



The Daily Bulletin: Wednesday, June 25, 2014

PUBLIC/HOUSE BILLS

H 189 (2013-2014) [AMEND INFO./CHILD SUPP. ORDERS](#) Filed Feb 28 2013, *A BILL TO BE ENTITLED AN ACT TO AMEND THE LAWS REGARDING INFORMATION PROVIDED TO NONCUSTODIAL PARENTS SUBJECT TO WAGE WITHHOLDING ORDERS UNDER THE LAWS PERTAINING TO CHILD SUPPORT, TO MAKE TECHNICAL CORRECTIONS TO THE UNIFORM DEPLOYED PARENTS CUSTODY AND VISITATION ACT, TO MODERNIZE THE BUSINESS COURT BY MAKING TECHNICAL, CLARIFYING, AND ADMINISTRATIVE CHANGES TO THE PROCEDURES FOR COMPLEX BUSINESS CASES, TO STREAMLINE THE PROCESS OF CORPORATE REORGANIZATION UTILIZING HOLDING COMPANIES, TO ALLOW FOR SHAREHOLDER ASSENT TO EXCLUSIVE FORUM, AND TO CREATE A THREE-JUDGE PANEL TO RULE ON CLAIMS THAT AN ACT OF THE GENERAL ASSEMBLY IS FACIALLY INVALID BASED UPON THE NORTH CAROLINA OR UNITED STATES CONSTITUTIONS.*

Senate amendment #2 to the 3rd edition, with the exception of technical changes, is identical to the provisions of amendment #1.

Intro. by Glazier, Stevens, L. Hall.

[GS 1, GS 1A, GS 7A, GS 50A, GS 55, GS 105, GS 110](#)

[View summary](#)

[Courts/Judiciary, Civil, Civil Law, Civil Procedure, Family Law](#)

H 267 (2013-2014) [Unclaimed Property Program Improvements](#). Filed Mar 7 2013, *A BILL TO BE ENTITLED AN ACT TO AMEND THE STATUTES GOVERNING THE ESCHEAT FUND TO PROTECT THE PRIVACY OF INFORMATION COLLECTED FOR THE PROCESS OF PAYING CLAIMS; TO ELIMINATE THE FEE PAID BY HOLDERS FOR FILING AN EXTENSION REQUEST; TO REDUCE THE AMOUNT OF PAPERWORK REQUIRED BY HOLDERS; AND TO IMPROVE THE EFFICIENCY AND EFFECTIVENESS OF PROCESSING HOLDER REPORTS.*

The Senate committee substitute to the 3rd edition deletes the provisions of the previous edition and replaces it with the following

Amends GS 58-10-340 to add special purpose captive insurance company to the definition of *captive insurance company* and adds and defines the term *special purpose captive insurance company*.

Amends GS 58-10-345 to allow a special purpose captive insurance company to provide insurance or reinsurance for risks, as approved by the Commissioner of Insurance (Commissioner). Amends the requirements for licensure to issue insurance policies as a captive insurance company to remove the ability to provide an irrevocable letter of credit instead of the amount required to be paid into the applicant business.

Amends GS 58-10-345, GS 58-10-360, GS 58-10-365, GS 58-10-370, and GS 58-10-395 to make technical changes, replace letters with certificates, and change references to applicant business entity with company.

Amends GS 58-10-370 to require a special purpose captive insurance company to possess and maintain unimpaired paid-in capital and surplus in the amount of no less than \$250,000 in order to be licensed. Also allows capital and surplus to be in the form of securities, or other form, approved by the Commission, in addition to cash or a clean irrevocable letter of credit.

Amends GS 58-10-400 to no longer require authorization to act as an insurance manager or intermediaries to be on a form prescribed by the Commissioner.

Amends GS 58-10-405 to allow a special purpose captive insurance company to apply to the Commissioner for filing the required report on an alternative date. Deletes the provision requiring, when an alternative reporting date is allowed, filing before March 15 specified verified pages of the Captive Annual Statement; Pure or Industrial Insured.

Amends GS 58-10-415 to require risk-retention groups to comply with Parts 6 and 7 of Article 10 of GS Chapter 58 instead of this statute. Allows extension of the due dates for filings required by the statute (annual audit and actuarial certification) to be granted by the Commissioner for 30-day periods upon a showing by the captive insurance company and its independent certified public accountant of the reason for the extension and determination by the Commissioner of good cause. Requires the extension request to be received no less than 10 days before the due date. Deletes the current provisions concerning what must be included in the annual audit and adds new language requiring the annual audit to consist of (1) financial statements, notes to financial statements, and related required auditor communications and (2) certified public accountant's affirmation, all as detailed in the statute.

Amends GS 58-10-420 to require a captive insurance company receiving a notice from its independent certified public accountant that the accountant has determined that the company has materially misstated its financial condition in its report to the Commissioner to forward a copy of the notification to the Commissioner within five business days after receipt of the notification and provide the accountant with proof of having done so. If the independent certified public accountant does not receive that proof within the five-day period, the accountant must within the next five business days submit a copy of the notification to the Commissioner. Requires risk-retention groups to comply with Part 7 of Article 10 of GS Chapter 58 instead of this statute.

Deletes current GS 58-10-425(a) and instead allows the Commissioner to require a captive insurance company to maintain a deposit with the Commissioner in a form and amount as the Commissioner may specify.

Amends GS 58-10-430 to add that risk-retention groups are not subject to the statute and are to be examined in accordance with the Examination Law.

Amends GS 58-10-440 to prohibit a special purpose captive insurance company from being subject to any restrictions on allowable investments, but allows the Commissioner to prohibit or limit any investment threatening the solvency or liquidity of the company.

Makes clarifying changes to GS 58-10-445.

Amends GS 58-10-465 to allow the Commission to exempt special purpose captive insurance companies, on a case-by-case basis, from the provisions of GS Chapter 58 and related rules that the Commission determines are inappropriate based on the nature of the risks to be insured.

Amends GS 58-10-510(o) to make a clarifying change.

Amends GS 58-10-520 to delete the requirement that protected cell captive insurance companies comply with the investment requirements contained in specified statutes, provided that the compliance will be waived to the extent that credit for reinsurance ceded to reinsurers was allowed or to the extent otherwise deemed reasonable and appropriate by the Commissioner. Also deletes the provision allowing the Commissioner to approve the use of alternative reliable methods of valuation and rating.

Amends GS 58-10-565(c) to make a clarifying change.

Amends GS 58-10-625 to remove the requirement that a special purpose financial captive (SPFC) report using statutory accounting principles, unless the Commissioner decides that the SPFC can comply with generally accepted accounting principles instead.

Amends GS 58-3-165 to provide that *captive insurer* does not include a risk-retention group licensed under Part 9 of Article 10 of GS Chapter 58. Amends the term *insurer* to provide that it includes a risk-retention group licensed under

Part 9 of Article 10 of GS Chapter 58 (was, does not mean a risk-retention group under Article 22 of GS Chapter 58).

Amends GS 58-12-2 to provide that the term *domestic insurer* includes any risk-retention group organized in the state under part 9 of Article 10 of GS Chapter 58.

Amends GS 58-22-15 to allow the Commissioner to limit the net amount of risk retained by a risk-retention group for any individual risk.

Effective July 1, 2014.

Changes the act's titles.

Intro. by Collins, Torbett, Floyd, Wray.

GS 58

[View summary](#)

Business and Commerce, Insurance, Government, State Agencies, Department of Insurance

H 677 (2013-2014) [CONSOLIDATION OF CERTAIN FIRE DISTRICTS \(NEW\)](#). Filed Apr 9 2013, *AN ACT TO PERMIT COUNTIES TO CONSOLIDATE RURAL FIRE PROTECTION DISTRICTS ESTABLISHED UNDER ARTICLE 3A OF CHAPTER 69 OF THE GENERAL STATUTES AND FIRE PROTECTION SERVICE DISTRICTS ESTABLISHED UNDER ARTICLE 16 OF CHAPTER 153A OF THE GENERAL STATUTES AND TO AMEND THE STATUTES GOVERNING THE NORTH CAROLINA MEDICAL BOARD.*

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

Deletes all of the provisions of the previous edition in their entirety.

Changes the short and long titles.

Enacts new GS 153A-303 providing that a board of county commissioners can, by ordinance, extend boundaries of any service district that provides fire protection to include any territory located in the same county and that has been located in a fire protection district and been in place for at least 30 years. Provides that prior to adopting the ordinance, a public hearing must be held with at least 10 days' public notice in a newspaper of general circulation. Sets out provisions for establishing effective dates of the ordinance.

Amends GS 69-25.11, concerning changes in the area of a fire protection district, making conforming changes.

Amends GS 90-2(b), providing that no member of the North Carolina Medical Board (Board) can serve more than two complete three-year terms (was, no more than two complete, consecutive three-year terms).

Amends GS 90-3 to provide that a person cannot serve on the Board if that person has served more than 72 months on the Board. Makes technical changes. Provides additional language which allows the Board to issue confidential and nonpublic licensing and investigative information in its possession to the Review Panel. Also provides that applications, records, files, reports, and so forth received by the Review Panel from the Board are not considered public records and are privileged and confidential and not subject to discovery or other means of legal compulsion for release. Further provides that the Review Panel is required to publish the names and practice information of applicants on its website within 10 days of the application deadline. Provides further provisions concerning the status of the Review Panel as a public body.

Amends GS 90-5.2 to make clarifying changes regarding the requirement that Medical Board licensees report their email addresses to the Board and deletes a requirement that they also issue a fax number. Makes conforming changes.

Amends GS 90-13.1 to increase the application fee to practice medicine and surgery in NC to \$400 (was, \$350).

Effective October 1, 2014.

Amends GS 90-13.2 to change registration fees to register with the Board, requiring a \$250 registration fee for most registrants (was, \$175) and providing that those with a retired limited volunteer license do not have to pay a registration fee (was, \$25). No other registration fees in this subsection were changed. Deletes a provision which allowed for an inactive status of a medical license if the physician does not actively engage in the practice of medicine. Effective October 1, 2014.

Amends GS 90-14(n), concerning disciplinary proceedings, providing that the Board can serve orders to submit to an assessment or examination and orders following a hearing. Adds that all of the specified orders may be served to the licensee and the licensee's counsel. Makes technical and organizational changes.

Enacts new GS 90-14.2, which provides the process and procedure for discovery once charges have been issued.

Repeals GS 90-16(d), concerning disclosure requirements for the Board during disciplinary proceedings.

Amends GS 90-14.13(a1) to eliminate a requirement that hospitals must report specified suspensions for delinquent medical records.

Amends GS 90-21.22 to update the enabling provisions for the Health Program for Medical Professionals (Program). Deletes several provisions concerning peer review activities for impaired physicians or physician assistants. Provides for agreements to be made for the purpose of identifying, reviewing, and evaluating the abilities of licensees to function in their profession. Amends the parties that may enter into those agreements. Requires the agreements to include guidelines and procedures for the assessment, referral, monitoring, support, and so forth of licensees and the assurance of confidentiality. Adds language that requires the Program to provide a participant/licensee with a summary of the Program's assessment and basis for any recommendations it proposes upon written request. Provides that any information provided by the Program to the participant is inadmissible evidence not subject to discovery in a civil proceeding.

