

The Daily Bulletin: Thursday, March 5, 2015

PUBLIC/HOUSE BILLS

H 41 (2015-2016) [REVENUE LAWS TECHNICAL CHANGES](#). Filed Feb 3 2015, *AN ACT TO MAKE TECHNICAL AND CLARIFYING CHANGES TO VARIOUS REVENUE LAWS, AS RECOMMENDED BY THE REVENUE LAWS STUDY COMMITTEE*.

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

Adds that the purpose of Section 4 (which amends Section 4.2(a) of SL 2013-316) of the act is to clarify the intent of the 2013 General Assembly that the Utilities Commission must adjust the rate for sales of electricity, piped natural gas, and water and wastewater services to reflect all of the tax changes enacted in SL 2013-316. Clarifies that the Utilities Commission must order a utility to add interest to money refunded to its customers for refunds resulting from the reduction of the corporate income tax rate effective for taxable years beginning January 1, 2014, as provided in Section 4(b) of the act. Makes conforming and technical changes.

Amends GS 105-164.13E(b) to provide that a conditional exemption certificate issued to person who does not meet the definition of a qualifying farmer is valid for the taxable year in which the certificate is issued and the following two taxable years if the person is engaged in farming and provides copies of applicable income tax returns within 90 days following the due date of an income tax return for each taxable year covered by the certificate, including an extension of the due date (was, if the person to whom the certificate is issued provides copies of income tax returns within 90 days following the end of each taxable year covered by the certificate and if the person is engaged in farming operations).

Amends GS 105-164.16A by deleting proposed (b), which required a retailer to report gross receipts derived from a prepaid meal plan on an accrual basis, despite specified circumstances. Adds that the retailer must report the gross receipts on an accrual basis of accounting, as required under GS 105-164.20. Makes conforming changes. Amends GS 105-164.20 to add that the following retailers must report the gross receipts it derives from the taxable transaction listed on an accrual basis of accounting: (1) a retailer who sells electricity, piped natural gas, or telecommunications service (was, electricity or telecommunications service); (2) a retailer who derives gross receipts from a prepaid meal plan; and (3) a retailer who sells or derives gross receipts from a service contract. Makes all of the changes in Section 23 of the act effective October 1, 2014.

Adds a new Section 24 to the act, the purpose of which is to extend the statute of limitations for requesting a refund of state income taxes to conform to federal tax treatment of the rollover of an airline payment amount by a qualified airline employee to a traditional or Roth IRA to prevent double taxation. Allows a qualified airline employee, or the employee's surviving spouse, that meets the specified conditions to apply for a refund of the state income tax paid on the airline payment amount that was transferred to a traditional IRA. Requires a request for a refund to be made on or before October 15, 2015; requests after that date are barred.

Makes technical changes throughout.

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

GS 105, GS 153A, GS 160A

[View summary](#)

Government, Tax, Local Government

Makes various changes to Part 9 of Article 10 of GS Chapter 58.

Amends certain definitions as they apply in Part 9. Replaces the definition for *affiliated company* with a definition for *affiliate or affiliated company*. Defines an affiliate or affiliated company as any person (was, any company) in the same corporate system as a parent, an industrial insured, a member organization, or a participant by virtue of common ownership, control, operation, or management. Deletes incorporated cell captive insurance company as defining a type of "captive insurance company." Provides that a controlled unaffiliated business is a person who is (1) not an affiliate and (2) has a contractual relationship with an affiliate, and whose risks are managed by a captive insurance company, an affiliate of such a company, a participant, or an affiliate of a participant in accordance with GS 58-10-470.

Amends the definition for *participant* to mean any person and any affiliate meeting the specified qualifications, (was, a person or an entity). Also amends the definition for *sponsor* to mean any person meeting the specified qualifications (was, any person or entity). Adds definitions for the terms *core* and *impairment*. Deletes the definition for *incorporated cell captive insurance company*. Makes additional technical and clarifying changes to the definitions as they apply in this Part.

Makes technical and clarifying changes to GS 58-10-345 (licensing, authority, and confidentiality); GS 58-10-355 (organizational examination); and GS 58-10-360 (designation of captive manager).

Amends GS 58-10-370(a)(6) to authorize the Commissioner of Insurance (Commissioner) to determine the capital and surplus requirements for a special purpose captive insurance company in an amount other than the \$250,000 designated under this statute.

Amends GS 58-10-380, adding (b1) to provide criteria for the formation of a special purpose captive insurance company. Provides that a special purpose captive insurance company may be organized and operated in any form of business organization that is authorized by the Commissioner. Adds subsection (m) to provide for the governing of a captive insurance company engaging in establishing one or more separate accounts. Also designates rules for the sale, exchange, or transfer of assets made by a captive insurance company between any of its separate accounts, or between any other investment account and one or more of its separate accounts. Requires that the Commissioner approve such transfers.

Amends GS 58-10-385 to make an exception to the prohibition against the acceptance of any type of compensation for specified activities on behalf of a captive insurance company by a director, officer, or employee of that company, provided that the compensation is approved in advance by the Commissioner.

Amends GS 58-10-390 to permit the annual filing of any disclosure of conflict of interest by an officer, director, or key employee to be with the board of directors or other governing body of the captive insurance company.

