or consultation at least 60 days before the expiration of the term or within 10 business days from the occurrence of a vacancy. Provides that in any case where a legislator is called upon by law to appoint a member to a board or commission from nominees provided by a third party, the third party must submit the recommendation or consultation at least 60 days before the expiration of the term, or within 10 business days from the occurrence of a vacancy. Provides that this subsection does not apply to nominations that are made under GS 120-

99(a) (creation and composition of the Legislative Ethics Committee), nor under GS 120-100(b) (filling a vacancy on the Legislative Ethics Committee). Failure to submit the recommendation, consultation, or nomination within the time periods required under this section shall be deemed a waiver of the opportunity by the third party.

Makes this section effective when it becomes law and applies to recommendations, consultations, and nominations made on or after that date.

Part II. Permitting Reforms

Capstone Permitting

Adds new subsection (g) to GS 150B-23 to provide that when multiple licenses are required from an agency for a single activity, the Secretary or chief administrative officer of the agency may issue a written determination that the administrative decision reviewable under Article 3 of GS Chapter 150B occurs on the date the license for the activity is issued, denied, or otherwise disposed of. Provides that the written determination of the administrative decision is not reviewable under this Article. Also provides that any licenses issued for the activity prior to the date of the last license identified in the written determination are not reviewable under this Article until the last license for the activity is issued, denied, or otherwise disposed of. Permits a contested case challenging the last decision for the activity to include challenges.

Contested cases for air quality permits

Amends GS 143-215.108(e) to no longer apply to a third party who is dissatisfied with a decision of the Commission to commence a contested case by filing a petition under GS 150B-23. Provides that the filing of a petition under this subsection will stay the Commission's decision until the contested case is resolved. Adds subsection (e1) to provide that a person, other than a permit applicant or permittee, who is aggrieved by the Commission's decision on a permit application may begin a contested case by filing a petition under GS 150B-239 within 30 days after the Commission provides notice after its decision on a permit application, as provided in GS 150B-23(f), or by posting the decision on a publically available Web site. Provides that in a contested case filed under this subsection, "substantial prejudice" to the petitioner in a contested case filed under this subsection means the exceedance of a national ambient air quality standard. Provides that the filing of a petition under this subsection does not stay the Commission's decision except as ordered by the administrative law judge under GS 150B-33(b).

Closure of Certain Animal Waste Containment Basins.

Amends Part 1A of Article 21 of GS Chapter 143 by adding new GS 143-215.10J which directs DENR to consider any waste containment basin to be a fresh water storage facility meeting all the requirements for closure under 15A NCAC 02T. 1306, if the owner of basin can demonstrate to DENR that the basin meets all of the specified requirements. Directs the Department to provide written notification to the owner of a basin that it is no longer considered an animal waste management system.

Contested Cases for CAMA Permits

Amends GS 113A-121.1(c) to provide that when an applicant seeks administrative review of a decision concerning a minor or major development permit under subsection (a) of this section, the permit is suspended from the time that a person seeks administrative review of the decision until the Commission makes a final decision in the contested case and no action may be taken during that time that would be unlawful in the absence of a permit. Adds subsection (d) to provide that a permit challenged under subsection (b) remains in effective unless a stay is issued by the administrative law judge or by a reviewing court.

Gubernatorial Environmental Permit Waiver Authority

Amends GS 116A-19.30 to allow the Governor, during a gubernatorially or legislatively declared state of emergency, to issue an executive order waiving required documents or permits under the Environmental Policy Act, Sedimentation Pollution Control Act of 1973, and the Coastal Area Management, for the repair, protection, safety, enhancement, or

replacement of a part of the highway system that provides the sole road access to a city or unincorporated inhabited area bordering the ocean or any coastal sound where bridge or road conditions as a result of the events leading to the declaration of the state of emergency pose a risk to public health, safety, or welfare. Sets out relevant definitions and requirements for the executive order. Makes conforming changes to GS 113A-12, GS 113A-52.01, and GS 113A-103.

Fee Rollback For Oyster Permits Under Private Docks

Repeals GS 113-210(l) and (m), concerning the \$100 Under Dock Oyster Culture Permit fee and the advance sales of those permits. Effective July 1, 2014.

Local Government Leases for Renewable Energy Facilities

Amends GS 160A-272(c) regarding the lease of property owned by a city. Provides that the council may approve a lease for the siting and operation of a renewable energy facility, as that term is defined in GS 62-133.8(a)(7), for up to 25 (was, 20) years without treating the lease as a sale of property and without giving notice by publication by the intended lease. Deletes language restricting application of this subsection only to the named counties.

Closing-Out Sales

Amends GS 66-77 to require a person advertising or offering for sale goods, wares, or merchandise as a closing out sale, or as damaged by fire, smoke, water or otherwise to obtain a license to conduct such a sale from the officer designated by the city or town's governing board where the person plans to conduct the sale (was, had to obtain a license for the sale from the clerk of the city or town). Makes conforming changes.

Part III. Regulatory and Statutory Modifications

Regulations of Impact to Isolated Wetlands

Requires the Environmental Management Commission to adopt a rule to amend 15A NCAC 02H .1305 (Review of Applications) so that when implementing the rule (1) the amount of impacts of isolated wetlands is less than or equal to 1 acre of isolated wetlands for the entire project and (2) the mitigation ratio is 1:1. Identical provisions are in effect when the act becomes law and expire on the date that the required rule is adopted.

Requires the Department of Environment and Natural Resources to study the surface area thresholds for the regulation of mountain bog isolated wetlands and report to the Environmental Review Commission on or before November 1, 2014.

Community College Brewing Course Waiver

Enacts new GS 18B-1114.6 to allow the holder of a brewing, distillation, and fermentation course authorization to (1) manufacture malt beverages on the school's campus or the school's contracted or lease property for providing instruction and education on making malt beverages; (2) possess malt beverages manufactured during the brewing, distillation, and fermentation program for the purpose of conducting malt beverage tasting seminars and classes; (3) sell malt beverages produced during the course to wholesalers or retailers upon obtaining a malt beverages wholesaler permit; and (4) sell malt beverages produced during the course, upon obtaining a permit. Limits the authorization for the course to community colleges or colleges offering a brewing, distillation, and fermentation program as a part of its curriculum. Allows the holder of the course authorization who obtains a malt beverage wholesaler permit to obtain a malt beverage special event permit and where the permit is valid, allows participation in approved events and selling at retail at those events any malt beverages produced incident to the operation of the program. Sets limitations on the events. Makes conforming changes to GS 18B-1114.5, GS 18B-1101, and GS 66-58.

Carbon Monoxide Alarms

Repeals Section 19(c) of SL 2013-413, which was to become effective October 1, 2014, and was to require that carbon monoxide detectors receive primary power from the building's wiring where the wiring is served from a commercial source and receives power from a battery when the primary power source is interrupted. Makes conforming changes

to defunct effective dates in SL 2013-413.

Amends GS 143-138(b2), concerning carbon monoxide alarms (CMA), providing updates to the requirements for CMAs in hotels, allowing, in lieu of requiring a CMA in a lodging establishment a carbon monoxide detection system, with detectors and audible notification appliances installed and properly maintained. Requires CMAs in every dwelling unit having a combustion (was, fossil fuel) heater. Makes the rules for lodging establishments also applicable to tourist homes providing accommodations for seven or more days, bed and breakfast inns, and homes. Defines combustion heater, appliance, or fireplace for use in this section.

Directs the Building Code Council (BCC) to modify the NC State Building Code (Code) to reflect and regulate the provisions of GS 143-138(b2) in new and existing lodging establishments. Provides that the BCC can establish more stringent rules regulating CMAs and detectors if so desired. Directs the BCC to modify the Code to include an annual inspection for the purpose of verifying compliance with GS 143-138(b2).

Allows the BCC to require carbon monoxide alarms in dwelling units with no combustion heater, appliance, or fireplace other than a wood-burning fireplace only upon (1) a finding that carbon monoxide emissions from wood burning fireplaces constitutes a substantial threat to public health and safety and (2) a report by the Council to the Joint Legislative Commission on Governmental Operations that provides the basis for the finding.

Outlines procedure for when a violation that poses an imminent hazard is discovered and is not corrected upon inspection. Procedures include the code official immediately contacting the local health director/designee for the county where the violation was discovered by verbal contact and also submitting a written report documenting the violation to said director. The local health director is then obligated to investigate and take appropriate action regarding the permit of the lodging establishment within one working day of the receipt of the written report.

Violations that are discovered but do not pose imminent hazard, but are not corrected during an inspection, are subject to a correction period of three working days during which the owner or operator can submit a notice, verbal or written, that the violation has been corrected. If the code official receives such notice, a re-inspection can be performed. If no such notice is received, the code official will submit a report to the local health director within three working days. The local health director is then obligated to investigate and take appropriate action regarding the permit of the lodging establishment.

Makes technical and conforming changes, updating language of GS 143-138(b2).

Amends GS 130A-248(g), deleting language that required all hotels, motels, tourist homes, and other establishments that provide lodging for pay to install either a battery-operated or electric carbon monoxide detector in every enclosed space meeting specified conditions. Provides new language that requires those establishments to comply with requirements of GS 143-138(b2)(2). Provides that after receiving notification of a violation of GS 143-138(b2)(2) by specified code official, the local health department can suspend permits issued pursuant to GS 130A-248.