Intro. by W. Brawley, Moffitt, Stone.

[GS 69, GS 90, GS 153A](#)

[View summary](#)

[Business and Commerce, Occupational Licensing, Government, Local Government, Health and Human Services, Health, Health Care Facilities and Providers](#)

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.*

The Senate committee substitute to the 4th edition makes the following changes.

Makes the changes to GS 58-86-55 effective October 1, 2014.

Amends GS 58-87-5 by allowing grants from the Volunteer Rescue/EMS Fund to be used for purposes related to services (was, related to emergency services) the unit is authorized to provide.

Intro. by Howard, Moffitt, Lucas.

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

[Employment and Retirement, Government,](#)

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

H 1051 (2013-2014) **AUTHORIZE DHHS/COOPERATIVE EXTENSION CONTRACT**. Filed May 14 2014, *A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO ENTER A CONTRACT TO IMPLEMENT SNAP-ED WITH NORTH CAROLINA COOPERATIVE EXTENSION AND TO REQUIRE REPORTING TO THE HOUSE OF REPRESENTATIVES AGRICULTURE COMMITTEE.*

The House amendment to the 1st edition makes the following changes.

Requires an entity entering a sole source contract with the Department of Health and Human Services (DHHS) to file a report by October 1, 2015 (was, July 1, 2015).

Adds that DHHS must use its best efforts to enter a contract in accordance with the act on or before October 1, 2014, but in no event is compliance with the act to be delayed later than October 1, 2015.

Intro. by Whitmire, Starnes, Holley, Fulghum.

UNCODIFIED

[View summary](#)

Agriculture, Government, State Agencies, Department of Health and Human Services, Health and Human Services, Social Services, Public Assistance

H 1057 (2013-2014) **DENR STUDY OF IBT/EMC ECO FLOW STUDY**. Filed May 14 2014, *A BILL TO BE ENTITLED AN ACT TO DIRECT THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO STUDY THE STATUTES AND RULES GOVERNING INTERBASIN TRANSFERS AND TO DIRECT THE ENVIRONMENTAL MANAGEMENT COMMISSION TO STUDY THE STATE'S POLICY FOR ESTABLISHING THE QUANTITY OF SURFACE WATER TO BE PROTECTED FOR ECOLOGICAL INTEGRITY AND TO REPORT TO THE ENVIRONMENTAL REVIEW COMMISSION ON THE STATUS OF HYDROLOGIC MODELS PROPOSED FOR USE IN ESTABLISHING THE WATER QUANTITY TO BE RESERVED FOR ECOLOGICAL FLOW.*

House amendment #2 amends the 2nd edition, as amended, as follows.

Deletes the provision requiring the Environmental Management Commission (EMC) to defer action on any basinwide hydrologic models while the study required by the act is underway and until the General Assembly has adjourned the session following submission of the EMC's report to the Environmental Review Commission (ERC).

Provides instead that while the study required by the act is underway and until the General Assembly has adjourned the session following the submission of the EMC's report to the ERC, the EMC shall only consider or approve basinwide hydrologic models under GS 143-355(o)(6) that do not include ecological flow based on the November 2013 report, "Recommendations for Estimating Flows to Maintain Ecological Integrity in Streams and Rivers in North Carolina," as a component of the model. Also prohibits the Department of Environment and Natural Resources and the EMC from making ecological flow determinations based on that same report.

Intro. by Hager.

STUDY, GS 143

[View summary](#)

Environment, Environment/Natural Resources, Government, State Agencies, Department of Environment and Natural Resources

H 1099 (2013-2014) **UNMANNED AIRCRAFT REGULATION**. Filed May 15 2014, *A BILL TO BE ENTITLED AN ACT TO REGULATE THE USE OF UNMANNED AIRCRAFT SYSTEMS, AS RECOMMENDED BY THE LEGISLATIVE RESEARCH COMMISSION'S COMMITTEE ON UNMANNED AIRCRAFT SYSTEMS.*

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

Amends the definitions in proposed GS 15A-300.1 adding and defining model aircraft. Amends the definition of unmanned aircraft to provide that it is operated without human intervention within or on the aircraft and that it does not meet the definition of a model aircraft. Amends general prohibitions for using an unmanned aircraft system, providing that surveillance of a person or dwelling without that person's consent is generally prohibited (previously, prohibited without written consent) and prohibits surveillance of private real property without consent (was, specified types of agricultural property).

Amends law enforcement exceptions to the prohibition on surveillance, providing that the use of unmanned aircraft is prohibited when the Secretary of the NC Department of Public Safety has determined credible intelligence of a high risk of a terrorist attack exists (previously, only provided for the previous exception when the US Secretary of Homeland Security determines such a risk). Also provides an exception for the use of the unmanned aircraft by law enforcement to conduct surveillance in an area that is within a law enforcement officer's plain view from an area when the officer has a legal right to be. Deletes an exception for when surveillance is conducted that would not require a warrant if done by manned aircraft.

Adds new provisions allowing commercial and private unmanned aircraft systems to be equipped with infrared or other thermal imaging technology only when used for the sole purpose of scientific investigation and research, mapping or investigating farming operations, forest management and vegetation or wildlife. Provides for a civil cause of action against the person or entity that uses unmanned aircraft to publish or disseminate photographs taken in violation of this section. Provides for an election of damages in the amount of \$5,000 for each photograph or video improperly taken and published/disseminated, plus reasonable costs and attorney's fees, as well as the possibility of other relief or damages as determined by the court.

Enacts new GS 15A-300.2, Regulation of launch and recovery sites, providing that no unmanned aircraft systems can be launched or recovered from any State or private property without consent. Further provides that local governments can adopt an ordinance regulating the use of local government property for launch or recovery of unmanned aircraft.

Amends the punishment levels in proposed GS 14-401.24 for unlawful possession/use of an unmanned aircraft providing that it is a Class E felony (was, Class I) to possess or use an unmanned aircraft that has a weapon attached and it is a Class 1 misdemeanor (was, Class 3) for any person to fish or hunt with an unmanned aircraft.

Enacts new GS 14-401.25 providing that it is a Class A1 misdemeanor to publish or disseminate recorded images by a person/non-law enforcement entity by using infrared or other thermal imaging technology attached to a unmanned aircraft that reveals individuals and materials inside of a structure without the consent of the property owner.

Amends GS 113-295 to provide that it is a Class 1 misdemeanor to use an unmanned aircraft to unlawfully harass people taking wildlife resources.

Amends GS 63-96, concerning licenses for operation of the unmanned aircraft, providing an age restriction of 18 years to qualify for a license (was, 21 years in the previous edition). Also provides that a person who operates an unmanned aircraft for commercial purposes not sanctioned by the section is guilty of a Class 1 misdemeanor (was Class 3 misdemeanor).

Amends the dates for the Division of Aviation of the Department of Transportation to develop and implement a knowledge and skills test for the operation of an unmanned aircraft, requiring it to be implemented no later than May 31, 2015 (was, February 1, 2015). Requires the Division to also report to the Joint Legislative Oversight Committee

on the status of the implementation by June 15, 2015 (was, March 1, 2015).

Amends the effective dates for the act, providing that Section 1 of this act becomes effective October 1, 2014, applying to acts occurring on or after that date. Sections 2, 3, 4, 5, and 6 of the act are effective December 1, 2014, applying to offenses committed on or after that date. Section 8 of the act will become effective when the Division of Aviation has implemented the knowledge and skills test required by G.S. 63-95 or by May 31, 2015, whichever occurs first. The remainder of the act is effective when it becomes law.

Intro. by Torbett.

GS 14, GS 15A, GS 63

[View summary](#)

Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, State Agencies, Department of Transportation, State Government, Local Government

H 1100 (2013-2014) [BOOST STATE NATURE/HERITAGE TOURISM INDUSTRY](#). Filed May 15 2014, *A BILL TO BE ENTITLED AN ACT TO CREATE THE NATURE AND HERITAGE TOURISM ADVISORY BOARD AND TO DIRECT THE DEPARTMENT OF COMMERCE TO HIRE A CONSULTANT TO MAKE RECOMMENDATIONS REGARDING THE OPERATION OF STATE HISTORIC AND CULTURAL SITES.*

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

Deletes the requirement that the Department of Commerce work in conjunction with other specified state agencies to develop a guidebook on the state's nature and heritage tourism sites. Renumbers the bill sections accordingly. Makes conforming changes to the title to reflect the deletion.

Intro. by Presnell, McNeill, Dollar.

GS 143B

[View summary](#)

Environment, Government, Cultural Resources and Museums, State Agencies, Department of Commerce

H 1145 (2013-2014) [Insurance & Registration Required for Mopeds](#). Filed May 20 2014, *A BILL TO BE ENTITLED AN ACT TO REQUIRE MOPEDS TO BE REGISTERED WITH THE DIVISION OF MOTOR VEHICLES AND FOR OPERATORS OF MOPEDS TO HAVE IN FULL FORCE AND EFFECT A POLICY OF FINANCIAL RESPONSIBILITY AND TO AUTHORIZE THE TOWN OF ELIZABETHTOWN AND THE TOWN OF MATTHEWS TO ENROLL ITS EMPLOYEES, RETIREES, AND DEPENDENTS IN THE TEACHERS' AND STATE EMPLOYEES' COMPREHENSIVE MAJOR MEDICAL PLAN.*

Senate committee substitute makes the following changes to the 4th edition:

Deletes all of the provisions in the previous edition.

Changes the short and long titles.

Amends GS 20-10.1, regarding mopeds, providing that mopeds are now required to be registered with the Division of Motor Vehicles (DMV). Fees and registration card and plate requirements are to mirror those for motorcycles. Additionally, to be registered and operated on a highway or other public road, the moped must have a manufacturer's certificate of origin and be designed and manufactured for use on highways and other public roads.

Requires mopeds that are to be operated on highways or other public roads to have full force and effect financial

responsibility as required in the financial responsibility laws of GS Chapter 20, specifically Article 9A and Article 13. Provides that mopeds are to be treated in the same way as any other motor vehicle for purposes of financial responsibility compliance in Articles 9A and 13.

Repeals GS 20-51(9), which previously exempted mopeds from registration requirements.

Enacts new GS 20-76(c), which provides the process for when a person desires to register a moped but cannot produce a manufacturer's certificate of origin, allowing the applicant to submit an affidavit stating the reason for not being able to produce a certificate and that the applicant is entitled to registration. Exempts moped applicants from bond-posting requirements found in GS 20-76(b). Provides that the DMV is exempt from liability for any person damaged by the issuance of a registration card.

Amends GS 58-36-3, concerning the NC Rate Bureau, providing that the Bureau has no jurisdiction over liability insurance or theft or physical damage insurance on mopeds. Allows member companies writing moped liability insurance or theft or physical insurance to incorporate either or both types of insurance as an endorsement to liability and physical damage policies. Makes conforming changes.

Amends GS 58-37-1(6) and GS 58-40-10(1), adding language to the definitions of *motor vehicle* and *private passenger motor vehicle*, excluding mopeds from being included in either of these definitions or categorizing them as such.