Amends GS 58-10-405 to provide that each captive insurance company, pure or industrial, is to submit an annual report to the Commissioner prior to March 15 of its financial condition as of December 31 of the preceding year. Authorizes the Commissioner to require more frequent filing of financial condition reports at the Commissioner's discretion. Authorizes the Commissioner to waive the filing of the annual report required under this statute subject to the filing of the annual audit required under GS 58-10-415. Requires that a captive insurance company make a written exemption request at least 30 days before the annual report due date. Prohibits the Commissioner from simultaneously exempting a captive insurance company from both the annual report and the annual audit requirements.

Amends GS 58-10-415 to provide for an annual audit and statement of actuarial opinion (was, annual audit and actuarial certification). Deletes provision requiring certification of loss reserves and loss expense reserves. Instead directs every captive insurance company, unless exempted by the Commissioner, to submit annually, with the annual audited financial report, the opinion of an appointed actuary entitled, "Statement of Actuarial Opinion," which evaluates the captive insurance company's loss reserve and loss expense reserves. Specifies the necessary qualifications of the individual who

prepares the statement.

Enacts new GS 58-10-490 to define an *inactive captive insurance company* as one meeting both of the following criteria: (1) the company has ended its transactions in the insurance business and (2) there are no remaining liabilities associated with the policies written or assumed by the company. Provides additional criteria regarding the designation of a captive insurance company as inactive. Allows an inactive captive insurance company to be exempted from filing and reporting requirements.

Amends GS 58-10-510 regarding the requirements for establishing a protected cell captive insurance company under Subpart 2 of Article 10 of GS Chapter 58. Enacts a new subsection (q) providing for the transfer or conversion of a protected cell of a protected cell captive insurance company with the approval of the transfer or conversion plan by the Commissioner. Enacts new subsection (r) to govern the enforceability of contracts involving a protected cell of a protected cell captive insurance company.

Enacts new GS 58-10-512 to provide governing criteria for the formation of an incorporated protected cell. Permits an incorporated cell to be organized and operated in any form of business organization that is authorized by the Commissioner.

Enacts new GS 58-10-513, regarding cell shares and cell dividends.

Amends GS 58-10-515 to provide that any person (was, association, corporations, limited liability companies, partnerships, trusts, and other business entities) may be a participant in a protected cell captive insurance company formed or licensed under this Part .

Enacts new GS 58-10-517 to require a protected cell captive insurance company to inform any person with whom it engages in business transactions that it is a protected cell captive insurance company.

Deletes GS 58-10-540, which required an alien captive insurance company seeking to become licensed as a branch captive insurance company to petition the Commissioner for a certificate of authority.

Makes additional clarifying, technical, and conforming changes to Part 9 of Article 10 of GS Chapter 58.

Intro. by Johnson, Collins, Tine.

GS 58

[View summary](#)

Business and Commerce, Insurance

H 164 (2015-2016) **SCHOOL CALENDAR FLEXIBILITY**. Filed Mar 5 2015, *AN ACT TO PROVIDE ADDITIONAL FLEXIBILITY TO LOCAL BOARDS OF EDUCATION IN ADOPTING THEIR SCHOOL CALENDARS*.

Under current law, GS 115C-84.2(d) provides authority to local boards of education to determine the opening and closing dates for public schools under GS 115C-84.2(a)(1). However, the local boards must comply with specified parameters for the opening and closing dates of public schools as provided in GS 115C-84.2(d). Subsection (d) also provides criteria under which the State Board of Education may waive those requirements upon a showing of good cause by a local board of education.

Amends GS 115C-84.2(d) to require that except for year-round schools, local boards of education must set the school opening date for students to be no earlier than August 15 (was, no earlier than the Monday closest to August 26). Also requires that first-semester examinations be given before winter break. Retains provision authorizing local boards of education to determine the opening and closing dates for public schools. Adds new language that provides that regardless of the required opening date under subsection (d), a local school board may choose to schedule the opening and closing dates for any school in the local administrative unit to align with the opening and closing dates of a community college that serves the city or county in which the school unit is located.

Deletes all other provisions of subsection (d), including the requirement that the school closing date for students be no later than the Friday closest to June 11.

Effective when act becomes law, applying at the beginning of the 2015-16 school year.

Intro. by Setzer.

GS 115C

[View summary](#)

Education, Elementary and Secondary Education

H 165 (2015-2016) **STRENGTHEN CONTROLLED SUBSTANCES MONITORING**. Filed Mar 5 2015, *AN ACT TO STRENGTHEN THE MONITORING OF CONTROLLED SUBSTANCES*.

Requires the following entities to adopt the NC Medical Board's Policy for the Use of Opiates for the Treatment of Pain by July 1, 2016: (1) director of the Division of Public Health of the Department of Health and Human Services; (2) director of the Division of Medical Assistance; (3) director of the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services; (4) directors of medical, dental, and mental health services within the Department of Public Safety; (5) NC Board of Dental Examiners; (6) NC Board of Nursing; and (7) NC Board of Podiatry Examiners. Directs the following licensing boards to require continuing education on the abuse of controlled substances as a condition of license renewal for those that prescribe controlled substances: (1) NC Board of Dental Examiners; (2) NC Board of Nursing, (3) NC Board of Podiatry Examiners, and (4) NC Medical Board. Requires that at least one hour be a course specifically addressing prescribing practices.