Water Supply Watershed Classifications

Amends GS 143-214.5 to create new (c) to provide that when the Environmental Management Commission (EMC) receives a rule making petition that (1) is from a local government with jurisdiction over an area to be served by a proposed water intake that is impacted by a reclassification to which the subsection applies, and (2) requests repeals of the classification, the Commission must grant the petition, and the reclassification will be stayed until the Commission has promulgated rules in response to the rule-making petition that are retroactive to the effective date of the original classification. Applies to water supply watersheds reclassified after January 1, 2012. Requires a local government to repeal local ordinance changes required in order to implement a water supply watershed reclassification upon filing a rulemaking petition, as enacted above. Effective when the section becomes law and applies to any petitions for rulemaking regarding water supply watershed reclassifications received by the EMC on or after January 1, 2012, and before the effective date of the section.

ADA Requirements for Private Pools

Requires swimming pools to be accessible only to the extent required by the Americans with Disabilities Act.
Requires the Building Code Council to adopt a rule to be consistent with this requirement.

Environmental Self Audit Privilege and Limited Immunity

Enacts new Part 7D in GS Chapter 8, Environmental Audit Privilege and Limited Immunity, to create an environmental audit privilege to protect the confidentiality of communications relating to voluntary internal environmental audits. Defines environmental audit. Applies to activities regulated under environmental laws including (1) Article 7 of GS Chapter 74;(2) GS Chapter 104E; (3) Article 25 of GS Chapter 113; (4) Articles 1, 4, and 7 of GS Chapter 113A; (5) Article 9 of GS Chapter 130A; (6) Articles 21, 21A, and 21B of GS Chapter 143, and (7) Part 1 of Article 7 of GS Chapter 143B. Makes an environmental audit report privileged and immune from discovery and provides that it is not admissible as evidence in civil or administrative proceedings instituted by an enforcement agency. Lists seven documents that are exempt from the privilege. Provides that the privilege does not apply to criminal investigations or proceedings.

Provides that the privilege does not apply to the extent that it is expressly waived in writing. Specifies persons to whom the audit report and information generated from the audit may be disclosed without waiving privilege. Specifies instances in which disclosure of the audit does not constitute a waiver.

Requires an owner or operator, in order to assert the privilege, to notify the enforcement agency of the existence of the audit, no later than 10 working days after an agency completes an inspection.

Allows an enforcement agency to seek by motion a declaratory ruling on the issue of whether an environmental audit report is privileged in a civil or administrative proceeding. Sets forth the circumstances under which the privilege can be revoked.

Provides that a party asserting the privilege has the burden of providing that (1) the materials claimed as privileged constitute an environmental audit report and (2) compliance has been achieved or will be within a reasonable period of time. A party seeking disclosure has the burden of providing the condition for disclosure.

Provides that the owner or operator of a facility is immune from imposition of civil administrative penalties and fines by enforcement agencies for a violation of environmental laws voluntarily disclosed. The waiver of penalties and fines is not granted until the agency has certified that the violation was corrected within a reasonable period of time. Specifies conditions that must be met in order for a disclosure to be considered voluntary. Specifies factors that make a disclosure nonvoluntary. A voluntary disclosure is subject to disclosure under the Public Records Act.

Prohibits local laws, rules, ordinances, or permit condition's that circumvent or limit the privilege or the exercise of the privileges or the presumption and immunity established.

Effective July 1, 2014, and applies to environmental audits conducted on or after that date.

Clarify Definition of Child Care

Amends GS 110-86 to clarify that for the programs not considered to be child care, for nonpublic schools accredited with early childhood standards that operate a child care facility for less than six and one half hours per day, six and one half hours per day relates to instructional hours only and does not include before or after school programs.

Ambient Air Monitoring

Requires DENR to review its ambient air monitoring network and, in the next annual monitoring network plan, request the removal of any ambient air monitors not required by federal law and regulations. Requires DENR, by September 1, 2014, to stop using all ambient air monitors not required by federal law if approval is not needed from the EPA for the discontinuance. Requires the Division of Air Quality to report to the ERC by November 1, 2014, on the status of the ambient air monitoring network and implementation of these requirements.

Good Samaritan Law

Amends GS 90-21.14 to clarify that, in order to be exempt from liability, a person must voluntarily and without expectation of compensation (was, receives no compensation for services as an emergency medical care provider) provide first aid or emergency health care.

Open Burning

Provides that no air quality permit is required for the open burning of leaves logs, stumps, tree branches, or yard trimmings if the six specified conditions are met, including that the material originates on the premises of private residences and is burned there, there is no public pickup service, and the burning does not create a nuisance. Requires that rules be amended to incorporate these provisions.

Amends GS 143-215.112 to prohibit local air pollution control programs from limiting or regulating any combustion heater, appliance, or fireplace in private dwellings. Amends GS 143-215.108 to provide that the statute does not give the EMC or DENR the power to regulate any combustion heater, appliance, or fireplace in private dwellings,

Amends GS 160A-193 to provide that the statute does not authorize the application of a city ordinance banning or limiting outdoor burning to persons living within one mile of the city unless the city provides those persons with either (1) trash and yard waste collection services or (2) access to solid waste dropoff sites on the same basis as city residents.

Inlet Hazard Areas

Prohibits establishing any inlet hazard area in any location with the following characteristics (1) the location is the former location of an inlet that has been closed for at least 15 years; (2) due to shore migration, the location no longer includes the current location of the inlet; (3) the location includes an inlet providing access to a state port via a channel maintained by the US Army Corps of Engineers. Requires the adoption of a rule consistent with these provisions.

Hunting Trials

Amends GS 113-274 to allow the Wildlife Resources Commission to issue a permit to allow a person to participate as a dog handler or judge in a field trial without possessing a hunting license so long as the person does not participate in hunting with the dog.

Adjust Utility Regulatory Fee

Amends GS 62-302, Regulatory Fee, to reduce the fee imposed on retail revenues of local exchange companies that have elected to participate in the alternative forms of regulation found in GS 62-133.5(h) or GS 62-133.5(m).

Sets out definitions to be used in GS 62-302, including *noncompetitive jurisdictional revenues, subsection (h) competitive jurisdictional revenues*, and *subsection (m) competitive jurisdictional revenues*.

Provides that noncompetitive jurisdictional revenues are subject to a utility fee that is the greater of (i) a percentage rate of each public utility's noncompetitive jurisdictional revenues for each quarter or (ii) \$6.25 each quarter.

Provides that competitive jurisdictional revenues, either subsection (h) or subsection (m) competitive jurisdictional revenues, will have a public utility regulatory fee that is a percentage rate established by the General Assembly for each fiscal year for revenues for each quarter.

Establishes that the percentage rate to be used to calculate the public utility fee for subsection (h) revenues will be set at 0.06 percent of revenues earned during each quarter beginning on July 1, 2015, and on July 1, 2016, it will change to 0.04 percent.

Establishes that the percentage rate to be used to calculate the public utility fee for subsection (m) revenues will be set at 0.05 percent of revenues earned during each quarter beginning on July 1, 2015, and on July 1, 2016, it will change to 0.02 percent.

Further provides that, for 2015-16, and 2016-17 fiscal years, the percentage rate used for the public utility regulatory

fee for noncompetitive jurisdictional revenues will be adjusted to reflect the decrease in fees collected by the above rates in order to ensure that the cost of operations of the Utilities Commission and staff are defrayed. Effective July 1, 2015.

Amends Jordan Lake Rules for Existing Riparian Buffers

Amends Section 2(c) of SL 2013-395 to provide that concerning the implementation of the protection of existing riparian buffers rule, the piping of a stream allowed under a permit issued by the US Army Corps of Engineers must be categorized as an exempt (was, allowable) use.

Eliminate Outdated Air Quality Reporting Requirements

Amends GS 143-215.3A to delete requirements for reporting on the costs of the Title V program. Repeals specified sections of SL 2002-4 concerning studies and reports related to air quality.

Clarifying Changes to Statutes Pertaining to the Management of Venomous Snakes and Other Reptiles

Amends GS 14-419 to clarify that the appropriate final disposition for a seized venomous reptile for which antivenin approved by the US Food and Drug Administration is not readily available is for the reptile to be euthanized unless the species is protected under the federal Endangered Species Act.

Transfer Rule-Making Authority for Wastewater Systems

Transfers rule-making authority for wastewater systems from the Commission for Public Health to the Environmental Management Commission. Amends GS 130A-334 to add a definition for ground absorption system. Amends the definition of plat to take into account whether, for subdivision lots, a local planning authority exists at the time for a permit application. Amends the definition of wastewater system to provide that a system located on multiple adjoining lots or tracts of land under common ownership are considered a single system. Amends GS 130A-335 to provide that following a preconstruction conference, the local health department must advise the owner or developer of rule changes for wastewater system construction incorporating current technology. Requires the local health department to issue a revised authorization for wastewater system construction incorporating the rule change upon written request. Amends GS 130A-336 to remove the five-year cap on the authorization for wastewater system construction.

Repeal Waste Management Board Rules

Requires the Secretary of Environment and Natural Resources to repeal the rule concerning the Governor's Waste Management Board by December 1, 2014, because the statutory authority for the Board was already repealed. Prohibits implementing or enforcing the rule until the repeal.

