

## The Daily Bulletin: Monday, April 20, 2015

### PUBLIC/HOUSE BILLS

H 222 (2015-2016) [RETENTION ELECTIONS/APPELLATE DIVISION](#). Filed Mar 11 2015, *AN ACT ALLOWING VOTERS TO ELECT, AND THEN RETAIN, JUSTICES OF THE NORTH CAROLINA SUPREME COURT AND JUDGES OF THE COURT OF APPEALS FOR ELECTION.*

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

Changes the long title.

Amends proposed GS 7A-4.1, making clarifying and organizational changes to subsections (a) and (b). Makes a clarifying changes to subsection (c). Adds provisions establishing a filing fee for justices or judges of 1% of the annual salary of the office sought, paid to the State Board of Elections (SBE). Adds language requiring the SBE to certify results of retention elections. Deletes provision which required retention elections to be placed on the ballot in the same place as other nonpartisan judicial elections. Makes clarifying changes to the question as it should appear on the ballot. Makes a clarifying change to proposed subsection (g).

Amends proposed GS 7A-4.2, making a clarifying change.

Deletes proposed GS 7A-4.3, Governor to issue commissions to justices and judges.

Deletes proposed changes made to GS 7A-10(a) and adds language which provides that the specified election will be under GS Chapter 163 Article 25 or GS Chapter 163, Article 1A.

Makes clarifying changes to proposed language in GS 7A-16. Also deletes additional language which stated that on or after December 15, 2000, the Governor will appoint three additional judges.

Amends GS 163-165.6(b), concerning the order of precedence for candidate ballot items, providing a new guideline that ballot items for retention elections under GS 7A, Article 1A must be grouped with like state offices but should be listed after offices for which an election is conducted under GS Chapter 163, Article 25.

Makes conforming changes to GS 163-182.16, Governor to issue commissions for certain offices.

Amends GS 163-335, Other rules, making organizational changes and adding new language which provides that duly elected justices of the Supreme Court or judge of the Court of Appeals can opt for a retention election pursuant to GS Chapter 7A, Article 1A.

Amends GS 163-278.6(4) the definition for *candidate*, making conforming and technical changes.

Amends GS 163-278.38Z(2) the definition for *candidate*, making conforming changes.

Deletes proposed changes to GS 163-324(a), concerning fee schedules.

**Intro. by Bryan, Daughtry, Stevens.**

[GS 7A, GS 163](#)

[View summary](#)

[Courts/Judiciary, Court System, Government, Elections](#)

H 436 (2015-2016) [UNAUTHORIZED PRACTICE OF LAW CHANGES](#). Filed Mar 31 2015, *AN ACT TO FURTHER DEFINE THE TERM "PRACTICE LAW" FOR THE PURPOSE OF PROTECTING MEMBERS OF THE PUBLIC FROM SERIOUS HARM RESULTING FROM THE UNAUTHORIZED PRACTICE OF LAW BY A PERSON WHO IS NOT A TRAINED AND LICENSED ATTORNEY AND TO ESTABLISH A PROCESS OF REVIEW BY THE ATTORNEY GENERAL PRIOR TO ANY ACTION BY THE STATE BAR TO ENJOIN THE UNAUTHORIZED PRACTICE OF LAW.*

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

Amendment #1 amends GS 84-10.1 to specified that a person damaged by the unauthorized practice of law is entitled to injunctive relief as ordered by the court. Prohibits an order or judgment under the statute from having any effect on the North Carolina State Bar's ability to take action. Makes a technical correction.

Amendment #2 amends GS 84-2.1 to add that the practice of law does not include the completion of a preprinted form by a licensed real estate broker that is prepared in accordance with rules adopted by the North Carolina Real Estate Commission. Makes clarifying and organizational changes.

**Intro. by Daughtry, Bryan, Davis.**

[GS 84](#)

[View summary](#)

[Business and Commerce, Occupational Licensing](#)

H 638 (2015-2016) [CAPITALIZE ON WETLAND MITIGATION](#). Filed Apr 13 2015, *AN ACT TO DIRECT THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES, IN COOPERATION WITH THE WILDLIFE RESOURCES COMMISSION, TO TAKE ACTION THAT ENCOURAGES WETLAND MITIGATION PRACTICES SUPPORTIVE OF PUBLIC RECREATION AND HUNTING ON MITIGATION SITES.*

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

Amends proposed GS 143-214.15(e) to require the State to accept a proposal to purchase any of the inventory of land suitable for wildlife habitat if (1) the proposal provides for the maintenance in perpetuity of management measures listed in the original mitigation instrument or otherwise needed on an ongoing or periodic basis to maintain the functions of the mitigation site; and (2) where the functions of the mitigation site include provision of recreation or hunting opportunities to members of the general public, the proposal includes measures needed to continue that level of access. Requires the instrument conveying a property interest in a mitigation site to be executed as required under Article 16 of GS Chapter 146 and requires that it include these new requirements.

**Intro. by Millis, J. Bell, Pendleton.**

[GS 143](#)

[View summary](#)

[Environment, Environment/Natural Resources, Government, State Agencies, Department of Environment and Natural Resources](#)

H 643 (2015-2016) [ROOFING CONTRACTORS/CONSUMER PROTECTION](#). Filed Apr 13 2015, *AN ACT TO PROVIDE CONSUMER PROTECTIONS RELATED TO ROOFING REPAIR CONTRACTORS.*

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

Amends the act's long title, replacing the phrase "roofing contractors" with "roofing repair contractors."

Amends GS 75-150, which provides definitions as they apply in this Article (Article 9, GS Chapter 75). Deletes the definitions for "nonresident roofing contractor" and "public contract." Amends the definition for "roofing contractor" to

no longer include a nonresident roofing contractor and excludes a licensed general contractor. Amends the term "roofing contractor" to "roofing repair contractor." Adds definitions for: (1) consumer, (2) emergency services, and (3) roofing repair.

Reorganizes and recodifies provisions in Article 9, GS Chapter 75.

Amends the items that must be included in a contract for roofing repair. Modifies the Notice of Cancellation form.

Amends the customer's right to cancel the contract if the work is not covered by the customer's insurer and provides that there is a limited right to cancel contract if it is not covered by insurance. Also makes clarifying and conforming changes.

Makes some organizational changes to provisions stating prohibited conduct for a roofing repair contractor.

Provides that this act applies to contracts for roofing repair entered into on or after the effective date of this act, October 1, 2016.

**Intro. by Arp.**

GS 75

[View summary](#)

**Development, Land Use and Housing, Building and Construction**

H 647 (2015-2016) [EPI PENS IN ALL CHILD-SERVING BUSINESSES](#). Filed Apr 13 2015, *AN ACT AUTHORIZING HEALTH CARE PROVIDERS TO PRESCRIBE, AND PHARMACISTS TO DISPENSE, EPINEPHRINE AUTO-INJECTORS TO AUTHORIZED CHILD-SERVING ENTITIES OTHER THAN SCHOOLS FOR THE EMERGENCY TREATMENT OF ANAPHYLAXIS.*

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

Makes technical and clarifying changes to proposed GS 90-21.15A(c).

Adds language which provides that the NC Board of Pharmacy can adopt temporary and permanent rules addressing the authorization for authorized entities to obtain a prescription for epinephrine for emergency health circumstances.

**Intro. by McGrady, Avila, Stevens, Glazier.**

GS 90

[View summary](#)

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

H 652 (2015-2016) [RIGHT TO TRY ACT FOR TERMINALLY ILL PATIENTS](#). Filed Apr 13 2015, *AN ACT ESTABLISHING A RIGHT TO TRY ACT TO PROVIDE EXPANDED ACCESS TO INVESTIGATIONAL DRUGS, BIOLOGICAL PRODUCTS, AND DEVICES FOR PATIENTS DIAGNOSED WITH TERMINAL ILLNESS.*

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

Amends the definition of *eligible patient* in GS 90-325.1 to require the documentation from the physician that the individual meets the criteria for the definition to also include an attestation from the treating physician that the physician was consulted in the creation of the consent.

Makes additional clarifying and technical changes.

**Intro. by Blackwell, Hager, Lambeth, Reives.**

GS 90

H699 (2015-2016) **GUN RIGHTS AND PRIVACY ACT**. Filed Apr 14 2015, *AN ACT TO PROVIDE THAT NO STATE OR LOCAL OFFICIAL, AGENT, OR EMPLOYEE SHALL KNOWINGLY AND WILLFULLY ORDER ANOTHER STATE OR LOCAL OFFICIAL, AGENT, OR EMPLOYEE TO ENFORCE A FEDERAL LAW UPON A PERSONAL FIREARM, FIREARM ACCESSORY, OR AMMUNITION, UNLESS COMPLYING WITH A COURT ORDER; TO REPEAL THE PROHIBITION AGAINST CARRYING A CONCEALED WEAPON AND MAKE VARIOUS CONFORMING CHANGES; TO RETAIN THE CONCEALED HANDGUN PERMIT FOR THE CONVENIENCE OF RECIPROCITY WHEN TRAVELING IN OTHER STATES AND TO MAKE THE PURCHASE OF A FIREARM MORE EFFICIENT; AND TO PROHIBIT HEALTH CARE PROVIDERS FROM QUESTIONING COMPETENT PATIENTS ABOUT LAWFUL ACTIVITY RELATED TO FIREARMS AND AMMUNITION.*

Part I.

States the General Assembly's intent and refers to the act as the Gun Rights and Privacy Act.

Enact new GS 14-409.41 to make it illegal, except when complying with a court order, for a State or local official, agent, or employee to knowingly and willfully order another state or local official, agent, or employee to enforce any executive order, agency order, law, rule or regulation of the US government as provided in subsection (b) of this section upon a personal firearm, a firearm accessory, or ammunition. Subsection (b) prohibits a federal executive order, agency order, law, statute, rule or regulation issued, enacted, or promulgated on or after December 1, 2015, from being knowingly and willfully ordered to be enforced by any state or local official, agent, or employee if it is contrary to the provisions of Section 30 of Article I of the NC Constitution. Makes a violation punishable by a civil penalty not to exceed \$1,000 and makes a second or subsequent violation a Class 2 misdemeanor.

Part II.

Repeals GS 14-269 (Carrying concealed weapons), GS 14-269.3 (Carrying weapons into assemblies and establishments where alcoholic beverages are sold and consumed), GS 14-269.4 (Weapons on certain State property and in courthouses), and GS 14-277.2 (Weapons at parades, etc., prohibited).

Enacts new Article 54C, Carrying Concealed Weapons, in GS Chapter 14.

Allows a US citizen who is at least 21 years old to carry a concealed weapon in North Carolina. Makes it unlawful for 11 classes of individuals to carry a concealed weapon, including a person who is ineligible to own, possess, or receive a firearm under the provisions of state or federal law; is an unlawful user of, or addicted to, marijuana, alcohol, or any depressant, stimulant, or narcotic drug, or any other controlled substance; or is currently, or has been previously adjudicated to be, lacking mental capacity or mentally ill. A violation by these individuals is a Class 2 misdemeanor for first offenses and a Class H felony for second or subsequent offenses.

Makes it a Class 1 misdemeanor to carry a concealed weapon into: (1) an assembly where a admission fee has been charged if notice is given that carrying a concealed weapon on the premises is prohibited or (2) any establishment where alcoholic beverages are sold and consumed if notice is given. Sets out exemptions to this prohibition for 14 classes of individuals, including the owner or lessee of the premises or business establishment; a person participating in the event, if the person is carrying a gun, rifle, or pistol with the permission of the owner, lessee, or person or organization sponsoring the event; any person who is a qualified retired law enforcement officer; and specified court officials.

Makes it illegal to possess or carry a deadly weapon in the State Capitol Building, the Executive Mansion, the Western Residence of the Governor, or on the grounds of any of these buildings. Violations are a Class 1 misdemeanor. Sets out exemptions for seven classes of individuals, including personnel of the US Armed Forces when in discharge of their official duties as such and acting under orders requiring them to carry arms and weapons, civil and law enforcement

officers, and state probation or parole-certified officers when off duty.

Makes it illegal to possess or carry a deadly weapon in courthouses. A violation is a Class 1 misdemeanor. Sets out exemptions for 15 classes of individuals, including specified court officials, a qualified retired law enforcement officer, clerk of court or register of deeds (with specified limitations), and a person who has a firearm in a closed compartment or container within the person's locked vehicle or in a locked container securely affixed to the person's vehicle.

Makes it illegal for parade or funeral procession participants or spectators to carry a concealed weapon on any premises if the person in control of the premises has posted a notice prohibiting the carrying of a concealed weapon on the premises. A violation is a Class 1 misdemeanor. Sets out exemptions for 13 classes of individuals.

Makes it illegal to carry a concealed weapon: (1) in an area prohibited by rule adopted under GS 120-32.1, (2) in any area prohibited by 18 USC § 922 or any other federal law, (3) in a law enforcement or correctional facility, or (4) on any private premises where notice that carrying a concealed handgun is prohibited by the posting of a conspicuous notice or statement by the person in legal possession or control of the premises. A violation is a Class 1 misdemeanor. Sets out exemptions for 11 classes of individuals.

Expands upon the individuals who are exempt from (1) the prohibition on carrying weapons on campus or other educational property and (2) the prohibition on manufacturing, assembling, possessing, storing, transporting, selling, offering to sell, purchasing, offering to purchase, deliver or give to another, or acquire any weapon of mass death and destruction.

Makes conforming changes.

### Part III.

Enacts new GS 14-415.10A requiring the state to continue to make a concealed handgun permit available and states the purpose for doing so.

Amends GS 14-415.11 (Permit to carry concealed handgun; scope of permit) to delete the provision concerning a military permittee whose permit has expired during deployment. Makes additional conforming changes.

Makes conforming changes to GS 14-415.12, GS 15A-1343, GS 74E-6, GS 14-415.35, and GS 113-136, reflecting the repeals of statutes and new Article 54C.

Repeals GS 14-415.22 (concerning the construction of Article 54B, Concealed Handgun Permit).

### Part IV.

Enacts new Article 11, Preserving Firearms Privacy for Patients, in GS Chapter 90. States the General Assembly's findings and intent. Sets out and defines terms for use in the Article. Prohibits a health care provider from asking a patient or the patient's parent, guardian, or custodian to complete a written form about the patient's lawful ownership, possession, handling, storage, maintenance of, or other conduct involving firearms and ammunition unless the patient has been adjudicated incompetent due to mental illness. Also prohibits a health care provider from disclosing to any government official or agency the response of a patient, or the patient's parent, guardian, or custodian, to verbal inquiries about the patient's lawful ownership, possession, handling, storage, maintenance of, or other conduct involving firearms and ammunition, unless the patient has been adjudicated incompetent due to mental illness. Allows the health care provider's licensing board to impose a fine for violations of the provisions not to exceed \$250 for nonwillful violations and \$500 for willful violations. Also makes violations grounds for disciplinary action. Effective December 1, 2015, and applies to violations occurring on or after that date.

### Part V.

Include a severability clause.

### Part VI.

Unless otherwise provided, effective December 1, 2015, and applies to offenses committed on or after that date. Provides that prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable but for this act remain applicable to those prosecutions.

**Intro. by Pittman.**

[GS 14, GS 15A, GS 74E, GS 74G, GS 90, GS 113](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Health and Human Services, Health, Mental Health](#)

H 720 (2015-2016) [JUDICIAL APPOINTMENT/RETENTION ELECTIONS](#). Filed Apr 14 2015, *AN ACT TO AMEND THE CONSTITUTION OF NORTH CAROLINA TO REPLACE THE PRESENT PRACTICE OF SELECTING JUDGES OF THE SUPERIOR AND DISTRICT COURTS WITH NOMINATION FROM A JUDICIAL NOMINATING COMMISSION AND APPOINTMENT BY THE GENERAL ASSEMBLY, FOLLOWED BY A RETENTION ELECTION AND TO MAKE CONFORMING STATUTORY CHANGES.*

Subject to approval by the voters at the November 8, 2016, election, amends Sections 9 and 10 of Article IV of the North Carolina Constitution to make judges of the Superior Court and District Court appointed by the General Assembly and retained by the voters. Makes conforming changes to Section 16. Makes conforming changes. Sets out the ballot language.

The following changes take effect only upon approval of the Constitutional amendment. If effective, the provisions apply to vacancies in district and superior court on and after January 1, 2018.

Enacts new Article 1A, Appointment and Retention of Superior and District Court Judges, in GS Chapter 7A. Requires the General Assembly to appoint individuals to fill vacancies in superior court and district court judgeships by selecting from five candidates nominated by the Judicial Nomination Commission (Commission), or another qualified person. Establishes the 12-member Commission with members with specified qualifications appointed to the Commission by the Governor, President Pro Tempore of the Senate, and the Speaker of the House. Makes all retired Chief Justices nonvoting members and sets membership terms at four years. Requires the General Assembly, in making their appointments, to consider an even balance of party affiliation; law practice background, area, and setting; race and ethnicity; gender; and geography. Sets out the Commission's duties. Sets out the procedure for the Commission to follow in making their nominations. Requires the General Assembly's appointment to be made in legislation that contains specified information. Provides that the internal files and information obtained by the Commission while examining potential nominees are not public records until a recommendation is made to the General Assembly. Makes nominations, the Commission's vote on those nominees, and Commission reports public record.

Provides that if a judge of superior or district court is appointed to the office, then the next election to that office must be by ballot. Requires a superior or district court judge who was elected to the office who wants to continue in the office be subject to approval at the general election immediately preceding the expiration of the term. Specifies the procedure for filing to run in the election and specifies the ballot language. If voters do not approve the retention of that judge, then the office becomes vacant at the end of the term to be filled by appointment; when a judge is retained in office the Governor is required to issue a commission attesting to that fact.

Makes conforming changes to various statutes in GS Chapter 7A, 143, and 163.

**Intro. by Bryan, Daughtry.**

[CONST, GS 7A, GS 143, GS 163](#)

[Constitution, Courts/Judiciary, Court System,](#)

H 876 (2015-2016) [CELL PHONE LOCATION TRACKING](#). Filed Apr 14 2015, *AN ACT TO REQUIRE A SEARCH WARRANT TO OBTAIN THE LOCATION INFORMATION OF A CELL PHONE OR OTHER ELECTRONIC DEVICE*.

Amends GS 15A-260 to add definitions for (1) *electronic device*, (2) *investigative or law enforcement officer*, and (3) *location information*.

Enacts new GS 15A-265, prohibiting in subsection (a) an investigative or law enforcement officer or any person from obtaining location information (information concerning the location of an electronic device generated or derived in whole or part from the operation of that device) without first obtaining a search warrant as provided for in Article 11 of GS Chapter 15A.

Provides in subsection (b) that the requirement for a search warrant prior to obtaining location information does not apply under the following exceptions: (1) in response to a missing person's report, (2) with the consent of the user of the service, (3) in response to a report from a parent or a legal guardian of a minor that the minor is missing, (4) in the active pursuit of a fleeing fugitive, and (5) in response to the user's call for emergency services or a notification from a third party that a user may be at risk of suicide or the user's call for emergency services if the investigative or law enforcement officer believes that there is an emergency situation with danger of death or serious physical injury to any person and the request for location information is narrowly tailored to address the emergency and subject to specified limitations.

Makes a willful and knowing violation of subsection (a) of this section a Class 1 misdemeanor. Deems any evidence obtained in violation of this section to be inadmissible in any criminal, civil, administrative, or other proceeding, except as proof of a violation of this section.

Prohibits receiving into evidence or otherwise disclosing in a trial or hearing or any procedure in federal or state court any location information or evidence derived from location information unless each party has been furnished, not less than 10 days before the court proceeding, with a copy of the order and application under which the information was obtained. Permits the judge to waive the 10-day period if the judge finds that meeting that deadline was not possible and that the party receiving the information less than 10 days before the proceeding will not be prejudiced by the delay in receiving the information.

Prohibits the disclosure of incidentally collected data that is not the subject of the warrant that is collected as part of the effort to obtain the location information or stored or transmitted data of the electronic device that is the subject of the warrant or search. Provides that the incidentally collected data must be destroyed in a manner that makes the data unrecoverable no later than 24 hours after the data is collected. Makes an exception that allows an investigative or law enforcement agency to use, copy, or disclose the transmitted data of an electronic device that is used to communicate with the electronic device that is the subject of the warrant if the investigative or law enforcement agency believes that the transmitted data is necessary to achieve the objective of the warrant.