Amends GS 90-113.74 to expand upon the permitted uses of prescription information to include informing medical records or clinical care. Allows the release of data in the controlled substances reporting system to the federal Drug Enforcement Administration's Office of Diversion Control and the NC Health Information Exchange. Requires the Department of Health and Human Services (DHHS) to adopt policies and procedures documenting and supporting the additional functionality and expanded access for the NC Controlled Substances Reporting System (System) and for the added entities, and amend its contract with the vendor operating the System to support the added functionality and expanded access.

Requires DHHS to modify the contract for the System to improve performance, establish user access controls, establish data security protocols, and ensure availability of data for advanced analytics. Specifies modifications to be made. The contract modifications must be complete by December 31, 2015, and DHHS must report by November 15, 2015, to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Oversight Committee on Health and Human Services on progress in modifying the contract.

Requires DHHS to apply for grant funding from the National Association of Boards of Pharmacy to establish the connection to PMP InterConnect. Directs DHHS to request funding in the amount of \$40,035 to establish the initial interface for PMP InterConnect and \$30,000 for two years of ongoing service, maintenance, and support in order to create interstate connectivity for the drug monitoring program. Makes additional appropriations from the General Fund in the amounts of \$5,100, \$15,000, \$40,035, and \$15,000 for activities related to the System and drug monitoring program for fiscal year 2015-16.

Requires the System to expand its monitoring capacity by establishing data use agreements with the Prescription Behavior Surveillance System. Requires the System to establish a data use agreement with the Center of Excellence at Brandeis University by January 1, 2016.

Requires the Division of Mental Health, Developmental Disabilities, and Substance Abuse Services to report every two years, beginning September 1, 2016, on its participation with the Prescription Behavior Surveillance System to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Oversight Committee on Justice and Public Safety.

Requires the Division of Medical Assistance to take six specified steps to improve the effectiveness and efficiency of the Medicaid lock-in program, including establishing written procedures for the operation of the program and increasing program capacity. Requires a report to the Joint Legislative Program Evaluation Oversight Committee by September 30, 2015, on its progress.

Creates the Prescription Drug Abuse Advisory Committee (Committee) and requires it to implement a statewide strategic plan to combat the problem of prescription drug abuse. Requires that the Committee include representatives from specified entities as well as others designated by the Secretary of Health and Human Services. After developing the plan, the Committee will be the state's steering committee to monitor achievement and receive regular progress reports.

Specifies steps that must be completed in developing the plan. Requires the plan to include three to five strategic goals that are outcome-oriented and measurable. The goals must be connected with objectives supported by five specified system mechanisms. Requires DHHS, in consultation with the Committee, to implement a performance management system that connects the goals and objectives identified in the plan to operations of the Controlled Substances Reporting System and Medicaid lock-in program, law enforcement activities, and oversight of prescribers and dispensers.

Requires DHHS to submit an annual report, beginning December 1, 2016, on the performance of the system for monitoring prescription drug abuse to the Joint Legislative Oversight Committee on Health and Human Services and the Joint Legislative Oversight Committee on Justice and Public Safety.

Intro. by Lucas, Hurley, Carney, Horn.

APPROP, GS 90

[View summary](#)

Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Health Care Facilities and Providers

H 166 (2015-2016) **EQUAL RIGHTS AMENDMENT**. Filed Mar 5 2015, *AN ACT TO RATIFY THE EQUAL RIGHTS AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES OF AMERICA RELATING TO EQUAL RIGHTS FOR MEN AND WOMEN*.

Identical to [S 147](#) filed on March 3, 2015.

Ratifies the Equal Rights Amendment to the US Constitution (which is set out in the act's whereas clauses). Requires that the Governor forward certified copies of the act and its preamble to the Administrator of General Services, the President of the Senate, and the Speaker of the House of the US Congress.

Intro. by Cunningham.

UNCODIFIED

[View summary](#)

Constitution

H 167 (2015-2016) **AGGRAVATING FACTOR/VIOLENT ACT BEFORE MINOR**. Filed Mar 5 2015, *AN ACT TO MAKE IT AN AGGRAVATING FACTOR TO COMMIT A VIOLENT FELONY THAT A DEFENDANT REASONABLY SHOULD KNOW IS BEING WITNESSED BY A CHILD WHO IS LESS THAN SIXTEEN YEARS OLD AND TO PROVIDE THAT THE INCREASED PENALTY FOR A MISDEMEANOR ASSAULT COMMITTED IN THE PRESENCE OF A MINOR MAY BE IMPOSED WHEN THE MINOR WAS IN A POSITION TO SEE OR HEAR THE COMMISSION OF THE MISDEMEANOR OFFENSE*.

Amends GS 15A-1340.16 to add to the list of aggravating factors that can be considered in determining whether to impose an aggravated sentence, that it is an aggravating factor when a defendant commits a violent offense and knows or reasonably should know that a person under the age of 16 who was not involved in the commission of the offense was

in a position to see or hear the offense.

Amends the definition of *in the presence of a minor* as used in GS 14-33(d), concerning misdemeanor assault in the presence of a minor to mean that the minor was in a position to see or hear the assault (was, minor was in the position to have observed the assault).