Expand Daily Flow Design Exemption for Low-Flow Fixtures

Amends Section 34(b) of SL 2013-413. Allows for the establishment, by rule, of lower limits on reduced flow rates as necessary to ensure wastewater system integrity and protecting of public health, safety, and welfare, provided that the Commission relies on scientific evidence specific to soil types found in the state that the lower limits are necessary for those soil types. Makes conforming and clarifying changes.

Repeal Obsolete Statutes

Repeals GS 14-197, using profane or indecent language on public highways, and GS 14-401.8, refusing to relinquish party telephone line in emergency; false statement of emergency.

Increase Certain Penalties for Taking of Protected Plants

Amends GS 14-129 to increase the range for fine to \$75 to \$175 (was, \$10 to \$50) for digging up, pulling up, or taking from another's land or public domain any of the specified plants. Specifies that each plant taken is a separate offense. Adds requirements as to when a conviction must be reported to the Plant Conservation Board for the consideration of

civil penalties. Removes the exemption to the statute for specified counties. Amends GS 106-202.19 to require the assessment of a civil penalty against a person violating the article more than once.

Increase Penalties for Parking in Handicapped Space Without Required Placard

Amends GS 20-37.6 to increase the penalty for parking in a handicapped space without the handicapped placard to at least \$300 but not more than \$500 (was, at least \$100 but no more than \$250). Allows, but no longer requires, a sign designating a handicapped parking place to state the maximum penalty. Adds that a sign designating such a space must not state the incorrect maximum penalty. Effective for violations committed on or after December 1, 2014.

Repeal Outdated Public Utilities Statutes or Reports

Repeals GS 62-36A and GS 62-36.1, concerning reporting on natural gas planning. Repeals GS 62-133.2(g), requiring reporting on proceedings concerning fuel-related charge adjustments for electric utilities. Repeals Section 14 of SL 2002-4, requiring a report on the implementation of legislation related to air quality. Repeals Section 14 of SL 2007-397, which required a report by the Utilities Commission on the results of specified cost allocations. Repeals Section 6.1 of SL 1995-27, requiring a report on legislation on access to low-cost telecommunications service.

Repeal Energy Audit Requirements

Amends GS 143-64.12 to delete the requirement that the Department of Administration develop an energy audit and procedure for conducting the audits. Also amends how often state agencies and institutions of higher learning must update management plans to biennially (was, annually). Requires community colleges to submit reports on utility consumption and costs biennially (was, annually). Requires the State Energy Office to report every odd numbered year (was, every year) and changes the report recipient to the Joint Legislative Energy Policy Commission (was, the Joint Legislative Commission on Governmental Operations). Makes conforming changes.

Coastal Stormwater Grandfather

Provides that the provision and requirements applicable to any grandfathered development activity subject to (a)(2) of 15A NCAC 02H .1005 is also applicable to an expansion of the development activity. Defines grandfathered development activity. Requires the adoption of a rule to amend 15A NCAC 02H .1005 consistent with the bill requirements.

Pesticide Use for Moles

Amends GS 113-300.2 to allow using pesticides to control any species of mole other than the star-nosed mole if (1) all rules regulating application are followed and (2) the pesticides used are applied in a manner that minimizes hazards to nontarget species.

Periodic Inspections Authority of Housing Finance Agency

Amends GS 153A-364(b), which allows for periodic inspections for hazardous or unlawful conditions as part of a targeted effort within a designated geographic area. Exempts residential buildings or structures subject to periodic inspections by the NC Housing Finance Agency (Agency) if the Agency has issued a finding that the building or structure is in compliance with federal standards. Requires the owner or manager of a residential building or structure that is subject to periodic inspections by the Agency to submit a copy of the Compliance Results Letter within 10 days of receipt; if the letter is not provided, the building or structure will be subject to periodic inspections until the letter is provided.

Security Grilles

Allows horizontal sliding or vertical security grilles at exits or exit access doors if the grilles are openable from the inside without the use of a key or special knowledge or effort when the space is occupied by authorized persons and the grilles remain secured in the full open position during occupancy by the general public. Requires the Building Code Council to adopt a rule to make the Code consistent with these provisions.

Rewrite Landscape Contractor Licensing Statutes

Repeals GS 89D-1 through 89D-10 (creating the NC Landscape Contractors' Registration Board and requiring certification of landscape contractors), effective August 1, 2015.

Amends GS Chapter 89D by enacting new GS 89D-11 through GS 89D-24 to create the NC Landscape Contractors' Licensing Board and require licensure of landscape contractors. New GS 89D-12 prohibits anyone from engaging in the practice of landscape construction or contracting or holding himself or herself out as a landscape contractor unless licensed by the North Carolina Landscape Contractor Licensing Board. Defines landscape contractor as anyone (a) engaged in the business requiring the art, experience, ability, knowledge, science, and skill to prepare contracts and bid for the performance of landscape services, including installing, planting, repairing, and maintaining gardens, lawns, shrubs, vines, trees, or other decorative vegetation, including the grading and preparation of plots and areas of land for decorative utilitarian treatment and arrangement; (b) practicing the act of horticulture consultation or planting design for employment purposes; (c) who constructs, installs, or maintains landscape drainage systems and cisterns, provided that the contractor makes none of the specified connections; (d) designs, installs, or maintains low voltage landscape lighting, provided that the systems do not exceed listed specifications; or (e) engages in the construction of garden pools, retaining walls, walks, patios, or other decorative landscape features.

New GS 89D-13 lists exemptions from the provisions of Chapter 89D. New GS 89D-14 creates a nine-member North Carolina Landscape Contractors' Licensing Board (Board), with appointees as listed, and new GS 89D-15 sets forth Board powers and duties. New GS 89D-16(a) allows an applicant to sit for the examination if the applicant pays required fees and submits evidence demonstrating the applicant's qualifications for licensure, as specified. Directs the Board to establish and administer examinations.

New GS 89D-17 authorizes the Board to issue a license in the name of a corporation, provided specified conditions are met. Details additional requirements for licenses and licensees. New GS 89D-18 authorizes the Board to issue a license to a nonresident individual or a foreign entity that meets applicable requirements. Sets forth provisions related to certificates of authority and information requested by the Secretary of Revenue. Defines terms applicable to GS 89D-18.

New GS 89D-19 allows the Board to issue a license without examination to any person licensed, certified, or registered as a landscape contractor in another state or country if that state or country's requirements are substantially equivalent. New GS 89D-20 provides for annual renewal of landscape contractor licenses on or before August 1, in accordance with continuing education requirements and the fee schedule set out in new GS 89D-21. New GS 89D-22 authorizes the Board to deny, restrict, suspend, or revoke a license for reasons including fraud, deceit, or misrepresentation in the application for a license or its renewal, fraudulent misrepresentation in the practice of landscape contracting, gross malpractice or incompetence, violation of rules adopted by the Board, or failure to file or keep the required surety bond in force. Allows the Board to assess costs in a proceeding against an applicant or licensee found to be in violation of the chapter. New GS 89D-23 authorizes the Board to assess a civil penalty of \$2,000 or less for each violation of Chapter 89D or any rules adopted by the Board, with proceeds remitted to the Civil Penalty and Forfeiture Fund. New GS 89D-24 authorizes the Board to file a motion for an injunction against anyone engaging in landscape construction without a license. Also requires that the licensed landscape contractor notify the Board of any written complaints filed against the landscape contractor not resolved within 30 days.

Members currently serving on the NC Landscape Contractors' Registration Board will continue to serve until new members are appointed to the Board created by this act. Details additional appointing criteria for new appointees, and transfers all items from the Registration Board to the Licensing Board. Provides that any person who, on or before December 31, 2014, meets one of four enumerated criteria will receive a landscape contractor's license from the Board

without the examination requirement, upon submission of a completed application and fee payment on or before August 1, 2015. Specifies that landscape contractors currently registered are not required to renew registration for the 2015 calendar year.

Clarify Rights of Marine Artifact Donors

Enacts new GS 121-23.1 providing that any person who legally discovers a shipwreck or shipwreck site or who salvages marine artifacts on or after November 21, 1996, within state waters, and donates the artifacts or contractual interest in them to the state, retains the right to access the artifacts and the right to display or tour the artifacts or conduct nondestructive analysis and research on the artifacts if the specified five requirements are met. Provides that the rights are valid for 30 years after discovery; at the end of the 30 years, the replicas required by the statute are returned to the person who donated the artifacts or their heir. Effective when the act becomes law and applies to any marine artifacts or contractual interest in marine artifacts donated to the state on or after January 1, 1998.

Transfer Solid Waste Rule-Making Authority

Transfers the authority for solid waste rule-making from the Commission for Public Health to the EMC. Makes conforming changes throughout GS Chapter 130A. Requires the Revisor of Statutes and the Codifier of Rules to make any conforming statutory changes.

Transfer Drinking Water Rule-Making Authority

Amends GS 87-97 to give the EMC (was, the Commission for Public Health) rule-making authority over the sampling and testing of well water. Makes conforming changes and authorizes the Codifier of Rules to make any conforming rule changes necessary.

Well Contractor Licensing Changes

Amends GS 87-43.1 to exempt from the requirements for electrical contractors any installation, construction, maintenance, or repair of electrical wiring, devices, appliances, or equipment done by a certified well contractor when running wires from the well pump to the pressure switch. Amends GS 87-98.6 to require the establishment of minimum requirements of education, experience, and knowledge for each type of certification for well contractors for the installation, construction, maintenance, and repair of electrical wiring devices, appliances, and equipment related to the construction, operation, and repair of wells.

