



The Daily Bulletin: Thursday, May 22, 2014

PUBLIC/HOUSE BILLS

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*.

Amends GS 58-86-2 to update the definition of *inactive member* to be a member who has not made timely payments under GS 58-86-35 or GS 58-86-40 for two consecutive years (was, not made timely monthly payments under GS 58-86-35 or GS 58-86-40).

Amends GS 135-5(r) to clarify that the provisions concerning the stated monthly benefit paid before the application of any optional benefit applies to persons who began receiving benefits before January 1, 1970.

Amends GS 135-5(m2) to make technical changes.

Amends GS 128-27(m) to add that a member who became a member of the Supplemental Retirement Income Plan before retirement and who remains a member may make a one-time election to transfer eligible balances from five specified plans to the Supplemental Retirement Income Plan. Makes conforming changes. Adds that an eligible plan must not assess a fee specifically relating to a transfer of accumulated contributions. Requires each plan, contract, account, or annuity to fully disclose to any member participating in a transfer, contemporaneously with the initiation of the transfer, any surrender charges or other fees.

Amends GS 135-1 and GS 128-21 to add a definition of *consumer price index*. Amends GS 135-3(8)c., GS 128-24(5)c., GS 135-5(e)(1), GS 128-27(e)(1), and GS 135-60(d) to update references to the increase in amount that may be earned before benefits are suspended, and the amount disability retirement is to be reduced by in specific circumstances, to provide that the changes are to be increased by the percentage change between the December Consumer Price Index in the year before retirement and the December Consumer Price Index in the year most recently ended. Effective January 1, 2015.

Amends GS 135-48.1 to define *firefighter* as a member of the group "eligible firemen" as defined in GS 58-86-2 (was, GS 58-86-25). Amends GS 128-27(c) to update statutory references to refer to GS 58-86-2 and to make technical changes.

Amends GS 135-53(16) by amending the definition of *retirement* for the Judicial Retirement System to provide that in order for a member's retirement to become effective in any month, the member must perform no work in a position covered by the Article (was, no work, including part time, temporary, substitute, or contractor work) at any time during the same month immediately following the effective first day of retirement.

Amends GS 120-4.2 to allow the General Assembly to opt to make annual transfers instead of quarterly transfers of funds to the Department of State Treasurer.

Amends GS 135-103(b)(2) to make technical changes.

Amends GS 143-166.60(e) to make technical changes and to make the language gender neutral.

Effective July 1, 2014, unless otherwise indicated.

Intro. by Collins, S. Ross.

[GS 58](#), [GS 120](#), [GS 128](#), [GS 135](#), [GS 143](#)

[View summary](#)**Courts/Judiciary, Court System, Employment and Retirement, Government, State Government, State Property**

H 1194 (2013-2014) **RETIREMENT ADMIN. CHANGES ACT OF 2014**. Filed May 21 2014, *AN ACT TO MAKE CHANGES TO ADMINISTRATION OF THE STATE RETIREMENT SYSTEMS*.

Amends GS 135-5 (Teacher and State Employees' Retirement System) and GS 128-27 (Retirement System for Counties, Cities, and Towns), to provide that until the first payment on account of any benefit becomes due, any member may convert his benefit otherwise payable on his account after retirement into a retirement allowance of equivalent actuarial value of such amount that with his benefit under Title II he will receive, approximately the same amount per year before and after the earliest age at which he becomes eligible, effective as of the first of the month following the month of initial entitlement, upon application, to receive a Social Security benefit. Effective January 1, 2015.

Amends GS 135-8 (Teacher and State Employees' Retirement System) and GS 128-30 (Retirement System for Counties, Cities, and Towns), to add allowing waiver of one penalty for failing to pay contributions by the deadline per employer every five years if it is found that the employer has consistently demonstrated good faith efforts to comply with the set deadline. Effective October 1, 2014.

Amends GS 135-5 (Teacher and State Employees' Retirement System), GS 135-64 (Judicial Retirement System), GS 120-4.27 (Legislative Retirement System), and GS 128-27 (Retirement System for Counties, Cities, and Towns), to add that upon receipt of proof of the death of a retired member on or after January 1, 2015, a death benefit must be paid to the person designated by the member, or if no designation was made, to the surviving spouse, or if there is no surviving spouse, to the member's legal representative. In order for the payment to be made, requires that the member have elected to make in advance of his death required contributions as determined by the Board of Trustees on a fully contributory basis to a group death benefit trust fund. Requires the death benefit be a lump sum payment of \$10,000 upon the completion of 24 months of contributions. If death occurs before the 24 months of contributions are completed, the pay out is the sum of the retired member's contributions plus interest. Makes conforming changes in several statutes to make the existing provisions applicable to the death of members on or after July 1, 2007, but before January 1, 2015. These changes are effective January 1, 2015.

Amends GS 135-6 (Teacher and State Employees' Retirement System) to add the requirement that the Board of Trustees publish annually a report on contracts and usage by retired members regarding any supplemental insurance products offered through the Retirement System. Amends GS 128-28 (Retirement System for Counties, Cities, and Towns) to add the requirement that the Board of Trustees publish annually a report on contracts and usage by retired members regarding any supplemental insurance products offered through the Retirement System. Effective October 1, 2014.