Effective December 1, 2015, applying to offenses committed on or after that date.

Intro. by Cunningham, Carney, Earle, Bryan.

[GS 14, GS 15A](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Corrections \(Sentencing/Probation\), Criminal Law and Procedure](#)

H 168 (2015-2016) [EXEMPT BUILDERS' INVENTORY](#). Filed Mar 5 2015, *AN ACT TO EXEMPT FROM PROPERTY TAX THE INCREASE IN VALUE OF REAL PROPERTY HELD FOR SALE BY A BUILDER, TO THE EXTENT THE INCREASE IS ATTRIBUTABLE TO SUBDIVISION OR IMPROVEMENTS BY THE BUILDER.*

Enacts new GS 105-277.02, certain real property held for sale classified for taxation at reduced valuation, providing that real property held for sale by a builder is designated a special class of property pursuant to Article V of the NC Constitution. Provides that increases in value of such property attributable to subdivision or other improvements made by the builder are excluded from property taxation as long as the builder continues to hold the property for sale. Further provides that this exclusion cannot exceed five years from the time the improved property was first subject to taxation. Provides that to receive this exclusion, a builder must apply annually as provided in GS 105-282.1. Directs tax assessors to specify what portion of the value is an increase attributable to subdivision or other builder improvements.

Amends GS 105-287(d) to require tax assessors to appraise unsold portions of land as land acreage instead of lots if a tract of land has been subdivided into lots yet more than five acres of the tract remain unsold (previously, a tax assessor could appraise the land acreage but was not required to do so).

Amends the definition of *builder* in GS 105-273 to no longer require licensing as a general contractor.

Effective for taxes imposed for taxable years beginning on or after July 1, 2015.

Intro. by Hager, Millis, Brody, Collins.

[GS 150](#)

[View summary](#)

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

H 169 (2015-2016) [LIMIT MOTOR VEHICLE EMISSIONS INSPECTIONS](#). Filed Mar 5 2015, *AN ACT TO LIMIT COUNTIES IN WHICH MOTOR VEHICLE EMISSIONS INSPECTIONS ARE REQUIRED.*

Amends GS 143-215.107A to no longer require motor vehicle emissions inspections in Burke, Haywood, Rutherford, Surry, and Wilkes counties. Effective on the later of January 1, 2016, or the first day of a month that is 30 days after the Department of Environment and Natural Resources certifies to the Revisor of Statutes that the US Environmental Protection Agency has approved the amendment to the NC State Implementation Plan based on the change to the motor vehicle emissions testing program provided in this act.

Intro. by Hager, Presnell.

[Burke, Haywood, Rutherford, Surry, Wilkes, GS 143](#)

[View summary](#)

[Transportation](#)

H 170 (2015-2016) [HANDICAPPED PARKING WINDSHIELD PLACARD](#). Filed Mar 5 2015, *AN ACT TO PROVIDE THAT A HANDICAPPED VEHICLE OWNER WHO QUALIFIES FOR A DISTINGUISHING LICENSE PLATE SHALL ALSO RECEIVE ONE REMOVABLE WINDSHIELD PLACARD*.

Identical to [S 116](#), filed 2/25/15.

Amends GS 20-37.6(b) concerning distinguishing license plates for handicapped car owners, providing that any vehicle owner that qualifies for a distinguishing license plate will also receive one removable windshield placard (previously, language stated that such vehicle owners could receive one removable windshield placard).

Effective July 1, 2015, applying to applications for a distinguishing license plate on or after that date.

Intro. by

[GS 20](#)

[View summary](#)

[Transportation](#)

H 171 (2015-2016) [MODIFY FILM GRANT FUND](#). Filed Mar 5 2015, *AN ACT TO MODIFY THE FILM AND ENTERTAINMENT GRANT FUND*.

Identical to [S 193](#), filed 3/5/15.

Amends GS 143B-437.02A to change the amount of qualifying expenses required by a production company to qualify for a grant from the Film and Entertainment Grant Fund as follows: (1) for a feature-length film, \$1 million in expenses (was, \$5 million); (2) for a video or television series, \$1 million in expenses per episode (was, \$250,000). Additionally, amends the provisions for grant amount caps, providing that a grant for a feature-length film for theatrical viewing cannot exceed \$10 million (previously, could not exceed \$5 million and did not include the "for theatrical viewing" language). Provides that grants cannot exceed \$2 million for feature-length films for television viewing or a television or video pilot or episode (previously, could not exceed \$5 million and did not include the language referring to feature-length film for tv viewing or television or video pilot or episode). Deletes prohibition on grants for a production that contains material that is "harmful to minors" as defined in GS 14-190.1. Deletes definition for *employee*. Expands the definition of *production* to include video or tv series or a commercial for theatrical or tv viewing including access through cable tv, broadcast tv, digital video discs, and online sources. Provides that for video and tv series, a production is each episode of the series produced for a single season (was, a production is all of the episodes). Makes a technical change. Authorizes the Secretary of Commerce to enter into an agreement to provide funds from the Film and Entertainment Grant Fund to a production company, with that agreement not to exceed five years. Provides that such an agreement is a binding obligation, although it is not subject to state funds being appropriated by the General Assembly.