Standardize Local Well Programs

Amends GS 87-97 to require local well programs to use the standard forms for all required submittals and prohibit making their own forms unless the program submits a petition for rule-making to the Environmental Management Commission (EMC) and the EMC finds that unique conditions or circumstances constitute a threat to public health that will be mitigated by the use of a different local form. Also requires the registry of drinking water wells for which a construction permit or repair permit is issued to be searchable by address or addresses served by the well.

Prohibits DENR and local well programs from requiring that well contractor identification plates include well construction permit numbers. Allows local programs to install a plate with the permit number or relevant information on a well at the expense of the program. Requires the EMC to make related rule changes.

Provides that if the well location marked on a map submitted with an application to a local program is also marked with a stake or similar marker on the property, then the program may not require the contractor to be onsite during the predrill inspection as long as the contractor is available by phone.

Part IV. Studies

Honeybees

Requires the Department of Agriculture and Consumer Services to create the nine-member Honeybee Improvement for

Vital Ecology (HIVE) working group. Sets out HIVE's five purposes including reporting on a list of bee-friendly vegetation and related planting requirements and a recommendation on whether priority should be given to bee friendly vegetation for landscaping projects within Department of Transportation owned rights-of-way and rest areas. Requires a final report to the Environmental Review

Commission by November 30, 2014.

Senator Jean Preston Marine Shellfish Sanctuary

Requires the Division of Marine Fisheries (DMF) of the Department of Environment and Natural Resources (DENR) to designate a contiguous area of approximately 10,000 acres in the Pamlico Sound as a recommendation to the Environmental Review Commission (ERC) for establishing the "Senator Jean Preston Marine Shellfish Sanctuary." Also requires DMF to create a plan for managing the sanctuary that includes components concerning specified issues related to the location and duration of the sanctuary, administration of the sanctuary, funding, commercial fisherman relief including free or discounted leases to fishermen meeting specified conditions, and recommendations for statutory or regulatory changes needed to expedite the expansion of shellfish restoration and harvesting. Requires DENR to report to the ERC on implementation no later than October 1, 2014, and quarterly thereafter until the final plan is submitted.

Interbasin Transfers Study

Requires the Department of Environment and Natural Resources (DENR) to study statutes and rules governing interbasin transfers. Requires examining: (1) whether temporary and emergency transfers should be subject to different regulations than long-term transfers, (2) whether transfers between sub-basins should be subject to different regulations than transfers between major river basins, and (3) whether there are types of transfers that should be exempted from the interbasin certification or other requirements. Requires a report by October 1, 2014, to the Environmental Review Commission.

PED Study Water and Sewer Systems

Requires the Joint Legislative Program Evaluation Oversight Committee to include a study of the benefits of merging public water systems and wastewater collection and treatment works in the 2014-15 Work Plan for the Program Evaluation Division. Sets out three issues that must be included in the study. Requires the Program Evaluation Division to submit findings and recommendations to the Joint Legislative Program Evaluation Oversight Committee and the Environmental Review Commission at a date to be determined by the Joint Legislative Program Evaluation Oversight Committee.

Part V. Severability Clause and Effective Date

Includes a severability clause.

Except where otherwise indicated, the act is effective when it becomes law.

Intro. by Wade, B. Jackson, Brock.

GS 8, GS 14, GS 18B, GS 18C, GS 20, GS 55B, GS 57D, GS 62, GS 66, GS 75A, GS 83A, GS 87, GS 89A, GS 89C, GS 89D, GS 89G, GS 90, GS 93A, GS 93B, GS 105, GS 106, GS 110, GS 113, GS 113A, GS 114, GS 115C, GS 116C, GS 117, GS 120, GS 121, GS 130, GS 130A, GS 131E, GS 143, GS 143B, GS 143C, GS 150, GS 153, GS 158, GS 160A, GS 166A

Alcoholic Beverage Control, Business and Commerce, Courts/Judiciary, Motor Vehicle, Criminal Justice,

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Development, Land Use and Housing, Property and Housing, Education, Environment, Energy, Government, APA/Rule Making, General Assembly, State Agencies, Local Government, Health and Human Services, Health, Public Health, Lottery and Gaming

S 786 (2013-2014) **ENERGY MODERNIZATION ACT**. Filed May 15 2014, *A BILL TO BE ENTITLED AN ACT TO (1) EXTEND THE DEADLINE FOR DEVELOPMENT OF A MODERN REGULATORY PROGRAM FOR THE MANAGEMENT OF OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION IN THE STATE AND THE USE OF HORIZONTAL DRILLING AND HYDRAULIC FRACTURING TREATMENTS FOR THAT PURPOSE; (2) ENACT OR MODIFY CERTAIN EXEMPTIONS FROM REQUIREMENTS OF THE ADMINISTRATIVE PROCEDURE ACT APPLICABLE TO RULES FOR THE MANAGEMENT OF OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION IN THE STATE AND THE USE OF HORIZONTAL DRILLING AND HYDRAULIC FRACTURING TREATMENTS FOR THAT PURPOSE; (3) ESTABLISH A DATE CERTAIN OF JULY 1, 2015, FOR ISSUANCE FOR PERMITS FOR OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; (4) CREATE THE NORTH CAROLINA OIL AND GAS COMMISSION AND RECONSTITUTE THE NORTH CAROLINA MINING COMMISSION; (5) AMEND MISCELLANEOUS STATUTES GOVERNING OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; (6) ESTABLISH A SEVERANCE TAX APPLICABLE TO OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; (7) AMEND MISCELLANEOUS STATUTES UNRELATED TO OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; AND (8) DIRECT STUDIES ON VARIOUS ISSUES, AS RECOMMENDED BY THE JOINT LEGISLATIVE COMMISSION ON ENERGY POLICY.*

Senate amendment #5 makes the following changes to the 2nd edition.

Amends GS 113-423(f) to require that owner/operators must pay for the reasonable costs involved in having an approved third party test water supplies from proposed wellheads at least 30 days prior to drilling as well as at least five follow-up tests 6, 12, 18 and 24 months after production has begun and a test within 30 days after completion of production (previously, required the owner/operator to conduct the test without mentioning payment, with a third-party tester being an option but not required, and only required two follow-up tests within 24 months after production has ceased at that site).

Provides that the results from testing that are required to be submitted to DENR will be considered public record under GS Chapter 132, with results being posted to DENR's website within 30 days of receipt.

Intro. by Rucho, Newton, Brock.

GS 87, GS 105, GS 113, GS 143B

[View summary](#)

S 786 (2013-2014) **ENERGY MODERNIZATION ACT**. Filed May 15 2014, *A BILL TO BE ENTITLED AN ACT TO (1) EXTEND THE DEADLINE FOR DEVELOPMENT OF A MODERN REGULATORY PROGRAM FOR THE MANAGEMENT OF OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION IN THE STATE AND THE USE OF HORIZONTAL DRILLING AND HYDRAULIC FRACTURING TREATMENTS FOR THAT PURPOSE; (2) ENACT OR MODIFY CERTAIN EXEMPTIONS FROM REQUIREMENTS OF THE ADMINISTRATIVE PROCEDURE ACT APPLICABLE TO RULES FOR THE MANAGEMENT OF OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION IN THE STATE AND THE USE OF HORIZONTAL DRILLING AND HYDRAULIC FRACTURING TREATMENTS FOR THAT PURPOSE; (3) ESTABLISH A DATE CERTAIN OF JULY 1, 2015, FOR ISSUANCE FOR PERMITS FOR OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; (4) CREATE THE NORTH CAROLINA OIL AND GAS COMMISSION AND RECONSTITUTE THE NORTH CAROLINA MINING COMMISSION; (5) AMEND MISCELLANEOUS STATUTES*

GOVERNING OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; (6) ESTABLISH A SEVERANCE TAX APPLICABLE TO OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; (7) AMEND MISCELLANEOUS STATUTES UNRELATED TO OIL AND GAS EXPLORATION, DEVELOPMENT, AND PRODUCTION ACTIVITIES; AND (8) DIRECT STUDIES ON VARIOUS ISSUES, AS RECOMMENDED BY THE JOINT LEGISLATIVE COMMISSION ON ENERGY POLICY.

The Senate committee substitute to the 1st edition makes the following changes.

Deletes the proposed changes to SL 2013-365, Section 1(b), and instead amends that section to update the provision to exempt the Mining and Energy Commission, the Environmental Management Commission, and the Commission for Public Health from provisions of GS Chapter 150B that require the preparation of fiscal notes for any rule proposed that pertains to the management of oil and gas exploration and development activities. Adds a section to the bill exempting those same entities from provisions of GS Chapter 150B that require that a certification be obtained from the Office of State Budget and Management (OSBM), and any requirements for preliminary review by the OSBM for any rule proposed for the creation of a modern regulatory program for the management of oil and gas exploration and development activities.

Adds a new Part III to the bill, authorizing DENR and the Mining and Energy Commission to issue permits for oil and gas exploration, development, and production activities using horizontal drilling and hydraulic fracturing treatments. Repeals SL 2012-143, Section 3(d), and SL 2013-365, Section 1(c), which prohibited the issuance of the permits in order to give the Commission time to establish a regulatory program.