Amends GS 135-9 (Teacher and State Employees' Retirement System) and GS 128-31 (Retirement System for Counties, Cities, and Towns) to add that for domestic relations orders entered on or after January 1, 2015, payment to a member's former spouse pursuant to the order is limited to the lifetime of that former spouse and, upon the death of that former spouse, the former spouse's share reverts to the member. Adds that any overpayment of benefits to a member, including benefits paid to, or State Health Plan premiums paid on behalf of, any member or beneficiary who is later determined to have been ineligible for those benefits, may be offset against any retirement allowance, return of contributions or any other right accruing under this Chapter to the same person, the person's estate, or designated beneficiary. Effective October 1, 2014.

Amends GS 135-6 (Teacher and State Employees' Retirement System) and GS 128-27 (Retirement System for Counties, Cities, and Towns) to create immunity from civil liability for monetary damages for the individuals serving on the Board of Trustees, except to the extent covered by insurance, for any act or failure to act arising out of their

service. Sets out five exceptions. Effective October 1, 2014.

Amends GS 135-151 (Teacher and State Employees' Retirement System) and GS 128-38.10 (Retirement System for Counties, Cities, and Towns), to provide that no member of the retirement system retiring on or after January 1, 2017 (was, January 1, 2015), is eligible to participate in the Qualified Excess Benefit Arrangement, and the system must not pay any new retiree more retirement benefits than allowed under the limitations of section 415(b) of the Internal Revenue Code. Effective October 1, 2014.

Amends GS 128-27(a)(1) to add rescue squad workers to those required to have attained age 55 and have at least five years of creditable service at the time specified for retirement. Effective July 1, 2014.

Intro. by Collins, S. Ross.

GS 120, GS 128, GS 135

[View summary](#)

Courts/Judiciary, Court System, Employment and Retirement, Government, Public Safety, State Government, State Personnel, Local Government

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.*

Enacts new GS 135-5(a3) and GS 128-27(a3), instituting an anti-pension-spiking contribution-based benefit-cap. This provision requires the Boards of Trustees of state and local systems to establish a contribution-based benefit cap. The cap will be established for employees hired on or after January 1, 2015, with average final compensation of more than \$100,000.

The cap will be established every five years based on findings from the actuarial experience study and would cap no more than 0.75 percent of members. The minimum average final compensation necessary for a retirement allowance to be subject to the cap will be increased on January 1 of each year. Any increase will be based on the difference between the December Consumer Price Index in the year prior to retirement and the December Consumer Price Index for the year most recently ended. Exempts those who were members before January 1, 2015, or those that have not earned five years of membership service in the system after January 1, 2015, from the cap.

Enacts new subsections GS 135-4(jj) and 128-26(y), providing for a benefit cap purchase provision, where after a member has been notified that their retirement allowance has been capped the system must notify the member and employer of the total additional amount that would need to be contributed in order to make the member not subject to the benefit cap. Sets out formula for determining that additional amount. Member has 90 days from notification of the additional amount or 90 days after the effective date of retirement, whichever is later, to submit a lump-sum payment. Provides that employers are not preempted from contributing or paying this amount.

Enacts new subsections GS 135-8(f)(2) and 128-30(g)(2), requiring employers to make the lump-sum payment necessary to restore the member's retirement allowance to the pre-cap amount and pay for the impact of pension spiking for members who retire on or after January 1, 2015. Payment is not required by the employer for a retiree who became a member on or after January 1, 2015, and earned at least five years of membership service after that date.

Amends GS 135-5(f), 120-4.25, and 135-62(a), allowing state and local government employees who leave

employment before achieving five years of service to receive their retirement contributions with accumulated interest at the current approved rate (currently, employees only receive interest on their contributions after five years of service with employees who were involuntarily terminated to receive interest before five years).

All of the above effective January 1, 2015.

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 five-year vesting period for members hired on or after August 1, 2011.

Intro. by Collins, S. Ross.

GS 120, GS 128, GS 135, GS 143

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

H 1196 (2013-2014) **CHARTER SCHOOL/LEAVE STATE RETIRE. SYSTEM.** Filed May 22 2014, *AN ACT TO AUTHORIZE SUCCESS INSTITUTE, AN EXISTING CHARTER SCHOOL, TO ELECT TO REVOKE ITS DECISION TO PARTICIPATE IN THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM.*

Authorizes the Board of Directors of Success Institute, a charter school in Iredell County, to end its participation in the Teachers' and State Employees' Retirement System for all of its employees. Requires the Board to notify the Retirement Systems Division of its decision and to give its employees at least a seven-day notice before any vote by Board regarding such revocation.

Intro. by Turner.

UNCODIFIED

[View summary](#)

Education, Elementary and Secondary Education, Employment and Retirement

H 1199 (2013-2014) **RESTORE CAREER STATUS.** Filed May 22 2014, *AN ACT TO RESTORE CAREER STATUS FOR EFFECTIVE TEACHERS.*

Repeals Section 9.6 (concerning teacher contracts) and Section 9.7 (conforming changes related to teacher contracts) of SL 2013-360.