Amends GS 58-40-15, concerning the regulations of insurance rates and the scope of application, making technical changes and clarifying that the provisions of GS Chapter 58, Article 40, do apply to motor vehicle liability insurance, automobile medical payments insurance, uninsured motorists' coverage, and theft or physical damage insurance on mopeds.

All of the above is effective December 1, 2014.

Requires the Joint Legislative Transportation Oversight Committee to study whether additional statutory changes are needed for the safe operating of mopeds. Specifies data to be included in the report. Requires a report to the 2015 General Assembly when it convenes.

Amends SL 2004-124 to provide that the towns of Elizabethtown and Matthews are authorized to enroll its employees, retirees, and dependents in the Teachers' and State Employees' Comprehensive Major Medical Plan. However, also includes language that provides that retirees of Elizabethtown and Matthews will not be eligible for coverage.

Intro. by Shepard, R. Brown, Millis.

GS 20, GS 58

[View summary](#)

Courts/Judiciary, Motor Vehicle, Health and Human Services, Health, Health Insurance, Transportation

H 1220 (2013-2014) [HOPE 4 HALEY AND FRIENDS](#). Filed May 27 2014, *A BILL TO BE ENTITLED AN ACT TO CREATE AN INTRACTABLE EPILEPSY ALTERNATIVE TREATMENT PILOT STUDY PROGRAM AND REGISTRY FOR THE SCIENTIFIC INVESTIGATION OF THE SAFETY AND EFFICACY OF HEMP EXTRACT TREATMENT FOR INTRACTABLE EPILEPSY.*

Senate committee substitute makes the following changes to the 3rd edition.

Changes the long title.

Provides that East Carolina University can also conduct research on hemp extract development and production for seizure disorder treatment.

Amends proposed GS Chapter 90, Article 5G, renaming the Article as Epilepsy Alternative Treatment Act (previously, Compassionate Use Registration Act). Makes conforming changes. Provides that the purpose of the act is to permit medical professionals to conduct limited-scope, evidence-based studies on the treatment of intractable epilepsy with hemp extract. Sets out findings of the General Assembly, including that hemp extract has shown promise in treating children with intractable epilepsy. Provides for a pilot study on the safety and efficacy of treating intractable epilepsy with hemp extract by one or more registered neurologists by which those afflicted with intractable epilepsy can receive hemp extract for treatment through a series of registrations and studies. Only through a registered pilot study and neurologist will hemp extract be dispensed. Makes technical and conforming changes to the definitions section.

Amends previous subsection titled Compassionate use database; Departmental duties (now, Intractable Epilepsy Alternative Treatment Pilot Study database; Departmental duties) to reflect the newly established Intractable Epilepsy Alternative Treatment Pilot Study. Establishes a database registry for the registration of pilot studies, neurologists, caregivers, and patients. Makes conforming changes.

Enacts new GS 90-113.103, Registration of pilot studies and neurologists, setting out required information that must be submitted by neurologists wanting to conduct a pilot study, including the scientific and clinical parameters of the study and the protocols established to ensure patient safety. Provides that the Department of Health and Human Services (DHHS) must examine study applications and register the pilot programs in the database if it is determined the study follows minimum scientific methods and that it protects patients.

Makes technical and conforming changes to provisions for caregiver registration cards, applications, and fees and provisions which provide for immunity for neurologists and medical records.

Directs DHHS to establish and adopt temporary rules to implement the provisions of this act no later than October 1, 2014.

Unless otherwise specified, the act will become effective on July 1, 2014 (was, June 30, 2014).

Intro. by McElraft, Avila, Carney, Fulghum.

[STUDY, GS 90](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, State Agencies, Department of Health and Human Services](#)

H 1232 (2013-2014) [SALES TAX EXEMPTION FOR CERTAIN COINS](#). Filed May 27 2014, *A JOINT RESOLUTION AUTHORIZING THE LEGISLATIVE RESEARCH COMMISSION TO STUDY WHETHER TO EXEMPT SALES OF GOLD AND SILVER COINS PRODUCED BY THE UNITED STATES MINT FROM SALES TAX.*

The House committee substitute to the 1st edition deletes the provisions of the previous edition and replaces it with the following

Requires the Legislative Research Commission to study whether to exempt sales of gold and silver points produced by the US Mint from sales tax. Requires a report to the 2015 Regular Session of the General Assembly.

Intro. by Samuelson.

[STUDY](#)

[View summary](#)

[Government, Tax](#)

PUBLIC/SENATE BILLS

S 3 (2013-2014) [2014 Budget Mods./Pay Raises/Other Changes](#). Filed Jan 30 2013, *A BILL TO BE ENTITLED AN ACT TO AWARD COMPENSATION INCREASES TO TEACHERS, STATE EMPLOYEES, AND RETIREES, TO MODIFY THE BASE BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.*

The House committee substitute to the 2nd edition deletes the provisions of the previous edition and replace it with AN ACT TO AWARD COMPENSATION INCREASES TO TEACHERS, STATE EMPLOYEES, AND RETIREES, TO MODIFY THE BASE BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.

We will not be including a summary of this act. For the content of the bill, please follow the View NCGA Bill Details link located above.

Intro. by Apodaca.

[APPROP, GS 7A, GS 15A, GS 20, GS 105, GS 108A, GS 115C, GS 116, GS 119, GS 120, GS 126, GS 127A, GS 135, GS 147, GS 148, GS 150B](#)

[View summary](#)

[Courts/Judiciary, Motor Vehicle, Criminal Justice, Corrections \(Sentencing/Probation\), Education, Government, Budget/Appropriations, General Assembly, State Agencies, State Government, State Personnel, Tax, Health and Human Services, Social Services, Public Assistance](#)

S 85 (2013-2014) [UNC/MED STUDENT CLINICAL ROTATION SLOTS](#). Filed Feb 13 2013, *A BILL TO BE ENTITLED AN ACT TO IMPROVE THE AVAILABILITY OF THIRD AND FOURTH YEAR CLINICAL ROTATIONS FOR NORTH CAROLINA ALLOPATHIC AND OSTEOPATHIC MEDICAL STUDENTS AND THE AVAILABILITY OF GRADUATE MEDICAL EDUCATION POSITIONS FOR NORTH CAROLINA ALLOPATHIC AND OSTEOPATHIC MEDICAL SCHOOL GRADUATES.*

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

Deletes the provisions of the previous edition in their entirety.

Changes the short and long titles.

Directs the UNC-Chapel Hill School of Medicine to provide, starting in the Fall Semester of 2015, a minimum of 25 percent of the total clerkships available to 3rd and 4th year medical students to medical students attending other accredited and provisionally accredited allopathic and osteopathic medical schools in North Carolina. Sets out the application process, requirements, and qualifications for the clerkships.

Enacts new GS 116-36.7, which prohibits the UNC System and their affiliate medical schools from limiting access to any medical student clerkships, rotations, or graduate medical education positions at hospitals, NC Area Health Education Centers, or medical practice locations by students enrolled at any other accredited and provisionally accredited North Carolina school of allopathic or osteopathic medicine.

Intro. by Clodfelter.

[GS 116](#)

[View summary](#)

[Education, Higher Education, Government, State Agencies, UNC System](#)

S 493 (2013-2014) [2014 REGULATORY REFORM ACT \(NEW\)](#). Filed Mar 27 2013, *AN ACT TO PROVIDE FOR VARIOUS ADMINISTRATIVE REFORMS OF THE HEALTH AND SAFETY LAWS BY UPDATING OUTDATED STATUTES AND REGULATIONS AND MODERNIZING OR SIMPLIFYING CUMBERSOME OR OUTDATED REGULATIONS, BY STUDYING HEALTH AND SAFETY MATTERS OF CONCERN TO NORTH CAROLINA CITIZENS, AND BY MAKING VARIOUS OTHER STATUTORY CHANGES.*

House amendments make the following changes to the 5th edition:

Amendment #1

Amends GS 131E-6(3) to provide that limited liability companies formed under GS 57D and a foreign limited liability company which has procured a certificate of authority to transact business in NC are considered to be corporations authorized to do business in North Carolina. Effective October 1, 2014.

Amendment #2

Amends proposed GS Chapter 58, Article 56A, Pharmacy Benefits Management, deleting language in the definition for health benefit plan which excluded any entity retained by the State Health Plan for Teachers and State Employees while performing under contract with the plan. Deletes the following terms and definitions; pharmacy benefits management, therapeutically equivalent drug substitute, and widely available. Amends the definition for maximum allowable cost to be the maximum per unit reimbursement for multiple source prescription drugs, medical products, or devices and now defines pharmacy benefits manager as an entity that contracts with a pharmacy on behalf of an insurer or third-party administrator to administer or manage prescription drug benefits. Provides new procedures for placing a prescription drug on the maximum allowable cost price list, including that it must be available for purchase by pharmacies in NC from national or regional wholesalers, must not be obsolete, and must meet one of two conditions, (1) the drug is listed as "A" or "B" rated in the most recent version of the US Food and Drug Administration's Approved Drug Products (Orange Book) or (2) the drug has a "NR" or "NA" rating, or a similar rating by a nationally recognized reference. Adds requirement that prompt review of current prices in electronic, print, or telephonic format be available to contracted pharmacies within one business day of the removal or modification. Effective January 1, 2015.

Requires a pharmacy benefits manager to adjust or remove (was, remove) the maximum allowable cost price for a prescription drug to remain consistent with marketplace changes.

Deletes provisions related to pharmacy benefits managers disclosing specified information.

Deletes proposed GS 58-56A-5, appeals of maximum allowable cost prices.

Adds new areas that must be covered in the study by the Department of Insurance, now requires the study to evaluate the frequency of disclosure of methodology for calculating maximum allowable costs prices by the pharmacy benefits management companies and the appeals procedures for pharmacies relating to the maximum allowable cost pricing.

Amendment #3

Amends Section 12G.1(a) of SL 2013-360 to provide that beginning July 31, 2013 and ending July 1, 2015 (was, July 1, 2016) the Department of Health and Human Services, Division of Health Services Regulation (Division) will not issue any licenses for special care units as defined in GS 131D-4.6 and GS 131E-114. Provides an exemption on the moratorium on licenses, allowing the Division to issue a license to a facility that was in possession of a certificate of need as of July 1, 2013, which included an authorization to operate special care unit beds.

Amendment #5

Enacts new GS 58-3-282, Coverage for orally administered anticancer drugs, requiring every health benefit plan that

provides coverage for prescribed, orally administered anticancer drugs that are used to kill or slow the growth of cancerous cells and that provides coverage for intravenously administered or injected anticancer drugs must provide coverage for prescribed, orally administered anticancer drugs on a basis no less favorable than the coverage provided for the intravenously administered or injected anticancer drug. Prohibits coverage for orally administered anticancer drugs from being subject to prior authorization, dollar limit, co-payment, coinsurance, deductible provision, or any other out of pocket expense that does not apply to intravenously administered or injected anticancer drugs. Prohibits achieving compliance by reclassifying drugs or increasing expenses imposed on anticancer drugs.

Provides that any insurer that limits the total amount paid by a covered person through all in-network, cost-sharing requirements to no more than \$100 per filled prescription for any oral anticancer drug will be considered in compliance with the statute. Provides for what is included in cost-sharing requirements.