Deletes proposed changes to GS 113-391(a2) and instead adds (a5) to GS 113-391 to require that entry of rules in the NC Administrative Code that address the areas identified in (a) (concerning regulatory program for the management of oil and gas exploration and development) and (a3) (concerning EMC adoption of rules concerning stormwater controls and toxic air emissions related to oil and gas exploration and development) by July 1, 2015, create a rebuttable presumption that the rules are sufficient to meet the requirements for development of a modern regulatory program under the statute.

Makes Section 8 of the bill, concerning trade secrets and confidential information, effective when the act becomes law, but specifies that GS 113-391A(d) (penalties for unlawful disclosure) becomes effective December 1, 2014.

Amends proposed GS 113-395C, environmental compliance review requirements for applicants and permit holders, as follows. Provides that the environmental compliance review may (was, shall) evaluate the applicant's environmental compliance history for five years before the application date. Adds that the applicant must provide environmental compliance history information for specified entities when requested by DENR (was, no request needed). Also requires a permit holder to notify DENR of any significant change in its environmental compliances history or significant changes in specified operations, upon request (was, no request needed). Also requires the permit holder to notify DENR within 30 days of a significant change, if requested by DENR (was, no request needed). Makes Section 15 of the bill effective when it becomes law, but provides that GS 113-395D(b), making it a Class 1 misdemeanor to conduct seismic or geophysical data collection activities by going onto another's land without written consent, effective December 1, 2014.

Deletes proposed changes to GS 153A-149 and GS 160A-209, which capped local property tax revenue increases at no more than 8 percent.

Amends the issues to be studied by the State Energy Office to remove studying the impact of the elimination of natural gas franchise areas in order to allow competition in the provision of piped natural gas service. Makes additional changes to the other issues to be studied by the Office. Changes the report due date to December 1, 2014 (was, January 1, 2015).

Makes conforming changes to the act's long title.

[View summary](#)

[Environment, Energy, Environment/Natural Resources, Government, APA/Rule Making, State Agencies, Department of Public Instruction, Department of Commerce, Department of Environment and Natural Resources, Department of Transportation, Tax, Local Government](#)

S 819 (2013-2014) **[UPDATE/MODERNIZE MIDWIFERY PRACTICE ACT](#)**. Filed May 21 2014, *AN ACT TO UPDATE AND MODERNIZE THE MIDWIFERY PRACTICE ACT, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON HEALTH AND HUMAN SERVICES.*

Identical to [H 1169](#), filed 5/21/14.

Amends GS Chapter 90 by adding new section, GS 90-18.7, Limitations on nurse-midwives, providing that nurse-midwives approved under Article 10A of GS Chapter 90 may use the title certified nurse-midwife. Others that hold themselves out as such are in violation. Certified nurse-midwives are authorized to write prescriptions if (1) the individual has been approved by the joint subcommittee of the North Carolina Medical Board and the Board of Nursing (subcommittee) established under GS 90-178.4; (2) the subcommittee has assigned an identification number to the nurse-midwife, which appears on the written prescription; (3) written instructions about indications and contraindications for prescribing drugs and policy for periodic review of the drugs prescribed have been provided to the nurse-midwife by the subcommittee. Directs the subcommittee to adopt rules for approving individual nurse-midwives to write prescriptions, with any limitations deemed in the best interest of patient health and safety.

Amends GS 90-178.2, Definitions, by adding and defining certified nurse-midwife, collaborating provider, and collaborating provider agreement. Updates, adds language to, and makes technical and conforming changes to interconceptual care, midwifery, newborn care, postpartum care, and prenatal care definitions.

Amends GS 90-178.3, Regulation of midwifery, to provide that a certified nurse mid-wife approved under this Article (Article 1, GS Chapter 90) must consult, collaborate with, or refer a patient to other providers licensed under this Article, if indicated by the health status of the patient. Authorizes a certified nurse-midwife approved under this Article to write drug prescriptions in accordance with GS 90-18.7(b).

Requires a certified nurse-midwife with less than 24 months and 2,400 hours of practice (1) to have a collaborative provider agreement with a collaborating provider and (2) to maintain signed and dated copies of the collaborative provider agreement as required by practice guidelines and any rules adopted by the joint subcommittee of the North Carolina Medical Board and the Board of Nursing. Provides that if a provider agreement is terminated before the certified nurse-midwife attains the level of experience required under this Article, then the certified nurse-midwife has 90 days from the termination date to enter into a new collaborative provider agreement. Permits the certified nurse-midwife to continue to practice midwifery as defined under this Article during the 90-day period.

Amends GS 90-178.4(a) regarding the membership and qualifications of the appointees to the joint subcommittee of the North Carolina Medical Board and the Board of Nursing created under GS 90-18.2.

Enacts new subsection (a1) to GS 90-178.4 to require that a certified nurse-midwife who attends a planned birth outside of a hospital setting, (1) obtain a signed informed consent agreement from the patient and (2) provide the patient with a detailed, written plan for emergent and nonemergent transfer. Specifies content that must be included in the informed consent agreement and that which must be included in the written plan for emergent and nonemergent transfer.

Midwifery standards must be consistent with the standards of care established by the American Midwifery Certification Board. Amends GS 90-178.5, Qualification for approval, requiring a person seeking approval of certification under this Article to submit evidence of certification by the American Midwifery Certification Board

(under current law, American College of Nurse Midwives) and of a collaborative provider agreement. Authorizes a certified nurse-midwife who submits evidence to the joint subcommittee of having completed 24 months and 2,400 hours of practice under a collaborative provider agreement to practice midwifery independently .

Amends GS 90-178.7, Enforcement, to provide that any person practicing midwifery without being approved and registered in as required under this Article is prohibited from maintaining any action to collect any fee for midwifery services. Makes practicing midwifery without meeting the standards and requirements in this Article guilty of a Class 3 misdemeanor. Makes it a Class I felony to falsely represent oneself as having met the requirements and been approved as a certified nurse-midwife under this Article.

Enacts new GS 90-178.8, Limit vicarious liability, limiting the liability of physicians, physician assistants, or nurses licensed under GS 90 from being held liable for civil damages as a result of medical care given to a woman or infant in an emergency situation when the emergency situation arises during the delivery or birth of the infant as a consequence of care provided by a nurse midwife approved under GS Chapter 90, who attends a planned birth outside of a hospital setting. However, provides that the physician, physician assistant, or nurse remains liable for his or her own independent acts of negligence. Also limits the liability of health care facilities licensed under GS 122C and 131E in the same manner. However, provides that the health care facility remains liable for its own independent acts of negligence. Additionally, provides that liability is not limited in cases of gross negligence or wanton misconduct.

Makes other technical and conforming changes. Effective when this act becomes law.

Intro. by Pate, Tarte, Woodard.

GS 90

[View summary](#)

Health and Human Services, Health, Health Care Facilities and Providers

S 820 (2013-2014) **STUDY OVERSIGHT/CONFLICTS OF INT./FOSTER CARE**. Filed May 21 2014, *AN ACT REQUIRING THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON HEALTH AND HUMAN SERVICES TO STUDY OVERSIGHT OF THE STATE'S SOCIAL SERVICES SYSTEM, ANY POTENTIAL CONFLICTS OF INTEREST WITHIN THE SYSTEM, AND HOW THOSE MATTERS MAY BE ADDRESSED, AS RECOMMENDED BY THE LRC COMMITTEE ON OMNIBUS FOSTER CARE AND DEPENDENCY.*

Identical to [H 1104](#), filed 5/15/14.

Directs the Joint Legislative Oversight Committee on Health and Human Services (Committee) to create a subcommittee to study (1) oversight of the State's social services system, (2) potential conflicts of interest within the system, and (3) how those matters may be addressed. Directs the Chair of the Committee to appoint members to the subcommittee, allowing members of the public to be appointed in addition to any members of the General Assembly.

Lists seven issues to be examined by the subcommittee, including whether the state's current system of oversight regarding county departments of social services should be revised, and whether a director or an employee of a county department of social services should be allowed to serve as a foster parent.

Requires the subcommittee to submit a final report to the Committee no later than December 1, 2014. Requires the Committee to submit a final report with the President Pro Tempore of the Senate and the Speaker of the House prior to the convening of the 2015 General Assembly.

Intro. by Randleman, Barringer.

STUDY

[View summary](#)

Health and Human Services, Social Services, Child Welfare

S 821 (2013-2014) [VERIFICATION/JURISDICTION IN JUVENILE CASES](#). Filed May 21 2014, *AN ACT TO REQUIRE THE COURT TO CONSIDER WHETHER A JUVENILE PETITION HAS BEEN PROPERLY VERIFIED AND JURISDICTION HAS BEEN INVOKED AT THE PRE-ADJUDICATION HEARING, AS RECOMMENDED BY THE LRC COMMITTEE ON OMNIBUS FOSTER CARE AND DEPENDENCY.*

Identical to [H 1103](#), filed 5/15/14.

Amends GS 7B-800.1, concerning pre-adjudication hearings for juvenile cases, providing that, among other issues that must be considered prior to the adjudicatory hearing, the court must also consider whether a petition has been properly verified and invokes jurisdiction. Effective October 1, 2014.

Intro. by Randleman, Barringer.

[GS 7B](#)

[View summary](#)

[Courts/Judiciary, Juvenile Law, Delinquency](#)

S 822 (2013-2014) [DMV INSPECTION STATION CASE CONTINUANCES](#). Filed May 21 2014, *AN ACT TO AUTHORIZE CONTINUANCES OF DIVISION OF MOTOR VEHICLES INSPECTION STATION VIOLATION CASES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1025](#), filed 5/14/14.