Appropriates \$66 million in recurring funds from the General Fund to the Film and Entertainment Grant Fund beginning in fiscal year 2015-16 for uses pursuant to GS 143B-437.02A.

Effective July 1, 2015, applying to grants made on or after that date.

Intro. by Davis, Lewis, Saine, Iler.

[APPROP, GS 143B](#)

[View summary](#)

[Business and Commerce, Development, Land Use and Housing, Community and Economic Development](#)

PUBLIC/SENATE BILLS

S 20 (2015-2016) [IRC UPDATE/MOTOR FUEL CHANGES. \(NEW\)](#) Filed Feb 3 2015, *AN ACT TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE, TO DECOUPLE FROM CERTAIN PROVISIONS OF THE FEDERAL TAX INCREASE PREVENTION ACT OF 2014, TO MODIFY THE MOTOR FUELS TAX RATE, AND TO MAKE CERTAIN REDUCTIONS WITHIN THE DEPARTMENT OF TRANSPORTATION FOR THE 2014-2015 FISCAL YEAR.*

House amendment #3 makes the following changes to the fourth edition:

Deletes proposed language in GS 105-153.5(d), which provides that North Carolina tax law does not conform to the extension of the federal qualified tuition and expenses deduction for tax year 2014.

Intro. by Rabon, Rucho, Tillman.

GS 105

[View summary](#)

Government, Budget/Appropriations, State Agencies, Tax, Transportation

S 187 (2015-2016) [AIR CARRIER FUEL TAX EXEMPTION.](#) Filed Mar 5 2015, *AN ACT TO PROVIDE PARITY FOR INTERSTATE AIR COURIERS AND INTERSTATE PASSENGER AIR CARRIERS WITH RESPECT TO THE APPLICATION OF THE SALES AND USE TAX TO PURCHASES OF FUEL AND THE APPLICATION OF THESE TAXES TO BUSINESS INPUTS FOR OTHER INDUSTRIES.*

Amends GS 105-164.13 to provide that the sales of fuel to an interstate air courier or an interstate passenger air carrier are exempt from the tax imposed by GS Chapter 105, Article 5, Sales and Use Tax.

Effective July 1, 2015, applying to sales made on or after that date.

Intro. by Rabon.

GS 105

[View summary](#)

Government, Tax, Transportation

S 188 (2015-2016) [ADJUST CAP ON TURNPIKE PROJECTS.](#) Filed Mar 5 2015, *AN ACT TO REMOVE THE CAP ON THE NUMBER OF TURNPIKE PROJECTS THE TURNPIKE AUTHORITY MAY STUDY, PLAN, DEVELOP, AND UNDERTAKE PRELIMINARY DESIGN WORK ON; TO INCREASE THE CAP ON THE NUMBER OF TURNPIKE PROJECTS THE TURNPIKE AUTHORITY MAY DESIGN, ESTABLISH, PURCHASE, CONSTRUCT, OPERATE, AND MAINTAIN; AND TO PROVIDE THAT THE VARIOUS SEGMENTS OF THE TRIANGLE EXPRESSWAY PROJECT CONSTITUTE ONE PROJECT.*

Amends the powers of the Turnpike Authority (Authority) as found in GS 136-89.183, removing the cap on the number of projects the Authority can study, plan, develop and undertake preliminary design work on (previously, Authority was limited to only nine projects at one time). Allows the Authority to design, establish, purchase, construct, operate and maintain no more than 11 projects (previously, could only do so for the projects specified in the statute), with the previously specified projects included in the 11 projects. Provides that the segments of the Triangle Expressway known as NC 540, Triangle Parkway, and the Western Wake Freeway are considered to be one project (previously, was considered as three separate projects).

Intro. by Rabon, Meredith, Ford.

GS 136

[View summary](#)

Transportation

S 189 (2015-2016) [APPROPRIATIONS ACT OF 2015](#). Filed Mar 5 2015, *AN ACT TO MAKE BASE BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, INSTITUTIONS, AND AGENCIES, AND FOR OTHER PURPOSES.*

Blank bill.

Intro. by Harrington, B. Jackson, Brown.

APPROP

[View summary](#)

Government, Budget/Appropriations

S 190 (2015-2016) [MODERNIZE PHYSICAL THERAPY PRACTICE](#). Filed Mar 5 2015, *AN ACT UPDATING THE DEFINITION OF PHYSICAL THERAPY TO INCLUDE MANIPULATION OF THE SPINE WITHOUT A PRESCRIPTION FROM A PHYSICIAN LICENSED TO PRACTICE MEDICINE IN THIS STATE.*

Identical to [H 135](#), filed 3/3/15.

Amends the definition of *physical therapy* as found in GS 90-270.24(4) to include the manipulation of the spine without a prescription from a physician licensed to practice medicine in the state.

Effective October 1, 2015.

Intro. by Pate, Rabin, Woodard.

GS 90

[View summary](#)

Business and Commerce, Occupational Licensing, Health and Human Services, Health, Health Care Facilities and Providers

S 191 (2015-2016) [DARE MAGISTRATE FUNDS](#). Filed Mar 5 2015, *AN ACT TO APPROPRIATE FUNDS TO ESTABLISH AN ADDITIONAL MAGISTRATE POSITION IN DARE COUNTY.*

Amends GS 7A-133 to increase the number of magistrates in Dare County from 4 to 5.