Effective January 1, 2015 applying to insurance contracts issued, renewed, or amended on or after that date. This section does not become effective if it is determined by the federal government to create a State required benefit that is in excess of the essential health benefits.

Intro. by Walters.

[GS 15A](#), [GS 19A](#), [GS 20](#), [GS 42](#), [GS 58](#), [GS 62](#), [GS 74F](#), [GS 89C](#), [GS 90](#), [GS 97](#), [GS 104E](#), [GS 115C](#), [GS 122C](#), [GS 130A](#), [GS 131E](#), [GS 132](#), [GS 136](#), [GS 143](#), [GS 153A](#), [GS 160A](#)

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[Animals, Business and Commerce, Occupational Licensing, Courts/Judiciary, Civil, Civil Law, Motor Vehicle, Court System, Development, Land Use and Housing, Building and Construction, Land Use, Planning and Zoning, Education, Government, Ethics and Lobbying, Local Government, Health and Human Services, Health, Health Insurance, Social Services, Public Assistance, Military and Veteran's Affairs, Public Enterprises and Utilities](#)

S 614 (2013-2014) [Military Lands Protection Act](#). Filed Apr 2 2013, *A BILL TO BE ENTITLED AN ACT TO FURTHER PROTECT MILITARY LANDS, TO MAKE AMENDMENTS TO THE MILITARY AFFAIRS COMMISSION, AND TO PROTECT SENSITIVE MILITARY DOCUMENTS.*

House committee substitute to the 3rd edition deletes all provisions of the previous edition and replaces it with the following

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, replacing the Building Code Council with State Construction Office. Repeals GS 143-138(j2), which authorized the Building Code Council to review and endorse proposals for the construction of tall buildings or structures in areas surrounding major military installations. Enacts new subsection (d), Meetings and Records, to GS 127C-1, which established the North Carolina Military Affairs Commission (Commission). Provides that the Commission may withhold documents and discussions related to the federal government's process to determine closure or realignment of military installations so long as public inspection would frustrate the purpose of confidentiality.

Enacts new GS 127C-5 to allow the Commission and the Department of Commerce (Department) to share with other bodies documents and discussions protected from disclosure; shared information is confidential and exempt from GS Chapter 132 to the same extent that it is confidential in the Commission's or Department's possession. Also allows

the Commission and Department to share documents and discussions protected from disclosure with any third party in its discretion in carrying out the Commission's purposes. Shared information must be shared under an agreement to keep the information confidential to the same extent that it is confidential in the Commission's or Department's possession.

Amends GS 132-1.2 to add that nothing in GS Chapter 132 requires disclosure of documents related to the federal government's process to determine closure or realignment of military installations until a final decision has been made in that process. Amends GS 143-318.11 to allow holding a closed session to discuss matters relating to military installation closure or realignment.

Effective for meetings held on or after October 1, 2014.

Make conforming changes to the act's titles.

Intro. by Brown.

[GS 127C, GS 132, GS 143](#)

[View summary](#)

**Government, Public Records and Open Meetings,
Military and Veteran's Affairs**

S 648 (2013-2014) [NC COMMERCE PROTECTION ACT OF 2014 \(NEW\)](#). Filed Apr 2 2013, *AN ACT TO CREATE TRANSPARENCY IN CONTRACTS BETWEEN THE ATTORNEY GENERAL AND PRIVATE ATTORNEYS*.

House committee substitute deletes all provisions from the 4th edition except retains Section 1, which enacted new Article 2A, *Transparency in Third-Party Contracting by Attorney General*, in GS Chapter 114.

Makes the following changes to Section 1. Prohibits the Attorney General from giving permission under GS 114-2.3 for a state agency to enter into a contingency fee contract that allows the private attorney to receive an aggregate contingency fee, exclusive of reasonable costs and expenses, in excess of prescribed percentages linked to the amount of damages. Deletes the delineated record keeping requirements for any private attorney under contract to provide services to a state agency on a contingency fee basis and instead requires the private attorney under contract to a state agency on a contingency fee basis to maintain all records related to that contract in accordance with the Revised North Carolina Rules of Professional Conduct. Amends the long title of this act to conform with the bill content.

Intro. by Jackson, Meredith, J. Davis.

[GS 114](#)

[View summary](#)

**Courts/Judiciary, Government, State Agencies,
Department of Justice**

S 648 (2013-2014) [NC COMMERCE PROTECTION ACT OF 2014 \(NEW\)](#). Filed Apr 2 2013, *AN ACT TO CREATE TRANSPARENCY IN CONTRACTS BETWEEN THE ATTORNEY GENERAL AND PRIVATE ATTORNEYS*.

The House amendment to the 5th edition makes the following changes. Adds the following:

Enacts new GS Chapter 75, Article 8, Abusive Patent Assertions, with the purpose of curbing bad-faith assertions of patent infringement. Provides nine findings regarding patents in North Carolina, including that abusive patent litigation and bad-faith infringement claims can harm NC companies and that North Carolina has a strong interest in protecting its citizens and businesses against abusive patent assertions. Provides that the General Assembly seeks to strike a balance between (1) the interest of efficient and prompt resolution of patent infringement claims, the protection of NC businesses from abusive and bad-faith assertions of patent infringement, and building the NC economy and (2) the intent to respect federal law and not interfere with legitimate patent enforcement claims. Provides

that nothing in the act is intended to alter current law concerning personal liability of principals in business entities.

Sets out definitions to be used in this Article, including *affiliate*, *demand*, *institution of higher education*, *target*, *interested party*, and *operating entity*.

Sets out twelve factors that the court can consider as evidence that a person has made a bad-faith assertion of patent infringement, including the person demands payment of a license fee or response within an unreasonably short period of time, the person making the claim or assertion sent the same demand to multiple recipients, as well as any other factors the court finds relevant.

Also sets out seven factors the court can consider as evidence that a person has not made a bad-faith assertion of patent infringement, including that the person engages in a good-faith effort to establish that the target has infringed the patent and to negotiate an appropriate remedy, the person has demonstrated good-faith business practices in previous efforts to enforce the patent, as well as any other factors the court finds relevant.

Provides that activities relating to advising others of ownership or right of license, communicating that the patent is available for license or sale, notifying others of the infringement of the patent, or seeking compensation on account for past or present infringement/license to a patent will not be deemed unlawful for any person who has the right to license or enforce a patent to do these activities, when not carried out in bad faith.

Requires a bond to be posted in an amount equal to a good-faith estimate of the target's fees and costs to litigate the claim and reasonable recoverable amounts when the court has found a reasonable likelihood that a person has made a bad-faith assertion of patent infringement. A hearing on the bond requirement can be requested by either party. No bond issued can exceed \$500,000. Court is authorized to waive the bond requirement upon a finding that the person has available assets equal to the proposed bond amount or waive it for any other good cause.

Sets out regulations for enforcement, remedies, and damages, providing that the Attorney General has the same authority to make rules, conduct investigations, and bring civil actions under these new provisions as provided in the Article. Provides that a target or person aggrieved by a violation of these regulations can bring an action in Superior Court. Remedies include equitable relief, damages, costs, and fees (including reasonable attorneys' fees), and exemplary damages in an amount of \$50,000 or three times the total of damages, costs, and fees, whichever is greater. Allows the court to award a prevailing defendant costs and fees, if the action was not well grounded in fact and warranted by existing law or was interposed for any improper purpose.

Provides for joinder of interested parties as well as establishing that any person making demands on a target has purposefully availed themselves of doing business in North Carolina and thus is subject to suit and jurisdiction in North Carolina, regardless of other business conducted in the state. Provides that interested parties that joined the action through the joinder clause can be held jointly and severally liable for any amount awarded. States that the rights or authority of North Carolina or the Attorney General are not limited in regards to conduct involving assertions of patent infringement.

All of the above is effective when bill becomes law, applying to actions commenced on or after that date and demands made on or after that date.

Intro. by Jackson, Meredith, J. Davis.

GS 75, GS 114

[View summary](#)

Business and Commerce, Courts/Judiciary, Civil, Civil Law, Government, State Agencies, Department of Justice

S 729 (2013-2014) **COAL ASH MANAGEMENT ACT OF 2104 (NEW)**. Filed May 14 2014, *AN ACT TO (1) PROHIBIT RECOVERY OF COSTS RELATED TO UNLAWFUL DISCHARGES FROM COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS; (2) ESTABLISH A MORATORIUM ON CERTAIN RATE CASES; (3) CREATE THE COAL ASH*