Amends GS 20-183.8G, concerning administrative and judicial reviews for violations of the Safety and Emissions Inspection Program, authorizing the DMV to continue a hearing for good cause (previously, DMV was required to hold a hearing within 30 days for hearings requested when the violation could result in license suspension or revocation, and 90 days for all others after receiving the hearing request).

Effective October 1, 2014.

Intro. by Rabon, Meredith, Harrington.

[GS 20](#)

[View summary](#)

[Government, State Agencies, Department of Transportation, Transportation](#)

S 823 (2013-2014) [ALT. CRITERIA UNDER STI FOR EMERGENCY REPAIR](#). Filed May 21 2014, *AN ACT TO APPLY ALTERNATE PRIORITIZATION CRITERIA UNDER THE STRATEGIC TRANSPORTATION INVESTMENTS ACT FORMULA TO FEDERAL AND STATE FUNDS USED FOR EMERGENCY REPAIR WORK, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1125](#), filed on May 19, 2014.

Amends GS 136-189.11 to exclude specified funds from the prioritization criteria under the strategic transportation investments act formula funds obligated in support of emergency repair work necessary to restore essential travel, minimize the extent of damage, or protect remaining facilities, resulting from events that occurred during a declared emergency that significantly damaged the state maintained transportation system to the extent that safe passage is jeopardized. Funds not subject to the prioritization criteria are (1) federal or state funds obligated for repairs for which federal Emergency Relief Funds are available and (2) state funds obligated for repairs to damage occurring as a result of an event declared to be a federal or state emergency.

Intro. by Rabon, Harrington, Meredith.

GS 136

[View summary](#)**Transportation**

S 824 (2013-2014) [AGRITOURISM SIGN LOCATION/DOT STANDARDS](#). Filed May 21 2014, *AN ACT TO PROVIDE THAT AGRICULTURAL TOURISM SIGNS ON STATE HIGHWAYS ARE SUBJECT TO DEPARTMENT OF TRANSPORTATION LOCATION AND PLACEMENT RULES, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1071](#), filed on May 14, 2014.

Amends GS 106-22.5(a) providing that the Department of Agriculture and Consumer Services must work with the Department of Transportation (DOT) in providing directional signs on major highways near interchanges to agriculture facilities that promote tourism. Requires the Department of Agriculture and Consumer Services to follow sign location and placement rules of the DOT Tourist-Oriented Directional Signs and Logo Signs programs.

Makes technical changes.

Intro. by Meredith, Walters, Ford.

GS 106

[View summary](#)**Agriculture, Government, State Agencies, Department of Transportation, Transportation**

S 825 (2013-2014) [DMV DL MEDICAL REVIEW PROGRAM CHANGES](#). Filed May 21 2014, *AN ACT TO MAKE CHANGES TO THE DIVISION OF MOTOR VEHICLES DRIVERS LICENSE MEDICAL REVIEW PROGRAM, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1098](#), filed 5/15/14.

Amends GS 20-9, concerning persons not licensed to operate a motor vehicle, clarifying that the DMV Medical Review Board can, upon request, review cancellations and restrictions to driver's licenses (previously, could only review denials). Changes and reduces the medical review board from five members to three members. Provides that the DMV Commissioner must select the two medical professionals for the Board (previously, the Chairman of the Commission for Public Health selected four medical professionals to serve on the Board). Authorizes equitable compensation for the medical professionals.

Adds new language that clarifies that a request for a hearing before the Medical Review Board does not suspend any denial, cancellation, or restriction to a driver's license.

Provides that adverse decisions will be delivered by certified mail (previously, were delivered by registered mail).

Makes conforming and technical changes.

Effective October 1, 2014.

Intro. by Meredith, Rabon, Daniel.

GS 20

[View summary](#)**Government, State Agencies, Department of Transportation, Transportation**

S 826 (2013-2014) [MAP-21 UPDATE/RAIL SAFETY](#). Filed May 21 2014, *AN ACT TO UPDATE A FEDERAL STATUTORY REFERENCE IN STATE LAW CONCERNING STATE OVERSIGHT OF FIXED GUIDEWAY TRANSIT SYSTEM SAFETY, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1026](#), filed 5/14/14.

Amends GS 136-18(36) updating existing state law authorizing the DOT to oversee the safety of fixed guideway transit systems by correcting a federal statutory reference. Subsection now refers to the Map 21 (The Moving Ahead for Progress in the 21st Century Act), previously referred to the Intermodal Surface Transportation Efficiency Act of 1991.

Intro. by Meredith, Gunn, Ford.

[GS 136](#)

[View summary](#)

[Transportation](#)

S 827 (2013-2014) [DOT PARTNERSHIPS WITH PRIVATE DEVELOPERS](#). Filed May 21 2014, *AN ACT TO REENACT THE AUTHORIZATION FOR THE DEPARTMENT OF TRANSPORTATION TO PARTICIPATE IN PRIVATE DEVELOPER CONTRACTS FOR IMPROVEMENTS TO THE STATE HIGHWAY SYSTEM, SUBJECT TO A LIMIT OF THE LESSER OF TEN PERCENT OR TWO HUNDRED FIFTY THOUSAND DOLLARS, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1126](#), filed 5/19/14.

Amends SL 2009-235 as the title indicates, extending the authorization to December 31, 2016.

Intro. by Meredith, Ford, Daniel.

[UNCODIFIED](#)

[View summary](#)

[Government, State Agencies, Department of Transportation, Transportation](#)

S 828 (2013-2014) [SINGLE LICENSE PLATE RENEWAL STICKER](#). Filed May 21 2014, *AN ACT TO DIRECT THE DIVISION OF MOTOR VEHICLES TO ISSUE A SINGLE ANNUAL REGISTRATION RENEWAL STICKER FOR EACH VEHICLE REGISTRATION PLATE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1028](#), filed 5/14/14.

Amends GS 20-66(c) to direct the DMV to issue a single registration renewal sticker for each vehicle registration plate. Makes technical changes.

Effective January 1, 2015.

Intro. by Meredith, Rabon, Harrington.

[GS 20](#)

[View summary](#)

[Government, State Agencies, Department of Transportation, Transportation](#)

S829 (2013-2014) [TURNPIKE AUTHORITY ANNUAL AUDIT DATE CHANGE](#). Filed May 21 2014, *AN ACT TO CHANGE THE DUE DATE FOR THE NORTH CAROLINA TURNPIKE AUTHORITY ANNUAL AUDIT REPORT TO OCTOBER, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H1072](#).

As Title Indicates.

Intro. by Harrington.

[GS 136](#)

[View summary](#)

[Transportation](#)

S 830 (2013-2014) [DWI INTERLOCK VIOLATION/DMV HEARING SITE](#). Filed May 21 2014, *AN ACT TO PROVIDE THAT THE DIVISION OF MOTOR VEHICLES HEARING ON A LICENSE REVOCATION AS A RESULT OF A DRIVING WHILE IMPAIRED IGNITION INTERLOCK VIOLATION BE HELD IN THE LICENSEE'S COUNTY OF RESIDENCE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1027](#), filed 5/14/14.

Amends GS 20-17.8(j) to provide as the title indicates. Applies to hearings requested on or after October 1, 2014.

Intro. by Harrington, Daniel.

[GS 20](#)

[View summary](#)

[Courts/Judiciary, Motor Vehicle, Transportation](#)

S 831 (2013-2014) [EXCLUDE FEDERAL LANDS ACCESS FUNDS FROM STI](#). Filed May 21 2014, *AN ACT TO EXCLUDE FEDERAL LANDS ACCESS PROGRAM FUNDS FROM THE STRATEGIC TRANSPORTATION INVESTMENTS ACT FORMULA, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1123](#), filed on May 19, 2014.

As title indicates.

Intro. by Harrington, Meredith, Rabon.

[GS 136](#)

[View summary](#)

[Transportation](#)

S 832 (2013-2014) [DRIVERS LICENSE MATERIAL TECHNICAL STANDARD](#). Filed May 21 2014, *AN ACT TO AMEND THE STATE DRIVERS LICENSE MATERIAL TECHNICAL STANDARDS, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1122](#), filed 5/19/14.

Amends GS 20-7 to require that driver's licenses include a color photo of the license holder applied to material measured by the industry standard of security and durability and that is resistant to tampering and reproduction (was, a color photo, or a properly applied laser engraved picture on polycarbonate material).

Intro. by Harrington, Rabon, Meredith.

GS 20

[View summary](#)**Government, State Agencies, Department of Transportation, Transportation**

S 833 (2013-2014) **SBE STUDY OF EDUCATOR COMP.** Filed May 21 2014, *AN ACT TO DIRECT THE STATE BOARD OF EDUCATION TO STUDY A STATEWIDE PERFORMANCE COMPENSATION PLAN FOR EDUCATORS, AS RECOMMENDED BY THE NORTH CAROLINA EDUCATOR EFFECTIVENESS AND COMPENSATION TASK FORCE.*

Requires the State Board of Education (State Board) to study the development and implementation of a statewide compensation plan that incorporates information from the NC Educator Evaluator System, the recognition of educator performance in relation to compensation, and compensation for employment in hard-to-staff schools and subject areas. Provides that the goal of a statewide compensation system is to improve learning by providing every student with a highly effective teacher. Specifies five ways in which a proposed plan must increase student achievement. Requires the State Board to: (1) examine compensation models that incorporate the listed goals and (2) consider nine specified factors in implementing a statewide compensation model that incorporates information from the NC Educator Evaluation System, including using a point based scale correlating with evaluation standards and effectiveness ratings, professional support, and development of a proposed implementation timeline. Requires the State Board, based on the study results, to develop a proposal for a statewide compensation plan that incorporates educator performance information and data, taking feedback from educators and stakeholders into consideration. Requires a report by the State Board to the Joint Legislative Education Oversight Committee by November 15, 2014. Requires that the State Board submit the final proposal for the plan to the Senate Appropriations Committee on Education/Higher Education, House Appropriations Subcommittee on Education, and Fiscal Research Division by March 15, 2015. Prohibits the State Board from implementing any element of the plan without the General Assembly enacting legislation.