Reenacts GS 115C-325 (system of employment for public school teachers), as it existed on July 31, 2013. Amends GS 115C-325 as follows. Amends the definitions of *career employee* and *career teacher* to mean one who has achieved (was, obtained) career status. Adds and defines the terms *teacher performance evaluation standards*, *teacher performance ratings*, and *teacher status*. Provides that when a teacher has been employed by a NC public school system for four consecutive years, the determination of career status is as follows: (1) if a probational teacher

is evaluated using the State Board of Education (State Board) teacher evaluation process and has received a teacher status of highly effective by the end of the fourth year of evaluations, the teacher achieves career status (also provides that these teachers who also maintain a rating of highly effective in subsequent evaluation years are not required to serve another probationary period in any NC public school system); (2) if a probationary teacher is evaluated using the State Board teacher evaluation process and has received a teacher status of in need of improvement by the end of the fourth year of evaluations, the teacher does not achieve career status and must not teach beyond the school term; and (3) if neither of the above apply, or if a teacher is not evaluated using the State Board teacher evaluation process, the board must vote upon whether to grant the teacher career status. Previously, the board, near the end of the fourth year, voted on whether to grant career status in all circumstances.

Adds provisions for the revocation of career status. Provides that if, for two consecutive years, a teacher with career status who is evaluated using the State Board teacher evaluation process receives a rating of in need of improvement, the teacher loses career status and may serve as a probationary teacher beginning with the next school year. Allows a local board of education to dismiss or demote a teacher. Provides that if the teacher remains employed by the local board as a probationary teacher for two years, at the end of that time (1) the teacher achieves career status if the teacher receives a rating of highly effective, (2) the teacher is eligible for a vote on whether to grant career status if the teacher has received a rating of effective, and (3) the teacher does not achieve career status and is an at-will employee if the teacher has received a rating of in need of improvement.

Adds that the Board, upon recommendation by the superintendent, may refuse to renew the contract of a probationary teacher or reemploy a teacher not under contract for any cause, except the cause may not be because the teacher, in good faith, reported a violation of law or local board policy by the local board of education or by an employee of the board, to an appropriate authority.

Makes conforming changes.

Amends GS 115C-45 to add that a licensed employee of a local board of education has the right to petition the local board of education to grant a hearing regarding the results of the licensed employee's annual evaluation or implementation of a mandatory improvement plan. Changes the term "noncertified employee" to "nonlicensed employee."

Amends GS 115C-287.1 to provide that all persons employed as school administrators are employed under the statute (was, the statute applied to those employed beginning July 1, 1995). Changes the term "assistant principal's certificate" to "assistant principal's license."

Amends GS 115C-105.38A to change the term "certified staff member" to "licensed staff member."

Amends GS 115C-276 to make the language gender neutral.

Reenacts GS 115C-304 (requiring teacher tenure to be determined in accordance with GS 115C-325).

Amends GS 143B-146.7 to require the State Board (was, Secretary) to proceed under GS 115C-325(p 1) for the dismissal of licensed (was, certified) instructional personnel when the State Board identifies a school as low-performing.

Amends GS 143B-146.8 to remove the requirement that the Secretary use the State Board's performance standards and criteria in evaluating specified licensed personnel and principals unless the Secretary develops an alternative evaluation. Refers to personnel and employees as "licensed" instead of "certificated." Transfers the Secretary's duties to adopt specified rules and policies to the State Board.

Provides that individuals who have not obtained career status before the 2013-14 school year are eligible for career status according to GS 115C-325, as reenacted and amended.

Requires any local board of education that has offered a four-year contract of employment to a teacher as of the effective date of the act to provide for the performance of contract, including that the teacher will receive an annual

\$500 pay raise for each year of the contract, unless the teacher has not accepted the offer by June 30, 2014, or the parties agree that the contract is void. Any teacher who obtained career status as of the 2013-14 school year, regardless of whether they are employed on a four-year contract, will retain career status.

Provides that GS 115C-325, as reenacted and amended, applies to any teacher employed on a contract beginning July 1, 2014. If any provision of the statute is in conflict with the terms of a teacher's employment contract, the provisions of the individual's employment contract control for the term of the contract, except for renewal terms. At the end of the contract, the teacher must be employed solely in accordance with GS 115C-325. Renewal decision of teachers employed on a contract beginning July 1, 2014, are also governed by the statute.

Intro. by Glazier, Goodman, Carney, Terry.

[GS 115C, GS 143B](#)

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[Education, Elementary and Secondary Education](#)

H 1200 (2013-2014) [ESTABLISH URBAN SEARCH & RESCUE PROGRAM](#). Filed May 22 2014, *AN ACT TO ESTABLISH THE URBAN SEARCH AND RESCUE PROGRAM AND TO ESTABLISH THE URBAN SEARCH AND RESCUE TEAM ADVISORY COMMITTEE*.

Amends GS 166A-19.12 to expand the powers of the Division of Emergency Management as delegated by the Governor and the Secretary of Public Safety to include the maintenance of an effective statewide urban search and rescue program. Effective when the act becomes law.