MANAGEMENT COMMISSION TO REVIEW AND APPROVE COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS CLASSIFICATIONS AND CLOSURE PLANS AND OTHERWISE STUDY AND MAKE RECOMMENDATIONS ON LAWS GOVERNING MANAGEMENT OF COAL COMBUSTION RESIDUALS; (4) REQUIRE EXPEDITED REVIEW BY THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES OF ANY PERMIT NECESSARY TO CONDUCT ACTIVITIES REQUIRED BY THIS ACT; (5) ESTABLISH VARIOUS REPORTING REQUIREMENTS TO THE GENERAL ASSEMBLY, INCLUDING A QUARTERLY REPORT FROM THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES ON ITS OPERATIONS, ACTIVITIES, PROGRAMS, AND PROGRESS WITH RESPECT TO ITS OBLIGATIONS UNDER THIS ACT FOR COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS; (6) PROHIBIT LOCAL GOVERNMENT REGULATION OF MANAGEMENT OF COAL COMBUSTION RESIDUALS OR COAL COMBUSTION PRODUCTS; (7) PROHIBIT CONSTRUCTION OF NEW OR EXPANSION OF EXISTING COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS EFFECTIVE JULY 1, 2014; (8) PROHIBIT THE DISPOSAL OF COAL COMBUSTION RESIDUALS INTO COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS AT COAL-FIRED GENERATING UNITS THAT ARE NO LONGER PRODUCING COAL COMBUSTION RESIDUALS EFFECTIVE OCTOBER 1, 2014; (9) PROHIBIT DISPOSAL OF STORMWATER TO COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS EFFECTIVE DECEMBER 31, 2018; (10) REQUIRE ALL ELECTRIC GENERATING FACILITIES TO CONVERT TO GENERATION OF DRY FLY ASH ON OR BEFORE DECEMBER 31, 2017, AND DRY BOTTOM ASH ON OR BEFORE DECEMBER 31, 2020, OR RETIRE; (11) REQUIRE THE ASSESSMENT OF GROUNDWATER AT COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS; (12) REQUIRE CORRECTIVE ACTION FOR THE RESTORATION OF GROUNDWATER QUALITY AT COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS; (13) REQUIRE A SURVEY OF DRINKING WATER SUPPLY WELLS AND REPLACEMENT OF CONTAMINATED WATER SUPPLIES; (14) REQUIRE THE IDENTIFICATION, ASSESSMENT, AND CORRECTION OF UNPERMITTED DISCHARGES FROM COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS; (15) REQUIRE THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO, AS SOON AS PRACTICABLE BUT NO LATER THAN AUGUST 1, 2015, PRIORITIZE FOR THE PURPOSE OF CLOSURE AND REMEDIATION COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS, INCLUDING ACTIVE AND RETIRED SITES, BASED ON THESE SITES' RISKS TO PUBLIC HEALTH, SAFETY, WELFARE, THE ENVIRONMENT, AND NATURAL RESOURCES; (16) REQUIRE OWNERS OF COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS TO SUBMIT A PROPOSED PLAN FOR CLOSURE OF ALL IMPOUNDMENTS TO THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES; (17) REQUIRE CLOSURE AND REMEDIATION OF CERTAIN COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS AS SOON AS PRACTICABLE, BUT NO LATER THAN AUGUST 1, 2019; (18) REQUIRE THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO ESTABLISH A SCHEDULE AND PROCESS FOR CLOSURE AND REMEDIATION OF ALL COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS BASED UPON THE DEPARTMENT'S RISK ASSESSMENT OF THESE SITES, BASELINE REQUIREMENTS SET BY THE GENERAL ASSEMBLY, EVALUATION OF PROPOSED CLOSURE PLANS SUBMITTED BY IMPOUNDMENT OWNERS, AND INPUT FROM THE PUBLIC AND OTHER STAKEHOLDERS; (19) ESTABLISH MINIMUM STATUTORY REQUIREMENTS FOR STRUCTURAL FILL PROJECTS USING COAL COMBUSTION PRODUCTS AND REQUIRE THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO INVENTORY AND INSPECT CERTAIN STRUCTURAL FILL PROJECTS; (20) PLACE A MORATORIUM ON CERTAIN PROJECTS USING COAL COMBUSTION PRODUCTS AS STRUCTURAL FILL UNTIL AUGUST 1, 2015, AND DIRECT THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES AND THE ENVIRONMENTAL MANAGEMENT COMMISSION TO STUDY THE ADEQUACY OF CURRENT LAW GOVERNING USE OF COAL COMBUSTION PRODUCTS AS STRUCTURAL FILL AND FOR BENEFICIAL USE; (21) PLACE A MORATORIUM ON THE EXPANSION AND CONSTRUCTION OF COAL COMBUSTION RESIDUALS LANDFILLS UNTIL AUGUST 1, 2015, AND DIRECT THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO ASSESS THE RISKS TO PUBLIC HEALTH, SAFETY, WELFARE, THE ENVIRONMENT, AND NATURAL RESOURCES OF COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS LOCATED BENEATH THESE LANDFILLS TO DETERMINE THE ADVISABILITY OF CONTINUED OPERATION OF THESE LANDFILLS; (22) STRENGTHEN THE REPORTING AND NOTIFICATION REQUIREMENTS APPLICABLE TO DISCHARGES OF WASTEWATER TO WATERS OF THE STATE; (23) REQUIRE CERTAIN EMERGENCY CALLS TO BE RECORDED; (24) REQUIRE DEVELOPMENT OF EMERGENCY ACTION PLANS FOR HIGH AND INTERMEDIATE HAZARD DAMS AND AMEND OTHER DAM SAFETY LAW REQUIREMENTS APPLICABLE TO COAL COMBUSTION RESIDUALS SURFACE IMPOUNDMENTS; (25) TRANSFER SOLID WASTE

RULE-MAKING AUTHORITY FROM COMMISSION FOR PUBLIC HEALTH TO ENVIRONMENTAL MANAGEMENT COMMISSION; (26) PROVIDE FOR VARIOUS STUDIES; (27) REQUIRE THE STATE CONSTRUCTION OFFICE AND THE DEPARTMENT OF TRANSPORTATION TO DEVELOP TECHNICAL SPECIFICATIONS FOR USE OF COAL COMBUSTION PRODUCTS; AND (28) PROVIDE RESOURCES FOR IMPLEMENTATION OF THIS ACT.

Senate amendments to the 2nd edition are to be summarized.

Intro. by Apodaca, Berger.

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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, AND BY MAKING VARIOUS OTHER STATUTORY CHANGES.*

House amendments makes the following changes to the 5th edition:

Amendment #1

Amends GS 160A-200.1, concerning annual notice to chronic violators of public nuisance ordinance, providing that when the annual notice is sent by registered or certified mail it will be sent to the address of record for the property owner. Amends the definition of chronic violator to a person who is the property owner of record (was, who owns property) and received city notice of violation of the public nuisance ordinance at least three times in the previous calendar year in accordance with GS 160A-200.1(b) (was, under any provision of the public nuisance ordinance).

Amendment #2

Amends the expiration deadline for rules that have not been readopted by the Division of Employment Security in accordance with GS 150B, Article 2A to December 31, 2014 (was, December 31, 2015).

Amendment #3

Amends GS 58-71-40(d1), concerning bail bond shields, deleting language that set requirements for the lettering on a bail bond shields. Also deletes a reference to a picture in 12 NCAC 07D.0405.

Amendment #4

Amends GS 143-151.8, definitions concerning official misconduct for code officials, providing that the terms willful misconduct, gross negligence, or gross incompetence includes the enforcement of a requirement when the code-enforcement official has actual knowledge that the requirement is more stringent than or otherwise exceeds the Code requirement (previously, this standard did not require "actual knowledge").

Amendment #5

Directs the Department of Insurance (DOI), with the Treasurer's Office and the Department of Commerce, to study issues surrounding requiring life insurance companies to determine if a policyholder is deceased and whether or not the insurance company should be required to provide notice to the beneficiaries on submitting a claim if the policyholder is deceased. Findings are to be reported to the 2015 General Assembly on or before January 20, 2015.

[GS 15A](#), [GS 18B](#), [GS 20](#), [GS 55B](#), [GS 58](#), [GS 62](#), [GS 65](#), [GS 66](#), [GS 78A](#), [GS 89C](#), [GS 90](#), [GS 93B](#), [GS 116C](#), [GS 120](#), [GS](#)

Intro. by Wade, B. Jackson, Brock.

122C, GS 127C, GS 132, GS 136, GS 143, GS 143B, GS 150B, GS 153A, GS 160A

Alcoholic Beverage Control, Business and Commerce, Insurance, Occupational Licensing, Courts/Judiciary, Criminal Justice, Development, Land Use and Housing, Building and Construction, Property and Housing, Education, Government, APA/Rule Making, General Assembly, State Agencies, Department of Health and Human Services, Local Government, Health and Human Services, Health, Public Health, Lottery and Gaming, Military and Veteran's Affairs, Transportation

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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, AND BY MAKING VARIOUS OTHER STATUTORY CHANGES.*

House committee substitute deletes all of the provisions of the previous edition, unless otherwise indicated. and makes the following changes:

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

Included in the previous edition, but deletes the provision which encouraged the Chief Justice of the NC Supreme Court to take action to formally abolish the NC Actual Innocence Commission. Also provides that the committees and commissions termination dates as provided for in this section are August 1, 2014 (was, July 1, 2014 in the previous edition).

Terminates the Committee on Dropout Prevention August (was, July) 1, 2014. Terminates the National Heritage Area Designation Committee on August (was, July) 1, 2014.

CLARIFY PROCESS FOR READOPTION OF EXISTING RULES

Included in the previous edition but makes technical changes.

AUTHORIZE LICENSING BOARDS TO ADOPT RULES FOR PROFESSIONAL CORPORATIONS

Included in the previous edition.

OCCUPATIONAL LICENSING BOARD REPORTING AMENDMENTS

Included in the previous edition.

OAH ELECTRONIC FILING

Included in the previous edition but makes technical changes.

STREAMLINE RULE-MAKING PROCESS

Included in the previous edition.

PROHIBIT CERTAIN HEADLIGHTS

Amends GS 20-131 (Requirements as to headlamps and auxiliary driving lamps) by creating a new subsection, GS 20-131(b1), that provides that no person will operate a vehicle with headlamps that change the original design or performance of the headlamps and do not comply with Federal Motor Vehicle Safety Standard No. 108. A violation of this subsection will result in a \$100 infraction. Effective December 1, 2014, applying to offenses on or after that date.

BAIL BOND SHIELD AMENDMENT

Amends GS 58-71-40 to allow the design of the shield carried by licensed bailbondsmen and runners to be altered by enameling or other specified processes to accommodate the license number, as long as the digits of the number are gold in color and at least 3/8 inches in height. Requires the size of the shield to be 1.88 inches wide and 2.36 inches high.

Amends GS 15A-540, concerning the surrender of a defendant by a surety, providing that a surety may utilize the services and assistance of any surety bondsman, professional bondsman, or runner licensed under GS 58-71-40 to effect the arrest or surrender of a defender.

REPEAL OUTDATED PUBLIC UTILITIES STATUTES OR REPORTS

Repeals GS 62-36.1 and GS 62-36A (both concerning natural gas planning). Amends GS 62-158(d) and 62-159(d), making conforming changes and deleting the specified reporting requirements.

Repeals GS 62-133.2(g), which required the Utilities Commission to report, on July 1 of every odd-numbered year, to the Joint Legislative Commission on Governmental Operations on specified proceedings.

Repeals SL 2002-4, Section 14; SL 2007-397, Section 14; and SL 1995-27, Section 6.1, all of which contained various public utilities reports.

MERCHANT EXEMPTION FROM LOCKSMITH LICENSING

Amends GS 74F-16, providing that the provisions and limitations of this section regarding locksmith licensing does not apply to a merchant or hardware store that does not purport to be a locksmith and duplicates keys, including the duplication of a transponder type key that requires programming (previously, did not allow for the duplication of a transponder type key without a license).

CLARIFY PROFESSIONAL ENGINEER EXEMPTION

Amends GS 89C-25 to provide that GS Chapter 89C (engineering and land surveying) does not prevent (in addition to those items listed in the statute): (1) the practice of architecture, as defined in GS Chapter 83A, landscape architecture as defined in GS Chapter 89A, or contracting as defined in Articles 1, 2, 4, and 5 of GS Chapter 87; (2) engaging in engineering or land surveying as an employee or assistant under the responsible charge of a professional (deletes employees or assistants of a nonresident professional provided that the work may not include responsible charge of design or supervision); and (3) the engineering or surveying activities of a person as defined in GS 89C-3(5) who is engaged in manufacturing, processing, producing, or transmitting and delivering a product, and which activities are reasonably necessary and connected with the primary services performed by individuals regularly employed in the ordinary course of business by the person, provided that the activity is not a holding out or an offer of engineering or surveying services (deletes current language concerning the internal engineering or surveying activities of a person, firm, or corporation engaged in manufacturing, processing, or producing a product, including activities of public service corporations, public utility companies, authorities, state agencies, railroads, or membership cooperatives, or the installation and servicing of the product in the field, and so forth). Specifies what is included in activities reasonably necessary and connected with the primary service and requires activities performed under this third category to be under the responsible charge of a licensed professional engineer or licensed professional surveyor when the safety of the public is directly involved.

Amends GS 89C-19 to prohibit the state or its political subdivisions from engaging in engineering or land surveying involving public or private property where the safety of the public is directly involved without the project being under the direct supervision of a professional engineer or land surveyor.

STUDY SERVICE OF PROCESS IN SUMMARY EJECTMENT

Directs the Legislative Research Commission to study to what extent service of process should be accomplished by an entity other than the local sheriff for summary ejectment proceedings. Findings and recommendations are to be reported to the 2015 General Assembly on or before January 20, 2015.