Intro. by Tillman.

STUDY

[View summary](#)**Education, Elementary and Secondary Education, Government, State Agencies, State Board of Education**

S 834 (2013-2014) **DMV CONVERSION OF PAPER TITLES.** Filed May 21 2014, *AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO CONVERT PAPER TITLES TO ELECTRONIC LIENS AND TO CHARGE A FEE FOR EACH CONVERSION, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical [H 1029](#), filed 5/14/14.

Enacts new GS 20-58.4A(l), providing that the Division of Motor Vehicles (DMV) can convert an existing paper title to an electronic lien when requested by the primary lienholder. Authorizes the DMV to collect fee not to exceed \$3 for each conversion.

Intro. by Ford, Daniel.

GS 20

[View summary](#)**Courts/Judiciary, Motor Vehicle, Government, State Agencies, Department of Transportation, Transportation**

S 835 (2013-2014) [SERVICE OF HEARING ORDER/MV DEALER LICENSEE](#). Filed May 21 2014, *AN ACT TO PROVIDE THAT NOTICE OF A SUSPENSION, REVOCATION, OR NONRENEWAL OF A LICENSE UNDER THE MOTOR VEHICLE DEALERS AND MANUFACTURERS LICENSING LAW SHALL BE GIVEN IN ACCORDANCE WITH RULE 4 OF THE RULES OF CIVIL PROCEDURE, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1097](#), filed 5/15/14.

As title indicates. Effective October 1, 2014.

Intro. by Ford, Daniel.

GS 20

[View summary](#)

[Courts/Judiciary, Motor Vehicle, Government, State Agencies, Department of Transportation](#)

S 836 (2013-2014) [DOT MINORITY/WOMEN BUSINESS PROGRAM](#). Filed May 21 2014, *AN ACT TO EXTEND BY ONE YEAR THE DEPARTMENT OF TRANSPORTATION DISADVANTAGED MINORITY-OWNED AND WOMEN-OWNED BUSINESS PROGRAM, AS RECOMMENDED BY THE JOINT LEGISLATIVE TRANSPORTATION OVERSIGHT COMMITTEE.*

Identical to [H 1124](#), filed 5/19/14.

Amends GS 136-28.4, as the title indicates, extending the program until August 31, 2015.

Intro. by Ford, Daniel.

GS 136

[View summary](#)

[Business and Commerce, Government, State Agencies, Department of Transportation](#)

S 837 (2013-2014) [CRIMINAL BACKGROUND CHECK FOR NOTARIES PUBLIC](#). Filed May 21 2014, *AN ACT TO REQUIRE CRIMINAL BACKGROUND CHECKS FOR COMMISSIONING OF NOTARIES PUBLIC.*

Amends GS 10B-5 to require notaries public to consent to a statewide criminal record check and allows an application for commission or recommission to be denied for failure to consent. Amends GS 10B-7 to update the application requirements to include a signed form granting consent for the record check. Amends GS 10B-13 to require notary applicants to pay, in addition to the application fee, any fees, not exceeding \$10, charged for the criminal record check.

Enacts new GS 114-19.35 to allow the Department of Justice (DOJ) to provide the Secretary of State with the results of a noncriminal justice background investigation of any notary applicant. Requires the Secretary of State to provide the DOJ with any required information and a form signed by the individual to be checked consenting to the record check and to the use of any necessary identifying information. Requires the Secretary of State to keep all information obtained confidential. Allows DOJ to charge a fee to offset cost incurred in conducting a record check.

Effective October 1, 2014, and applies to applications for commission or recommission made on or after that date.

Intro. by Bingham.

GS 10B, GS 114

[View summary](#)

LOCAL/HOUSE BILLS

H 1168 (2013-2014) **YANCEY RIGHT-OF-WAY SAFETY**. Filed May 21 2014, *AN ACT TO PROHIBIT THE DISCHARGE OF A FIREARM OR BOW AND ARROW FROM THE RIGHT-OF-WAY IN YANCEY COUNTY.*

Makes it unlawful to discharge or attempt to discharge a firearm or bow and arrow from, on, across or over the roadway or right-of-way of any state-maintained road. Violation of this provision is punishable as a Class 3 misdemeanor. Provides that this provision is enforceable by law enforcement officers of the Wildlife Resources Commission, sheriffs and deputy sheriffs, as well as other peace officers with subject matter jurisdiction

Applies only to Yancey County.

Effective October 1, 2014, applying to offenses committed on or after that date.

Intro. by Presnell.

Yancey

[View summary](#)

Transportation

ACTIONS ON BILLS**PUBLIC BILLS**

H 688: AMEND CONTINUING ED REQ'S/CERT. WELL K'ORS.

House: Conf Com Reported

House: Placed On Cal For 05/27/2014

H 725: YOUNG OFFENDERS REHABILITATION ACT.

House: Amend Adopted A1

House: Passed 3rd Reading

House: Ordered Engrossed

House: Ref to the Com on Environment, if favorable, Finance

House: Amend Adopted A2

House: Amend Adopted A3

H 1032: PATENT ABUSE BILL.

House: Reptd Fav Com Substitute

House: Re-ref Com On Judiciary Subcommittee B

H 1034: VOLUNTEER FIRE AND RESCUE FINANCES (PED).

House: Reptd Fav Com Substitute

House: Re-ref Com On State Personnel

H 1050: OMNIBUS TAX LAW CHANGES.

House: Amend Adopted A8

House: Amend Adopted A9

House: Amendment Withdrawn A10

House: Passed 3rd Reading

House: Ordered Engrossed

House: Ordered Engrossed

House: Amendment Withdrawn A2

H 1052: ADJUST THE UTILITY REGULATORY FEE.

House: Reptd Fav

House: Re-ref Com On Finance

H 1130: HONOR VETERANS.

House: Passed 1st Reading

House: Added to Calendar

House: Adopted

H 1132: STRATEGIES FOR IMPROVING MH-DD-SAS.

House: Passed 1st Reading

House: RefTo Com On Health and Human Services

H 1133: TECHNICAL AND OTHER CORRECTIONS.

House: Passed 1st Reading

House: RefTo Com On Rules, Calendar, and Operations of the House

H 1135: BUSINESS FACILITIES DEVELOPMENT.

House: Passed 1st Reading

House: Ref to the Com on Finance, if favorable, Appropriations

H 1136: AUTHORITY TO ADOPT CERTAIN ORDINANCES.

House: Passed 1st Reading

House: RefTo Com On Regulatory Reform

H 1137: REPORTING AND NOTICE OF WASTEWATER SPILLS.

House: Passed 1st Reading

House: RefTo Com On Environment

H 1138: ABC PERMITS/PUBS.

House: Passed 1st Reading

House: RefTo Com On Commerce and Job Development Subcommittee on Alcoholic Beverage Control

H 1139: STATE NAT. & HIST. PRESERVE DELETIONS.

House: Passed 1st Reading

House: RefTo Com On Environment

H 1140: AMEND HOTEL CARBON MONOXIDE ALARM REQUIREMENT.

House: RefTo Com On Regulatory Reform

House: Passed 1st Reading

H 1141: AMEND ISOLATED WETLAND REGULATION.

House: Passed 1st Reading

House: RefTo Com On Environment

H 1142: MODIFY FILM/HISTORIC REHAB TAX CREDITS.

House: Passed 1st Reading

House: RefTo Com On Finance

H 1143: BURDEN OF PROOF IN CERTAIN CONTESTED CASES.

House: Passed 1st Reading

House: RefTo Com On Regulatory Reform

H 1144: EXPAND 1%/\$80 RATE FOR MILL MACHINERY.

House: Passed 1st Reading

House: RefTo Com On Finance

H 1145: INSURANCE & REGISTRATION REQUIRED FOR MOPEDS.

House: Passed 1st Reading

House: Ref to the Com on Transportation, if favorable, Finance

H 1146: SET DATE FOR COMMUNITY COLLEGE ELECTION.

House: Withdrawn From Com

House: Re-ref Com On Education

House: Passed 1st Reading

House: RefTo Com On Rules, Calendar, and Operations of the House

H 1148: 911 BOARD/BACK-UP PSAP.

House: RefTo Com On Appropriations Subcommittee on Information Technology

House: Passed 1st Reading

H 1149: STATE CIO/MOBILE COMMUNICATIONS DEVICES.

House: Passed 1st Reading

House: RefTo Com On Government

H 1150: EDUCATION LONGITUDINAL DATA SYSTEM CHANGES.

House: Passed 1st Reading

House: RefTo Com On Education

H 1152: ELIMINATE OBSOLETE BOARDS AND COMMISSIONS.