Requires any judge issuing or denying any application for a search warrant for location information during the preceding year to report on those warrants by January 31 of each calendar year to the Administrative Office of the Courts (AOC). Specifies what information the report is to contain.

Directs the AOC to provide the General Assembly, by April 1 of each year beginning with 2016, with a complete report concerning the number of applicants for orders authorizing or requiring the disclosure of location information under this section, the number of times access to the location information was obtained, and the number of orders granted or denied. Specifies data to be included in the report. Authorizes the AOC to issue binding regulations dealing with the content and form of the report required to be filed by judges. Provides that a non-classified summary of the report is to be made publicly available on the website for the General Assembly and the AOC in April of each year, beginning with 2016.



Effective December 1, 2015, and applies to offenses occurring on or after that date, and the requirements apply to persons seeking location information on or after that date. Provides that prosecutions for offenses committed before the effective date of this act are not abated or affected by this act, and the statutes that would be applicable except for this act remain applicable to those prosecutions.

**Intro. by Jordan, Glazier, Jeter.**

**GS 15A**

[View summary](#)

**Courts/Judiciary, Criminal Justice**

H 877 (2015-2016) **IGNITION INTERLOCK REQ'D/ALL DWIS**. Filed Apr 14 2015, *AN ACT TO REQUIRE PERSONS CONVICTED OF DRIVING AFTER CONSUMING ALCOHOL BEING LESS THAN TWENTY-ONE YEARS OF AGE, AND CERTAIN PERSONS WHO REFUSE A CHEMICAL ANALYSIS OR ARE CONVICTED OF DRIVING WHILE IMPAIRED OR ANY OTHER IMPAIRED DRIVING OFFENSE, TO HAVE AN IGNITION INTERLOCK SYSTEM INSTALLED ON EVERY VEHICLE THAT PERSON MAY DRIVE BEFORE THAT PERSON CAN GET A LIMITED DRIVING PRIVILEGE; TO REMOVE THE WAITING PERIOD BEFORE A PERSON MAY APPLY FOR A LIMITED DRIVING PRIVILEGE; AND TO PROVIDE FOR THE PAYMENT OF AN ADMINISTRATIVE FEE AND COSTS ASSOCIATED WITH AN IGNITION INTERLOCK SYSTEM AND CREATE AN IGNITION INTERLOCK DEVICE FUND TO ASSIST INDIGENT PERSONS.*

Amends GS 20-16.2(c1) to require the submission of an affidavit when a person has an alcohol concentration of 0.08 or more (was, 0.15 or more) or falls under another provision in existing law.

Amends GS 20-16.2(e1) to amend the conditions that must be met before a person whose driver's license has been revoked may apply for and receive a limited driving privilege, including removing the requirement that the person's license had been revoked for at least six months and adding that the vehicle must be equipped with an ignition interlock system.

Amends GS 20-16.5(p), the conditions that must be met before a person whose driver's license has been revoked for 30 or 45 days may apply for a limited driving privilege, including adding that the vehicle that the person will be authorized to drive has been equipped with an approved type of ignition interlock system.

Amends GS 20-17.8 to require ignition interlock systems for all persons convicted of driving with an alcohol concentration of .08 or more (currently, 0.15 or more) or who refused to submit to a chemical analysis and to a person whose license was revoked as the result of a conviction of driving by a person under the age of 21 after consuming alcohol. Amends the items that must be indicated on the person's driver's license to provide that if the ignition interlock system is required, the person must not drive with an alcohol concentration of 0.02 (was, 0.00) or greater. Provides for revocation of license if system is disabled or removed. Makes conforming changes.

Amends GS 20-138.3 to amend the conditions under which a person who was convicted of driving by person less than 21 years old after consuming alcohol or drugs may apply for a limited driving privilege to also require that the person equip all vehicles that are to be operated under a limited driving privilege with approved ignition interlock systems.

Amends GS 20-179.3 to add to the requirements to be met before a person convicted of impaired driving may be eligible for a limited driving privilege to require that the person equip all vehicles that are to be operated under a limited driving privilege with approved ignition interlock systems.

Amends GS 20-179.3(g5) to provide that if a person's license is revoked for a conviction under GS 20-138.1, impaired driving, and he or she had an alcohol concentration of 0.08 (was, 0.15) or more, or additionally, if the person refuses to submit to a chemical analysis, a judge must include all of the specified items in the limited driving privilege order. Makes conforming changes.

Enacts new GS 20-179.5 to require that all of the costs incurred in order to comply with the ignition interlock



requirements imposed by the court under Article 3 be paid by the person ordered to have the system installed. Authorizes the Division of Motor Vehicles (DMV) to assess an ignition interlock administrative fee of not less than \$30 and no more than \$60 on any ignition interlock installed by a vendor pursuant to Article 3. Fee is to be collected by the vendor installing the ignition interlock system at the time of installation. Directs the vendor to remit the collected fees to the DMV on a quarterly basis. Provides that 50% of the money collected be used to pay for administrative costs incurred by the DMV and the remaining 50% be deposited in the Ignition Interlock Device Fund.

Creates the Ignition Interlock Device Fund in the Department of Transportation to be used to pay the costs of installing and removing ignition interlock devices on vehicles of persons deemed indigent by the court. Requires the person deemed indigent to agree to pay the required costs for monitoring the system as a condition of assistance from the DMV for installation cost.

Effective December 1, 2015.

**Intro. by Jordan, Faircloth.**

[GS 20](#)

[View summary](#)

[Courts/Judiciary, Motor Vehicle](#)

H 881 (2015-2016) [LANDLORD/TENANT-ALIAS & PLURIES SUMMARY EJECT.](#) Filed Apr 14 2015, *AN ACT TO ALLOW FOR SEVERANCE OF SUMMARY EJECTMENT AND MONETARY CLAIMS IN SMALL CLAIMS ACTIONS WHEN SERVICE OF PROCESS ONLY MEETS SUMMARY EJECTMENT STANDARDS AND TO ALLOW FOR THE SEVERED MONETARY CLAIM TO BE CONTINUED WITH ALIAS AND PLURIES SUMMONS AND TO PROVIDE FOR AN ELECTION BY THE PLAINTIFF TO UTILIZE A PRIVATE PROCESS SERVER IN COUNTIES WITH POPULATIONS OF ONE HUNDRED THOUSAND OR GREATER.*

Enacts new GS 7A-223(b1) providing that the plaintiff can request that a claim for summary ejectment be severed from the claim for monetary damages in regards to a small claim action demanding summary ejectment and monetary damages where service of process was achieved solely by first-class mail and affixing the summons and complaint to the premise pursuant to GS 42-29. Requires the magistrate to sever the claim for monetary damages and proceed with the claim for summary ejectment after finding that personal service was not achieved for one or more defendants. Provides that if severed by the magistrate, the plaintiff can extend the action in accordance with GS 1A-1, Rule 4(d). Provides that the judgment of a magistrate in the severed claim for summary ejectment does not prejudice any claims or defenses of any party in the severed claim for monetary damages.

Amends GS 1A-1, Rule 4(h1), regarding the return of a summons or other process unexecuted, to delete provision that this subsection does not apply to summary ejectment actions under Article 3 of GS Chapter 42.

Enacts new subsection (b) in GS 42-28 (Summons issued by clerk) to provide that in counties with a population of 100,000 or more as of the most recent 10-year federal census, after the summons is issued by the clerk pursuant to a claim by the landlord-plaintiff (plaintiff) under GS 42-26 or 42-27, the plaintiff may choose to either have the clerk return the summons to the plaintiff or forward it to the sheriff for service. Provides that if the magistrate severs the claim for monetary damages as provided under GS 7A-223(b1), the plaintiff may choose to extend the action under GS 1A-1, Rule 4(d).

Under current law, GS 42-29 provides that an officer receiving a copy of the summons must mail the summons and a copy of the complaint to the defendant no later than the end of the next business day or as soon as practicable to the defendant's last known address. Enacts new subsection (b) to GS 42-29 (Service of summons) to provide that in counties with a population of 100,000 or more as of the most recent 10-year federal census, and only with respect to service for summary ejectment proceedings, *officer* means either (1) any person over the age of 21 who is not a party to the action and who is hired by the plaintiff or the plaintiff's agent or attorney to serve the summons and complaint for summary ejectment or (2) the sheriff of the county where the property is situated.

Effective October 1, 2015.

**Intro. by Jordan, Bryan, Earle.**

[GS 7A, GS 42](#)

[View summary](#)

[Courts/Judiciary, Civil, Civil Law, Development, Land Use and Housing, Property and Housing](#)

H 882 (2015-2016) [COMM. MGR. LICENSING & PLANNED COMM. ACT CHGS.](#) Filed Apr 14 2015, *AN ACT TO REGULATE COMMUNITY ASSOCIATION PROPERTY MANAGERS BY ESTABLISHING A LICENSING PROCEDURE WITH THE NORTH CAROLINA REAL ESTATE COMMISSION AND TO MAKE VARIOUS CHANGES TO THE PLANNED COMMUNITY ACT.*

Enacts new GS Chapter 93A, Article 7, Community Association Property Management, providing that the acts conducted by a community association (association), including collecting and handling assessments and other funds and managing property, are considered real estate transactions. Gives the North Carolina Real Estate Commission (Commission) the power to administer the Article and adopt rules. Makes it unlawful to act as a community association property manager, engage in the business of community association property management, or hold self out to be a community association property manager, or use such title, on or after October 1, 2015, without being licensed by the Commission. Prohibits issuing a license to a partnership, association, corporation, limited liability company, or other business entity.

Prohibits a licensee from exercising control over the reserves or investment accounts of a community association or an operating account of a community association, unless specified conditions are met. Also prohibits a licensee from giving legal or financial advice. Requires community association property managers to be covered by a bond of at least \$20,000. Sets out further bonding requirements. Requires contracts to provide community association property management services be in writing and provide that the contract (1) expires in one year but allows for continuation on a month-to-month basis; (2) contains an escape clause, allowing cancellation of a contract for any reason with a 60-day notice; and (3) provides for a notice of cancellation with proper notice before the contract expires and before contract renewal. Requires community associations to register with the Commission annually and sets out information that must be provided. Requires a \$100 registration fee. Requires members of an association's executive board to, within 60 days after an election, complete a minimum of four hours of education regarding the laws related to community associations under GS Chapters 47C and 47F. Provides that the Commission will provide this training and the association must pay a fee of \$75 for each individual board member participating in the training.

Amends GS 93A-16(a), making conforming changes and providing that community associations can receive funds for unsatisfied judgments for certain acts committed by community association property managers or members of the community association's executive board from the Real Estate Education and Recovery Fund.

Amends GS 47C-3-103 and 47F-3-103 adding language to provide that failure to comply with the above educational requirement will result in the board member being required to submit a written notice of resignation to the board. If the member fails to resign, such inaction will be considered a breach of fiduciary duty and will subject the member to specified discipline.

Amends the NC Planned Community Act by enacting GS 47F-2-105, Contents of declaration, requiring the declaration that creates a planned community to include 14 specific types of information, such as a legal description of the real estate included in the common interest community and any authorization that entitles the association to establish and enforce construction and design criteria and aesthetic standards. Enacts GS 47F-2-106, requiring the declaration to allocate the common expense liabilities of the association and a portion of the total association votes to each lot, with disclosure on how those allocations are made. Sets out class voting regulations.

Amends GS 47F-2-117, Amendment of declaration, making conforming changes and providing that an association

cannot require more than an 80% majority vote to amend the declaration. Deletes a provision which provided that actions challenging the validity of an adopted amendment cannot be brought after one year has passed. Adds clarifying language.

Amends GS 47F-2-120, Master association, to provide that powers of an association can be delegated to an unincorporated nonprofit association in addition to for-profit or not-for-profit corporations. Makes conforming changes. Adds language providing limitations on use of powers, limiting use to the extent expressly permitted in the declaration in specified circumstances. Limits the liability of the members of an executive board for delegated powers and responsibilities. Requires certificates of incorporation and declarations to provide for the election of the executive board of the master association when declarant control of a master association terminates.

Amends GS 47F-3-101, Organization of owners' association, making conforming changes.

Amends GS 47F-3-103, Executive board members and officers, setting out provisions which limit the control period of a declarant to the earliest occurrence of (1) 120 days after conveyance of 67% of the lots, (2) two years after a declarant has ceased to offer lots for sale in the ordinary course of business, or (3) two years after any development right to add new lots was last exercised. Provides procedures and requirements for electing board members not later than 60 days after 25% of the lots have been conveyed.

Amends GS 47F-3-114, Surplus funds, deleting language which allowed for the funding of a reasonable operating expense surplus.

Amends GS 47F-3-118, Association records, deleting all of the substantive language of subsection (a) and adding language which requires associations to retain 10 different types of records as specified, including financial statements, audits, and tax returns of the association for the preceding three years and all ballots, proxies, and other records related to voting by unit owners for at least one year. Provides that records are to be made available for inspection and copying by lot owners or agents. Sets out other provisions concerning the maintenance of records. Establishes a \$10 penalty assessed against an association for each day that access to the records is denied. Establishes procedure for requesting record access and exempts specified records from being made available for inspection and copying. Requires an association to make annual income and expense statements and balance sheets available to all lot owners at no charge and within 75 days after the close of the fiscal year. Makes technical changes.

Amends GS 47F-3-116 to provide that claims of lien can only be foreclosed in like manner as a mortgage or deed of trust on real estate if the assessment has remained unpaid for 90 days and it is against a lot that is not the primary residence of the owner (previously, did not exempt primary residences from such claims of liens). Provides that a claim of lien against a primary residence can only be enforced by judicial foreclosure as specified.

**Intro. by Jordan.**

[GS 47F, GS 93A](#)

[View summary](#)

**[Business and Commerce, Occupational Licensing, Development, Land Use and Housing, Property and Housing](#)**

H 886 (2015-2016) [SECOND AMENDMENT PRESERVATION ACT](#). Filed Apr 14 2015, *AN ACT TO PROTECT THE RIGHT TO KEEP AND BEAR ARMS WITHIN THE STATE OF NORTH CAROLINA*.

Declares that this act is to be known as the Second Amendment Preservation Act.

States the General Assembly's findings and declarations, which include a firm resolve to support and defend the US Constitution against foreign or domestic aggression and the assertion that the Tenth Amendment to the US Constitution affirms the limitation of the power of the federal government and reserves all power that is not delegated to the federal government in the US government to the states or the people. Sets forth additional conclusions and beliefs regarding the

authority granted to or restricted from the federal government in the US Constitution.

Adds a new Article 53, Protection of Right to Keep and Bear Arms, to GS Chapter 1.

Defines the following terms as they apply in this article: (1) *government agency*, (2) *law-abiding citizen*, and (3) *right to keep and bear arms*.

New GS 1-641 declares that a federal law, including a statute, an executive, administrative, or a court order, or rule that infringes on a law-abiding citizen's right to keep and bear arms under the Second Amendment of the US Constitution or Section 30 of Article 1 of the NC Constitution is invalid and not enforceable in this state. Declares that a federal law that does any of the following infringes on a law-abiding citizen's right keep and bear arms: (1) imposes a tax, fee, or stamp on a firearm, firearm accessory, or firearm ammunition that is not imposed on all other goods and services and may be reasonably expected to create a chilling effect on the purchase or ownership of such items by a law-abiding citizen; (2) requires the registration or tracking of a firearm, firearm accessory, or firearm ammunition or the owners of those items that may be reasonably expected to create a chilling effect on the purchase or ownership of such items by a law-abiding citizen; (3) prohibits the possession, ownership, use, or transfer of a firearm, firearm accessory, or firearm ammunition by a law-abiding citizen; or (4) orders the confiscation of a firearm, firearm accessory, or firearm ammunition from a law-abiding citizen.

New GS 1-642(a) declares that it is the duty of each court and law enforcement agency of this state to protect a law-abiding citizen's right to keep and bear arms. Subsection (b) provides that a government agency, or an employee or official of a government agency, may not enforce a federal law described by new GS 1-641.

Subsection (a) of new GS 1-643 makes a government agency, or an employee or official of a government agency, who knowingly violates the provisions of GS 1-642(b) liable to the law-abiding citizen whose right to keep and bear arms was infringed. Provides that a law-abiding citizen whose rights are violated under GS 1-643(a) may obtain any of the following remedies: declaratory relief, injunctive relief, compensatory damages, and reasonable attorneys' fees, court costs, and other reasonable expenses.

New GS 1-644 requires that a claimant under this article must give notice to the person who violated GS 1-642(b) that the person has infringed on the claimant's right to keep and bear arms. Specifies the form of delivery for the notice and the time requirement for delivery of the notice. Also specifies criteria to be met that will allow a claimant to bring an action for declaratory or injunctive relief and associated costs, including attorneys' fees and court costs. Allows a person receiving a notice to cure the infringement. Prohibits a claimant from bringing an action under GS 1-643 after the infringement has been cured.

Requires a claimant to bring an action for damages under Article 53 no later than one year after the date the claimant knew or should have known of the infringement on the claimant's right to keep and bear arms. Provides that mailing notice under GS 1-644 tolls the limitations period under this section until the 75th day after the date on which the notice was mailed.

Waives and abolishes sovereign and governmental immunity to suit but only to the extent of the liability created by GS 1-643 as enacted in this act. Provides that regardless of the provisions of this section, Article 53 of GS Chapter 1 does not waive or abolish sovereign immunity to suit and from liability under the Eleventh Amendment to the US Constitution.

Declares that the affirmative defense of official immunity is not available to an employee or official sued under GS 1-643.

Provides that this act only applies to an infringement of the right to keep and bear arms that occurs on or after the effective date of this act.

Makes this act effective October 1, 2015.

H 889 (2015-2016) [BANKING DEVELOPMENT DISTRICTS](#). Filed Apr 14 2015, *AN ACT TO ENCOURAGE BANKS TO ESTABLISH BRANCHES IN GEOGRAPHIC LOCATIONS IN THE STATE WHERE THERE IS A DEMONSTRATED UNMET NEED FOR BANKING SERVICES.*

Enacts new GS Chapter 54D, Banking Development Districts, setting out seven definitions for use in the chapter, including *banking services* and *program*. Establishes the Banking Development District Program in the Office of Commissioner of Banks to encourage the establishment of bank branches in areas of the state that are in need of banking services. Provides that the State Banking Commission (Commission) will establish banking development districts. Requires the Commission to adopt rules and specify criteria for the districts, including such criteria as the economic viability and local credit needs of communities within any given district and any existing commercial development within a district.

Sets out provisions and procedures by which a municipality, in conjunction with a bank, can apply to receive the designation of a banking development district within a specified geographic area. Provides that banks within a banking development district can be selected as a depository for public monies or funds that are in the custody of the State Treasurer, with such deposited funds earning a fixed rate of interest that is at or below the bank's posted rate for similar depository products.

Provides that a governing body of a municipality can select a bank in the banking development districts to deposit municipality funds, provided the bank is subject to requirements for public depositories. Allows interest to be earned as stated above. Provides that agreements between such banks and municipalities can be changed or altered at any time.

Effective October 1, 2015.

**Intro. by R. Moore, Hamilton, Shepard.**

[GS 54D](#)

[View summary](#)

[Banking and Finance](#)

H 890 (2015-2016) [ATTRACT NATL HQS TO NC](#). Filed Apr 14 2015, *AN ACT TO MODIFY WHAT AREAS MAY RECEIVE GRANTS FROM THE UTILITY ACCOUNT.*

Amends GS 143B-437.01 to allow the Industrial Development Fund Utility Account to provide funds to local governments in the most economically distressed areas (was, distressed counties) in the state. Amends the definition of *economically distressed area* (was, distressed county) to also include an urban progress zone or an agrarian growth zone.

**Intro. by Hanes, Jeter, R. Moore.**

[GS 143B](#)

[View summary](#)

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

H 891 (2015-2016) [HANDGUN PERMIT STANDARDIZATION](#). Filed Apr 14 2015, *AN ACT TO STANDARDIZE AND ENSURE UNIFORMITY OF CONCEALED HANDGUN PERMIT APPLICATIONS.*

Amends GS 14-415.12 (Criteria to qualify for the issuance of a permit), changing the criteria in GS 14-415.12(a)(3) to

establish that the applicant does not suffer from a currently diagnosed and ongoing mental disorder as defined in the most current Diagnostic and Statistical Manual of Mental Disorders (DSM) that a reasonable person would expect to present a danger to the applicant or others. Provides that previous treatment for transient disorders does not disqualify. Also amends the residency requirement to include a permanent resident alien. Amends the language in GS 14-415.12(b) (3) concerning applicants that have been adjudicated guilty of specified felonies, providing that a permit cannot be issued for an applicant that has been found guilty of a violent felony unless the person's firearms rights have been restored pursuant to GS 14-415.4 (previously, if guilty of a felony unless the felony is an offense that pertains to antitrust violations, unfair trade practices, or restraints of trade). Provides that for the purposes of the section, a violent felony will be defined as any felony not listed as a nonviolent felony in GS 14-415.4(a)(2). Makes clarifying changes.