Appropriates \$58,237 for 2015-16 and \$55,150 for 2016-17 from the General Fund to the Judicial Department to establish the additional magistrate position.

Effective July 1, 2015.

Intro. by Cook.

APPROP, GS 7A

[View summary](#)

Courts/Judiciary, Court System, Government, Budget/Appropriations

S 192 (2015-2016) [CITATIONS/SHERIFFS ACCEPT FAXES](#). Filed Mar 5 2015, *AN ACT TO PROVIDE THAT CITATIONS REFER TO COSTS RATHER THAN COURT COSTS AND TO DIRECT ALL SHERIFFS' DEPARTMENTS TO ACCEPT*

FACSIMILE TRANSMISSIONS OF DOMESTIC VIOLENCE PROTECTIVE ORDERS AND CIVIL NO-CONTACT ORDERS.

Amends GS 15A-302 to require citations to refer to the costs and fees assessed under Article 28A (Uniform Costs and Fees in the Trial Divisions) of GS Chapter 7A as costs instead of as court costs. Effective when the act becomes law but does not require the replacement of citation forms until the printing of new forms is necessary.

Enacts new GS 162-16.1 requiring all sheriff's departments to accept facsimile transfers of domestic violence protective orders and civil no-contact orders for service on defendants.

Intro. by Cook.

[GS 15A, GS 162](#)

[View summary](#)

[Courts/Judiciary, Civil, Civil Law, Family Law, Court System, Government, Public Safety](#)

S 193 (2015-2016) [MODIFY FILM GRANT FUND](#). Filed Mar 5 2015, *AN ACT TO MODIFY THE FILM AND ENTERTAINMENT GRANT FUND.*

Amends GS 143B-437.02A to change the amount of qualifying expenses required by a production company to qualify for a grant from the Film and Entertainment Grant Fund as follows: (1) for a feature-length film, \$1 million in expenses (was, \$5 million); (2) for a video or television series, \$1 million in expenses per episode (was, \$250,000). Additionally, amends the provisions for grant amount caps, providing that a grant for a feature-length film for theatrical viewing cannot exceed \$10 million (previously, could not exceed \$5 million and did not include the "for theatrical viewing" language). Provides that grants cannot exceed \$2 million for feature-length films for television viewing or a television or video pilot or episode (previously, could not exceed \$5 million and did not include the language referring to feature-length film for tv viewing or television or video pilot or episode). Deletes prohibition on grants for a production that contains material that is "harmful to minors" as defined in GS 14-190.1. Deletes definition for *employee*. Expands the definition of *production* to include video or tv series or a commercial for theatrical or tv viewing including access through cable tv, broadcast tv, digital video discs, and online sources. Provides that for video and tv series, a production is each episode of the series produced for a single season (was, a production is all of the episodes). Makes a technical change. Authorizes the Secretary of Commerce to enter into an agreement to provide funds from the Film and Entertainment Grant Fund to a production company, with that agreement not to exceed five years. Provides that such an agreement is a binding obligation, although it is not subject to state funds being appropriated by the General Assembly.

Appropriates \$66 million in recurring funds from the General Fund to the Film and Entertainment Grant Fund beginning in fiscal year 2015-16 for uses pursuant to GS 143B-437.02A.

Effective July 1, 2015, applying to grants made on or after that date.

Intro. by Lee, Rabon.

[APPROP, GS 143B](#)

[View summary](#)

[Business and Commerce, Development, Land Use and Housing, Community and Economic Development](#)

S 194 (2015-2016) [PORT USAGE CONTRACTS/PUBLIC RECORDS](#). Filed Mar 5 2015, *AN ACT TO PROVIDE THAT A USAGE CONTRACT ENTERED INTO BETWEEN THE STATE PORTS AUTHORITY AND A CARRIER IS NOT A PUBLIC RECORD.*

Enacts new GS 136-276 as the title indicates. Defines *usage contract*.

Intro. by Lee.

GS 136

[View summary](#)

Transportation

S 195 (2015-2016) [MOTOR VEHICLE SERVICE AGREEMENT AMENDMENTS](#). Filed Mar 5 2015, *AN ACT TO PROVIDE A LEGAL FRAMEWORK FOR THE SALE AND REGULATION OF MOTOR VEHICLE ANCILLARY PRODUCT CONTRACTS IN NORTH CAROLINA*.

Amends GS 66-370 (motor vehicle service agreement companies) to provide that the statute's provisions do not apply to motor vehicle maintenance agreements. Adds definitions for "ancillary protection product" and "motor vehicle failure" to the definitions that apply in this statute and GS 66-371, 66-372, and 66-373. Expands the definition for motor vehicle service agreement to five specified services and types of services for which the holder of the contract or agreement is entitled to performance or indemnification. Provides for performance or indemnification of service not listed with approval by the Commissioner of Insurance, providing doing so is not inconsistent with other provisions of this Article. Adds that a motor vehicle service agreement does not include coverage for the repair or replacement of damage to the interior surfaces, or repair or replacement of damage to the exterior paint or finish, unless coverage is offered in connection with the sale of an ancillary protection product.