Enacts a new Article 6, Urban Search and Rescue, to GS Chapter 166A, effective July 1, 2014. Defines the following terms as they apply in this Article: (1) *urban search and rescue team*; (2) *specialty rescue team*; (3) *incident support team*; and (4) *contract response team*. Identifies "Secretary" as referring to the Secretary of the Department of Public Safety.

Directs the Secretary to adopt rules establishing a program for urban search and rescue that relies on contracts with contract response teams and directs the Division of Emergency Management (DEM) to administer this program. Requires to the extent possible that the program be coordinated with other emergency planning activities of the state. Requires the program to include contract response teams that are available to provide 24-hour dispatch from the Division of Emergency Management Operations Center. Lists rules that the program must include. Directs that the DEM spend the necessary funds for training, equipment, and other necessary items within available appropriations to support the operations of contract response teams. Additionally provides that the DEM may administer any grants of other funds made available for contract response teams, under rules and regulations approved by the Director of the State Budget.

Directs the Secretary to consult with the Urban Search and Rescue Team Advisory Committee established under new GS 166A-69, in developing the Urban Search and Rescue Program and adopting the rules required by this section.

Provides that the Secretary may contract with any unit or units of local government for the provision of a contract response team to implement the Urban Search and Rescue Program. Requires that contracts are to be let consistent with bidding and contract standards and procedures adopted under GS 166A-66(a)(7) and GS 166A-66(a)(8). Provides additional specifics to which the Secretary may agree upon entering into contracts with units of local government. Prohibits the Secretary from agreeing to provide reimbursement for standby time. Requires that any contract entered into between the Secretary and a unit of local government to provide a contract response team must specify that the members of the contract response team, when performing under the contract, are not employees of the state and are not entitled to benefits under the Teachers' and State Employees' Retirement System or for the payment by the state of federal Social Security, employment insurance, or workers' compensation. Additionally provides criteria as to when it's permissible for a contract response team to use a state vehicle for local purposes.

Enacts new GS 166A-68 regarding the immunity of contract response personnel under GS 166A-19.60(a).

Enacts new GS 166A-69 to create the Urban Search and Rescue Team Advisory Committee (Committee). Directs the Secretary to appoint the members of the Committee with one representative from each division or association as designated in this act, and to designate the Director or Deputy Director of the North Carolina Division of Emergency Management as the Chair. Provides additional criteria regarding calling meetings; directs the Department of Public Safety to provide space for the Committee to meet and to provide the Committee with necessary support staff and supplies to carry out its duties in an effective manner. Provides that Committee members are to serve without pay but are to receive a travel allowance, lodging, subsistence, and per diem. Provides that the Contract Response Team Advisory Committee is to advise the Secretary on the establishment of the Urban Search and Rescue Program.

Unless otherwise indicated, the above provisions are effective July 1, 2014.

Appropriates \$100,000 in recurring funds for the 2014-15 fiscal year from the General Fund to the Department of Public Safety for the Urban Search and Rescue Program created in this act. Effective when this act becomes law.

Intro. by S. Ross, Ramsey, Insko.

[APPROP, GS 166A](#)

[View summary](#)

[Government, Budget/Appropriations, Public Safety, State Agencies, Department of Public Safety](#)

H 1201 (2013-2014) [EXEMPT ADMISSION TO AGRICULTURAL FAIRS](#). Filed May 22 2014, *AN ACT TO EXEMPT ADMISSION CHARGES TO COUNTY AGRICULTURAL FAIRS FROM THE SALES TAX IMPOSED ON AN ADMISSION CHARGE TO AN ENTERTAINMENT ACTIVITY*.

Establishes that if House Bill 1050 from the 2013 Regular Session becomes law, then GS 105-164.4G(f), as enacted by the same bill, will be amended to exempt specified commercial agricultural fairs from the tax imposed on admission charges for entertainment activities.

Effective January 1, 2015, and applies to gross receipts derived on or after that date.

Intro. by Holloway, Pierce, Dixon, Dobson.

[GS 105](#)

[View summary](#)

[Government, Tax](#)

H 1202 (2013-2014) [TAX DEDUCTION FOR MEDICAL EXPENSES](#). Filed May 22 2014, *AN ACT TO ALLOW AN INDIVIDUAL INCOME TAX DEDUCTION FOR MEDICAL EXPENSES*.

Amends GS 105-153.5(a), concerning modifications to adjusted gross income, deleting language defining itemized deduction amount, providing for a new term, charitable contribution deduction amount, which is defined as the deductible amount allowed under section 170 of the Internal Revenue Code for that taxable year.

Enacts new GS 105-153.5(a)(3), elective deduction amount, allowing deductions for specified medical expenses for anyone 65 years old and older. Also provides further guidance for a mortgage expense and property tax deduction, setting out regulations for the deduction based on filing status. Limits the deductions to \$20,000 for both categories.

Provides that the allowed amounts for charitable contribution deduction and the elective deduction amount are not subject to the overall limitation on itemized deductions found in Section 68 of the Internal Revenue Code.

Makes technical and conforming changes.

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

Intro. by Catlin, Malone, Murry, Ramsey.