Amends GS 14-415.13 concerning required information for application for a concealed handgun permit, providing that sheriffs cannot request employment information, character affidavits, additional background checks, photographs, or other information unless specifically provided for under GS Chapter 14, Article 54B.

Amends GS 14-415.15 concerning the issuance or denial of permits, adding language that requires a sheriff to issue or deny a permit within 90 calendar days from the date of application submission, regardless of the receipt of required records concerning the mental health or capacity of the applicant. Provides that sheriffs are only authorized to investigate the mental health history of an applicant for the period of time beginning 120 months prior to the application. Adds provision prohibiting a charge for records concerning the mental health of an applicant if they are requested for the purpose of conducting an investigation for a permit to carry a concealed handgun. Deletes a provision that previously provided that a decision by a district court judge on a permit denial would be final.

Amends GS 14-415.19 (Fees) by adding a new subsection GS 14-415.19(c), providing that no fees other than those authorized under this statute will be charged for the application, renewal, or duplication of a permit issued under this Article, even for the cost of processing fingerprints, even if costs were incurred by the sheriff.

Effective October 1, 2015, applying to applications submitted on or after that date.

**Intro. by Cleveland, Szoka, Pendleton.**

[GS 14](#)

[View summary](#)

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

H 893 (2015-2016) [USE OF STATE LAND FOR EQUESTRIAN ACTIVITIES](#). Filed Apr 14 2015, *AN ACT TO AUTHORIZE EQUESTRIAN GROUPS TO ENTER INTO AGREEMENTS WITH APPROPRIATE STATE OFFICIALS PURSUANT TO WHICH MEMBERS OF THOSE GROUPS MAY USE STATE LANDS FOR EQUESTRIAN PURPOSES*.

Enacts new GS 146-70.1, Use of State land for equestrian activities; creation of trails by volunteers, providing that equestrian groups can enter into agreements with state officials for the authorization to use specific state lands for equestrian purposes. Sets out six specific requirements and limitations for such usage agreements, including clarifying that no property right is conferred through such usage.

Provides that state officials can exclude or remove state lands from such usage agreements for specified reasons, including when it is determined that such use would cause verifiable harm to the state lands or the environment or would result in expenses to the state.

Provides process for the denial of an application or for the removal of lands from a usage agreement, requiring state officials to contact the North Carolina Horse Council and the related equestrian group regarding such decisions, giving them the opportunity to show cause why the proposed decision should not be taken.

Directs the Secretary of Administration to publish and maintain a repository of such usage agreements on its website. Requires officials entering into such contracts to forward an electronic copy of the usage agreement and related

documents to the Secretary of Administration within seven days of entering, amending, or canceling the agreement.

Sets out definitions for use in this section, including *appropriate state official* and *usage agreement*.

**Intro. by Langdon.**

GS 146

[View summary](#)

**Government, State Government, State Property**

H 895 (2015-2016) [ABC STORES/LOTTERY TICKET VENDING MACHINE](#). Filed Apr 14 2015, *AN ACT TO AUTHORIZE THE INSTALLATION AND OPERATION OF LOTTERY TICKET VENDING MACHINES IN ABC STORES*.

Amends GS 18B-701(a) as the title indicates. Adds new subdivision (13) to permit a city or county ABC board (local board) to contract with the North Carolina State Lottery Commission (Commission) to sell draw games and instant scratch-off games through self-service lottery ticket vending machines in its ABC stores and perform all associated lottery services. Asserts that this provision (1) does not allow any sale of lottery tickets at ABC stores other than draw games and instant scratch-off games sold through self-service lottery ticket vending machines nor (2) does it require ABC stores to allow persons under the age of 21 to enter the ABC stores.

Amends GS 18B-800 to provide that ABC stores may sell lottery tickets in accordance with GS 18B-701(a)(13).

Amends GS 18B-805(b), adding a new subdivision (5) to direct each local board to pay, each quarter, to the Department of Public Instruction (DPI) all proceeds received by the local board for the operation of self-service lottery vending machines in ABC stores under GS 18B-701(a)(13). Requires DPI to credit the funds received under GS 18B-805(b)(5) to the Public School Building Capital Fund account of the county where the local board is located and provides that the funds are to be used in accordance with GS 115C-546.2.

**Intro. by J. Bell, Dollar.**

GS 18B

[View summary](#)

**Alcoholic Beverage Control, Government, State Agencies, Department of Public Instruction, Lottery and Gaming**

H 896 (2015-2016) [FORCIBLE ENTRY INTO CAR/CHILD TRAPPED INSIDE](#). Filed Apr 14 2015, *AN ACT TO PROVIDE IMMUNITY FROM CIVIL LIABILITY FOR A PERSON WHO FORCIBLY BREAKS INTO A VEHICLE TO REMOVE A MINOR WHO APPEARS TO BE IN IMMINENT DANGER*.

Enacts GS Chapter 1, Article 43F, Immunity for Forcible Entry into Vehicle to Remove a Minor, providing an exception from civil liability for damage resulting from forcible entry of a vehicle to remove a minor. Sets out six conditions that must be met for the immunity to be applicable, including contacting 911, local law enforcement, or the fire department prior to the forcible entry and that the person has a good faith belief that entry is necessary due because the minor is in imminent danger.

Provides that the immunity to civil liability does not extend to any aid that is in addition to what is authorized by this section.

Effective October 1, 2015, applying to causes of action arising on or after that date.



**Intro. by Hanes, Tine, McNeill, Reives.**

GS 1

[View summary](#)

**Courts/Judiciary, Civil, Civil Law**

H 897 (2015-2016) **ED. OVERSIGHT STUDY/STUDENT-ATHLETE STIPENDS**. Filed Apr 14 2015, *AN ACT TO AUTHORIZE THE JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE TO STUDY THE ISSUE OF WHETHER STUDENT-ATHLETES SHOULD BE PAID STIPENDS OR OTHERWISE BE ALLOWED TO SHARE IN SPORTS REVENUES COLLECTED BY INSTITUTIONS OF HIGHER EDUCATION.*

Authorizes a study by the Joint Legislative Education Oversight Committee as the title indicates.

Lists issues, topics, and relevant materials that the Committee may consider in its study, including the recent decision of *Edward O'Bannon v. NCAA* and any appellate decisions rendered regarding that case.

Provides that the Committee may report on its findings, including any recommended legislation, to the 2016 Session of the 2015 General Assembly.

**Intro. by Pierce.**

STUDY, UNCODIFIED

[View summary](#)

**Education, Higher Education**

H 898 (2015-2016) **INCENTIVES-BASED RECIPIENT EDUCATION REQS**. Filed Apr 14 2015, *AN ACT TO REQUIRE CERTAIN EDUCATIONAL OUTREACH EFFORTS FROM RECIPIENTS OF ECONOMIC DEVELOPMENT INCENTIVES.*

Enacts new GS 143B-435.2, Educational outreach, providing that the Department of Commerce must require businesses that receive economic development incentives pursuant to this Article to engage in educational outreach efforts, with an annual report on efforts required by March 1 each year. Sets out, for the purposes of this Article, the type of activities educational outreach efforts include, such as financially supporting local educational employment opportunity offices and funding scholarships to institutions of higher education in degree programs applicable to employment opportunities.

Directs the Department of Commerce, by April 1 of each year, to report to various legislative commissions and committees on all educational outreach efforts made by recipient businesses. Sets out what the report must include.

Effective when the act becomes law, applying to economic development incentives awarded on or after that date.

**Intro. by Hardister, Dobson, Meyer.**

GS 143B

[View summary](#)

**Development, Land Use and Housing, Community and Economic Development, Education, Government, State Agencies, Department of Commerce**

H 899 (2015-2016) **STATE/TANF FUNDS/BOYS AND GIRLS CLUBS**. Filed Apr 15 2015, *AN ACT TO APPROPRIATE STATE FUNDS AND FEDERAL FUNDS UNDER THE TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) BLOCK GRANT FOR BOYS AND GIRLS CLUBS.*

Appropriates \$2,427,975 from the General Fund and the federal Temporary Assistance to Needy Families Block Grant funds received for the fiscal year ending June 30, 2015, to the Department of Health and Human Services (DHHS) to make grants for approved Boys and Girls Clubs. Requires DHHS to facilitate collaboration between the clubs and

Support Our Students, Communities in Schools, and similar programs to submit joint funding applications. Effective July 1, 2015.

**Intro. by Lewis.**

APPROP

[View summary](#)

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

H 901 (2015-2016) **AGRIBUSINESS INCOME TAX EXEMPTIONS**. Filed Apr 15 2015, *AN ACT TO PROVIDE FOR AN EXEMPTION FROM TAXABLE INCOME FOR THE FIRST TWENTY-FIVE THOUSAND DOLLARS OF BUSINESS INCOME FOR CERTAIN AGRIBUSINESSES*.

Under current law, GS 105-153.5(b) provides that in calculating North Carolina taxable income, a taxpayer may make other deductions from the taxpayer's adjusted gross income (AGI) as indicated in this subsection. Amends the subsection to include a new subdivision (10) to provide that a taxpayer in the business of farming and who meets additional requirements as specified in this subdivision may deduct up to \$25,000 from the taxpayer's AGI.

Effective for taxable years beginning on or after January 1, 2015, and expires for taxable years beginning on or after January 1, 2019.

**Intro. by Waddell, Dobson, Goodman.**

GS 105

[View summary](#)

**Agriculture, Government, Tax**

H 902 (2015-2016) **TRANSFORMING PRINCIPAL PREPARATION**. Filed Apr 15 2015, *AN ACT TO ESTABLISH A COMPETITIVE GRANT PROGRAM TO ELEVATE EDUCATORS IN NORTH CAROLINA BY TRANSFORMING THE PREPARATION OF SCHOOL PRINCIPALS*.

Requires the State Education Assistance Authority (Authority) to administer a grant program through a cooperative agreement with a private, nonprofit corporation to provide funds for the preparation and support of highly effective future school principals in the state. Defines terms used in the act. Requires the Authority to establish any necessary rules to administer the grant program. Requires the Authority, by September 1, 2015, to issue a request for proposal (RFP) for a private, nonprofit corporation to contract with the Authority for administering the program; specifies requirements to be met by the nonprofit. Requires the Authority to select the nonprofit by January 1, 2016, and report on the selection to the Joint Legislative Education Oversight Committee by January 15, 2016.

Requires the selected nonprofit to issue an initial RFP with guidelines and criteria for the grants by March 1, 2016. Specifies minimum information that grant seekers must include in the application. Requires that the nonprofit give priority to an applicant with a record of preparing principals demonstrating: (1) improvement in student achievement; (2) placement as school leaders in eligible schools; (3) a proposed focus on and, if applicable, a record of serving high-need schools, high-need local school administrative units, or both; and (4) a detailed plan and commitment to share lessons learned and to improve the capacity of other entities in reaching similar outcomes.

Requires the nonprofit to recommend grant recipients to the Authority by June 1, 2016. Requires the grant funds to be used by grant recipients for: (1) recruiting and selecting, based on a rigorous evaluation of the competencies of the school leader candidates participating in the program and their potential and desire to become effective school leaders; (2) operating a school leader preparation program; and (3) collecting data on program implementation and program completion outcomes for continuous program improvement. Requires the nonprofit to make recommendations as to the duration and renewal of the grants following specified guidelines, including setting the maximum duration of grants at

five years.

Sets out annual reporting requirements for grant recipients beginning in the third year of the grant. Requires the nonprofit corporation to enable the collection, analysis, and evaluation of at least the student achievement in eligible schools; the percentage of program completers who are placed as school leaders within three years in the state; and the percentage of program completers rated proficient or above on school leader evaluation and support systems.

The above provisions are effective July 1, 2015.

Requires the State Board of Education (SBOE), by June 1, 2016, to adopt a policy to provide for a certification process applicable to school administrators who successfully complete a principal preparation program selected for a grant.

Requires the SBOE by September 15, 2021, in coordination with the UNC Board of Governors, to revise the certification requirements for school administrators and the standards for approval of school administrator preparation programs after evaluating the data collected from the grant recipients. Requires the SBOE to report to the Joint Legislative Education Oversight Committee by November 15, 2021, on any changes made to the certification requirements for school administrators and the standards for approval of school administrator preparation programs.

Appropriates \$500,000 from the General Fund to the UNC Board of Governors for 2015-16 to be allocated to the State Education Assistance Authority to contract with the nonprofit corporation and \$9.5 million for 2016-17 to contract with the nonprofit corporation for the administration of the program and to award grants to selected recipients. Effective July 1, 2015.

**Intro. by Blackwell, Horn, Bryan, Hanes.**

**APPROP**

[View summary](#)

**Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, State Agencies, UNC System**

H 903 (2015-2016) **COUNTY TAX FLEXIBILITY/MUNICIPAL REV OPTS.** Filed Apr 15 2015, *AN ACT TO GIVE COUNTIES INCREASED FLEXIBILITY WITHIN THEIR CURRENT AUTHORITY FOR LOCAL SALES AND USE TAX, TO ENABLE CITIES TO MAINTAIN THEIR LEVEL OF SERVICE BY PROVIDING A REPLACEMENT SOURCE OF REVENUE FOR THE REPEALED CITY PRIVILEGE LICENSE TAX, TO PROVIDE STABILIZATION OF FUTURE MUNICIPAL REVENUES, AND TO MAKE OTHER CHANGES TO LOCAL SALES AND USE TAX LAWS.*

Enacts a new Article 43A, County Sales and Use Tax, in GS Chapter 105. Allows the county to choose to use this source of revenue to finance local public transportation systems or for general purposes. Allows a board of county commissioners to levy a local sales and use tax of 0.25% by resolution if (1) if a majority of those voting in a special election approve the levy of the local sales and use tax and the county has given not less than 10 days' public notice or (2) if no election has been held within five years in which the tax has been defeated and the county has given not less than 10 days' public notice of and held a public hearing. Provides for the administration of the tax. Requires a tax levied by a county under this Article to reduce, by the amount levied, the tax authorized to be levied by the county under Article 43 (Local Government Sales and Use Taxes for Public Transportation).

Amends GS 105-506 to make conforming changes. Allows Article 43 (Local Government Sales and Use Taxes for Public Transportation) to be used by counties and transportation authorities to finance local public transportation or for general purposes.

Amends Article 46 (One-Quarter Cent (1/4¢) County Sales and Use Tax Act) to allow a board of commissioners to levy a local sale and use tax of 0.25% by resolution if: (1) the majority of those voting in a referendum held pursuant to this Article approve the levy of the local sales and use tax and the county has given not less than 10 days' public notice or (2) if no election has been held within five years under the provisions of this section in which the tax has been defeated

and the county has given not less than 10 days' public notice of and held a public hearing.

Enacts new Article 47 (One-Quarter Cent (1/4¢) City Sales and Use Tax) in Subchapter VIII of GS Chapter 105. Defines the following terms as they are used in Article 47: (1) city, (2) council, and (3) net proceeds. Allows a city council, by resolution, to levy a city sales and use tax at the rate of 0.25%, in addition to any other state or local sales and use tax. Provides that a city may use the net proceeds of a tax levied under this Article for any public purpose.

**Intro. by Saine.**

**GS 105**

[View summary](#)

**Government, Tax, Local Government**

H 904 (2015-2016) **FUNDS FOR DRAINAGE IMPROVEMENTS**. Filed Apr 15 2015, *AN ACT TO APPROPRIATE FUNDS TO THE SOIL AND WATER CONSERVATION COMMISSION FOR ENHANCEMENT OF DRAINAGE AND ALLEVIATION OF DRAINAGE PROBLEMS*.

Appropriates from the General Fund to the Division of Soil and Water Conservation \$1 million for the 2015-16 fiscal year to be used for a matching grant program to assist low-lying counties with drainage improvements and programs for the mitigation of drainage problems, including beaver control programs.

Provides that the matching grant program will provide to local soil and water conservation district boards of supervisors up to 75% of the nonfederal share for districts located in a development tier one or tier two county and up to 50% of the nonfederal share for districts located in development tier three counties for projects that meet the specified criteria, including that the county board of commissioners or municipal governing board of the area for the proposed project area has adopted a resolution in support of the grant application.

Limits funding under this act to no more than \$100,000 for all projects in any county.

**Intro. by Waddell, Brisson, Hamilton, Iler.**

**APPROP**

[View summary](#)

**Government, Budget/Appropriations, State Agencies, Department of Agriculture and Consumer Services**

H 905 (2015-2016) **MERGE CEMETERY COMM./FUNERAL SERVICE BOARD**. Filed Apr 15 2015, *AN ACT TO MERGE THE NORTH CAROLINA CEMETERY COMMISSION WITH THE NORTH CAROLINA BOARD OF FUNERAL SERVICE AND TO TRANSFER THE DUTIES AND POWERS OF THE NORTH CAROLINA CEMETERY COMMISSION TO THE NORTH CAROLINA BOARD OF FUNERAL SERVICE; RENAME THE NORTH CAROLINA BOARD OF FUNERAL SERVICE; AND MAKE CONFORMING CHANGES*.

Abolishes the North Carolina Cemetery Commission and expands the North Carolina Board of Funeral Service to include representatives from the cemetery profession and grants the board new powers to oversee licensure of cemeteries. Renames the Board as the North Carolina Funeral Service and Cemetery Board.

Establishes new Article 13G in GS Chapter 90 entitled Funeral and Cemetery Services. Repeals or recodifies existing statutes related to the Cemetery Commission found in Article 9 of GS Chapter 65 and the Practice of Funeral Service in Article 13A of GS Chapter 90. Divides new Article 13G into four parts.

Part 1 is entitled General Provisions. New GS 90-210.140 includes definitions of 28 terms related to both funeral services and cemeteries. New GS 90-210.141 requires licensure for both funeral service and cemetery operation. Under current law, licenses are already required in both areas. New GS 90-210.142 describes the application of new Article 13G. The starting point is a recodified version of GS 65-47 from the law governing cemeteries and

additional language is added to include funeral services. Cemeteries owned and operated by governmental agencies and churches remain exempt to the licensure requirements.

Part 2 is entitled Funeral Service and Cemetery Board. The starting point for much of this part are recodified versions of several provisions in current law governing the Board of Funeral Service. Additional language is added to reflect the inclusion of cemeteries. Board composition is modified to increase the total size from nine to twelve, adding a total of four related to the cemetery profession, decreasing the number of appointees recommended by the North Carolina Funeral Directors Association from four to two, and increasing the number of appointees who are unaffiliated with funeral service or cemetery operation from one to two. Adds members appointed by the Governor from nominations made by the NC Cemetery Association and increases the number of members appointed by the General Assembly. New GS 90-210.147 provides that seven rather than five members constitute a quorum. New GS 90-210.148 specifies the powers and duties of the boards, integrating the powers of the Cemetery Commission into the existing powers of the Board of Funeral Service. Under existing law, the Board of Funeral Service is authorized to appoint inspectors, but new GS 90-210.149 requires the new combined board to appoint inspectors. The section is also amended to authorize inspectors to inspect records and enter property of licensed cemetery operations.

Part 3 is entitled Funeral Service License and consists primarily of recodified provisions from current law found in GS Chapter 90, Article 13A.

Part 4 is entitled Cemetery License and consists primarily of recodified provisions of current law found in GS Chapter 65, Article 9. New GS 90-210.170 amends the language that was included in GS 65-54 related to fees by deleting the requirement that the Cemetery Commission (now Funeral Service and Cemetery Board) be supported by fees.

Terms of board members serving as of July 1, 2015, expire on December 31, 2015. Sets the expiration date of specified terms and sets terms of appointment to create staggered terms.

Makes technical and conforming changes to other statutes and directs the revisor of statutes to make other necessary changes.

Effective December 31, 2015.

**Intro. by Boles, Alexander.**

[GS 58, GS 65, GS 90, GS 130A](#)

[View summary](#)

[Business and Commerce, Occupational Licensing, Health and Human Services, Health, Public Health](#)

H 906 (2015-2016) [QUALIFIED BUSINESS INVESTMENTS CREDIT](#). Filed Apr 15 2015, *AN ACT TO REENACT THE TAX CREDITS FOR QUALIFIED BUSINESS INVESTMENTS*.