Amends GS 58-1-15 to provide that service agreements on home appliances or motor vehicles, offered in compliance with Article 43 of GS Chapter 66, and made by any person other than the manufacturer, distributor, or seller of the appliance or vehicle, are not insurance contracts and such service agreements are exempt from all of the provisions of GS Chapter 58 except as otherwise expressly provided. Makes a conforming change to GS 66-372(e)(2).

Becomes effective July 1, 2015.

Intro. by Meredith.

GS 58, GS 66

[View summary](#)

Transportation

S 197 (2015-2016) [ALLOW SUBSTITUTION OF BIOSIMILARS](#). Filed Mar 5 2015, *AN ACT AMENDING THE NORTH CAROLINA PHARMACY PRACTICE ACT TO ALLOW FOR THE SUBSTITUTION OF AN INTERCHANGEABLE BIOLOGICAL PRODUCT*.

Amends GS 90-85.27, the definitions section for use in GS 90-85.28 through GS 90-85.31, adding "biological product", and "interchangeable biological product". Makes technical and organizational changes.

Amends GS 90-85.28 to authorize pharmacists dispensing a prescription for a drug product prescribed by its brand name to select any equivalent or interchangeable biological product which meets specified standards (previously, did not allow the substitution of a brand name drug with an interchangeable biological product). Amends the catchline of GS 90-85.28 to "Selection by pharmacists permissible; prescriber may permit or prohibit selection; price limit on selected drugs; communication of dispensed biological products under specified circumstances". Makes technical and conforming changes. Requires a pharmacist substituting an interchangeable biological product to communicate to the prescriber, within a reasonable time following the dispensing, the manufacturer of the specific biological product prescriber. Sets out authorized means of communication between the pharmacist and the prescriber as well as instances when such communication is not needed. Provides that the interchangeable biological product can only be selected if it is lower in price than the prescribed drug.

Amends GS 90-85.31, providing that no greater liability is extended to pharmacists for selecting an interchangeable biological product as would be for selecting the prescribed drug. Makes conforming changes.

Makes technical changes to GS 58-3-178(c)(4).

Effective October 1, 2015.

Intro. by Apodaca, Hise.

GS 90

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

S 198 (2015-2016) **PERSONS UNDER 18 IN CONFINEMENT FACILITIES**. Filed Mar 5 2015, *AN ACT TO PROVIDE THAT PERSONS UNDER THE AGE OF EIGHTEEN SHOULD NOT BE HOUSED IN A LOCAL CONFINEMENT FACILITY OCCUPIED BY PERSONS AGE EIGHTEEN AND OLDER UNLESS A SIGHT AND SOUND BARRIER EXISTS BETWEEN THE PERSONS UNDER THE AGE OF EIGHTEEN AND THE OLDER PERSONS.*

Amends GS 153A-218 to add that, whenever possible, a person under age 18 should not be housed in the same local confinement facility as those 18 and older. Requires a complete sight and sound barrier to be maintained between those under the age of 18 and those 18 and older if a person under 18 must be housed in a facility also housing people 18 and older. Updates a statutory reference.

Intro. by Robinson, Tillman.

GS 153A

[View summary](#)

Courts/Judiciary, Criminal Justice, Corrections (Sentencing/Probation)

LOCAL/SENATE BILLS

S 196 (2015-2016) **19TH SENATORIAL DISTRICT LOCAL ACT-1**. Filed Mar 5 2015, *AN ACT RELATING TO THE 19TH SENATORIAL DISTRICT.*

Blank bill.

Intro. by Meredith.

Cumberland

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ACTIONS ON BILLS

PUBLIC BILLS

H 31: 0.00 ALCOHOL RESTRICTION-ALL DWI.

House: Placed On Cal For 03/09/2015

H 32: AMEND HABITUAL DWI.

House: Placed On Cal For 03/09/2015

H 41: REVENUE LAWS TECHNICAL CHANGES.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 03/09/2015

H 59: CLARIFY REPORT ADMISSIBILITY.

House: Placed On Cal For 03/09/2015

H 117: NC COMPETES ACT.

House: Passed 3rd Reading

House: Ordered Engrossed

House: Special Message Sent To Senate

H 148: INSURANCE AND SAFETY INSPECTION/MOPEDS.

House: Passed 1st Reading

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

H 151: PROPERTY INSURANCE RATEMAKING REFORM.

House: Passed 1st Reading

House: Ref To Com On Insurance

H 152: NEW HISTORIC PRESERVATION TAX CREDIT.

House: Passed 1st Reading

House: Ref To Com On Finance

H 154: SOUTHPORT IN STATE HEALTH PLAN.

House: Passed 1st Reading

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

H 156: LEGAL NOTICES/REQUIRE INTERNET PUBLICATION.

House: Passed 1st Reading

House: Ref To Com On Judiciary I

H 157: AMEND ENVIRONMENTAL LAWS.

House: Passed 1st Reading

House: Ref To Com On Environment

H 158: JIM FULGHUM TEEN SKIN CANCER PREVENTION ACT.

House: Passed 1st Reading

House: Ref To Com On Health

H 159: REGULATE COMMERCIAL DOG BREEDERS.

House: Passed 1st Reading

House: Ref to the Com on Judiciary II, if favorable, Finance

H 163: CAPTIVE INSURANCE AMENDMENTS.