GS 105

[View summary](#)

Government, Tax, Health and Human Services, Health

PUBLIC/SENATE BILLS

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.*

Senate amendments make the following changes to the 3rd edition:

Amendment #1

Amends Section 3.12(c) of the act, providing that notwithstanding subparagraph (3) of 15A NCAC 07H .0304 (AECs Within Ocean Hazard Areas), the Commission will not establish any new and must repeal existing specified inlet hazard areas (previously, act did not require the repeal of inlet hazard areas).

Inserts Section heading "Expedited IBT Process for Certain Reservoirs" for Section 3.14.

Adds new Section 3.19 to the act, Reform On-Site Wastewater Regulation, amending GS 130A-334 to include a new defined term, *ground absorption system*. Makes clarifying changes to the definitions for plat and wastewater system.

Amends GS 130A-335(f1), rules for the construction of a wastewater system, providing that following the required preconstruction conference, the local health department must advise the owner or developer of any rule changes for the wastewater system construction, including current technology that can be reasonably expected to improve performance of the system. Requires the health department to issue revised authorization for wastewater system construction with rule changes included after receiving a written request from the owner or developer.

Amends GS 130A-336, concerning improvement permits and authorization for wastewater system construction, deleting the limitation that authorization for wastewater system construction cannot exceed five years.

Makes technical changes.

Amendment #3 makes the following changes:

Changes the report date regarding the Senator Jean Preston Marine Shellfish Sanctuary, now requiring DENR to report to the Environmental Review Commission no later than December 1, 2014 (was, October 1, 2014), regarding the implementation of this sanctuary.

Amendment #7 makes the following changes:

Changes the report date for DENR to submit its findings and recommendations concerning the statutes and rules governing interbasin transfers to the Environmental Review Commission to November 1, 2014 (was, October 1, 2014).

Amendment #9 makes the following changes:

Changes the report date concerning the HIVE working group, requiring the HIVE group to submit a final report to the Environmental Review Commission by December 1, 2014 (was, November 30, 2014), on its findings and recommendations regarding the honeybee population.

Intro. by Wade, B. Jackson, Brock.

[View summary](#)

Alcoholic Beverage Control, Business and Commerce, Courts/Judiciary, Motor Vehicle, Criminal Justice, 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 amendments make the following changes to the 2nd edition.

Amendment #6 expands subsection (b) of new GS 113-391A to direct the State Geologist, or the Geologist's designee, to review confidential information that concerns *hydraulic fracturing fluid*, as defined in GS 113-389, to ensure compliance with all state and federal laws, rules, and regulations concerning prohibited chemicals or constituents, or exceedances of standards for chemicals or constituents. Provides that the Geologist or the Geologist's designee must (1) issue a written certification within five days of completing the review that the hydraulic fracturing fluids comply with all state and federal laws, rules, and regulations; (2) transmit the certification to the Mining and Energy Commission and the Director of the Division of Energy, Mining, and Land Resources; and (3) electronically transmit a copy of the certification to the permittee. Prohibits beginning horizontal drilling and hydraulic fracturing treatments until this written certification has been issued and transmitted as required by this section.

Amendment #7 adds a new subdivision (2) to subsection (a3) of GS 113-421. Directs an oil or gas developer or operator to provide a bond running to the state that is sufficient to cover any potential environmental damage caused by the drilling process in an amount no less than \$1 million. Authorizes the Mining and Energy Commission to increase the amount of the bond required under this subdivision if the Commission determines that the drilling operation would be located in an environmentally sensitive area.

Amendment #8 amends new GS 113-391A.(d) to make the penalty for the unlawful disclosure of confidential

information under this section a Class 1 misdemeanor (was, a Class I felony).

Intro. by Rucho, Newton, Brock.

[GS 87, GS 105, GS 113, GS 143B](#)

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S 838 (2013-2014) [UP MINIMUM WAGE](#). Filed May 22 2014, *A JOINT RESOLUTION AUTHORIZING THE 2013 GENERAL ASSEMBLY TO CONSIDER AN ACT AMENDING THE WAGE AND HOUR ACT TO RAISE THE STATE MINIMUM WAGE AND PROVIDE FOR AUTOMATIC ADJUSTMENT TO REFLECT INCREASES IN THE COST OF LIVING.*

Identical to [H 1068](#), filed on May 14, 2014.

As title indicates.

Intro. by Parmon, D. Davis, Bryant.

[JOINT RES](#)

[View summary](#)

[Employment and Retirement](#)

S 842 (2013-2014) [GOVERNOR'S BUDGET](#). Filed May 22 2014, *AN ACT TO MAKE BASE BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.*

Due to the fact that Governor McCrory's proposed budget was released in advance of the filing of S 842, we will not be including a summary of the bill version of his budget. For the content of the bill, please follow the link to the bill on the General Assembly's site above. Further information on the Governor's proposed budget can also be found on the Office of State Budget and Management's website at <http://osbm.nc.gov/thebudget>.

Intro. by Brown, Harrington, Hunt.

[APPROP](#)

[View summary](#)

[Government, Budget/Appropriations](#)

S 843 (2013-2014) [NORTH CAROLINA MASTER GARDENER SPECIAL PLATE](#). Filed May 22 2014, *AN ACT TO REAUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE "NORTH CAROLINA MASTER GARDENER" SPECIAL REGISTRATION PLATES.*

As title indicates.