Reenacts Part 5 of Article 4 of Subchapter 1 of GS Chapter 105, Tax Credits for Qualified Business Investments, as it existed immediately before its repeal.

Makes the sunset date for this Part January 1, 2020 (was, January 1, 2014).

Effective for taxable years beginning on or after January 1, 2015.

**Intro. by R. Moore, Hamilton, Goodman, Alexander.**

[GS 105](#)

[View summary](#)

[Business and Commerce, Government, Tax](#)

H 907 (2015-2016) [STRENGTHEN MILITARY IN NC/MITIGATE BRAC RISK](#). Filed Apr 15 2015, *AN ACT TO STRENGTHEN AND PROTECT THE NORTH CAROLINA NATIONAL GUARD AND ACTIVE AND RESERVE COMPONENTS OF THE ARMED FORCES*.

Includes various whereas clauses concerning the military in North Carolina.

Makes multiple appropriations from the General Fund for the maintenance and support of military installations and programs in North Carolina, including \$10 million for fiscal year 2015-16 to the Department of Agriculture and Consumer Services to complete acquisition of the Headwaters Tract in Transylvania County. Appropriates \$200,000 for fiscal year 2015-16 and again for fiscal year 2016-17 to the Department of Public Safety for the Tuition Assistance Program of the NC National Guard.

Appropriates \$618,000 to the Department of Public Safety for the 2015-16 fiscal year and \$5,087,501 for the 2016-17 fiscal year for the expansion and rehabilitation of NC National Guard Armories in Elizabeth City, Jacksonville, Louisburg, and Reidsville. Provides that such appropriations are the matching portions for an estimated \$6.9 million in federal funds. Requires the NC National Guard to report, no later than April 30, 2016, and annually thereafter, to the Joint Legislative Oversight Committee on Justice and Public Safety regarding the progress of these projects.

Appropriates \$498,875 for fiscal year 2015-16 and again for fiscal year 2016-17 to the Department of Public Safety to operate the Stanly County campus of the Tarheel Challenge Academy, with matching federal funds.

Recognizes the NC Adjutant General as an ambassador of North Carolina, and appropriates \$3,500 for fiscal year 2015-16 and 2016-17 to the Department of Public Safety to provide meals, refreshments, and gifts at official receptions involving diplomats of the United States or other international partners.

Appropriates \$250,000 for fiscal year 2015-16 to the Department of Agriculture and Consumer Services to plan a NC National Guard facility as specified.

Effective July 1, 2015.

**Intro. by Whitmire.**

[APPROP](#)

[View summary](#)

[Government, Budget/Appropriations, State Agencies, Department of Agriculture and Consumer Services, Department of Public Safety, Military and Veteran's Affairs](#)

H 908 (2015-2016) [DEM/EMP. RETENTION FUNDS/LRC STUDY](#). Filed Apr 15 2015, *AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF PUBLIC SAFETY FOR RETENTION-BASED SALARY ADJUSTMENTS FOR DIVISION OF EMERGENCY MANAGEMENT EMPLOYEES AND AUTHORIZING THE LEGISLATIVE RESEARCH COMMISSION TO REVIEW WHETHER THERE SHOULD BE ESTABLISHED AN EMERGENCY MANAGEMENT PREPAREDNESS AND RESPONSE FEE TO SUPPORT THE WORK OF THE DIVISION*.

Appropriates \$406,459 for the 2015-16 fiscal year and \$406,459 for the 2016-17 fiscal year from the General Fund to the Department of Public Safety to provide salary adjustments for the retention of employees in the Division of Emergency Management (Division). Effective July 1, 2015.

Directs the Legislative Research Commission (Commission) to study if there is a need to assess an emergency management preparedness and response fee on each homeowner's property insurance policy to be used to fund the operations of the Division. Provides that the Commission may submit a report of its findings and recommendations to the 2015 General Assembly, prior to the convening of the 2016 Regular Session.

**Intro. by Whitmire.**

APPROP, STUDY

[View summary](#)

**Government, Budget/Appropriations, Public Safety, State Agencies, Department of Public Safety**

H 909 (2015-2016) [SALE OF ANTIQUE SPIRITUOUS LIQUOR](#). Filed Apr 15 2015, *AN ACT TO AUTHORIZE AND REGULATE THE SALE OF ANTIQUE SPIRITUOUS LIQUOR*.

Amends GS 18B-1001 to allow a mixed beverages permit holder to be issued an *antique spirituous liquor* permit, defined as spirituous liquor that has been bottled for at least 20 years, and is in the original, unopened bottle; intended for beverage use; and no longer in production. Allows the antique spirituous permit holder to sell antique spirituous liquor for use in mixed beverages for consumption on premises. Requires the permit holder to submit and maintain an inventory of the antique spirituous liquor in the permit holder's possession. Requires the acquisitions of antique spirituous liquor on or after August 1, 2015, to be in accordance with the process established for special orders of spirituous liquor that is not on the approved list.

Amends GS 18B-902 to set the permit fee at \$100.

Amends GS 18B-804 to require the price of antique spirituous liquor to include the price paid by the Alcoholic Beverage Control Commission to purchase the liquor.

Amends GS 105-113.80 to set out how the price of antique spirituous liquor is to be calculated for purposes of determining the tax.

Makes conforming statutory changes. Allows a person who has a permit and has paid the excise tax to sell any antique spirituous liquor in his or her possession before or on the effective date of this act, or acquired by bequest or inheritance after the effective date of this act.

Requires the ABC Commission to establish and adopt temporary rules to implement the provisions of this act by August 1, 2015. The act's statutory changes become effective upon the adoption of these rules.

**Intro. by Hager, J. Bell.**

GS 18B, GS 105

[View summary](#)

**Alcoholic Beverage Control, Government, Tax**

H 910 (2015-2016) [ALLOW OVERNIGHT RESPITE/ADULT DAY FACILITIES](#). Filed Apr 15 2015, *AN ACT ESTABLISHING A CERTIFICATION PROCESS FOR ADULT DAY CARE AND ADULT DAY HEALTH OVERNIGHT RESPITE PROGRAMS; ESTABLISHING CERTIFICATION AND CONSTRUCTION PROJECT FEES FOR THESE OVERNIGHT RESPITE PROGRAMS; APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF HEALTH SERVICE REGULATION, FOR ADDITIONAL STAFF TO SUPPORT THIS CERTIFICATION PROCESS; ADDING OVERNIGHT RESPITE AS AN APPROVED SERVICE UNDER THE HOME AND COMMUNITY CARE BLOCK GRANT; AND ALLOWING CERTIFIED ADULT DAY CARE AND ADULT DAY HEALTH OVERNIGHT RESPITE PROGRAMS TO BECOME ALLOWABLE PROVIDERS OF RESPITE SERVICES UNDER THE STATE'S INNOVATIONS WAIVER AND COMMUNITY ALTERNATIVES PROGRAM FOR DISABLED ADULTS WAIVER*.

Enacts new GS 131D-6A, which provides as follows. Allows any facility that is certified to provide adult day care services under GS 131D-6, adult day health services pursuant to 10A NCAC 06S, or both, to apply to the Department of Health and Human Services (DHHS) for certification to offer a program of overnight respite services. Requires DHHS to annually certify all overnight respite programs in facilities certified to provide adult day care services or adult day health services, including an inspection of each overnight respite program. Requires DHHS to establish for



certification and requires that the rules limit the provision of 24-hour care for each adult to (1) no more than 14 consecutive calendar days, or no more than 60 total calendar days, during a 365-day period or (2) the amount of respite allowed under the State's Innovations waiver or Community Alternatives Program for Disabled Adults (CAP/DA) waiver, as applicable. Also requires that the rules include minimum requirements and address 10 specified issues. Gives the Division of Health Service Regulation (Division) the authority to enforce the rules and makes the Division responsible for investigating complaints. Requires certified facilities to periodically report the number of individuals served and the average daily census. Gives the Division the authority to suspend or revoke a facility's certification to provide a program of overnight respite services at any time because of noncompliance with regulatory requirements that resulted in death or serious physical harm or when there is a substantial risk that death or serious physical harm will occur. Requires a nonrefundable initial certification fee of \$350 and a nonrefundable renewal certification fee of \$315.

Amends GS 131E-267(g) to set the fee for the review of adult day care overnight respite facility and adult day health overnight respite facility construction projects.

Appropriates \$88,000 from the General Fund to the Department of Health and Human Services, Division of Health Service Regulation, for 2015-16 and \$88,000 for 2016-17. Requires the funds be used for one full-time equivalent Nursing Consultant position and one full-time equivalent Engineer/Architect position within the Division dedicated to inspecting adult day care and adult day health facilities seeking certification.

Requires the Division of Aging and Adult Services to add adult day care overnight respite programs as a service category under the Home and Community Care Block Grant. Allows counties to use certified adult day care overnight respite programs or adult day health overnight respite programs to provide overnight respite services to caregivers of older adults from funds received under the Home and Community Care Block Grant.

Requires the Division of Medical Assistance to amend the North Carolina Innovations waiver and the North Carolina Community Alternatives Program for Disabled Adults (CAP/DA) waiver for the purpose of allowing facilities certified to provide adult day care overnight respite programs and adult day health overnight respite programs to become allowable providers of overnight respite under each waiver.

Effective July 1, 2015.

**Intro. by Avila, Dollar, Lambeth.**

**APPROP, GS 131D, GS 131E**

[View summary](#)

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

H 911 (2015-2016) **VARIOUS CHANGES TO THE REVENUE LAWS**. Filed Apr 16 2015, *AN ACT TO MAKE VARIOUS CHANGES TO THE REVENUE LAWS*.

Under current law, GS 105-53.5(b) provides that in calculating North Carolina's taxable income, a taxpayer may deduct from the taxpayer's adjusted gross income any of the items included in the other deductions in this subsection. Amends GS 105-53.5(b) to add other deductions for use in calculating North Carolina's taxable income. Provides in new subdivision (10) that a taxpayer may deduct from the taxpayer's adjusted gross income (AGI) the amount added to federal taxable income under Section 108(8)(1) of the Code. Provides in new subdivision (11) that the amount claimed under section 67(b)(9) of the Code, related to when a taxpayer restores a substantial amount held under a claim of right, minus the limitation under section 67(a) of the Code, minus all other items deductible under section 67(b) of the code not to exceed the limitation provided under section 67(a) of the Code may be deducted. Effective for taxable years beginning on or after January 1, 2014.

Adds a new subdivision (6) to GS 105-153.5(c), which provides that in calculating North Carolina taxable income, a

taxpayer must add to the the taxpayer's adjusted gross income any of the indicated items that are not included in the taxpayer's AGI. Subdivision (6) provides that the amount of net operating loss carried to and deducted on the federal return but not absorbed in that year and carried forward to a subsequent year must be added to the taxpayer's adjusted gross income. Effective for taxable years beginning on or after January 1, 2015.

Amends the definitions in GS 105-163.1 to define *individual* as it is defined in GS 105-153.3 and to provide that "wages" do not include a reimbursement amount that an employer pays an employee for necessary expenses (was, also did not include certain severance wages paid to an employee).

Amends GS 105-130.4(s), concerning the apportionable income of an air transportation corporation or a water transportation corporation, to add that a qualified air freight forwarder must use the revenue ton mile fraction of its affiliated airline. Defines *air transportation corporation* and *qualified air freight forwarder*. Effective for taxable years beginning on or after January 1, 2015.

Amends the definition for *storage* in GS 105-164.3(44), deleting the provisions as to what the term does not include.

Amends GS 105-242.2(e) to provide that the period of limitations for assessing a responsible person for unpaid taxes under this section expires one year after the period of limitations for assessing the business entity expires or one year after a tax becomes collectible under GS 105-241.22(4), (5), or (6), whichever comes later.

Except as otherwise provided, act is effective when it becomes law.

**Intro. by W. Brawley, Saine.**

[GS 105](#)

[View summary](#)

[Government, Tax](#)

H 914 (2015-2016) [FARMLAND PRESERVATION FUNDING](#). Filed Apr 16 2015, *AN ACT TO PROVIDE ADDITIONAL FUNDING FOR THE PRESERVATION OF NORTH CAROLINA FARMLAND*.

Includes various whereas clauses concerning the Agricultural Development and Farmland Preservation Trust Fund (Fund).

Amends GS 105-277.4(c) concerning deferred taxes for land valued for its present use providing that deferred taxes for the preceding four fiscal years are due and payable as specified when the property loses its eligibility for deferral (was, preceding three fiscal years). Adds language that provides that the taxing authority must remit any amount that exceeds the deferred taxes for the preceding three years to the Department of Agriculture and Consumer Services within 30 days of collection.

Amends GS 106-744 to add new subsection (c4), which directs the Commissioner of Agriculture to credit the funds received by the Department of Agriculture pursuant to GS 105-277.4(c) to the Fund.

Amends GS 136-19, Acquisition of land and deposits of materials; condemnation proceedings; federal parkways, adding new subsection (j), which requires the Department of Transportation to take specified action to mitigate the loss of farmed and farmable land when it acquires either (i) property used for bona fide farm purposes or (ii) property containing alluvial soil deposits comprising more than 70% of the total acreage of the parcel acquired. Sets out certain terms for use in the subsection. Effective July 1, 2015, applying to any property condemnation proceeding commenced by the Department of Transportation on or after that date.

Unless otherwise specified above, effective July 1, 2015.

**Intro. by Queen, C. Graham, Waddell.**

[GS 105, GS 106, GS 136](#)

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

H 916 (2015-2016) **PERSONAL EDUCATION SAVINGS/DISABLED STUDENTS**. Filed Apr 16 2015, *AN ACT TO ESTABLISH THE PERSONAL EDUCATION SAVINGS SCHOLARSHIP PROGRAM*.

Adds new Article 39A, Personal Education Savings Scholarship Program, to GS Chapter 115C.

Provides definitions for terms as they apply in this Article. Definitions include the following: (1) *Authority* means the North Carolina State Education Assistance Authority; (2) *child with a disability* is as defined in GS 115C-106.3(1); (3) *disability* is as defined in GS 115C-106.3(2); and (4) *scholarship* means funds awarded by the Authority to eligible students to be used to pay for special education on a daily basis for an eligible student who is attending either a nonpublic school or a North Carolina public school for which tuition is required.

Defines an eligible student as a child under the age of age 22 who meets all of the specified criteria: (1) has a disability, (2) is eligible to attend a North Carolina public school, (3) has not been placed in a nonpublic school or facility by a public agency at public expense, (5) has not been enrolled in a post-secondary institution as a full time student taking, and (6) has not received a high school diploma.

Enacts GS 115C-567.6 to focus on the specifics of the Scholarship Funds administered by the Authority. Directs the Authority to make the scholarship applications available annually to eligible students. Includes criteria for scheduling the disbursement of scholarship funds and reimbursement of costs.

Requires the Authority to make an annual report, no later than October 1, to the Joint Legislative Education Oversight Committee on the Personal Education Savings Scholarship Program and specifies what must be contained or addressed in the report.

Provides that all of the preceding provisions apply to the award of scholarships beginning with the 2017-18 school year.

Also addresses criteria for making contributions to the Parental Savings Trust Funds, verification of a student's eligibility, Authority reporting requirements, and the duties of state agencies.

Appropriates \$450,000 for the 2016-17 fiscal year from the General Fund to the UNC Board of Governors to be allocated to the Authority to be used to administer this program in accordance with this act.

Declares it is the intent of the General Assembly to appropriate from the General Fund to the UNC Board of Governors \$5 million for the 2017-18 fiscal year in recurring funds to allocate to the Authority for the following purposes: (1) to award scholarship grants to eligible students, provides that unexpended funds do not revert at the end of each fiscal year but remain available to award scholarship grants to eligible students, (2) to transfer funds to the Department of Public Instruction to use for re-evaluations of eligible students.

Makes this act effective July 1, 2016.

**Intro. by Jones, Horn, Jordan, Stam.**

**APPROP, GS 115C**

**Education, Elementary and Secondary Education,  
Government, Budget/Appropriations, State Agencies,  
UNC System**

[View summary](#)

H 917 (2015-2016) **LOAN REPAYMENT ASSIST./CERTAIN TEACHERS**. Filed Apr 16 2015, *AN ACT TO ESTABLISH THE LOAN REPAYMENT ASSISTANCE PROGRAM FOR TEACHERS*.

Enacts GS Chapter 116, Article 35, Loan Repayment Assistance Program for Teachers (Program), providing that the Program is established in order to provide assistance for higher education indebtedness for eligible teachers. Sets out seven definitions for use in the chapter, including eligible debt and repayment assistance loan. Provides that the State Education Assistance Authority (Authority) will administer the Program and is required to adopt necessary rules, processes, and procedures for the implementation of the Program. Provides for eligible teachers to receive repayment assistance loans for up to four years for eligible debt accrued for an undergraduate or graduate degree. Sets out requirements to be eligible for the Program, including that an eligible teacher must have been employed for two years but no longer than eight years in any of the state's local school administrative unit prior to applying. Also requires signed statement of intent to remain in position of employment for at least four years after each year the eligible teacher receives a repayment assistance loan. Provides that teachers in default regarding certain financial obligations do not qualify for the Program until such is resolved.

Provides that loan amounts will be based on financial need and that loans cannot exceed \$10,000 per calendar year for teachers that meet more than one of the specified employment criteria and cannot exceed \$5,000 for a teacher that meets one of the specified criteria. Sets out forgiveness provisions. Establishes notification requirements for teachers that receive repayment assistance but their employment status has changed, requiring repayment of the loans for teachers that voluntarily leave the qualified employment. Sets out specific criteria which prohibit teachers from remaining eligible for the program but does not require repayment of the financial assistance already rendered, such criteria include instances of death or disability.

Establishes the Teacher's Loan Repayment Assistance Fund (Fund) to be administered by the Authority, to be used to make repayment assistance loans and to pay for administrative costs of the Authority.

Directs the Authority to report no later than December 1, 2016, and annually thereafter, to the Joint Legislative Education Oversight Committee regarding the Fund and repayment assistance loans.

Appropriates from the General Fund to the UNC Board of Governors \$5 million for the 2015-16 fiscal year and \$5 million for the 2016-17 fiscal year to implement all of the provisions of this act. Allows the Authority to use up to 2% of the funds appropriated each fiscal year for administration of the Program.

Effective July 1, 2015.

**Intro. by Bryan, Horn, Hanes.**

**APPROP, GS 116**

[View summary](#)

**Education, Higher Education, Government,  
Budget/Appropriations, State Agencies, UNC System**

H 918 (2015-2016) **TEACHER EDUCATION PREPARATION REDESIGN PILOT**. Filed Apr 16 2015, *AN ACT TO ESTABLISH A PILOT FOR REDESIGNING TEACHER EDUCATION PREPARATION PROGRAMS TO PRODUCE HIGHLY EFFECTIVE TEACHERS.*

Directs the State Board of Education (SBE) to issue a request for proposals from constituent institutions of the University of North Carolina for a pilot redesign of the teacher education program. Requires proposals to provide a detailed plan on how to ensure that graduates are prepared to be highly effective teachers. Sets out information the proposal should include, such as detailed plans for vigorous recruitment strategies and stringent admissions criteria.

Requires institutions that submit a proposal to commit to implementation of the pilot redesign of the teacher education program beginning in the 2016-17 instructional year and to report outcomes of graduates from the redesigned program to the SBE and the Joint Legislative Education Oversight Committee for five years, beginning October 1 following the graduation of the first cohort. Establishes what the graduate outcomes should include. Requires the institution that receives funding to report to the SBE and the Joint Legislative Education Oversight Committee on the redesign and

implementation of the revised program by December 31, 2017.

Proposals are to be submitted no later than October 15, 2015, with funding being awarded to one institution no later than December 15, 2015.

Appropriates from the General Fund to the Department of Public Instruction \$300,000 for the 2015-16 fiscal year and \$300,000 for the 2016-17 fiscal year to be awarded to the institution that is selected by the SBE.

Effective July 1, 2015.