House: Filed

H 164: SCHOOL CALENDAR FLEXIBILITY.

House: Filed

H 165: STRENGTHEN CONTROLLED SUBSTANCES MONITORING.

House: Filed

H 166: EQUAL RIGHTS AMENDMENT.

House: Filed

H 167: AGGRAVATING FACTOR/VIOLENT ACT BEFORE MINOR.

House: Filed

H 168: EXEMPT BUILDERS' INVENTORY.

House: Filed

H 169: LIMIT MOTOR VEHICLE EMISSIONS INSPECTIONS.

House: Filed

H 170: HANDICAPPED PARKING WINDSHIELD PLACARD.

House: Filed

H 171: MODIFY FILM GRANT FUND.

House: Filed

S 14: ACAD. STANDARDS/RULES REVIEW/COAL ASH/FUNDS.

Senate: Failed Concur In H Com Sub

Senate: Conf Com Appointed

S 20: IRC UPDATE/MOTOR FUEL CHANGES. (NEW)

House: Amend Adopted A3

House: Passed 3rd Reading

House: Ordered Engrossed

House: Special Message Sent To Senate

S 37: WAIVE TUITION/FALLEN OFFICER WAS GUARDIAN.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

S 166: CLERK OF COURT SALARY STUDY.

Senate: Passed 1st Reading

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

S 167: CLERK OF COURT LONGEVITY.

Senate: Passed 1st Reading

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

S 169: WAYNE REGIONAL RESEARCH AND ED. AG. CTR FUNDS.

Senate: Passed 1st Reading

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

S 174: RAIL CORRIDOR LEASE/CITY OF WILMINGTON.

Senate: Passed 1st Reading

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

S 176: CHARTER SCHOOL GRADE LEVEL EXPANSION.

Senate: Passed 1st Reading

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

S 182: AUTOMATIC LICENSE PLATE READERS.

Senate: Passed 1st Reading

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

S 183: ELIMINATE CRVS FOR MISDEMEANANTS.

Senate: Passed 1st Reading

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

S 184: NC ADOPT EQUAL RIGHTS AMENDMENT.

Senate: Passed 1st Reading

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

S 185: CLARIFY CREDIT FOR TIME SERVED.

Senate: Passed 1st Reading

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

S 186: APPROPRIATIONS ACT OF 2015.

Senate: Passed 1st Reading

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

S 187: AIR CARRIER FUEL TAX EXEMPTION.

Senate: Filed

S 188: ADJUST CAP ON TURNPIKE PROJECTS.

Senate: Filed

S 189: APPROPRIATIONS ACT OF 2015.

Senate: Filed

S 190: MODERNIZE PHYSICAL THERAPY PRACTICE.

Senate: Filed

S 191: DARE MAGISTRATE FUNDS.

Senate: Filed

S 192: CITATIONS/SHERIFFS ACCEPT FAXES.

Senate: Filed

S 193: MODIFY FILM GRANT FUND.

Senate: Filed

S 194: PORT USAGE CONTRACTS/PUBLIC RECORDS.

Senate: Filed

S 195: MOTOR VEHICLE SERVICE AGREEMENT AMENDMENTS.

Senate: Filed

S 197: ALLOW SUBSTITUTION OF BIOSIMILARS.

Senate: Filed

LOCAL BILLS

H 130: DAVIE COUNTY/FOOD FOR DETENTION FACILITIES.

House: Withdrawn From Com

House: Re-ref Com On Judiciary I

H 149: SCHOOL CALENDAR FLEX./ORANGE COUNTY.

House: Passed 1st Reading

House: Ref To Com On Education - K-12

H 150: SCHOOL CALENDAR FLEX./CHAPEL HILL-CARRBORO.

House: Passed 1st Reading

House: Ref To Com On Education - K-12

H 153: SCHOOL CALENDAR FLEXIBILITY/CERTAIN LEA'S.

House: Passed 1st Reading

House: Ref To Com On Education - K-12

H 155: SCHOOL CALENDAR FLEXIBILITY/CERTAIN COUNTIES.

House: Passed 1st Reading

House: Ref To Com On Education - K-12

S 165: 39TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Passed 1st Reading

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

S 168: 5TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Passed 1st Reading

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

S 170: 35TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Passed 1st Reading

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

S 171: SPIRITUOUS LIQUOR TASTINGS/ABC STORES.

Senate: Held As Filed

S 172: 38TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Passed 1st Reading

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

S 173: NEW HANOVER FOX TRAPPING.

Senate: Passed 1st Reading

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

S 175: 32ND SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Passed 1st Reading

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

S 177: SCHOOL CALENDAR FLEX./CHATHAM CO. SCHOOLS.

Senate: Passed 1st Reading

Senate: Ref To Com On Ways & Means

S 178: 23RD SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Passed 1st Reading

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

S 179: CARRBORO BUILDING CODES.

Senate: Passed 1st Reading

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

S 180: CARRBORO/HOUSING DISCRIMINATION.

Senate: Passed 1st Reading

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

S 181: WAKE COUNTY COMMISSIONER DISTRICTS.

Senate: Passed 1st Reading

Senate: Ref To Com On Redistricting

S 196: 19TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Filed

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