CLARIFY EFFECTIVE DATE OF DEFINITION OF DISCHARGE WASTE

Amends Section 17 of SL 2012-187 to provide that Section 11 of the act (which amended the term "discharge" to provide that it does not include an emission which is a release into the outdoor atmosphere of air contaminants) is effective when the act became law and applies to contested cases filed or pending on or after the date that the act became law.

STUDY MEMBERSHIP UNDER INSURANCE GUARANTY ASSOCIATION ACT

Directs the Department of Insurance, in consultation with the Departments of Labor and Commerce, to study issues related to whether claims by a workers' compensation group self-insurer, merging with a NC Insurance Guaranty Association member insurer on or after January 1, 1997, should be covered by the Association. The study should also consider when a group self-insurer's membership in the Association terminates in the event of merger with a mutual or stock insurance company. Recommendations from the study will be reported to the 2015 General Assembly on or before January 20, 2015.

SPECIALTY MARKETS

Amends GS 66-255 to add that for purposes of the registration list kept by a specialty market operator or the operator of an event where space is provided to a vendor, the exemptions in GS 66-256 applicable to farmers markets and tailgate markets apply

ADA REQUIREMENTS FOR PRIVATE POOLS

Requires swimming pools to be accessible only to the extent required by the Americans with Disabilities Act and federal rules and regulations adopted under the act. Requires the Building Code Council to adopt a rule to amend Section 1109.14 of the 2012 NC State Building Code that is consistent with this requirement.

REMOVE SUNSET FOR CERTAIN COLUMBARIUM

Amends GS 65-47, providing that a columbarium that is built on or before January 23, 2015 (date previously not included in the section) on the grounds of a private or a self-contained retirement community in a county where no commercially available columbarium exists, funded only by the residents of that community and reserved for the residents' use, will be exempt from the provisions of the NC Cemetery Act (previously, included an expiration date for the section, January 23, 2015, which has now been deleted).

Amends SL 2013-335, concerning the exemption for certain columbariums, providing that the act is effective when it becomes law (previously, expired 18 months after the act became law).

STUDY INSURANCE RATES

Directs the Legislative Research Commission to study whether the Commissioner of Insurance should have the authority to specify overall rates that do not exceed the rates proposed by the Bureau filing. The findings from the study, along with any legislative recommendations, are to be submitted to the 2015 General Assembly prior to the convening of the 2015 Regular Session.

STUDY STATUTORY CHANGES RELATED TO CORPORATIONS LAW

Directs the Joint Legislative Economic Development and Global Engagement Oversight Committee to study the creation of statutory language which would permit a NC corporation to be merged, without shareholder authorization, into a direct or indirect wholly owned subsidiary of the NC corporation as well as allowing a NC corporation to designate an exclusive forum for shareholder disputes. The findings from the study, along with any legislative recommendations, are to be submitted to the 2015 General Assembly prior to the convening of the 2015 Regular Session.

JUMP START OUR BUSINESS START-UPS ACT

Amends GS 78-17 to add a new exemption to the list of transactions that are exempt from the registration and filing requirements to include the offer or sale of securities conducted in accordance with proposed GS 78A-17.1, the Invest NC exemption.

Adds new GS 78A-17.1, Invest NC Exemption, to Article 3 of GS Chapter 78A. Provides for an exemption from the registration requirements of GS 78A-24 and GS 78A-49(d) for the offer or sale of a security if the offer or sale is conducted in accordance with each of the specified 13 requirements. The requirements include specified caps (which must be adjusted every fifth year to reflect changes in the Consumer Price Index) on the sum of all cash and other consideration received for all sales of the security in reliance upon the exemption, with the cap amount varying depending on whether the issuer has undergone a financial audit; the issuer has not accepted more than \$2,000 from any single purchaser except accredited investors; the issuer files appropriate and timely notice containing specified information; the issuer informs prospective purchasers that the securities have not been registered and are subject to limitations on resale, including displaying specified information in the disclosure document; and specified requirements are met when the offer and sale of securities is made through a website.

Requires an issuer of security for which the offer of sale is exempt under this section to submit a free-of-charge quarterly report to the issuer's investors until there are no outstanding securities issued under this section. Permits the reporting requirement to be satisfied by making the information available on a website if the information is made available within 45 days of the end of each fiscal quarter and remains available until the succeeding quarterly report is issued. Requires an issuer to provide a written copy of the report to any shareholder upon request. Specifies content required to be in the report. Provides criteria for offers and sales to controlling persons, defined as an officer, director, partner, trustee, or individuals having similar status or performing similar functions as the issuer, or a person owning 10 percent or more of the outstanding shares of any class or classes of securities of the issuer. Provides for a disqualification for the exemption if an issuer or person affiliated with the issuer or offering is subject to any of the specified disqualifications. However, makes the disqualification provisions inapplicable if there is a (1) showing of good cause and without prejudice to any other action by the Administrator, the Administrator determines that it is not necessary that an exemption be denied and (2) the issuer shows that the issuer made factual inquiry as to the existence of any disqualification and could not have known that a disqualification existed even with the exercise of reasonable care. Authorizes the Administrator to adopt rules to implement the statute and protect investors who purchase securities under this statute.

Makes a conforming change to GS 78A-49(d) regarding the informational filing requirement.

Requires the Secretary of State (Administrator) to adopt rules to implement this act within 12 months. Provides for a 15-day notice and comment period and requires the Administrator to hold at least one public hearing on the rules. Provides that the rules become effective on the first day of the month following the date the rules are adopted and sent to the Codifier of Rules for entry into the Administrative Code. Provides that this provision expires 12 months after the effective date of this act.

These provisions are effective when the act becomes law and expire on July 1, 2017, unless otherwise indicated.

NOTIFY PROPERTY OWNERS OF RIGHT-OF-WAY TRANSFERS

Amends GS 136-66.10 (dedication of right-of-way under local ordinances) to require local governments that require or accept right-of-way dedications in exchange for transferred density credits to notify the applicant and the property

owner when the local government begins review of or negotiations for a right-of-way dedication and associated density credit transfer, whichever occurs first. Provides details for sending the notification and providing notification when the property owner is not the applicant. Applies to dedications occurring on or after October 1, 2014.

DOT CONDEMNATION/CORRIDOR MAP CHANGES

Amends GS 136-113 to provide that interest on the damages awarded a DOT condemnation is calculated from the date of the taking to the date the judgment is paid (was, to the date of the judgment). Applies to condemnation actions filed on or after July 1, 2015.

Amends GS 136-119 to require the court to award the owner of the condemned property costs, disbursements, and expenses, including attorneys' fees, if the final judgment exceeds the amount of the initial deposit by 35 percent or more. Limits attorneys' fees to one-third of the difference between the verdict, plus interest, and the initial deposit, and prohibits the fee from exceeding the prevailing hourly rate in the county where the land is located. Applies to condemnation actions filed on or after July 1, 2015.

Amends GS 136-44.51 to prohibit an application for a building permit issuance or subdivision plat approval for a tract subject to a valid transportation corridor official map from being delayed for more than two years (was, three years) from the date of its original submittal. Effective July 1, 2014.

NOTICE TO CHRONIC VIOLATORS

Repeals GS 160A-200 (city annual notice to chronic violators of overgrown vegetation ordinance).

Amends GS 160A-200.1 (annual notice to chronic violators of public nuisance ordinance) to add that cities may also give notice to a chronic violator of the municipality's overgrown vegetation ordinance in accordance with this statute.

ALLOW FOR DIFFERENTIAL TREATMENT OF FRATERNITIES AND SORORITIES IN ZONING

Amends GS 153A-340 (applying to counties) and GS 160A-381 (applying to cities) to allow a zoning or unified development ordinance to differentiate, with respect to fraternities and sororities, in terms of the regulations applicable to fraternities or sororities between those that are approved or recognized by a college or university and those that are not, as follows: (1) the ordinance must allow a fraternity or sorority suspended or not recognized at least two years to reestablish approval or recognition, (2) the ordinance must allow a fraternity or sorority seeking approval or recognition at least three years to establish approval or recognition, and (3) the ordinance must require that a property may not be occupied successively by a fraternity or sorority seeking to reestablish approval or recognition and one seeking approval or recognition, and vice versa, unless the property is occupied by a fraternity or sorority approved or recognized for at least 12 successive months between the two.

REPEAL SUPERMAJORITY EFFECT OF PROTEST PETITIONS

Repeal protest petitions (new) Repeals GS 160A-385(a) (stating the General Assembly's finding that it is necessary and desirable to provide for the establishment of certain vested rights in order to ensure reasonable certainty, stability, and fairness in the land use planning process, secure the reasonable expectations of landowners, and foster cooperation between the public and private sectors in the area of land use planning). Repeals GS 160A-386 (protest petition; form; requirements; time for filing). Makes conforming changes to GS 122C-403. Provides that the section also repeals any local act authority for submission, review, or action by any city upon any zoning protest petition, whether or not enacted as a provision in a municipal charter.

REPEAL OBSOLETE DEPARTMENT OF INSURANCE STATUTES

Repeals GS 58-2-170 (Annual statements by professional liability insurers; medical malpractice claim reports); GS 58-3-191(a) (which required each health benefit plan to annually file in the office of the Commissioner the specified information for the previous calendar year) and (b1) (when provided that effective March 1, 1998, insurers shall make the reports that are required under subsection (a) of this section and that have been filed with the Commissioner available on their business premises and shall provide any insured access to them upon request); GS 58-67-140(a)(7)

(allowing HMO license suspension or revocation for knowingly publishing or making any false statement or report, including any report or any data that serves as the basis for any report, required to be submitted under GS 58-3-191); GS 58-36-3(c) (requiring the Department of Insurance to report annually to the President Pro Tempore of the Senate and the Speaker of the House of Representatives on the effectiveness of SL 2001-389 in assuring the provision of insurance coverage to motorcyclists at fair and economical rates); GS 58-40-130(e) (concerning a report that was to be made by July 1, 1988); and GS 58-50-95 (the Commissioner shall report annually to the Joint Legislative Oversight Committee on Health and Human Services regarding the nature and appropriateness of reviews conducted under this Part). Makes conforming changes.

STUDY POST-ARREST PHOTOGRAPHIC IMAGES NOT PUBLIC

Requires the Administrative Office of the Courts and the Department of Public Safety to study whether photos of individuals charged with a crime should be a public record. Requires a report to the Joint Legislative Oversight Committee on Justice and Public Safety by December 31, 2014.

COMPLIANCE WITH BUILDING CODE INSPECTION REQUIREMENTS

Amends GS 153A-360 (county inspections of work in progress) to provide that the statute's provisions are subject to GS 153A-235(a) (which provides that a county may not adopt a local ordinance or resolution or any other policy that requires regular, routine inspections of buildings or structures constructed in compliance with the North Carolina Residential Code for One- and Two-Family Dwellings in addition to the specific inspections required by the North Carolina Building Code without first obtaining approval from the North Carolina Building Code Council).

Amends GS 160A-420 (city inspections of work in progress) to provide that the statute's provisions are subject to GS 160A-412(b) (a city may not adopt a local ordinance or resolution or any other policy that requires regular, routine inspections of buildings or structures constructed in compliance with the North Carolina Residential Code for One- and Two-Family Dwellings in addition to the specific inspections required by the North Carolina Building Code without first obtaining approval from the North Carolina Building Code Council).