**Intro. by Bryan, Cotham.**

**APPROP**

[View summary](#)

**Government, Budget/Appropriations, State Agencies,  
Department of Public Instruction, State Board of  
Education**

H 919 (2015-2016) **FUNDING FOR DRIVER EDUCATION**. Filed Apr 16 2015, *AN ACT TO FUND THE DRIVER EDUCATION PROGRAM FROM UNCLAIMED LOTTERY PRIZE MONEY FOR THE 2015-2016 FISCAL YEAR AND FROM THE PROCEEDS OF A LATE FEE ON MOTOR VEHICLE REGISTRATION IN SUBSEQUENT FISCAL YEARS.*

Enacts GS 20-88.03, Late fee; motor vehicle registration, providing that the Division of Motor Vehicles (DMV) must charge a late fee as specified for people that pay registration fees after the applicable registration expires. Sets out the fees to be charged, ranging from a minimum fee of \$15 for a registration expired for less than a month to a maximum of \$25 for a registration expired for two months or more.

Provides that the proceeds from the late fees will be used to fund the driver education program administered by the Department of Public Instruction as provided for in GS 115C-215. Provides that a registration fee is considered to be made on the postmark date for payments made by mail. If the mailed payment is not postmarked then the payment is considered made on the date the DMV receives the payment.

Amends GS 115C-216(g) to lower the fee for the driver education course to \$45 (was, \$65).

Directs the Department of Public Instruction to review and revise the driver education program to ensure best practices, after the NC State Driver Education Assessment is conducted in May 2015.

Repeals Section 8.115(b) of SL 2014-100, which ended funding of the driver education program from the Highway Fund.

Appropriates \$28 million from the unclaimed lottery prize money to the Department of Public Instruction for the 2015-16 fiscal year for the driver education program.

Appropriates \$26 million from the Civil Penalty and Forfeiture Fund to the Department of Public Instruction for the 2016-17 fiscal year for the driver education program.

Effective July 1, 2015.

**Intro. by Hurley, Johnson, Carney, Torbett.**

**APPROP, GS 20, GS 115C**

[View summary](#)

**Education, Elementary and Secondary Education,  
Government, State Agencies, Department of Public  
Instruction**

Part I.

Requires \$20 million of the funds appropriated to the Department of Commerce for 2014-15 be transferred to the Site Infrastructure Development Fund for uses consistent with GS 143B-437.02. Requires the unencumbered balance of the Job Catalyst Fund be transferred to the Site Infrastructure Development Fund.

Part II.

Adds new Article 3L, NC New Markets Jobs Act of 2015, to GS Chapter 105 to provide that an entity that makes a qualified equity investment earns a below-the-line tax reduction that may be applied to the entity's state premium tax liability on future premium tax reports filed under Article 8B of GS Chapter 105.

Enacts new GS 105-129.101 (definitions). Defines qualified equity investment as an equity investment in, or long-term debt security issued by, a qualified community development entity that meets each of the following requirements: (1) is acquired after the act's effective date at its original issuance solely in exchange for cash, (2) has at least 85 percent of its cash purchase price used by the qualified community development entity to make qualified low-income community investments in qualified active low-income community businesses located in this state by the first anniversary of the initial reduction allowance date, and (3) is designated as a qualified equity investment under this subdivision and certified by the Department of Commerce (Department) as not exceeding the limitation in proposed GS 105-129.102(d)(5). Additionally defines qualified active low-income community business, qualified community development entity, and additional terms as they apply in this act.

Provides details on the tax reduction and directs the Department to certify \$208,333,333 in qualified equity investment authority in accordance with two allocations, one for the Rural Reserve and one for the Statewide Reserve, as described in GS 105-129.109(a). Sets out the procedure for a qualified community development entity to apply to the Department, which is to begin accepting applications on July 1, 2015, for an equity investment or long-term debt security to be designated as a qualified equity investment. Allows for disallowing a reduction claimed or to be claimed by a taxpayer under new Article 3L under specified circumstances. Requires that notice of a disallowed tax reduction must be sent in writing to the taxpayer and the Department of Revenue. Prohibits enforcement of the disallowance under this Article until the qualified community development entity has been provided with notice of the noncompliance and allowed six months to cure the noncompliance. Provides that a recaptured reduction and the related qualified equity investment authority reverts to the Department and is to be issued pro rata to other applicants whose allocations were reduced under the provisions of this section and in accordance with the application process. Requires that applicants pay a refundable performance deposit for each application submitted. Sets out conditions under which the deposit is forfeited.

Requires the Secretary of Commerce (Secretary) to issue binding letter rulings in response to applicants requesting an interpretation of the law to a specific set of facts. Sets out requirements for the rulings.

Provides that an entity claiming a reduction for qualified equity investment is not required to pay any additional retaliatory tax as a result of claiming the reduction.

Prohibits a certified qualified equity investment from being decertified unless the requirements of GS 105-129.107 have been met. Sets out conditions for decertification.

Provides that no qualified community development entity is entitled to pay any affiliate of such entity any fees in connection with any activity under this Article prior to decertification of all qualified equity investment issued by the entity. Does not prohibit a qualified community development entity from allocating or distributing income earned by it to the affiliates or paying reasonable interest on amounts lent to the entity by such affiliates.

Allows qualified community development entities to apply for both the Rural Reserve (consisting of \$156,250,000) and the Statewide Reserve (consisting of \$52,083,333). Sets out requirements for investments made under the Rural Reserve

and the Statewide Reserve.

Directs a qualified community development entity issuing qualified equity investments to submit a report to the Department within the first five business days after the first anniversary of the initial reduction allowance that documents the investment of 85 percent of the purchase price in qualified low-income community investments in qualified active low-income community businesses in North Carolina. Specifies the required content of the report. Requires a qualified community development entity to continue to submit annual reports to the Department on or before April 1 of the calendar year during the compliance period.

Provides that this Part II, proposed Article 3L, applies to qualified equity investments made on or after July 1, 2015.

#### Part III.

Enacts new GS Chapter 105, Article 3L, Historic Rehabilitation Tax Credits Investment Program, providing for tax credits for a taxpayer allowed a federal income tax credit for making qualified rehabilitation expenditures for a certified income-producing historic structure in the amount of 15 percent for rehabilitation expenditures that range from \$0 to \$10 million, and 10 percent for expenditures that range from \$10 million to \$20 million. Further provides for development tier bonuses and targeted investment bonuses. Includes provisions in regards to pass-through entities that qualify for a tax credit and how the credit can be allocated. Includes definitions for the new article, including certified historic structure, eligibility certification, pass-through entity, and targeted investment. Establishes a tax credit ceiling, providing that no tax credit for an income-producing certified historic structure can exceed \$4.5 million. Effective January 1, 2015, applying to qualified rehabilitation expenditures and expenses incurred on or after that date.

Establishes a tax credit for a taxpayer not allowed a federal income tax credit for making qualified rehabilitation expenditures for a certified non-income-producing historic structure that has rehabilitation expenses of at least \$10,000, providing that the credit is equal to 15 percent of the rehabilitation expenses. Provides a tax credit ceiling of \$22,500 per discrete property parcel. Provides certain limitations and allowances for the credit. Provides definitions for use in the section, including discrete property parcel, placed in service, and rehabilitation expenses. Authorizes the NC Historical Commission (Commission), in consultation with the State Historic Preservation Officer, to adopt rules necessary to administer the certification process of Article 3L and allows the adoption of a fee schedule for providing such certifications, with specified limitations. Effective January 1, 2015, applying to qualified rehabilitation expenditures and expenses incurred on or after that date.

Enacts provisions that outline how and against what tax liability the credits can be claimed as well as specified caps and forfeiture provisions. Enacts language which requires substantiation of certain information in order to claim a credit, including copies of certifications, a copy of an eligibility certification, and other specified records that can be required by the Secretary of Revenue. Provides that if a credit is issued pursuant to Article 3L, no other tax credit can be claimed from Articles 3D or 3H under GS Chapter 105 for the same activity. Effective January 1, 2015, applying to qualified rehabilitation expenditures and expenses incurred on or after that date.

Provides reporting and tracking requirements, directing the Department of Revenue to include specified information in the economic incentives report, including the number of taxpayers that took the credits allowed, total cost to the General Fund of the credits taken, and the total amount of tax credits carried forward, by type of tax. Provides that new Article 3L expires for rehabilitation expenditures and rehabilitation expenses on January 1, 2021. Effective January 1, 2015, applying to qualified rehabilitation expenditures and expenses incurred on or after that date.

Amends GS 105-129.75, the sunset provision for mill rehabilitation tax credits, providing that the eligibility certifications under GS Chapter 105, Article 3H, expire on January 1, 2023.

#### Part IV.

Amends GS 143B-437.02A to amend the requirements for grants from the Film and Entertainment Grant Fund (Fund) to require a production company have qualifying expenses of at least \$100,000 for academic linked material and at least \$250,000 for any other production (was, \$5 million for a feature length film and \$250,000 per episode of a video or



television series. Limits grant amounts to 15% plus any percentages given for return-on-investment incentive bonuses, or an amount more than \$20 million for a feature length film. No longer prohibits using funds for a production that is harmful to minors. Amends the conditions under which a return on investment incentive bonus may be awarded and sets the bonus amount at 2%. Adds and defines the term academic linked material, deletes the term employee, and amend the term production to add academic linked material and to also include video or tv series or a commercial for theater or tv viewing which includes access through cable tv, broadcast tv, dvd, and online sources. Also provides that for video and tv series, a production is each episode (was, all of the episodes) of the series produced for a single season. Adds a deadline and other requirements for respond to a grant application. Provides that funds may be disbursed from the Fund only in accordance to an agreement between the State and the production company. Sets the maximum amount of total annual grant liability at \$60 million. Adds a clawback provision for when a production company awarded a grant fails to meet or comply with any condition or requirement in the agreement. Requires the Commerce Department to conduct a study to determine the minimum funding needed to successfully implement the Fund. Requires a report the specified legislative finance and appropriations committees and the Fiscal Research Division by April 1 of each year.

Applies to awards from the Fund made on or after the date that the Part becomes law.

#### Part V.

Reenacts Article 3E, Low-Income Housing Tax Credits, of Subchapter I of GS Chapter 105 as it existed immediately before its repeal (the Article expired for developments to which federal credits were allocated on or after January 1, 2015) and extends the date of the repeal of the statute to January 1, 2020. Amends GS 105-129.42 to give the credit to a taxpayer who is allocated a federal low income housing tax credit to construct or substantially rehabilitate a qualified North Carolina low income housing development that is located in a development tier one or two area, an urban progress zone, or an agrarian growth zone.

#### Part VI.

Amends GS 105-130.45, which provides a tax credit for manufacturing cigarettes for exportation, to add a subsection (g) to repeal this section effective for cigarettes exported on or after January 1, 2020.

Amends GS 105-130.46, which provides a tax credit for manufacturing cigarettes for exportation while increasing employment and utilizing state ports, to add a subsection (l) to repeal this section effective for cigarettes exported on or after January 1, 2020.

#### Part VII.

Reenacts GS 105-130.41 (credit for North Carolina State Ports Authority wharfage, handling, and throughput charges) as it existed immediately before it was repealed (the statute was repealed January 1, 2014). Extends the date of the repeal of the statute to January 1, 2020. Effective for taxable years beginning on or after January 1, 2015.

#### Part VIII.

Reenacts Part 5 of Article 4 of Subchapter I of GS Chapter 105 (Tax Credits for Qualified Business Investments) as it existed immediately before its repeal (the Article expired for investments on or after January 1, 2014). Extends the sunset date of the Part to January 1, 2020. Provides that this Part is effective for taxable years beginning on or after January 1, 2015.

#### Part IX.

Amends Section 15.19(a1) of SL 2013-360, concerning the Job Development Investment Grant Program (Program). Provides that regardless of the provisions of subsection (c) of GS 143B-437.52, for July 1, 2013 through December 31, 2015, the maximum total amount for grants awarded under the Program, including the amounts transferred to the Utility Account under GS 143B-437.61, is \$45 million.

Changes the title of Part 2G of Article 10 of GS Chapter 143B to Job Growth Reimbursement Opportunities-People Program (was, Job Development Investment Grant Program). Directs the Revisor of Statutes to make the necessary

conforming changes to reflect the renaming of the Program as provided in this section.

Amends GS 143B-437.52(a) to add to the conditions that must be met before entering into agreements with businesses to provide grants under JDIG that for projects in development tier three areas, the affected local governments must have participated in recruitment and offered incentives in a manner that is appropriate to the project.

Repeals GS 143B-437.52(b), which gave priority in selecting between applicants for grants under the Program to a project located in an Eco-Industrial Park (Park) certified under GS 143B-437.08 over a comparable project not located in a certified Park.

Amends GS 143B-437.53 to increase the required number of eligible positions when applying for a grant from 20 to 50 for projects in development tier three areas. Amends GS 143B-437.53 (c) to provide that for the purposes of this subsection (Health Insurance), a business provides health insurance for employees if it pays at least 50% of the premiums for health care coverage for its employees.

Amends GS 143B-437.56 to require that 70% (was, 75%) of the annual grant be payable to the business when an eligible position is located in a development tier three area.

Amends GS 143B-437.57(a) to require that each community economic development agreement must include a requirement that the business maintain employment levels in North Carolina at whichever is greater: (1) the level of employment on the date of the application, or (2) the level of employment on the date of the award; and that the agreement include a provision requiring the recapture of an appropriate portion of the grant (was, allowed recapture of all or part of the grant) if the business does not remain at the site for the required term.

Amends GS 143B-437.62 to provide that the authority of the Committee to award new grants expires January 1, 2020 (was, January 1, 2016).

Requires the Department of Commerce to study the factors that have contributed to the termination of grants awarded under pursuant to Part 2G of Article 10 of GS Chapter 143B. Requires a report to the House of Representatives Finance Committee, the Senate Finance Committee, the House Committee on Agriculture and Natural and Economic Resources, the Senate Appropriations Committee on Natural and Economic Resources, and the Fiscal Research Division by March 1, 2016.

#### Part X.

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. Effective when bill becomes law, and expires 12 months after the effective date.

Enacts new GS 78A-17.1, Invest NC Exemption, to Article 3 of GS Chapter 78A. Provides that an offer or sale of a security by an issuer is exempt from registration requirements under GS 78-24 and filing requirements under GS 78A-49(d) if the offer or sale is conducted in accordance with the 13 specified requirements. Provides that the caps set for cash and other consideration for all sales of the security in reliance upon the exemption in GS 78A-17.1 must be cumulatively adjusted every fifth year by the Secretary of State (Administrator) to reflect the change in the Consumer Price Index for all Urban Consumers published by the Bureau of Labor Statistics. 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 shareholders until there are no outstanding securities issued under this section. Specifies how an issuer can satisfy the reporting requirement via an internet website if made available in accordance with specified requirements. Requires that an issuer must file each quarterly report with the Administrator. 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% or more of the outstanding shares of any class or classes of securities of the issuer. Provides for disqualification for the exemption if an issuer or person affiliated with the issuer or offering is subject to any qualifications contained in 18 NCAC 06A. 1207(a)(1) through (a) (6) or contained in Rule 262 as promulgated under the Securities Act of 1933 (17 CFR 230.262). Authorizes the

Administrator to adopt rules to protect investors who purchase securities under this section. Directs the Administrator to charge a nonrefundable filing fee of \$150 for filing the exemption notice. Becomes effective 12 months after the effective date of this act and expires on July 1, 2017.

Directs the Secretary (Secretary) of state to adopt rules to implement this act within 12 months of the effective date of this act. Provides for a 15-day notice and comment period and requires the Secretary 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 North Carolina Administrative Code. Becomes effective when this act becomes law and expires on July 1, 2017.

#### Part XI.

Amends GS 105-164.14A, which allows specified taxpayers an annual economic incentive refund of the sales and use tax paid under Article 5 of GS Chapter 105. Repeals the economic incentive refund for purchases made on or after January 1, 2020 (was, January 1, 2016) for the following taxpayers: (1) passenger air carrier, (2) motorsports team or sanctioning body, and (3) professional motorsports team. Also repeals the economic incentive refund for purchases made on or after January 1, 2020 (was, January 1, 2014) for taxpayers engaged in an analytical services business.

This Part is effective when it becomes law. Provides that for purposes of an analytical services business, this Part applies to purchases made on or after the effective date.

#### Part XII.

Reenacts Article 3F, Research and Development, of Subchapter I of GS Chapter 105 as it existed immediately before its repeal.

Amends GS 105-129.51 to provide that Article 3F is repealed for taxable years beginning on or after January 1, 2020 (was, January 1, 2016).

Amends GS 105-129.56, regarding the tax credit for interactive digital media development tax, to repeal this section effective for taxable years beginning on or after January 1, 2020.

Makes this part effective for taxable years beginning on or after January 1, 2015. Provides that the credit in GS 105-129.56, as reenacted by this Part, applies to expenses occurring on or after January 1, 2015.

#### Part XIII.

Requires the employees of the Department of Commerce in each Collaboration for Prosperity Zone to examine each annual update of the plan and collate all information relevant to the zone, county, region, and other unit of local government in the zone and provide a copy of the collated information to each unit of local government within the zone, including any additional regional assets not contained in the annual update. Requires the employees to work with each unit of local government in the zone to educate and assist each unit of local government in maximizing their economic potential and coordinating recruitment of industry to increase utilization of assets for economic development opportunities.

#### Part XIV.

Amends GS 105-164.13 to provide that the sales of electricity for use at a qualifying datacenter and datacenter support equipment that is to be located and used at the qualifying datacenter are exempt from the tax imposed by GS Chapter 105, Article 5, Sales and Use Tax. Specifies what types of capitalized property is considered to be "datacenter-support equipment" for tax purposes.

Amends GS 105-164.3, the definitions section for the the sales and use tax article, adding language to define qualifying datacenter as a datacenter that (1) meets the wage standard and health insurance requirements of GS 143B-437.08A and

(2) has been certified by the Secretary of Commerce, by way of written determination, that at least \$75 million in private funds has or will be invested in the datacenter by the owners, users, or tenants within five years of the date the same make the first real or tangible property investment in the datacenter on or after January 1, 2012. Makes conforming technical changes to the statute.

Sets out in GS 105-164.13(55a) when the tax exemption can be forfeited including: the level of investment specified above is not timely, investment is timely but specific datacenter support equipment is not located or used at the qualifying datacenter, or portions of the electricity are not used at the datacenter. Specifies that a taxpayer that forfeits such an exemption is liable for all past taxes avoided as a result of the exemption, computed from the date the taxes would have been due if the exemption was not allowed, plus interest established pursuant to GS 105-241.21. Sets out formula for calculating the interest due depending on the way in which the forfeiture was triggered.

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

Part XVI.

Unless otherwise indicated, effective when the act becomes law.

**Intro. by Saine, Hamilton, R. Moore, Jeter.**

[GS 78A, GS 105, GS 143B](#)

[View summary](#)

**[Development, Land Use and Housing, Community and Economic Development, Government, State Agencies, Department of Commerce, Tax](#)**

H 921 (2015-2016) [EDUCATIONAL OPP. FOR PEOPLE W/DISABILITIES](#). Filed Apr 16 2015, *AN ACT TO ENHANCE EDUCATIONAL OPPORTUNITIES FOR STUDENTS WITH DISABILITIES*.

Requires the Department of Public Instruction (DPI) to study and recommend methods and policy changes to the State Board of Education (SBOE) for improving the outcomes for elementary and secondary students with disabilities. Specifies actions that DPI must take toward achieving these goals. States the General Assembly's intent to make funds available in the 2015-17 fiscal biennium to DPI to (1) implement the methods for improving outcomes for children with disabilities and (2) provide technical assistance to local school administrative units to establish model programs aimed at increasing the graduation rate and school performance of students with disabilities. Requires DPI, by November 15, 2015, and annually thereafter, to report to the SBOE and the Joint Legislative Education Oversight Committee on the progress in developing and implementing (1) IEP reforms, (2) transition planning policies, (3) increased access to Future Ready Core Course of Study for students with disabilities, and (4) model programs for use by local school administrative units to improve graduation rates and school performance of students with disabilities.

Appropriates \$6,923,286 for 2015-16 from the General Fund to DPI and \$14,077,154 for 2016-17 to provide a 1% increase in funding for children with disabilities in each fiscal year. Requires the SBOE, for 2015-16, to allocate additional funds for children with disabilities on the basis of \$3,966.24 per child. Each local school administrative unit shall receive funds for the lesser of (1) all children who are identified as children with disabilities or (2) 12.5% of its 2015-16 allocated average daily membership in the local school administrative unit. Requires the SBOE for 2016-17 to allocate additional funds for children with disabilities on the basis of \$4,005.90 per child. Each local school administrative unit shall receive funds for the lesser of (1) all children who are identified as children with disabilities or (2) 12.5% of its 2016-2017 allocated average daily membership in the local school administrative unit. Requires that the amounts allocated adjust in accordance with legislative salary increments, retirement rate adjustments, and health benefit adjustments for personnel who serve children with disabilities.