Intro. by Bingham.

[GS 20](#)

[View summary](#)

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

LOCAL/HOUSE BILLS

H 1197 (2013-2014) [WINSTON-SALEM/PARKING METERS](#). Filed May 22 2014, *AN ACT PROVIDING THAT PARKING METERS IN THE CITY OF WINSTON-SALEM MAY BE ACTIVATED BY COINS, TOKENS, CASH, OR ANY OTHER COMMERCIALY AVAILABLE MEANS OF PREPAYMENT CREDIT OR DEBIT.*

Applies only to the City of Winston-Salem.

Amends GS 160A-301, providing that parking meters can be activated by coins, tokens, cash, or any other commercially available means of providing prepayment credit or debit (previously, could only be activated by coins or tokens).

Intro. by Conrad, Lambeth, Terry, Hanes.

[Forsyth](#)

[View summary](#)

Transportation

H 1198 (2013-2014) [W-S/MEETINGS BY SIMULTANEOUS COMMUNICATION](#). Filed May 22 2014, *AN ACT TO CLARIFY HOW PUBLIC BODIES IN WINSTON-SALEM MAY CONDUCT BUSINESS DURING MEETINGS INVOLVING SIMULTANEOUS COMMUNICATION.*

Only applies to the City of Winston-Salem.

Amends GS 143-318.10, concerning open meetings laws, providing that "simultaneous" communication means any communication by conference telephone or other electronic means. Makes technical and conforming changes.

Enacts GS 143-318.13, setting out new provisions and regulations for conducting public meetings via electronic means. Authorizes public bodies to conduct official meetings with simultaneous communication, directing public bodies to adopt rules of procedure for such meetings, including verification of identity of the member or members of the public, process of orderly deliberation, process of voting, procedure for recording votes, and the means by which members of the public can listen or watch.

Sets out 10 requirements for electronic meetings that must be met in order to deem the meeting valid and official, including quorum requirements and other requirements addressing such issues as proper notice of the public meeting and procedure for accepting and communication votes. Deletes provision allowing a fee of up to \$25 for each listener of electronic meetings.

Makes technical and conforming changes.

Effective October 1, 2014, and ratifies any vote taken by a public body that included a member voting by simultaneous communication by conference telephone or other electronic means before that date.

Intro. by Conrad, Lambeth, Terry, Hanes.

[Forsyth](#)

[View summary](#)

LOCAL/SENATE BILLS

S 839 (2013-2014) [WINSTON-SALEM/PARKING METERS](#). Filed May 22 2014, *AN ACT PROVIDING THAT PARKING METERS IN THE CITY OF WINSTON-SALEM MAY BE ACTIVATED BY COINS, TOKENS, CASH, OR ANY OTHER COMMERCIALY AVAILABLE MEANS OF PREPAYMENT CREDIT OR DEBIT.*

Identical to [H 1197](#), filed on May 22, 2014.

Applies only to the City of Winston-Salem.

Amends GS 160A-301, providing that parking meters can be activated by coins, tokens, cash, or any other commercially available means of providing prepayment credit or debit (previously, could only be activated by coins or tokens).

Intro. by Parmon, Krawiec.

[Forsyth](#)

[View summary](#)

Transportation

S 840 (2013-2014) [W-S/MEETINGS BY SIMULTANEOUS COMMUNICATION](#). Filed May 22 2014, *AN ACT TO CLARIFY HOW PUBLIC BODIES IN WINSTON-SALEM MAY CONDUCT BUSINESS DURING MEETINGS INVOLVING SIMULTANEOUS COMMUNICATION*.

Identical to [H 1198](#), filed on May 22, 2014.

Only applies to the City of Winston-Salem.

Amends GS 143-318.10, concerning open meetings laws, providing that "simultaneous" communication means any communication by conference telephone or other electronic means. Makes technical and conforming changes.

Enacts GS 143-318.13, setting out new provisions and regulations for conducting public meetings via electronic means. Authorizes public bodies to conduct official meetings with simultaneous communication, directing public bodies to adopt rules of procedure for such meetings, including verification of identity of the member or members of the public, process of orderly deliberation, process of voting, procedure for recording votes, and the means by which members of the public can listen or watch.

Sets out 10 requirements for electronic meetings that must be met in order to deem the meeting valid and official, including quorum requirements and other requirements addressing such issues as proper notice of the public meeting and procedure for accepting and communication votes. Deletes provision allowing a fee of up to \$25 for each listener of electronic meetings.

Makes technical and conforming changes.

Effective October 1, 2014, and ratifies any vote taken by a public body that included a member voting by simultaneous communication by conference telephone or other electronic means before that date.

Intro. by Parmon, Krawiec.

[Forsyth](#)

[View summary](#)

S 841 (2013-2014) [CITY OF GREENVILLE/PRIVATE SALE](#). Filed May 22 2014, *AN ACT AUTHORIZING THE CITY OF GREENVILLE TO CONVEY BY PRIVATE NEGOTIATION AND SALE CERTAIN REAL PROPERTY OWNED BY THE CITY THAT DOES NOT MEET THE MINIMUM LOT SIZE REQUIREMENTS PRESCRIBED BY THE CITY'S ZONING ORDINANCE*.