STUDY ETHICS REQUIREMENTS FOR CERTAIN CITY OFFICIALS

Requires the State Ethics Commission and the UNC School of Government to study the implications and impact of requiring city and county elected officials to file a statement of economic interest. Requires a report to the Joint Legislative Administrative Procedure Oversight Committee on or before December 31, 2014.

BUILDING CODE STUDY

Requires the NC Building Code Council to study the authority given to local building inspectors in those counties and cities where building plans are reviewed and approved before the issuance of a building permit pursuant to specified statutes. Requires a report to the 2015 General Assembly.

BRAC RELATED AMENDMENTS

Retains provisions from Section 3.37 and makes the following additions.

Enacts new GS 127C-5 to allow the NC Military Affairs Commission (Commission) and the Department of Commerce (Department) to share documents and discussions protected from disclosure with other public bodies; shared information is confidential and exempt from GS Chapter 132 to the same extent that it is confidential in the Commission's or Department's possession. Also allows the Commission and Department to share documents and discussions protected from disclosure, with any third party in its discretion, in carrying out the Commission's purposes. Shared information must be shared under an agreement to keep the information confidential to the same extent that it is confidential in the Commission's or Department's possession.

Amends GS 132-1.2 to add that nothing in GS Chapter 132 requires disclosure of documents related to the federal government's process to determine closure or realignment of military installations until a final decision has been made in that process. Amends GS 143-318.11 to allow holding a closed session to discuss matters relating to military

installation closure or realignment. Effective for meetings held on or after October 1, 2014.

ABC PERMITS/SCHOOLS AND COLLEGES

Amends GS 18B-1006(a) to prohibit a permit for the sale of alcoholic beverages (was, sale of malt beverages, unfortified wine, or fortified wine) from being issued to a business on the campus or property of a public school, college, or university (was, just of a public school or college). Adds to and amends the exemptions.

EXTEND DEADLINE FOR ADOPTION OF DIVISION OF EMPLOYMENT SECURITY RULES

Amends Section 1.10(c) of SL 2011-401 by extending the deadline by which the Division of Employment Security (Division) must adopt all existing rules and regulations under GS Chapter 150B, Article 2A, from December 31, 2012, to December 31, 2015. Effective December 31, 2012.

Requires the Division to report to the Joint Legislative Oversight Committee on Unemployment Insurance on its progress by September 3, 2014. Amends GS 120-70.156 to add to the powers of the Joint Legislative Oversight Committee on Unemployment Insurance the ability to review rules adopted by the Division and recommending policies and procedures to ensure the Division is operating in conformity with GS Chapter 96 and federal laws and regulations.

BUILDING CODE ALTERNATE APPROVAL METHODS STUDY

Requires the NC Building Code Council to study the policies and procedures for the approval of alternative materials, designs, or methods. Specifies three elements that must be included in the study. Requires a report to the 2015 General Assembly on or before January 20, 2015.

CLARIFY OFFICIAL MISCONDUCT FOR CODE OFFICIALS

Amends GS 143-151.8 to provide that for purposes of the Article (North Carolina Code Officials Qualification Board), willful misconduct, gross negligence, or gross incompetence also includes four additional items, including the enforcement of a code requirement applicable to a certain area or set of circumstances in other areas or circumstances not specified in the requirement, and the enforcement of a requirement that is more stringent than or otherwise exceeds the code requirement. Requires the NC Code Officials Qualification Board to, by October 1, 2014, notify all Code enforcement officials in the state of the clarification to the grounds for disciplinary action enacted by this section.

ENFORCE MUNICIPAL FLOODPLAIN ORDINANCE IN ETJ

Amends GS 160A-360(k) to add that for complying with 44 CFR Part 60, Subpart A, property that is exempt from the exercise of extraterritorial jurisdiction under subsection (k) is subject to the county's floodplain ordinance or all floodplain regulation provisions of the county's unified development ordinance.

Amends GS 20-84(b) to allow the Division of Motor Vehicles to issue permanent plates for a motor vehicle owned and exclusively operated by a nonprofit corporation authorized to operate a charter school and identified by a decal or marking showing the nonprofit's name.

CLARIFY WHEN A COUNTY OR MUNICIPALITY MAY ENACT ZONING ORDINANCES RELATED TO DESIGN AND AESTHETIC CONTROLS

Amends GS 160A (Cities and Towns) and GS 153A (Counties) by adding new GS 160A-381(g) and GS 153A-340(k), prohibiting zoning and development regulation ordinances related to building design elements adopted under the Part, or under recommendations made under GS 160A-452(6)c. (a governing development board's recommendation for the adoption of certain regulations that will enhance the appearance of the municipality or its surrounding areas) from applying to structures subject to North Carolina's Residential Code for One- and Two-Family Dwellings except in the following situations: (1) structures in areas designated as local historic districts; (2) structures in areas designated as a historic district on the National Registry of Historic Places; (3) structures designated as local, state, or national historic landmarks; (4) the regulations are directly and substantially related to applicable safety codes under GS 143-138

(North Carolina State Building Code); (5) where the regulations apply to manufactured housing, consistent with GS 160A-383.1 (zoning regulations for manufactured homes) and federal law; and (6) where such regulations are adopted as a condition of participation in the National Flood Insurance Program.

Regulations prohibited by this section cannot be applied in any zoning district, special use district, conditional use district, or conditional district unless voluntarily consented to by all of the owners of all of the property to which they can be applied. Such regulations also cannot be applied indirectly as part of the review pursuant to GS 160A-383 or GS 153A-341 (accordance of zoning regulations with a comprehensive development plan) or any other applicable adopted plan. The subsections do not affect the validity or enforceability of private covenants or other contractual agreements among property owners relating to building design elements. Effective when the act becomes law and applies to development approvals granted on or after that date.

SEVERABILITY CLAUSE AND EFFECTIVE DATE

Identical to previous edition.

Intro. by Wade, B. Jackson, Brock.

[GS 15A](#), [GS 18B](#), [GS 20](#), [GS 55B](#), [GS 58](#), [GS 62](#), [GS 65](#), [GS 66](#), [GS 78A](#), [GS 89C](#), [GS 90](#), [GS 93B](#), [GS 116C](#), [GS 120](#), [GS 122C](#), [GS 127C](#), [GS 132](#), [GS 136](#), [GS 143](#), [GS 143B](#), [GS 150B](#), [GS 153A](#), [GS 160A](#)

[View summary](#)

[Alcoholic Beverage Control](#), [Business and Commerce](#), [Insurance](#), [Occupational Licensing](#), [Courts/Judiciary](#), [Court System](#), [Development](#), [Land Use and Housing](#), [Building and Construction](#), [Property and Housing](#), [Education](#), [Government](#), [APA/Rule Making](#), [Ethics and Lobbying](#), [Public Safety](#), [Local Government](#), [Health and Human Services](#), [Health](#), [Public Health](#), [Military and Veteran's Affairs](#), [Transportation](#)

LOCAL/HOUSE BILLS

H 1033 (2013-2014) [SPECIAL ASSESSMENT/DAM REPAIR](#). Filed May 14 2014, *A BILL TO BE ENTITLED AN ACT TO AUTHORIZE A COUNTY TO IMPOSE A SPECIAL ASSESSMENT FOR REPAIR OF A DAM.*

Amends GS 153A-210.1(b) to extend the sunset for GS Chapter 153A, Article 9A, Special Assessments for Critical Infrastructure Needs, to July 1, 2019, only for projects authorized in GS 153A-210.2(a1) (was, extended for all).

Amends GS 153A-210.2 to add that the provisions of (a1), concerning the special assessment for repairing the lake dam only apply to a privately owned dam formerly used for textile mill purposes, forming a lake between 225 and 325 acres in area.

Makes the act applicable statewide instead of just Richmond County.

Makes conforming changes to the act's titles.

Intro. by Goodman.

[GS 153A](#)

[View summary](#)

[Environment](#), [Government](#), [Public Safety](#)

H 1151 (2013-2014) [FAYETTEVILLE RED LIGHT CHANGES](#). Filed May 20 2014, *A BILL TO BE ENTITLED AN ACT TO MAKE CHANGES TO THE LAW GOVERNING RED LIGHT CAMERAS IN FAYETTEVILLE.*

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

Deletes proposed changes to GS 160A-30.1(c)(5), which added that the clear proceeds from the citation meant the funds remaining after paying for the lease, lease-purchase, or purchase of the traffic control photographic system, paying for system operation, and administrative costs incurred by the city related to system operation.

Allows Fayetteville and the Cumberland County Board of Education to enter into an interlocal agreement to effectuate the purpose and intent of GS 160A-300.1 and this act. Allows the agreement to include provisions on cost-sharing and reimbursement that the Cumberland County Board of Education and Fayetteville voluntarily agree to, for the purposes of effectuating the statute and this act.

Adds that the act applies to the Cumberland County Board of Education as well as Fayetteville.

Makes conforming changes.

Intro. by Floyd, Szoka, Lucas, Glazier.

[Cumberland](#)

[View summary](#)

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

H 1245 (2013-2014) [PLEASANT GARDEN ANNEX/WATHA DEANNEX \(NEW\)](#). Filed May 28 2014, *AN ACT ADDING CERTAIN DESCRIBED PROPERTY TO THE CORPORATE LIMITS OF THE TOWN OF PLEASANT GARDEN AT THE REQUEST OF THE PROPERTY OWNER AND THE TOWN; AND REMOVING CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE LIMITS OF THE TOWN OF WATHA.*

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

Adds a section removing specified property from Watha's corporate limits. Effective June 30, 2014.

Makes conforming title changes.

Intro. by Hardister.

[Guilford, Pender](#)

[View summary](#)

H 1253 (2013-2014) [EXEMPT TIME-SHARES/RULE AGAINST PERPETUITIES](#). Filed May 28 2014, *AN ACT TO EXEMPT CERTAIN REAL ESTATE TIME-SHARES FROM THE RULE AGAINST PERPETUITIES.*

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

Provides that except as otherwise provided in the time-share declaration, the Board of Directors of a time-share project may amend a provision in the time-share declaration with an affirmative vote of two-thirds of the Board if the provision to be changed was adopted as a part of the original time-share declaration that was recorded before July 1, 1984. Deletes all provisions of subsection (d) which provide that when there is a conflict between the provisions of the declaration and the bylaws, the declaration is to prevail except to the extent that the the declaration is inconsistent with this section. Makes organizational changes to re-letter the provisions in Section 1 of this act.

Intro. by Tine, Steinburg.

Currituck, Dare

[View summary](#)

Development, Land Use and Housing, Property and Housing

ACTIONS ON BILLS

PUBLIC BILLS

H 189: AMEND INFO./CHILD SUPP. ORDERS

Senate: Recall from Engrossing
Senate: Reconsidered 2nd Reading
Senate: Placed on Today's Calendar
Senate: Amend Recon A1
Senate: Amendment Withdrawn 1
Senate: Amend Adopted A2
Senate: Passed 2nd Reading
Senate: Passed 3rd Reading
Engrossed

H 267: Unclaimed Property Program Improvements.