Appropriates \$600,000 for 2015-16 from the General Fund to the UNC Board of Governors and \$600,000 for 2016-17. Requires that these funds be used by the Carolina Institute for Developmental Disabilities, in collaboration with the

North Carolina Postsecondary Education Alliance, for the work of the Alliance's three regional Partnerships for Identifying and Promoting Excellence in Postsecondary Education for People with Intellectual and/or Developmental Disabilities.

Requires the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, with the assistance of the Department of Health and Human Services, Division of Vocational Rehabilitation and Division of Social Services, the Department of Public Instruction, the University of North Carolina, and the North Carolina Community College System, and in consultation with the North Carolina Postsecondary Education Alliance, community stakeholders, and other interested parties, to take five specified actions concerning transitioning people with disabilities to adulthood. Requires a report to the Joint Legislative Education Oversight Committee and the Joint Legislative Oversight Committee on Health and Human Services by November 15, 2015, and annually thereafter through November 15, 2017.

Requires the State Education Assistance Authority to study strategies for ensuring that the state system of financial assistance for postsecondary education is available to assist qualified students with disabilities who are enrolled in certificate-based, approved university programs developed for them. Requires a report to the Joint Legislative Education Oversight Committee and the Joint Legislative Oversight Committee on Health and Human Services by March 15, 2016.

Effective July 1, 2015.

**Intro. by Johnson, Glazier, Malone, Avila.**

**APPROP, STUDY**

[View summary](#)

**Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, State Agencies, UNC System**

H 922 (2015-2016) **VIDEO SWEEPSTAKES REGULATION AND TAXATION**. Filed Apr 16 2015, *AN ACT TO REGULATE AND TAX ELECTRONIC SWEEPSTAKES*.

Repeals GS 14-306.4 (prohibiting electronic machines and devices for sweepstakes), effective January 1, 2016. Also effective January 1, 2016, enacts new Part 23, Electronic Sweepstakes in Article 10 of GS Chapter 143B, providing as follows.

Requires a license to operate an electronic sweepstakes establishment and limits the operation of electronic sweepstakes devices to within a licensed establishment. Defines an electronic sweepstakes device as an energy driven device that is connected to a server through a local network that is capable of displaying sweepstakes results on a screen or other mechanism by a sweepstakes entrant. Defines *sweepstakes* as any game, advertising scheme or plan, or other promotion that, with or without the purchase of any good or service and without separate consideration, a person may enter to win or become eligible to receive any prize, the determination of which is based upon chance and in which there is a finite pool of entries.

Sets out requirements for licensure including a \$250 application fee. Licensure is to be administered and enforced by the Department of Commerce (Department). Sets out requirements for applicants, including the necessary relationship to the state and doing business in the state. Requires the Department to conduct a background investigation of the applicant before issuing a license. Allows the Department to refuse a license if (1) the applicant has submitted false or misleading application information, (2) the applicant has had a license revoked and not restored, (3) the applicant has been convicted of a violation of federal or state level gambling laws within five years of the application, or (4) the applicant's background investigation evidenced a pattern of failure to exhibit good character and good standing in the community. Requires licensing applications to include a certificate report from an authorized independent testing laboratory on each electronic sweepstakes device listed in the application to be placed into operation at the establishment. Prohibits transferring a license, requires the license to be displayed in the establishment, and allows the license to be amended to

add additional devices.

Requires potential electronic sweepstakes device operators to cooperate with the Department's investigation. Requires the Department to adopt rules that provide for disclosure of information required to be disclosed under the act. Specifies information that must be disclosed. Makes documents compiled by the Department in conducting its investigation confidential.

Requires the Department to publish a list of authorized independent testing laboratories and to adopt rules to establish a process for becoming an authorized independent testing laboratory. Requires the authorized labs to issue a certification report with respect to the electronic sweepstakes devices and related systems. Specifies information that must be included in the report.

Requires a license to supply sweepstakes software to a sweepstakes gaming device operator. Specifies the information to be included in the application.

Specifies that the Article authorizes only the operation of server-based electronic sweepstakes devices that associate a prize with an entry or entries from a predetermined finite pool of winning and losing entries at the time the sweepstakes is entered. Prohibits specified activities including willfully failing to award prizes offered other than for failure by the entrant to comply with the rules of the sweepstakes or award or advertise prizes other than those that have been properly announced; knowingly requiring the participant to pay more than fair market value for the item, product, or service that entitles a participant to enter a sweepstakes; and operating a sweepstakes game which does not have a finite number of entries. Requires licensee to comply with specified interior and exterior signage, and advertising requirements. Prohibits an operator from (1) being issued an ABC permit authorizing the sale of alcoholic beverages for consumption on the sweepstakes location premises; (2) allowing an individual under 18 to enter or be employed at a sweepstakes facility; (3) offering or paying out anyone a single prize with a value of more than \$10,000; and (4) causing the sweepstakes results to be located other than on a server that is at the location where the sweepstakes takes place. Requires operators to provide the Department of Revenue with information on individuals winning prizes with a value of more than \$600.

Sets out reasons for which the Department may revoke or suspend a license, after holding a hearing.

Provides for enforcement of the Article. Unless a greater penalty is otherwise provided, makes it a Class 2 misdemeanor, subject to a fine between \$25,000 and \$100,000 and bar from obtaining a license, for operating an electronic sweepstakes without a license. Willful violations of other provisions of the Article are punishable by fines of \$500 to \$10,000.

Enacts new Article 2E, Electronic Sweepstakes, in GS Chapter 105. Levies an excise tax on each establishment as follows: (1) a rate of \$2,000 per electronic sweepstakes establishment, (2) a rate of \$1,000 per electronic sweepstakes device, and (3) a rate of 4% on gross receipts. Allows a city or county to, by resolution or ordinance, impose an excise tax on each establishment located in that city or county of \$1,000 on each establishment and \$500 on each device. Provides that the excise tax may be levied by the county or city, but not by both. Requires at least 3% of the net revenue collected from the local tax to be distributed to the county sheriff's department or municipal police department, with the remainder to be used for any public purpose. Requires the Secretary to remit the net tax proceeds collected under this Article to the General Fund to be used for Medicaid and mental health purposes (allows the Department of Revenue to retain 6% for administrative expenses). Provides that if a county or city imposes an excise tax under GS 105-113.122, the amount that would be distributed to the county sheriff's department or the municipal police department of the taxing jurisdiction is waived and that amount reverts to the General Fund and may be used for any public purpose. Provides that the Article is applicable to any electronic sweepstakes device without regard to how the device is activated, how the device is programmed for operation, or how the device determines and associates the prize with an entry or entries at the time the sweepstakes is entered.

Makes conforming changes.

Enacts new GS 143B-947 allowing the Department of Public Safety to give the Department the criminal history of any prospective electronic sweepstakes licensee. Sets out fingerprinting requirements.

Applies to an electronic sweepstakes establishment and devices operated on or after January 1, 2014.

Provides for temporary licensure for those submitting an application for licensure before September 1, 2015.

Unless otherwise indicated, effective when the act becomes law.

**Intro. by Malone, Baskerville, Jeter.**

[GS 14, GS 18B, GS 105, GS 143B, GS 153A](#)

[View summary](#)

[Government, Tax, Lottery and Gaming](#)

H 923 (2015-2016) [BEHAVIORAL HEALTH PARTNERSHIP PILOT PROGRAM](#). Filed Apr 16 2015, *AN ACT ESTABLISHING A BEHAVIORAL HEALTH PILOT PROGRAM THAT ALLOWS RURAL HOSPITALS TO CONVERT EXISTING, UNUSED ACUTE CARE BEDS INTO LICENSED INPATIENT BEHAVIORAL HEALTH BEDS IN ORDER TO INCREASE SHORT-TERM INPATIENT BEHAVIORAL HEALTH CAPACITY WITHIN THE STATE; AND APPROPRIATING NET PROCEEDS FROM THE SALE OF DIX HOSPITAL TO FUND THE CONVERSION OF BEDS UNDER THIS BEHAVIORAL HEALTH PILOT PROGRAM.*

Requires the Department of Health and Human Services (Department) to conduct a three-year pilot program to assist rural hospitals in converting existing, unused acute care beds into licensed, short-term inpatient behavioral health beds. Requires the Secretary to select rural hospitals located in two different regions of the state that are currently participating in the statewide telepsychiatry program to participate in the pilot program, with at least one located in the rural area surrounding Wake County. Sets the maximum number of beds that may be converted into short-term inpatient behavioral health beds in each region at 50. Allows the selected rural hospitals to convert unused acute care beds into licensed inpatient psychiatric or substance abuse beds for adults, adolescents, children, or all three, without undergoing certificate of need review by the Division of Health Service Regulation. Requires at least 50% of the beds converted under the pilot program be reserved for purchase by the Department under the state-administered three-way contract and referrals by local management entities/managed care organizations (LME/MCOs) of individuals who are Medicaid recipients or indigent.

Requires the Department to conduct monitoring visits at the program participants at least once every six months and makes the Department responsible for investigating all complaints related to the pilot program. Sets out participant reporting requirements. Gives the Department the authority to suspend or terminate the pilot program at any time due to noncompliance with applicable regulatory requirements that has resulted in serious harm to individuals receiving behavioral health services under the pilot program or when there is a substantial risk that serious harm will occur to individuals receiving behavioral health services under the pilot program.

Requires the Department to report on the status of the pilot program at least once each year to the Program Evaluation Division and the Fiscal Research Division.

Requires the General Assembly's Program Evaluation Division to conduct a comprehensive evaluation of the pilot program and report to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Oversight Committee on Health and Human Services no later than November 1, 2017.

Requires the net proceeds of any sale of the Dorothea Dix Hospital campus to be deposited into the Mental Health Trust Fund. Requires a sufficient amount of these proceeds shall be appropriated to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substances Abuse Services, for the 2015-16 fiscal year to pay for any renovation or building costs associated with converting existing acute care beds into licensed, short-term inpatient behavioral health beds designated for voluntarily and involuntarily committed patients in the rural hospitals selected to participate in the pilot program.

Effective July 1, 2015, and expires on June 30, 2018.



[View summary](#)

**Government, General Assembly, State Agencies,  
Department of Health and Human Services, Health and  
Human Services, Health, Health Care Facilities and  
Providers, Mental Health**

H 924 (2015-2016) **HIGHWAY SAFETY/SALARY CHANGES**. Filed Apr 16 2015, *AN ACT TO CLARIFY HOW THE NUMERIC RESULT OF AN ALCOHOL SCREENING TEST MAY BE USED, TO CLARIFY WHEN A LAW ENFORCEMENT OFFICER IS REQUIRED TO REQUEST A BLOOD SAMPLE WHEN CHARGING THE OFFENSE OF MISDEMEANOR DEATH BY VEHICLE, TO CLARIFY THAT MOTOR VEHICLES MUST HAVE AT LEAST ONE WORKING STOP LAMP ON EACH SIDE OF THE REAR OF THE VEHICLE, TO CLARIFY THE MEANING OF THE TERM "SALARY" FOR CERTAIN STATE LAW ENFORCEMENT OFFICERS, TO FUND SALARY INCREASES FOR MEMBERS OF THE STATE HIGHWAY PATROL FOR THE 2015-2016 FISCAL YEAR, AND TO MAKE OTHER CLARIFYING CHANGES.*

Amends GS 20-16.3(d) to clarify that a numeric result on an alcohol screening test or a driver's refusal to submit to the test may be used by a law enforcement officer, is admissible in court, or may be used by an administrative agency in determining if there are reasonable grounds or probable cause to believe either of the following: (1) the driver has committed an implied-consent offense under GS 20-16.2, or (2) the driver had consumed alcohol or had an alcohol concentration above 0.0. Effective December 1, 2015.

Amends GS 20-139.1(b5) to require that a person charged with a violation of GS 20-141.4 must be requested to provide a blood sample in addition to or instead of a chemical analysis of the breath at any relevant time after the person charged with a violation was driving. Effective December 1, 2015.

Amends GS 20-129(g) to prohibit anyone from selling or operating on the state's highways any motor vehicle manufactured after December 31, 1970, (was December 31, 1955) unless the motor vehicle is equipped with stop lamps, one on each side of the vehicle's rear. Prohibits a person from selling or operating on the state's highways any motor vehicle, moped, or motor-driven vehicle, manufactured after December 31, 1970 unless it is equipped with a stop lamp on the rear. Includes specifications as to the display and visibility of the stop lamps, and references "stop lamps" in plural as opposed to previous references to a singular "stop lamp."

Amends GS 20-129.1 to require additional lighting equipment on certain vehicles. Requires additional lighting on every bus or truck, regardless of its size, and on every bus or truck 80 inches or more in overall width. Also expands the stop lamp requirements for every trailer or semi-trailer with a gross weight of 4,000 pounds or more. Substitutes "stop lamps" and/or brake reflectors for brake lights. Provides that stop lamps on the rear of vehicles should be displayed as red but makes an exception to permit vehicles that were originally manufactured with amber stop amps to display an amber light.

Amends GS 20-130.1, which prohibits the use of red or blue lights in vehicles with a few exceptions. Clarifies that to be prohibited, the red or blue light does not have to be facing forward.

Amends GS 143-166.14 to clarify that the term "salary" means the total base pay of a person as reflected on the person's salary statement.

Amends GS 143-166.15 to provide that regardless of the provisions of GS 143-166.14, the persons entitled to benefits are subject to the provisions of GS 97-27 during the two-year period of payment of total base base pay. Provides that all salary payments are to be made at the same time and in the same manner as other payments made to other persons in the same department.

Appropriates an amount from the General Fund for the 2015-16 fiscal year that is sufficient to fund salary increases under GS 20-187.3 for members of the State Highway patrol. Effective July 1, 2015.

Except as otherwise indicated, the remainder of this act becomes effective when it becomes law.

**Intro. by Burr.**

APPROP, GS 20, GS 143

[View summary](#)

**Courts/Judiciary, Motor Vehicle, Government,  
Budget/Appropriations, State Agencies, Department of  
Public Safety**

H 925 (2015-2016) **REQUIRE HOSPITALS TO OFFER INFLUENZA VACCINE**. Filed Apr 16 2015, *AN ACT AMENDING THE HOSPITAL LICENSURE ACT TO REQUIRE HOSPITALS TO OFFER INPATIENTS SIXTY-FIVE YEARS OF AGE OR OLDER IMMUNIZATION AGAINST THE INFLUENZA VIRUS AND APPROPRIATING FUNDS FOR THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF HEALTH SERVICE REGULATION, TO DEVELOP A CAMPAIGN TO MAKE HOSPITALS AWARE OF THIS NEW REQUIREMENT.*

Enacts new GS 131E-79.10 requiring licensed hospitals, from October 1 through March 1 of each year, to offer immunization against the flu before discharging a patient aged 65 or older who has been admitted for inpatient care, unless it is medically contraindicated, and makes it contingent on whether the vaccine is available.

Appropriates \$25,000 for 2015-16 from the General Fund to the Department of Health and Human Services, Division of Health Service Regulation, to be used for a campaign to ensure that all hospitals subject to the requirements of new GS 131E-79.10 are aware of these requirements and understand what constitutes compliance with these requirements.

Effective July 1, 2015.

**Intro. by Burr.**

APPROP, GS 131E

[View summary](#)

**Government, Budget/Appropriations, Health and Human  
Services, Health, Health Care Facilities and Providers**

H 926 (2015-2016) **PROMOTING ACCELERATED STUDENT SUCCESS**. Filed Apr 16 2015, *AN ACT TO APPROPRIATE FUNDS FOR LOCAL SCHOOL ADMINISTRATIVE UNITS IN ORDER TO PROVIDE THAT EVERY KINDERGARTEN AND FIRST GRADE CLASSROOM HAS A FULL-TIME TEACHER ASSISTANT AND EVERY SECOND AND THIRD GRADE CLASSROOM HAS A HALF-TIME TEACHER ASSISTANT.*

Includes whereas clauses.

Appropriates \$208,390,767 for 2015-16 and \$212,265,373 from 2016-17 from the General Fund to the Department of Public Instruction as title indicates.

Effective July 1, 2015.

**Intro. by Holloway, Blackwell, Glazier, Presnell.**

APPROP

[View summary](#)

**Education, Elementary and Secondary Education,  
Government, Budget/Appropriations, State Agencies,**

Department of Public Instruction

H 927 (2015-2016) REESTABLISH NC AS THE "GOOD ROADS STATE". Filed Apr 16 2015, *AN ACT TO MODIFY THE COMPUTATION OF THE MOTOR FUEL EXCISE TAX RATE; TO ELIMINATE THE DISCOUNT FOR TIMELY PAYMENT OF MOTOR FUELS TAXES BY LICENSED DISTRIBUTORS, IMPORTERS, AND SUPPLIERS; TO MODIFY THE HIGHWAY USE TAX RATE; TO PHASE OUT THE TRANSFER OF FUNDS FROM THE HIGHWAY FUND TO THE GENERAL FUND; TO MODIFY THE AMOUNT OF FEES CHARGED BY THE DIVISION OF MOTOR VEHICLES; TO ESTABLISH A SUPPLEMENTAL TAX ON THE GROSS PREMIUMS FROM MOTOR VEHICLE INSURANCE CONTRACTS; TO TRANSFER CERTAIN FUNDS FROM THE HIGHWAY TRUST FUND TO THE HIGHWAY FUND; TO DIRECT THE DEPARTMENT OF TRANSPORTATION TO ESTABLISH THE "DOT REPORT" PROGRAM; TO APPROPRIATE FUNDS FOR CERTAIN PURPOSES; AND TO MAKE VARIOUS CONFORMING CHANGES.*

Includes various whereas clauses concerning the roads, bridges, ports, and rails of North Carolina.

Part I.

Amends GS 105-449.80 to provide that beginning on July 1, 2015, the motor fuel excise tax will be a flat rate of 30 cents per gallon (previously, set tax rate at 35 cents with further reductions set to become effective at later dates). Sets the tax as the amount for the preceding year multiplied by a percentage, beginning January 1, 2017. Makes conforming changes. Enacts new subsection (b1), which provides for an additional 1 cent increase to the tax rate if, beginning on or after January 1, 2016, there is a decrease of \$100 million in the actual expenditures of federal funds to the Department of Transportation (DOT) for the reimbursement of Highway Trust Fund projects. Effective July 1, 2015.

Repeals GS 105-449.93, Percentage discount for licensed distributors and some licensed importers. Repeals subsections (b) and (c) of GS 105-449.97, concerning allowed discounts for suppliers. Repeals subdivision (6) of GS 105-449.96 and subdivision (12) of GS 105-449.120(a), making conforming deletions. Amends GS 105-449.99(b), 105-449.105(e), 105-449.105A(a), and 119-18(a1), making conforming changes, reflecting the repeal of GS 105-449.93 above. Repeals GS 105-449.105B, Monthly hold harmless refunds for licensed distributors and some licensed importers.

Unless otherwise provided above, effective for taxable years beginning on or after January 1, 2016.

Part II.

Amends GS 105-187.3 concerning the NC Highway Use Tax providing that the tax rate is 4% with a maximum tax of \$2,000 for each certificate of title issued for specified vehicles that are either a commercial motor vehicle or recreational vehicle (previously set tax rate at 3% with a maximum tax of \$1,000 for commercial vehicles and \$1,500 for recreational vehicles). Enacts new subsection (a2) which provides for additional tax increases of .5% beginning on or after January 1, 2016, if there is a decrease of \$200 million of federal funds to the DOT for the reimbursement of Highway Trust Fund projects.

Amends GS 105-187.5(b) concerning alternate taxes for those who rent or lease motor vehicles, raising the tax rate to 9% for short-term lease or rental (was 8%) and 4% for long-term lease or rental (was 3%).

Amends GS 105-187.6(c) concerning certain exemptions from the highway use tax, providing that the maximum tax for out-of-state vehicles applying for a certificate of title that have been titled for at least 90 days in another state is \$200 (was, \$150).

Provides for a transfer of 12.2% of revenues generated from taxes levied under GS 105-187.3(a1), 105-187.5(b), and 105-187.6(c) for fiscal year 2015-16 from the Highway Trust Fund to the Highway Fund as specified. Effective July 1, 2015.

Provides that for fiscal years 2016-17, 2017-18, and 2018-19, 25% of the revenues generated from taxes levied under

GS 105-187.3(a1), 105-187.5(b) and 105-187.6(c) are to be transferred from the Highway Trust Fund to the Highway Fund as specified. Effective July 1, 2016.