Identical to [H 1159](#), filed on May 21, 2014.

As the title indicates. Limits the sale of the property so it may be sold only to an adjacent property owner. Requires that any sale or conveyance under this act must be approved by the City Council, by resolution, on 10 days' public notice. Prescribes how notice is to be given. Defines a single-family residential zoning district for the purposes of this

act.

Intro. by D. Davis, Pate.

[Pitt](#)

[View summary](#)

ACTIONS ON BILLS

PUBLIC BILLS

H 1050: OMNIBUS TAX LAW CHANGES.

Senate: Ref To Com On Finance

Senate: Passed 1st Reading

H 1161: LEGALIZE MEDICAL MARIJUANA/CONST AMENDMENT.

House: Passed 1st Reading

House: Ref To Com On Judiciary

H 1162: FLEXIBILITY FOR NCNG CAPITAL PROJECTS.

House: Passed 1st Reading

House: Ref To Com On Appropriations

H 1163: STREAMLINE RULE-MAKING PROCESS.

House: Passed 1st Reading

House: Ref To Com On Regulatory Reform

H 1164: SBOE RULEMAKING CLARIFICATION.

House: Ref to the Com on Education, if favorable, Regulatory Reform

House: Passed 1st Reading

H 1165: AMEND OLB REPORTING REQUIREMENTS.

House: Passed 1st Reading

House: Ref To Com On Regulatory Reform

H 1166: CLARIFY GRAVEL UNDER S TORMWATER LAWS.

House: Passed 1st Reading

House: Ref To Com On Environment

H 1167: MODIFY 2013 APPROPRIATIONS ACT.

House: Passed 1st Reading

House: Ref To Com On Appropriations

H 1169: UPDATE/MODERNIZE MIDWIFERY PRACTICE ACT.

House: Passed 1st Reading

House: Ref to the Com on Health and Human Services, if favorable, Judiciary

H 1170: DISAPPROVE FUNERAL BOARD RULE.

House: Passed 1st Reading

House: Ref To Com On Regulatory Reform

H 1171: MODIFY 2013 APPROPRIATIONS ACT.

House: Passed 1st Reading

House: Ref To Com On Appropriations

H 1173: LICENSING BOARDS RULES FOR PROF. CORPS.

House: Passed 1st Reading

House: Ref To Com On Regulatory Reform

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

House: Passed 1st Reading

House: Ref To Com On Appropriations

H 1175: ANNIVERSARY OF FIRST STATE HOUSE SESSION.

House: Passed 1st Reading

House: Cal Pursuant 32(a)

House: Added to Calendar

House: Adopted

H 1176: INCREASE LEGISLATOR PAY.

House: Passed 1st Reading

House: Ref to the Com on House Select Committee on Ways and Means, if favorable, Rules, Calendar, and Operations of the House

H 1177: PROPERTY TAX FOR TEACHER COMPENSATION.

House: Passed 1st Reading

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

H 1178: FUNDS/PROCEDURE FOR CHARTER SCHOOL CLOSURE.

House: Passed 1st Reading

House: Ref To Com On Education

H 1179: STATUS REPORTS FILED BY GUARDIANS.

House: Passed 1st Reading

House: Ref to the Com on Health and Human Services, if favorable, Judiciary Subcommittee C

H 1180: HONOR FALLEN SOLDIERS.

House: Passed 1st Reading

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

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

House: Passed 1st Reading

House: Ref to the Com on Health and Human Services, if favorable, Appropriations

H 1182: UNC NONAPPROPRIATED CAPITAL PROJECTS.

House: Passed 1st Reading

House: Ref To Com On Appropriations

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

House: Passed 1st Reading

House: Ref to the Com on Homeland Security, Military, and Veterans Affairs, if favorable, Appropriations

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

House: Passed 1st Reading

House: Ref To Com On Judiciary

H 1185: MODIFY 2013 APPROPRIATIONS ACT.

House: Passed 1st Reading

House: Ref To Com On Appropriations

H 1186: SBE STUDY OF EDUCATOR COMP.

House: Passed 1st Reading

House: Ref To Com On Education

H 1187: MOTOR VEHICLE CIVIL PENALTY/DISTRICT COURT.

House: Passed 1st Reading

House: Ref To Com On Judiciary Subcommittee A

H 1188: NCSU PLANT SCIENCES RESEARCH INITIATIVE.

House: Passed 1st Reading

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

H 1189: FARM GPS COORDINATES/PHOTOS/PUBLIC RECORDS.

House: Passed 1st Reading

House: Ref to the Com on Agriculture, if favorable, Judiciary Subcommittee A

H 1190: DPS STUDY COMMERCIAL VEHICLE SAFETY ALLIANCE.

House: Passed 1st Reading

House: Ref To Com On Transportation

H 1191: AUTHORITY TO ADOPT LOCAL ORDINANCES.

House: Passed 1st Reading

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

H 1192: RETURN TO FIVE-YEAR VESTING.