Senate: Reptd Fav Com Substitute
Senate: Com Substitute Adopted

H 346: GOVERNING BODIES/COLLECT UNPAID JUDGMENTS.

House: Cal Pursuant 36(b)
House: Added to Calendar
House: Concurred In S/Com Sub
House: Ordered Enrolled

H 366: NC FARM ACT OF 2014 (NEW).

Senate: Reptd Fav

H 379: AMEND VETERINARY PRACTICE ACT/FEES.

Senate: Reptd Fav

H 698: BACKGROUND CHECKS FOR FIREFIGHTERS.

Signed by Gov. 6/25/2014
Ch. SL 2014-27

H 712: CLARIFYING CHANGES/SPECIAL ED SCHOLARSHIPS

House: Concurred In S/Com Sub
House: Ordered Enrolled

H 894: SOURCE WATER PROTECTION PLANNING (NEW)

House: Concurred In S/Com Sub
House: Ordered Enrolled

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

Senate: Reptd Fav Com Substitute

Senate: Com Substitute Adopted

H 1036: NO REVOLVING DOOR EMPLOYMENT.

House: Reptd Fav

House: Re-ref Com On Rules, Calendar, and Operations of the House

H 1043: PREQUALIFICATION UPDATE.

House: Concurred In S/Com Sub

House: Ordered Enrolled

H 1048: AG SELECTION CRITERIA/AMENDMENTS.

Senate: Withdrawn From Com

Senate: Re-ref Com On Judiciary I

H 1051: AUTHORIZE DHHS/COOPERATIVE EXTENSION CONTRACT.

House: Amend Adopted A1

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Engrossed

H 1052: ADJUST THE UTILITY REGULATORY FEE.

Senate: Reptd Fav

H 1057: DENR STUDY OF IBT/EMC ECO FLOW STUDY.

House: Amend Adopted A2

House: Passed 3rd Reading

House: Ordered Engrossed

H 1097: SERVICE OF HEARING ORDER/MV DEALER LICENSEE.

House: Passed 2nd Reading

House: Passed 3rd Reading

H 1099: UNMANNED AIRCRAFT REGULATION.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

H 1100: BOOST STATE NATURE/HERITAGE TOURISM INDUSTRY.

House: Reptd Fav Com Substitute

House: Re-ref Com On Appropriations

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

Senate: Passed 2nd Reading

H 1145: Insurance & Registration Required for Mopeds.

Senate: Reptd Fav Com Substitute

Senate: Com Substitute Adopted

H 1157: ELECTRONIC DRIVERS LICENSE AMENDMENT.

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Special Message Sent To Senate

H 1182: UNC NONAPPROPRIATED CAPITAL PROJECTS.

Senate: Reptd Fav

H 1190: DPS STUDY COMMERCIAL VEHICLE SAFETY ALLIANCE.

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Special Message Sent To Senate

H 1206: HOUSE SELECT/CONST. CONVENTION OF STATES.

House: Withdrawn From Cal

House: Re-ref Com On Rules, Calendar, and Operations of the House

H 1220: HOPE 4 HALEY AND FRIENDS.

Senate: Reptd Fav Com Substitute

Senate: Com Substitute Adopted

H 1224: JMAC DEVELOPMENT FUND MODIFICATIONS.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

H 1227: HONORING THE HIGHWAY PATROL.

House: Withdrawn From Cal

House: Placed On Cal For 07/01/2014

H 1232: SALES TAX EXEMPTION FOR CERTAIN COINS.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 06/26/2014

H 1256: RECOGNITION FOR MERCHANT MARINES.

House: Adopted

H 1257: SUPPORT NORTH CAROLINA'S WILD HORSES.

House: Adopted

H 1267: ABSENTEE BALLOT/EVERETTE HARRIS ACT.

Senate: Special Message Received From House

Senate: Passed 1st Reading

Senate: Ref To Com On Rules and Operations of the Senate

H 1268: HONOR JIM GULLEY.

House: Passed 2nd Reading

House: Passed 3rd Reading

H 1269: HONOR LEGACIES OF JAMES BEARD/GEORGE PEABODY.

House: Withdrawn From Com

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 07/01/2014

S 3: 2014 Budget Mods./Pay Raises/Other Changes.

House: Reptd Fav Com Substitute

House: Re-ref Com On State Personnel

S 58: CLARIFY STATUTE OF REPOSE (NEW).

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Special Message Sent To Senate

S 85: UNC/MED STUDENT CLINICAL ROTATION SLOTS.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 06/26/2014

S 320: IMPROVE ED. FOR CHILDREN WHO ARE DEAF.

House: Withdrawn From Com

House: Re-ref Com On Judiciary Subcommittee B

S 403: OMNIBUS ELECTION CLARIFICATIONS (NEW).

House: Special Message Sent To Senate

Senate: Special Message Received For Concurrence in H Com Sub

Senate: Ref To Com On Rules and Operations of the Senate

S 493: 2014 REGULATORY REFORM ACT (NEW).

House: Amend Adopted A1

House: Amend Adopted A2

House: Amend Adopted A3

House: Amend Failed A4

House: Amend Adopted A5

House: Amendment Withdrawn A6

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Engrossed

S 523: WRIGHTS VILLE BEACH DEANNEX/WILMINGTON ANNEX (NEW).

House: Passed 3rd Reading

House: Special Message Sent To Senate

Senate: Special Message Received For Concurrence in H Com Sub

Senate: Ref To Com On Rules and Operations of the Senate

S 614: Military Lands Protection Act.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

S 648: NC COMMERCE PROTECTION ACT OF 2014 (NEW).

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Amend Adopted A1

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Engrossed

S 719: STUDENT ORGANIZATIONS/RIGHTS & RECOGNITION.

Signed by Gov. 6/25/2014

Ch. SL 2014-28

S 729: COAL ASH MANAGEMENT ACT OF 2104 (NEW).

Senate: Amend Adopted A9

Senate: Amend Adopted A10

Senate: Amend Adopted A12

Senate: Amend Failed A11

Senate: Amend Failed A13

Senate: Amend Adopted A14

Senate: Amend Adopted A15

Senate: Passed 3rd Reading

Engrossed

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

House: Amend Adopted A1

House: Amend Adopted A2

House: Amend Adopted A3

House: Amend Adopted A4

House: Amend Adopted A5

House: Amend Failed A6

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Engrossed

S 790: CAPE HATTERAS/GAS CITIES/INFRASTRUCTURE LAND (NEW).

Senate: Concurred In H/Com Sub

Senate: Ordered Enrolled

S 793: CHARTER SCHOOL MODIFICATIONS.

House: Postponed To 06/26/2014

S 812: REPLACE CCSS W/NC'S HIGHER ACADEM. STANDARDS (NEW).

House: Special Message Sent To Senate

Senate: Special Message Received For Concurrence in H Com Sub

Senate: Placed on Today's Calendar

Senate: Failed Concur In H Com Sub

Senate: Senate Fail to Concur - No Appt Message Sent To House

S 815: ENSURING PRIVACY OF STUDENT RECORDS.

Ratified

S 882: HONOR SENATOR MARTIN NESBITT.*Ratified**Ch. Res 2014-5***LOCAL BILLS****H 569: FOXFIRE/SATELLITE ANNEXATIONS.***Ratified**Ch. SL 2014-30***H 1033: SPECIAL ASSESSMENT/DAM REPAIR.***House: Reptd Fav Com Sub 2**House: Cal Pursuant Rule 36(b)**House: Placed On Cal For 06/26/2014***H 1045: TOWN OF ELKIN/REG. MUNICIPAL ELECTIONS SCHED.***Senate: Passed 2nd Reading**Senate: Passed 3rd Reading**Senate: Ordered Enrolled***H 1054: SPINDALE/CAPE FEAR SEWER FEE COLLECTION.***House: Reptd Fav**House: Cal Pursuant Rule 36(b)**House: Added to Calendar**House: Passed 2nd Reading**House: Passed 3rd Reading***H 1067: MURPHY DEANNEXATION.***Senate: Reptd Fav***H 1080: WATHA DEANNEXATION.***Senate: Reconsidered 2nd Reading**Senate: Passed 2nd Reading***H 1096: UNION COUNTY/CONTRACTED AMBULANCE SERVICE.***Senate: Withdrawn From Com**Senate: Re-ref Com On State and Local Government***H 1113: BENT CREEK PROPERTY SULLIVAN ACT EXEMPTION.***Senate: Passed 2nd Reading**Senate: Passed 3rd Reading***H 1134: CLEVELAND COUNTY/ROAD ASSESSMENT CRITERIA.***Senate: Passed 2nd Reading**Senate: Passed 3rd Reading**Senate: Ordered Enrolled***H 1151: FAYETTEVILLE RED LIGHT CHANGES.***House: Reptd Fav Com Substitute**House: Cal Pursuant Rule 36(b)**House: Added to Calendar*

House: Passed 2nd Reading

House: Passed 3rd Reading

H 1155: PINEHURST ANNEXATION.

House: Withdrawn From Com

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 06/26/2014

H 1159: CITY OF GREENVILLE/PRIVATE SALE.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

Senate: Ordered Enrolled

H 1207: HIGH POINT CHARTER/COUNCIL HIRE CITY ATTORNEY.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

Senate: Ordered Enrolled

H 1212: BURLINGTON CHARTER/REVISION AND CONSOLIDATION.

Senate: Special Message Received From House

Senate: Passed 1st Reading

Senate: Ref to State and Local Government. If fav, re-ref to Finance

H 1218: CITY OF MONROE/SUPERVISION OF ATTORNEY.

Senate: Passed 2nd Reading

H 1245: PLEASANT GARDEN ANNEX/WATHA DEANNEX (NEW).

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 06/26/2014

H 1247: ASHEVILLE REGIONAL AIRPORT.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

H 1253: EXEMPT TIME-SHARES/RULE AGAINST PERPETUITIES.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

S 731: SOUTHPORT OCCUPANCY TAX MODIFICATION.

House: Passed 1st Reading

House: Ref To Com On Finance

S 741: BLADEN, COLUMBUS, FRANKLIN, HOKE/TAX CERT. (NEW).

Ratified

Ch. SL 2014-29

S 788: TOWN OF DUCK/EMINENT DOMAIN.

Senate: Reptd Fav

Senate: Re-ref Com On Finance

S 839: WINSTON-SALEM/PARKING METERS.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

S 846: SHALLOTTE DEANNEXATIONS.

Senate: Regular Message Sent To House

House: Regular Message Received From Senate

S 848: INFRASTRUCTURE REIMBURSEMENT AGMTS.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Enrolled

S 851: ALLOW ABSENTEE VOTING/IS T CRAVEN SANITARY DIS.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

S 864: YANCEYVILLE ATV USE.

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Enrolled

S 865: TOWN OF BOONE/EXTRATERRITORIAL JURISDICTION.

House: Passed 3rd Reading

House: Ordered Enrolled

S 870: DURHAM/PAYMENTS FOR ON-STREET PARKING.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Enrolled

S 875: BAKERSVILLE/STAGGER TERMS OF TOWN COUNCIL.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

S 877: EXEMPT TIME-SHARES/RULE AGAINST PERPETUITIES.

Senate: Withdrawn From Com

Senate: Re-ref Com On Judiciary I

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