Unless otherwise stated above, effective January 1, 2016.

### Part III.

Enacts GS 143-215.73G, Conditional funding for maintenance dredging, providing for funding transfers from the Highway Fund to the Department of Environment and Natural Resources in the amount of 20% of the actual federal expenditures for maintenance dredging during the prior federal fiscal year if specified reductions in federal expenditures occur. Sets out reporting and allocation requirements. Effective July 1, 2015.

### Part IV.

Specifies reductions in the amount of \$49,145,745.25 to be made each year to the transfers from the Highway Fund to the General Fund for the following upcoming fiscal years: 2017-18, 2018-19, 2019-20, and 2020-21; eliminates transfer of funds from the Highway Fund to the General Fund in 2020-21.

Amends GS 105-449.125 concerning the distribution of tax revenue among various funds, deleting the Water and Air Quality Account from the accounts receiving distributions. Effective January 1, 2016.

### Part V.

Increases the fees for the issuance of driver's licenses and motorcycle endorsements; license restoration; learner's permits; duplicate licenses; driver improvement clinics; copies of license records; commercial drivers licenses and endorsements; accident reports; temporary license plates; penalties for late applications for a certificate of title; fees for certificates of title; registration cards and registration plates; certificate of title one-day service; vehicle registration; the registration of property-hauling vehicles; licensing of motor vehicle dealers, manufacturers and specified representatives; and motor carriers.

Enacts new GS 20-88.03, allowing the Division of Motor Vehicles (DMV) to charge a late fee for paying the registration fee after the registration has expired. Sets the amount of the fee depending on how late the payment is. Amends GS 105-330.10 to require interest collected on unpaid registration fees to be transferred to the North Carolina Highway Fund (was, to the North Carolina Highway Fund for DMV technology improvements). Effective July 1, 2016, and applies to renewals of registration and licensing of passenger vehicles on or after that date.

Requires for 2015-16 that 20% of the revenue generated from the fees in GS 20-85(a)(1) through (9) (specified fees for certificates of title, registration cards, and registration plates) after the adjustments made in this Part to be transferred from the Highway Trust Fund to the Highway Fund. Effective July 1, 2015. Increases that amount to 35% for 2016-17, 2017-18, and 2018-19, effective July 1, 2016.

Unless otherwise indicated, this Part is effective January 1, 2016, and applies to issuances, renewals, restorations, and requests on or after that date.

### Part VI.

Amends GS 105-228.5 to provide that an additional .5% tax applies to the gross premiums on insurance contracts for motor vehicles, with the net proceeds of this additional tax credited to the Highway Fund. Applies to motor vehicle insurance contracts entered into or renewed on or after January 1, 2016.

### Part VII.

Requires the DOT to establish and implement the DOT REPORT Program (Program) consisting of specified components concerning responsiveness, efficiency, performance, oversight, restructuring, and transparency. Effective when the act becomes law.

### Part VIII.

Appropriates \$3 million in nonrecurring funds for 2015-16 from the Highway Fund to the Department of Transportation to be used in specified amounts for contract resurfacing; the modernization of the seaports located in Wilmington and Morehead City and maintenance and dredging of inlets and navigation channels for maritime commerce; resurfacing of streets within municipalities; and the repair, rehabilitation, and replacement of structurally deficient bridges. Effective July 1, 2015.

Appropriates \$530 million in nonrecurring funds for 2016-17, 2017-18, and 2018-19 from the Highway Fund to the Department of Transportation to be used in specified amounts for those same purposes. Effective July 1, 2016, July 1 2017, and July 1, 2018, respectively.

Part IX.

Provides that Part headings in the act are for reference only.

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

**Intro. by Torbett, Iler, Shepard, Tine.**

[APPROP, GS 20, GS 44A, GS 105, GS 119](#)

[View summary](#)

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

H 928 (2015-2016) [TWO-THIRDS VOTE TO LEVY TAXES](#). Filed Apr 16 2015, *AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO REQUIRE A TWO-THIRDS VOTE FOR THE GENERAL ASSEMBLY TO LEVY STATE TAXES*.

Amends Section 23 of Article II of the NC Constitution as title indicates for all laws creating new taxes or increasing existing taxes. Excludes from the supermajority requirement laws repealing or restricting specific tax preferences and laws permitting local taxing units to levy specific taxes. Requires the proposed amendment to be submitted to the voters in the November 2016 election.

**Intro. by Blust, Holloway, Jones, Millis.**

[CONST](#)

[View summary](#)

[Constitution, Government, Tax](#)

H 929 (2015-2016) [TAXPAYERS' BILL OF RIGHTS](#). Filed Apr 16 2015, *AN ACT TO PROTECT THE TAXPAYERS OF NORTH CAROLINA WITH CONSTITUTIONAL LIMITS ON THE GROWTH OF STATE SPENDING*.

Subject to approval by voters at the statewide election in November 2016, adds new Article XV of the North Carolina Constitution providing that the maximum annual percentage change in state fiscal year spending equals inflation plus the percentage change in state population in the prior calendar year. Allows the General Assembly to vote to increase this fiscal year spending limit, with approval by a two-thirds majority of the members of each house of the General Assembly.

Creates the Emergency Reserve Fund (Fund), with appropriations from the Fund for declared emergencies upon approval by a two-thirds majority of the members of each house of the General Assembly. Also creates the Budget Stabilization Fund (Stabilization Fund) to be used to make up the differences between total state revenues and the fiscal year spending limit when total state revenues are less than the fiscal year spending limit.

Specifies how to treat state revenues in excess of the fiscal year spending limit.

Prohibits the transfer of state case fund principal from any state cash fund to the General Fund, other than transfers from the Fund or Stabilization Fund.

Prohibits the state from imposing on any unit of local government any part of the total costs of new programs or services, or increases in existing programs or services, unless a specific appropriation is made sufficient to pay the unit of local government for that purpose. Prohibits the proportion of state revenue paid to all units of local government from being reduced below that proportion in effect on July 1, 2017.

Includes a severability clause.

Requires the General Assembly to enact legislation to implement and enforce the new Article.

Sets out the ballot language.

If approved, effective July 1, 2018.

**Intro. by Blust, Riddell, Jones, Holloway.**

**CONST**

[View summary](#)

**Constitution, Government, Budget/Appropriations, State Government**

H 930 (2015-2016) **BUY BACK RENEWABLE ENERGY PROPERTY CREDIT**. Filed Apr 16 2015, *AN ACT TO PERMIT THE REPURCHASE OF INSTALLMENTS OF THE CREDIT FOR INVESTING IN RENEWABLE ENERGY PROPERTY.*

Amends GS 105-129.16A to add subsection (a1) providing for a carryforward redemption for the tax credit for constructing, purchasing, or leasing renewable energy property as specified in this section. Provides that a credit must be carried forward due to specified limitations, then the taxpayer can make a binding election to redeem the carryforward in a taxable year so long as the credit allowed does not exceed the tax against which the credit is claimed for the taxable year. Provides that the carryforward redemption amount is equal to 90% of the amount of the carryforward. Also enacts subsection (d1) providing for a special allocation which allows a taxpayer to allocate the credit received pursuant to this section to another business entity in accordance with the provisions of any agreement between the taxpayer and the business entity.

Amends GS 105-129.17(b) concerning a tax credit cap, clarifying that the section also applies to carryforwards not redeemed pursuant to GS 105-129.16A(a1).

**Intro. by Dollar, Saine.**

**GS 105**

[View summary](#)

**Environment, Energy, Government, Tax, Public Enterprises and Utilities**

H 931 (2015-2016) **CONST. AMENDMENT/HOA FORECL. & DEBT SETOFF**. Filed Apr 16 2015, *AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO PROHIBIT HOMEOWNERS' ASSOCIATIONS FROM FORECLOSING ON REAL PROPERTY FOR UNPAID ASSOCIATION DUES, TO ALLOW HOMEOWNERS' ASSOCIATIONS TO OBTAIN JUDGMENTS FOR PAST-DUE ASSESSMENTS, AND TO ALLOW FOR SETOFF AGAINST STATE INCOME TAX RETURNS FOR PAST-DUE ASSESSMENTS.*

Amends Section 2 of Article X of the NC Constitution to provide that homesteads located in planned communities and subject to lot owners' association established by covenant is protected from forced sale for the nonpayment of a lien assessed by the association. Sets out procedure for putting the constitutional amendment before the voters at the

November 3, 2015 general election.

Repeals GS 47F-3-116, Lien for sums due the association; enforcement.

Enacts new GS 47F-3-116.1, Enforcement for sums due the association, providing that assessments that remain unpaid for 90 days or more entitle the association to file an action in the General Court of Justice in the county where the property is located. Further provides that unless the declaration states otherwise, the association is entitled to receive fees, charges, late charges, and other charges imposed pursuant to GS 47F-3-102, 47F-3-107, 47F-3-107.1, and 47F-3-115, as well as any other sums due and payable to the association under the declaration.

Specifies procedure for demand for payment of the assessment, which is required at least 30 days before initiating any legal action. Provides language that the notice must include and specifies the procedures for service of process of the demand, providing it should be made and attempted in accordance with GS 1A-1, Rule 4(j), for service of a copy of a summons and a complaint. Also sets out the processes and procedures that should be followed when actual service is not achieved or in cases where the owner of record is not a natural person. Provides that the association is entitled to recover reasonable attorneys' fees and costs incurred in connection with the collection of any sums due.

Provides that any judgment, decree, or order in any judicial foreclosure or civil action, relating to the collection of assessments, will include an award of costs and reasonable attorneys' fees for the prevailing party.

Provides that any judgment, decree, or order in any civil action for the collection of assessments must include costs and reasonable attorneys' fees for the prevailing party.

Sets out provisions concerning the collection of service, consulting or administration fees as well as the procedure for agreeing to allow payment of an outstanding balance through installments.

Provides that holders of first mortgages or deeds of trust to other purchasers of a lot after foreclosure of a first mortgage are not liable for assessments to the lot which became due prior to the acquisition of title to the lot.

Amends GS 105A-1, to add planned community owners' associations to the Setoff Debt Collection Act, providing that certain agencies and the Department of Revenue work towards setting off debt owed to such associations.

Amends GS 105A-2, to add planned community owners' association to the definition of a claimant agency for use in this chapter. Makes conforming changes to GS 105A-3(d).

Enacts GS 105A-8.1, Planned community owner's association notice, hearing, and decision, providing that associations cannot submit a debt for collection under this chapter until it has obtained a judgment for past-due assessments pursuant to GS Chapter 47F, Article 3. Provides notice requirements for collection by setoff as well as requiring notice of right to contest the matter by filing a request for hearing. Provides procedures for administrative review and deadlines for filing a petition for a contested case. Outlines when setoff amounts must be returned to the taxpayer as well as when only part of the amount is to be returned. Adds other provisions concerning the return of setoff amounts.

Amends GS 105A-12, Priorities in claims to setoff, to provide that state agencies and local agencies have priority over planned community owners' associations for collection by setoff. Provides that when there are claims by two or more planned community owners' associations then priority is based on the date each association registered under GS 105A-3.

**Intro. by R. Moore, Alexander.**

[CONST, GS 47F, GS 105A](#)

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[Constitution](#)



*HEALTH, DEVELOPMENTAL DISABILITIES, AND SUBSTANCE ABUSE SERVICES, TO SUPPORT A PROVEN MODEL FOR SUBSTANCE ABUSE RECOVERY.*

Includes various whereas clauses about the success of Triangle Residential Options for Substance Abusers, Inc., (TROSA).

Appropriates from the General Fund to the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Abuse Services, \$1,150,000 for the 2015-16 fiscal year and \$1,150,000 for the 2016-17 fiscal year. Funds are to be allocated to TROSA to support the expansion of TROSA's substance abuse recovery services.

Requires TROSA to report, by June 30 of 2016 and 2017, to the General Assembly on the breakdown of how the funds allocated to TROSA were used for expansion. Reports must include total number of individuals served by TROSA during the fiscal year in which the report is submitted.

Effective July 1, 2015.

**Intro. by Avila, Malone, Pendleton, Michaux.**

**APPROP**

[View summary](#)

**Government, Budget/Appropriations**

H 933 (2015-2016) **SUCCESSFUL TRANSITION/FOSTER CARE YOUTH**. Filed Apr 16 2015, *AN ACT TO ESTABLISH AN INITIATIVE FOR THE SUCCESSFUL TRANSITION OF FOSTER CARE YOUTH TO ADULTHOOD.*

Adds new Part 3, Partnership for Successful Transition of Foster Care Youth to Adulthood, to Article 1A of GS Chapter 131D. States the General Assembly's intent. Creates the Foster Care Transitional Living Initiative Fund (Fund) to support a demonstration project with services provided by Youth Villages to (1) improve outcomes for youth ages 17-21 years who transition from foster care through implementation of outcome based Transitional Living Services, (2) identify cost savings in social services and juvenile and adult correction services associated with the provision of Transitional Living Services to youth aging out of foster care, and (3) take necessary steps to establish an evidence based transitional living program available to all youth aging out of foster care. Sets out strategies that the Fund must support concerning transitional living services, public-private partnership, impact measurement and evaluation, and advancement of evidence based process.

Amends GS 131D-10.9A by increasing the membership of the Permanency Innovation Initiative Oversight Committee by one to include a member appointed by the Governor who is a representative from Youth Villages. Expands on the Committee's duties to include activities related to foster care youth transitioning to adulthood.

Appropriates \$1.3 million for 2015-16 from the General Fund to the Department of Health and Human Services, Division of Social Services, and \$1.75 million for 2016-17 for the Foster Care Transitional Living Initiative Fund for services provided by Youth Villages.

**Intro. by Avila, Stevens, Dobson, Glazier.**

**APPROP, GS 131D**

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

H 934 **TAX RELIEF ACT OF 2015**. Filed Apr 16 2015, *AN ACT TO PROVIDE TAX RELIEF FOR SMALL BUSINESSES AND TO PROVIDE A SALES TAX EXEMPTION FOR DATACENTER EQUIPMENT.*

Amends GS 105-153.5 to allow a deduction from the corporate income tax of up to \$25,000 of net business income the taxpayer receives during the taxable year if the taxpayer has annual receipts, combined with the annual receipts of all related persons, of \$800,000 or less. Provides that in the case of a married couple filing a joint return where both spouses receive or incur net business income, the maximum dollar amounts apply separately to each spouse's net business income, not to exceed a total of \$50,000.

Effective for taxable years beginning on or after January 1, 2015.

Amends GS 105-164.13 to provide that the sales of electricity for use at a qualifying datacenter and datacenter support equipment that is to be located and used at the qualifying datacenter are exempt from the tax imposed by GS Chapter 105, Article 5, Sales and Use Tax. Specifies what types of capitalized property is considered to be "datacenter-support equipment" for tax purposes.

Amends GS 105-164.3, the definitions section for the the sales and use tax article, adding language to define qualifying datacenter as a datacenter that (1) meets the wage standard and health insurance requirements of GS 143B-437.08A and (2) has been certified by the Secretary of Commerce, by way of written determination, that at least \$75 million in private funds has or will be invested in the datacenter by the owners, users, or tenants within five years of the date the same make the first real or tangible property investment in the datacenter on or after January 1, 2012. Makes conforming technical changes to the statute.

Sets out in GS 105-164.13(55a) when the tax exemption can be forfeited including: the level of investment specified above is not timely, investment is timely but specific datacenter support equipment is not located or used at the qualifying datacenter, or portions of the electricity are not used at the datacenter. Specifies that a taxpayer that forfeits such an exemption is liable for all past taxes avoided as a result of the exemption, computed from the date the taxes would have been due if the exemption was not allowed, plus interest established pursuant to GS 105-241.21. Sets out formula for calculating the interest due depending on the way in which the forfeiture was triggered.

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

**Intro. by Saine, W. Brawley, Szoka.**

**GS 105**

[View summary](#)

**Business and Commerce, Government, Tax**

H 935 (2015-2016) [CRIMINAL PROCEDURE CHANGES/DRUG COURT FUNDS](#). Filed Apr 16 2015, *AN ACT TO APPROPRIATE FUNDS TO RESTORE STATE FUNDING OF DRUG TREATMENT COURTS, TO PROVIDE THAT AN INVESTIGATIVE GRAND JURY MAY BE CONVENED TO INVESTIGATE ALLEGATIONS OF ILLEGAL USE OF FORCE BY LAW ENFORCEMENT OFFICERS, AND TO AMEND THE NORTH CAROLINA CONSTITUTION TO AUTHORIZE AN OFFICIAL OTHER THAN A DISTRICT ATTORNEY TO REQUEST A SPECIAL PROSECUTOR AND ALSO AUTHORIZE PRIVATE PROSECUTIONS OF FELONY OFFENSES.*

Appropriates \$3,185,888 for the 2015-16 fiscal year and appropriates \$3,185,888 for the 2016-17 fiscal year from the General Fund to the Judicial Department to provide state funding for 33 full-time equivalent positions for the operation of all currently existing drug treatment courts. Effective July 1, 2015.

Amends GS 15A-622(i) to add an allegation of the illegal use of force as grounds for convening an investigative grand jury under subsection (h) of GS 15A-622. Effective December 1, 2015.

Adds a new Article 10, Private Prosecution of Felony Offense to GS Chapter 7A. Declares that it is the intent of this Article to authorize private prosecutions of felony offenses and provides that the discretion to prosecute a felony is not limited to the district attorney. Provides that an attorney, who is licensed in North Carolina, may submit a bill of indictment charging an offense within the original jurisdiction of the superior court and may prosecute that case if the grand jury returns a true bill of indictment. Designates an attorney retained by a private citizen to prosecute a felony

offense as a special prosecutor and provides that the special prosecutor has the same authority and responsibility to prosecute the case as a district attorney. Requires the special prosecutor to provide written notice of the designation to the district attorney in a timely manner and requesting the prosecutor to calendar the case. Directs the district attorney to calendar the case upon receipt of the written notice. Provides that the court is to order payment of attorneys' fees to a special prosecutor who successfully prosecutes a case under this Article. Effective only if the voters approve the constitutional amendment proposed in this act.

Prohibits concurrent prosecutions, that is, a defendant cannot be prosecuted by the district attorney and the special prosecutor for the same felony offense. Amends GS 114-11.6 to provide that the request for a special prosecutor may come from persons other than a district attorney, including a clerk of court, registrar of deeds, or legislator. Makes a conforming change adding a new subsection requiring written notice to the district attorney as a prerequisite for a case being placed on the calendar by the district attorney. Effective only if the voters approve the constitutional amendment proposed in this act.

Proposes an amendment to Section 18 of Article IV of the North Carolina Constitution authorizing officials other than district attorneys to request special prosecutors to prosecute criminal actions and to provide that attorneys other than district attorneys may prosecute criminal actions in the Superior Courts on behalf of the state. Provides that the amendment is to be submitted to qualified voters at the next statewide general election.

**Intro. by L. Hall.**

[APPROP, CONST, GS 7A, GS 114](#)

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[Constitution, Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, Budget/Appropriations, State Agencies, Department of Justice](#)

H 936 (2015-2016) [STEM SCHOLARSHIP PROGRAM](#). Filed Apr 16 2015, *AN ACT TO ESTABLISH A FORGIVABLE LOAN PROGRAM FOR PROSPECTIVE STEM TEACHERS*.

Adds new Part 3 to Article 23 of GS Chapter 116. Establishes the 11 member North Carolina STEM Scholars Advisory Commission (Commission) to administer the North Carolina STEM Scholars Program (Program). Sets out provisions governing the functioning of the Commission. Establishes the Commission's powers and duties, including reviewing applications and making recommendations to the State Education Assistance Authority (Authority) for the award of loans. Creates the Program to provide a four year forgivable scholarship loan in the amount of \$6,5000 per year to high school seniors committed to working as teachers of science, technology, engineering, and math (STEM). Establishes the North Carolina STEM Scholars Fund (Fund) to be administered by the Authority. Limits Fund use to (1) loans made under the act's provisions, (2) the Authority's administrative costs, and (3) costs incurred by the Board of Governors in providing extracurricular activities to loan recipients. Sets out provisions concerning eligibility for the loans and establishes the loan terms and conditions, including forgiving the loan if the recipient teaches in a STEM subject area for three consecutive years (within seven years after graduation) at a state public school that is low performing, or after four years four year of STEM teaching at a state public school or school operated by the US government in the state. Requires the UNC Board of Governors to administer extracurricular activities for participating students. Requires the Authority to report, by December 1, 2016, and annually thereafter, to the Joint Legislative Education Oversight Committee, on the Fund and loans awarded from the Fund.