House: Passed 1st Reading

House: RefTo Com On Regulatory Reform

H 1153: OAH ELECTRONIC FILING.

House: Passed 1st Reading

House: RefTo Com On Regulatory Reform

H 1157: ELECTRONIC DRIVERS LICENSE AMENDMENT.

House: Passed 1st Reading

House: RefTo Com On Transportation

H 1160: CISNC FUNDS.

House: Passed 1st Reading

House: RefTo Com On Appropriations

H 1169: UPDATE/MODERNIZE MIDWIFERY PRACTICE ACT.

House: Filed

H 1170: DIS APPROVE FUNERAL BOARD RULE.

House: Filed

H 1171: MODIFY 2013 APPROPRIATIONS ACT.

House: Filed

H 1172: HYPERTENSION AWARENESS DAY.

House: Filed

House: Passed 1st Reading

House: Added to Calendar

House: Adopted

H 1173: LICENSING BOARDS RULES FOR PROF. CORPS.

House: Filed

H 1174: DEFER CUTOFF TO QUALIFY FOR MASTER'S SUPP.

House: Filed

H 1175: ANNIVERSARY OF FIRST STATE HOUSE SESSION.

House: Filed

H 1176: INCREASE LEGISLATOR PAY.

House: Filed

H 1177: PROPERTY TAX FOR TEACHER COMPENSATION.

House: Filed

H 1178: FUNDS/PROCEDURE FOR CHARTER SCHOOL CLOSURE.

House: Filed

H 1179: STATUS REPORTS FILED BY GUARDIANS.

House: Filed

H 1180: HONOR FALLEN SOLDIERS.

House: Filed

H 1181: PARTNERSHIP FOR A HEALTHY NORTH CAROLINA 2014-AB

House: Filed

H 1182: UNC NONAPPROPRIATED CAPITAL PROJECTS.

House: Filed

H 1183: IN-STATE TUITION/CERTAIN VETERANS & FAMILY.

House: Filed

H 1184: REPEAL E-VERIFY EXEMPTION FOR TEMPS/FUNDS.

House: Filed

H 1185: MODIFY 2013 APPROPRIATIONS ACT.

House: Filed

H 1186: SBE STUDY OF EDUCATOR COMP.*House: Filed***H 1187: MOTOR VEHICLE CIVIL PENALTY/DISTRICT COURT.***House: Filed***H 1188: NCSU PLANT SCIENCES RESEARCH INITIATIVE.***House: Filed***H 1189: FARM GPS COORDINATES/PHOTOS/PUBLIC RECORDS.***House: Filed***H 1190: DPS STUDY COMMERCIAL VEHICLE SAFETY ALLIANCE.***House: Filed***H 1191: AUTHORITY TO ADOPT LOCAL ORDINANCES.***House: Filed***H 1192: RETURN TO FIVE-YEAR VESTING.***House: Filed***H 1193: RETIREMENT TECHNICAL CORRECTIONS ACT OF 2014.***House: Filed***H 1194: RETIREMENT ADMIN. CHANGES ACT OF 2014.***House: Filed***H 1195: FISCAL INTEGRITY/PENSION-SPIKING PREVENTION.***House: Filed***S 261: SALES TAX ON PRIVATE RES. RENTED BY BROKER (NEW).***House: Reptd Fav Com Substitute**House: Cal Pursuant Rule 36(b)**House: Placed On Cal For 05/22/2014***S 294: ALLOW USE OF DOT STORMWATER BMPs (NEW).***House: Cal Pursuant Rule 36(b)**House: Placed On Cal For 05/27/2014**House: Reptd Fav***S 734: REGULATORY REFORM ACT OF 2014 (NEW).***Senate: Reptd Fav Com Substitute**Senate: Com Substitute Adopted***S 786: ENERGY MODERNIZATION ACT.***Senate: Passed 2nd Reading**Senate: Amend Failed A1**Senate: Amend Failed A2**Senate: Amend Failed A3**Senate: Amend Failed A4**Senate: Amend Adopted A5*

S 796: MILITARY APPRECIATION DAY.*Ratified**Ch. Res 2014-2***S 807: HONOR LEO MERCER, FORMER MEMBER.***Senate: Passed 1st Reading**Senate: Ref To Com On Rules and Operations of the Senate***S 808: OYSTER INDUSTRY RESTORATION ACT.***Senate: Passed 1st Reading**Senate: Ref To Com On Agriculture/Environment/Natural Resources***S 809: HONOR VETERANS.***Senate: Adopted***S 811: NORTH CAROLINA ANGUS WEEKEND.***Senate: Held As Filed***S 812: REPLACE COMMON CORE TO MEET NC'S NEEDS.***Senate: Passed 1st Reading**Senate: Ref to Education/Higher Education. If fav, re-ref to Appropriations/Base Budget***S 813: IMPROVE OVERSIGHT OF PUBLIC GUARDIANSHIP.***Senate: Passed 1st Reading**Senate: Ref to Health Care. If fav, re-ref to Judiciary II***S 814: PREQUALIFICATION UPDATE.***Senate: Passed 1st Reading**Senate: Ref To Com On Judiciary I***S 815: ENSURING PRIVACY OF STUDENT RECORDS.***Senate: Passed 1st Reading**Senate: Ref To Com On Judiciary I***S 816: EXTEND LOW-INCOME HOUSING TAX CREDIT.***Senate: Passed 1st Reading**Senate: Ref To Com On Rules and Operations of the Senate***S 817: 4-YEAR TERMS FOR GA/LIMIT CONSECUTIVE TERMS.***Senate: Passed 1st Reading**Senate: Ref To Com On Rules and Operations of the Senate***S 818: ESTABLISH EDUCATION ENDOWMENT FUND.***Senate: Passed 1st Reading**Senate: Ref to Education/Higher Education. If fav, re-ref to Appropriations/Base Budget***S 819: UPDATE/MODERNIZE MIDWIFERY PRACTICE ACT.***Senate: Filed***S 820: STUDY OVERSIGHT/CONFLICTS OF INT./FOSTER CARE.***Senate: Filed*

S 821: VERIFICATION/JURISDICTION IN JUVENILE CASES.*Senate: Filed***S 822: DMV INSPECTION STATION CASE CONTINUANCES.***Senate: Filed***S 823: ALT. CRITERIA UNDER STI FOR EMERGENCY REPAIR.***Senate: Filed***S 824: AGRITOURISM SIGN LOCATION/DOT STANDARDS.***Senate: Filed***S 825: DMV DL MEDICAL REVIEW PROGRAM CHANGES.***Senate: Filed***S 826: MAP-21 UPDATE/RAIL SAFETY.***Senate: Filed***S 827: DOT PARTNERSHIPS WITH PRIVATE DEVELOPERS.***Senate: Filed***S 828: SINGLE LICENSE PLATE RENEWAL STICKER.***Senate: Filed***S 829: TURNPIKE AUTHORITY ANNUAL AUDIT DATE CHANGE.***Senate: Filed***S 830: DWI INTERLOCK VIOLATION/DMV HEARING SITE.***Senate: Filed***S 831: EXCLUDE FEDERAL LANDS ACCESS FUNDS FROM STI.***Senate: Filed***S 832: DRIVERS LICENSE MATERIAL TECHNICAL STANDARD.***Senate: Filed***S 833: SBE STUDY OF EDUCATOR COMP.***Senate: Filed***S 834: DMV CONVERSION OF PAPER TITLES.***Senate: Filed***S 835: SERVICE OF HEARING ORDER/MV DEALER LICENSEE.***Senate: Filed***S 836: DOT MINORITY/WOMEN BUSINESS PROGRAM.***Senate: Filed***S 837: CRIMINAL BACKGROUND CHECK FOR NOTARIES PUBLIC.***Senate: Filed***LOCAL BILLS**

H 1131: CLAY COUNTY OPOSSUM EXCLUSION/WILDLIFE LAWS.

House: Passed 1st Reading

House: Ref To Com On Rules, Calendar, and Operations of the House

H 1134: CLEVELAND COUNTY/ROAD ASSESSMENT CRITERIA.

House: Passed 1st Reading

House: Ref To Com On Government

H 1147: ZEBULON CHARTER AMENDMENTS.

House: Passed 1st Reading

House: Ref to the Com on Government, if favorable, Finance

H 1151: FAYETTEVILLE RED LIGHT CHANGES.

House: Passed 1st Reading

House: Ref to the Com on Government, if favorable, Finance

H 1154: MOORE CO. SCHOOLS TRANSFER OF PROPERTY.

House: Passed 1st Reading

House: Ref to the Com on Government, if favorable, Finance

H 1155: PINEHURST ANNEXATION.

House: Passed 1st Reading

House: Ref to the Com on Government, if favorable, Finance

H 1156: SPIRITUOUS LIQUOR TASTINGS/CITY OF ASHEVILLE.

House: Passed 1st Reading

House: Ref To Com On Commerce and Job Development Subcommittee on Alcoholic Beverage Control

H 1158: MORGANTON CHARTER AMENDMENT.

House: Passed 1st Reading

House: Ref To Com On Elections

H 1159: CITY OF GREENVILLE/PRIVATE SALE.

House: Passed 1st Reading

House: Ref To Com On Government

H 1168: YANCEY RIGHT-OF-WAY SAFETY.

House: Filed

S 810: FAYETTEVILLE RED LIGHT CHANGES.

Senate: Passed 1st Reading

Senate: Ref To Com On State and Local Government

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