House: Passed 1st Reading

House: Ref to the Com on State Personnel, if favorable, Appropriations

H 1193: RETIREMENT TECHNICAL CORRECTIONS ACT OF 2014.

House: Passed 1st Reading

House: Ref to the Com on State Personnel, if favorable, Appropriations

H 1194: RETIREMENT ADMIN. CHANGES ACT OF 2014.

House: Passed 1st Reading

House: Ref to the Com on State Personnel, if favorable, Appropriations

H 1195: FISCAL INTEGRITY/PENSION-SPIKING PREVENTION.

House: Ref to the Com on State Personnel, if favorable, Appropriations

House: Passed 1st Reading

H 1196: CHARTER SCHOOL/LEAVE STATE RETIRE. SYSTEM.

House: Filed

H 1199: RESTORE CAREER STATUS.

House: Filed

H 1200: ESTABLISH URBAN SEARCH & RESCUE PROGRAM.

House: Filed

H 1201: EXEMPT ADMISSION TO AGRICULTURAL FAIRS.

House: Filed

H 1202: TAX DEDUCTION FOR MEDICAL EXPENSES.

House: Filed

S 734: REGULATORY REFORM ACT OF 2014 (NEW).

Senate: Amend Failed A2

Senate: Amend Failed A4

Senate: Amend Failed A5

Senate: Amend Adopted A7

Senate: Amend Failed A6

Senate: Amend Adopted A9

Senate: Amend Failed A8

Senate: Passed 2nd Reading

Senate: Placed On Cal For 05/28/2014

Senate: Amend Adopted A1

Senate: Amend Adopted A3

S 786: ENERGY MODERNIZATION ACT.

Senate: Amend Adopted A6

Senate: Amend Adopted A7

Senate: Amend Adopted A8

Senate: Passed 3rd Reading

Engrossed

S 819: UPDATE/MODERNIZE MIDWIFERY PRACTICE ACT.

Senate: Passed 1st Reading

Senate: Ref To Com On Health Care

S 820: STUDY OVERSIGHT/CONFLICTS OF INT./FOSTER CARE.

Senate: Passed 1st Reading

Senate: Ref To Com On Health Care

S 821: VERIFICATION/JURISDICTION IN JUVENILE CASES.

Senate: Passed 1st Reading

Senate: Ref To Com On Judiciary II

S 822: DMV INSPECTION STATION CASE CONTINUANCES.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 823: ALT. CRITERIA UNDER STI FOR EMERGENCY REPAIR.

Senate: Passed 1st Reading

Senate: Ref to Transportation. If fav, re-ref to Appropriations/Base Budget

S 824: AGRITOURISM SIGN LOCATION/DOT STANDARDS.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 825: DMV DL MEDICAL REVIEW PROGRAM CHANGES.

Senate: Ref To Com On Transportation

Senate: Passed 1st Reading

S 826: MAP-21 UPDATE/RAIL SAFETY.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 827: DOT PARTNERSHIPS WITH PRIVATE DEVELOPERS.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 828: SINGLE LICENSE PLATE RENEWAL STICKER.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 829: TURNPIKE AUTHORITY ANNUAL AUDIT DATE CHANGE.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 830: DWI INTERLOCK VIOLATION/DMV HEARING SITE.

Senate: Passed 1st Reading

Senate: Ref to Transportation. If fav, re-ref to Judiciary II

S 831: EXCLUDE FEDERAL LANDS ACCESS FUNDS FROM STL.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 832: DRIVERS LICENSE MATERIAL TECHNICAL STANDARD.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 833: SBE STUDY OF EDUCATOR COMP.

Senate: Ref To Com On Education/Higher Education

Senate: Passed 1st Reading

S 834: DMV CONVERSION OF PAPER TITLES.

Senate: Passed 1st Reading

Senate: Ref to Transportation. If fav, re-ref to Judiciary II

S 835: SERVICE OF HEARING ORDER/MV DEALER LICENSEE.

Senate: Passed 1st Reading

Senate: Ref to Transportation. If fav, re-ref to Judiciary II

S 836: DOT MINORITY/WOMEN BUSINESS PROGRAM.

Senate: Passed 1st Reading

Senate: Ref To Com On Transportation

S 837: CRIMINAL BACKGROUND CHECK FOR NOTARIES PUBLIC.

Senate: Passed 1st Reading

Senate: Ref To Com On Judiciary II

S 838: UP MINIMUM WAGE.

Senate: Filed

S 842: GOVERNOR'S BUDGET.

Senate: Filed

S 843: NORTH CAROLINA MASTER GARDENER SPECIAL PLATE.

Senate: Filed

LOCAL BILLS

H 1168: YANCEY RIGHT-OF-WAY SAFETY.

House: Passed 1st Reading

House: Ref To Com On Government

H 1197: WINSTON-SALEM/PARKING METERS.

House: Filed

H 1198: W-S/MEETINGS BY SIMULTANEOUS COMMUNICATION.

House: Filed

S 839: WINSTON-SALEM/PARKING METERS.

Senate: Filed

S 840: W-S/MEETINGS BY SIMULTANEOUS COMMUNICATION.

Senate: Filed

S 841: CITY OF GREENVILLE/PRIVATE SALE.

Senate: Filed

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