Appropriates \$754,000 for 2015-16 from the General Fund to the UNC Board of Governors and \$1,404,000 for 2016-17 to implement the act. Requires specified amounts of those funds to be used to provide loans, administer the Program, and for extracurricular activities.

**Intro. by Pierce, Hanes, Richardson, C. Graham.**

[APPROP, GS 116](#)

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**Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, State Agencies, UNC System**

H 937 (2015-2016) **MODIFY CERTAIN CEMETERY REQUIREMENTS**. Filed Apr 16 2015, *AN ACT TO INCREASE THE LICENSE FEE FOR OPERATING A CEMETERY COMPANY AND TO MODIFY THE COUNTY POPULATION AND MINIMUM ACREAGE REQUIREMENTS IN CERTAIN TRACTS OF LAND USED AS CEMETERIES*.

Amends GS 65-55 to increase the licensing fee for operating a cemetery company from \$1,600, to \$1,700. Amends the conditions for organizing a cemetery to require that the proposed cemetery be 15 acres, instead of 30 acres in counties with a population of less than 125,000 (was, less than 35,000). Makes clarifying changes.

Amends GS 65-69 to also provide that in counties with a population of less than 125,000, a cemetery tract needs to be 15 acres. Adds that after lands that were dedicated for use as a cemetery are sold for uses other than as a cemetery, if the location is a county with a population of less than 125,000 and the licensee has less than 30 acres of unencumbered land for use by the licensee after the sale, the licensee must transfer to the perpetual care fund an amount equal to 3% of the gross sales price at fair market value of up to 15 acres sold, within 60 days of the sale.

**Intro. by Boles, Alexander.**

**GS 65**

[View summary](#)

**Business and Commerce, Occupational Licensing, Health and Human Services, Health, Public Health**

H 938 (2015-2016) **COMPREHENSIVE GAMING REFORM**. Filed Apr 16 2015, *AN ACT TO ESTABLISH A UNIFIED AND COMPREHENSIVE SYSTEM OF REGULATING GAMING IN NORTH CAROLINA AND TO REGULATE AND TAX ELECTRONIC SWEEPSTAKES*.

Enacts new GS Chapter 18D, Gaming. Establishes the nine-member North Carolina State Gaming Commission (Commission) to establish and oversee the operation of gaming in the state. Locates the Commission in the Department of Commerce for budgetary purposes, but makes the Commission an independent, self-supporting, and revenue-raising agency. Sets out requirements for Commission membership and sets terms at five years. Sets out further provisions concerning the operation of the Commission, including setting member compensation at \$125,000. Sets out the Commission's powers and duties and makes the Commission's records open and available to the public. Requires the Commission to make quarterly and annual reports to the Governor, State Treasurer, and General Assembly.

Provides that the only information concerning a lottery winner that is public record is the individual's name, city and state of residence, the game played, the amount won, and the date won.

Reserves Article 2, Lottery.

Enacts Article 3, Regulation of Electronic Sweepstakes, as follows, effective January 1, 2016.

Requires a license from the Commission to operate an electronic sweepstakes establishment and limits the operation of electronic sweepstakes devices to within a licensed establishment. Defines an *electronic sweepstakes device* as an energy-driven device that is connected to a server through a local network that is capable of displaying sweepstakes results on a screen or other mechanism by a sweepstakes entrant. Defines *sweepstakes* as any game, advertising scheme or plan, or other promotion that, with or without the purchase of any good or service and without separate consideration, a person may enter to win or become eligible to receive any prize, the determination of which is based upon chance and in which there is a finite pool of entries.

Sets out requirements for licensure including a \$250 application fee. Licensure is to be administered and enforced by the Commission. Sets out requirements for applicants, including the necessary relationship to the state and doing business in the state. Requires the Commission to conduct a background investigation of the applicant before issuing a license. Allows the Commission to refuse a license if the (1) applicant has submitted false or misleading application information, (2) applicant has had a license revoked and not restored, (3) applicant has been convicted of a violation of federal or state level gambling laws within five years of the application; or (4) applicant's background investigation evidences a pattern of failure to exhibit good character and good standing in the community. Requires licensing applications to include a certificate report from an authorized independent testing laboratory on each electronic sweepstakes device listed in the application to be placed into operation at the establishment. Prohibits transferring a license, requires the license to be displayed in the establishment, and allows the license to be amended to add additional devices.

Requires potential electronic sweepstakes device operators to cooperate with the Commission's investigation. Requires the Commission to adopt rules that provide for disclosure of information required to be disclosed under the act. Specifies information that must be disclosed. Makes documents compiled in conducting the investigation confidential.

Requires the Commission to publish a list of authorized independent testing laboratories and to adopt rules to establish a process for becoming an authorized independent testing laboratory. Requires the authorized labs to issue a certification report with respect to the electronic sweepstakes devices and related systems. Specifies information that must be included in the report.

Requires a license to supply sweepstakes software to a sweepstakes gaming device operator. Specifies the information to be included in the application.

Specifies that the Article authorizes only the operation of server-based electronic sweepstakes devices that associate a prize with an entry or entries from a predetermined finite pool of winning and losing entries at the time the sweepstakes is entered. Prohibits specified activities including willfully failing to award prizes offered other than for failure by the entrant to comply with the rules of the sweepstakes or award or advertise prizes other than those that have been properly announced; knowingly requiring the participant to pay more than fair market value for the item, product, or service that entitles a participant to enter a sweepstakes; and operating a sweepstakes game which does not have a finite number of entries. Requires licensee to comply with specified interior and exterior signage and advertising requirements. Prohibits an operator from (1) being issued an ABC permit authorizing the sale of alcoholic beverages for consumption on the sweepstakes location premises; (2) allowing an individual under 18 to enter or be employed at a sweepstakes facility; (3) offering or paying out anyone a single prize with a value of more than \$10,000; and (4) causing the sweepstakes results to be located other than on a server that is at the location where the sweepstakes takes place. Requires operators to provide the Department of Revenue with information on individuals winning prizes with a value of more than \$600.

Sets out reasons for which the Commission may revoke or suspend a license, after holding a hearing.

Provides for enforcement of the Article. Unless a greater penalty is otherwise provided, makes it a Class 2 misdemeanor, subject to a fine between \$25,000 and \$100,000 and bar from obtaining a license, for operating an electronic sweepstakes without a license. Willful violations of other provisions of the Article are punishable by fines of \$500 to \$10,000.

Reserves Article 4, Bingo and Raffles, and Article 5, Regulation of Boxing.

Enacts new Article 2E, Electronic Sweepstakes, in GS Chapter 105. Levies an excise tax on each establishment as follows: (1) a rate of \$2,000 per electronic sweepstakes establishment, (2) a rate of \$1,000 per electronic sweepstakes device, and (3) a rate of 4% on gross receipts. Allows a city or county to, by resolution or ordinance, impose an excise tax on each establishment located in that city or county of \$1,000 on each establishment and \$500 on each device. Provides that the excise tax may be levied by the county or city, but not by both. Requires at least 3% of the net revenue collected from the local tax to be distributed to the county sheriff's department or municipal police department, with the remainder to be used for any public purpose. Requires the Secretary to distribute 9% of the net tax proceeds collected under this Article to be distributed to various law enforcement agencies, with the amounts and recipients specified in the act (allows the Department of Revenue to retain 6% for administrative expenses), with the remaining

proceeds to be used for any public purpose. Provides that if a county or city imposes an excise tax under GS 105-113.122, the amount that would be distributed to the county sheriff's department or the municipal police department of the taxing jurisdiction is waived and that amount reverts to the General Fund and may be used for any public purpose. Provides that the Article is applicable to any electronic sweepstakes device without regard to how the device is activated, how the device is programmed for operation, or how the device determines and associates the prize with an entry or entries at the time the sweepstakes is entered.

Makes conforming changes.

Recodifies various Articles of GS Chapter 18C, and Part 2 of Article 37 of GS Chapter 14 under GS Chapter 18D. Repeals Article 2 (North Carolina State Lottery Commission) of GS Chapter 18C.

Repeals GS 14-306.4 (prohibiting electronic machines and devices for sweepstakes), effective January 1, 2016.

Makes conforming changes.

Sets out provisions for the initial appointments to the Commission.

Requires the Commission to adopt temporary rules and procedures to implement the licensing processes by September 1, 2015.

Unless otherwise indicated, effective when the act becomes law.

**Intro. by Warren, Waddell, Hardister, Lambeth.**

[GS 14, GS 18B, GS 18C, GS 18D, GS 105, GS 143, GS 143B, GS 153A](#)

[View summary](#)

[Government, Tax, Lottery and Gaming](#)

H 939 (2015-2016) [RESTORE FUNDING FOR TOBACCO USE PREVENTION](#). Filed Apr 16 2015, *AN ACT APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF PUBLIC HEALTH, FOR YOUTH TOBACCO USE PREVENTION AND INCREASING THE TAX ON VAPOR PRODUCTS IN ORDER TO FUND THIS APPROPRIATION.*

Amends GS 105-113.35 to set the excise tax on vapor products at 12.8% of the cost price of the product (was, 5 cents per fluid milliliter of consumable product).

Amends GS 105-113.40A to amend the allocation of the tax on tobacco products to require that an amount equal to the (1) revenue that would have been generated in the 2014-15 fiscal year by an excise tax levied on vapor products at the rate of 5 cents per fluid milliliter of consumable product, based on sales data for that time period, be credited to the General Fund and (2) revenue generated by the tax on vapor products under G.S. 105-113.35 less the amount indicated in the previous section be credited to the Youth Tobacco Use Prevention Fund.

Enacts new GS 143C-9-5.10 establishing the Youth Tobacco Use Prevention Fund (Fund), with allocations from the Fund for youth tobacco use prevention programs and initiatives. Provides that effective July 1 of each calendar year, the funds remitted to the Fund by the Secretary of Revenue from the tax on vapor products are appropriated to the Department of Health and Human Services, Division of Public Health, for youth tobacco use prevention programs and initiatives. Sets out reporting requirements.

Effective July 1, 2015.

**Intro. by Queen, Fisher.**

[GS 105, GS 143C](#)

[View summary](#)

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

H 940 (2015-2016) [2015 GOVERNOR'S BUDGET](#). Filed Apr 16 2015, *AN ACT TO MAKE BASE BUDGET APPROPRIATIONS FOR CURRENT OPERATIONS OF STATE DEPARTMENTS, AGENCIES, AND INSTITUTIONS, AND FOR OTHER PURPOSES.*

Due to the fact that Governor McCrory's proposed budget was released on March 5, 2015, and has been available to the public well in advance of the filing of H 940, we will not be including a summary of the bill version of his budget. For the content of the bill, please follow the link to the bill on the General Assembly's site above. Further information on the Governor's proposed budget can also be found on the Office of State Budget and Management's website at <http://osbm.nc.gov/thebudget>.

**Intro. by Dollar, Johnson, McGrady, Lambeth.**

**APPROP**

[View summary](#)

**Government, Budget/Appropriations, State Government, Executive**

H 941 (2015-2016) [PROTECT SENIORS' HEALTHCARE CHOICE](#). Filed Apr 16 2015, *AN ACT AUTHORIZING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO CONDUCT A PILOT PROGRAM EXEMPTING FROM CERTIFICATE OF NEED REVIEW CONTINUING CARE RETIREMENT COMMUNITIES SEEKING TO ESTABLISH A HOME HEALTH AGENCY FOR INDIVIDUALS RECEIVING LODGING WITHIN THESE COMMUNITIES.*

Requires the Department of Health and Human Services (Department) to conduct a pilot program, from July 1, 2016, to December 31, 2017, to exempt from certificate of need requirements licensed continuing care retirement communities (CCRCs) seeking to establish a home health agency. Requires selecting no more than 10 licensed CCRCs of different sizes and in different geographic regions of the state and specifies criteria that participants must meet, including being a Medicare certified facility.

Sets out requirements that must be met by the selected CCRCs in order to qualify for an exemption from certificate of need requirements for the establishment of a home health agency under the pilot program.

Includes CCRC reporting requirements. Requires, by May 1, 2017, that the Department report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the pilot program.

**Intro. by Avila, Lambeth, Carney.**

**STUDY**

[View summary](#)

**Government, State Agencies, Department of Health and Human Services, Health and Human Services, Social Services, Adult Services**

## **PUBLIC/SENATE BILLS**

S 445 (2015-2016) [BURT'S LAW](#). Filed Mar 25 2015, *AN ACT TO ENHANCE PROTECTIONS FOR CLIENTS OF FACILITIES WHOSE PRIMARY PURPOSE IS TO PROVIDE SERVICES FOR THE CARE, TREATMENT, HABILITATION, OR REHABILITATION OF INDIVIDUALS WITH MENTAL ILLNESS, DEVELOPMENTAL DISABILITIES, OR SUBSTANCE ABUSE DISORDERS BY INCREASING PUNISHMENTS FOR CLIENT ABUSE, EXPLOITATION, OR NEGLECT; BY IMPOSING A REPORTING REQUIREMENT ON EMPLOYEES AND VOLUNTEERS WHO WITNESS A SEXUAL OFFENSE OR OFFENSE AGAINST MORALITY PERPETRATED AGAINST A CLIENT; AND BY MAKING FAILURE TO REPORT THESE*



*VIOLATIONS A CLASS 1 MISDEMEANOR.*

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

Amends GS 122C-66 to also allow violations of Articles 7A or 26 of GS Chapter 14 to be reported to the appropriate local law enforcement agency in the city or county where the facility serves the client, in addition to the other two specified entities.

**Intro. by Krawiec, Newton.**

[GS 122C](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Health and Human Services, Mental Health](#)

S 679 (2015-2016) [NC CONSUMER FINANCE ACT AMENDMENTS](#). Filed Mar 26 2015, *AN ACT TO PROVIDE FOR THE RECOVERY OF COURT COSTS AND RELATED COSTS UPON VOLUNTARY DISMISSAL AT THE REQUEST OF A BORROWER OF AN ACTION TO RECOVER PAYMENTS DUE UNDER A LOAN GRANTED UNDER THE NORTH CAROLINA CONSUMER FINANCE ACT OR UPON REDUCTION OF A LOAN ISSUED UNDER THE ACT TO JUDGMENT; TO CLARIFY THE MULTIPLE LOAN LIMITATIONS UNDER THE ACT; TO CLARIFY THE STATUTE RELATED TO WHETHER OR NOT BORROWERS ARE MEMBERS OF THE MILITARY PRIOR TO MAKING LOANS UNDER THE ACT; AND TO MAKE TECHNICAL AND CONFORMING CHANGES TO THE ACT.*

Senate amendments make the following changes to the 2nd edition. GS 53-177 has been amended by adding a new subsection (e), which provided that if a lender agrees, after a written request of the borrower, to take a voluntary dismissal of an action to recover payments due under a loan issued pursuant to this Article or if such a loan is reduced to a judgment, then the lender can recover the statutory court costs incurred as well as any other reasonable and bona fide costs incurred in the course of bringing action. Amendment #1 rewrites subsection (e) to include the provision that nothing in GS 53-177(e) is to be construed as authorizing the collection of attorney fees, which are otherwise prohibited under GS 53-180(e). Additionally provides that this section does not apply if the debtor raises an affirmative defense, in writing, to the action to collect a loan made under this Article.

Amendment #2 makes the following changes.

Amends GS 53-180.1(b1), as enacted in this act, which requires a licensee to take reasonable precautions to prevent making a loan to a covered military member in violation of this section. Provides additional steps that the licensee may take that constitute reasonable precautions. However, provides that nothing in this section is to be construed as requiring confirmation of covered military service member status for a borrower with whom the licensee has an established customer relationship, or for a borrower who provides verification from the borrower's most recent payroll or earnings statement that clearly indicates that the borrower is not a covered military service member.

Amendment #3 makes the following changes.

Amends GS 53-180.1(b) regarding the requirements that must be met in order for a licensee to grant a loan to a borrower who is a covered military service member. Provides that the licensee must provide notice to the borrower's Commanding Officer or Executive Officer before the loan is finalized. Notice to the borrower's company level commander or equivalent designee is no longer acceptable. Deletes all references to notice to a designee or company level commander.

**Intro. by Gunn, Newton, D. Davis.**

[GS 53](#)

[View summary](#)

[Banking and Finance](#)

## ACTIONS ON BILLS

### PUBLIC BILLS

#### **H 8: RESTORE PARTISAN STATEWIDE JUDICIAL ELECTIONS.**

*House: Passed 3rd Reading*

#### **H 81: EXPAND 1%/\$80 RATE FOR MILL MACHINERY.**

*House: Passed 3rd Reading*

*House: Ordered Engrossed*

#### **H 183: REPEAL MAP ACT.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

#### **H 186: CAPE FEAR WATER RESOURCES AVAILABILITY STUDY.**

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

#### **H 190: STATE HEALTH PLAN MODIFICATIONS.-AB**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

#### **H 222: RETENTION ELECTIONS/APPELLATE DIVISION.**

*House: Reptd Fav Com Substitute*

*House: Cal Pursuant Rule 36(b)*

*House: Placed On Cal For 04/21/2015*

#### **H 253: JUSTICE REINVESTMENT ACT CHANGES.-AB**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

#### **H 264: COMMUNITY COLLEGES 403(B) PLAN.-AB**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

#### **H 327: STUDY EMS SAFETY (NEW)**

*House: Passed 3rd Reading*

*House: Ordered Engrossed*

#### **H 332: NATURAL GAS ECON. DEV. INFRASTRUCTURE.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

**H 340: WEEKEND BURIALS/STATE VETERANS CEMETERIES.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

**H 402: STUDY MUNICIPAL ELECTIONS IN EVEN YEARS.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

**H 432: COUNTIES/INTERNET INFRASTRUCTURE.**

*House: Withdrawn From Com*

*House: Re-ref to the Com on Public Utilities, if favorable, Finance*

**H 436: UNAUTHORIZED PRACTICE OF LAW CHANGES.**

*House: Amend Adopted A1*

*House: Amend Adopted A2*

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

*House: Ordered Engrossed*

**H 523: DRIVERS LICENSE DESIGNATION/AMERICAN INDIAN.**

*House: Reptd Fav*

*House: Re-ref Com On Transportation*

**H 529: NC DRIVERS LICENSE RESTORATION ACT.**

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

**H 540: BILLY GRAHAM/NATIONAL STATUARY HALL.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

**H 558: RESERVES & NAT. GUARD/MILITARY AFFAIRS COMM.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

**H 571: IMPLEMENTATION OF CARBON DIOXIDE REGULATIONS.**

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

**H 595: MILITARY EXPERIENCE/LEO CERT. REQUIREMENTS.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

**H 638: CAPITALIZE ON WETLAND MITIGATION.**

*House: Amend Adopted Al*  
*House: Passed 2nd Reading*  
*House: Passed 3rd Reading*  
*House: Ordered Engrossed*

**H 643: ROOFING CONTRACTORS/CONSUMER PROTECTION.**

*House: Reptd Fav Com Substitute*  
*House: Cal Pursuant Rule 36(b)*  
*House: Added to Calendar*  
*House: Passed 2nd Reading*  
*House: Passed 3rd Reading*

**H 647: EPI PENS IN ALL CHILD-SERVING BUSINESSES.**

*House: Reptd Fav Com Substitute*  
*House: Cal Pursuant Rule 36(b)*  
*House: Added to Calendar*  
*House: Passed 2nd Reading*  
*House: Passed 3rd Reading*

**H 652: RIGHT TO TRY ACT FOR TERMINALLY ILL PATIENTS.**

*House: Reptd Fav Com Substitute*  
*House: Re-ref Com On Judiciary IV*  
*House: Withdrawn From Com*  
*House: Cal Pursuant Rule 36(b)*  
*House: Placed On Cal For 04/21/2015*

**H 666: WC/FIREFIGHTERS'/PRESUMPTIVE CANCER.**

*House: Withdrawn From Com*  
*House: Re-ref Com On Pensions and Retirement*

**H 744: ABUSE-DETERRENT OPIOID ANALGESICS.**

*House: Withdrawn From Com*  
*House: Re-ref Com On Insurance*

**H 907: STRENGTHEN MILITARY IN NC/MITIGATE BRAC RISK.**

*House: Passed 1st Reading*  
*House: Ref To Com On Appropriations*

**H 908: DEM/EMP. RETENTION FUNDS/LRC STUDY.**

*House: Passed 1st Reading*  
*House: Ref To Com On Appropriations*

**H 909: SALE OF ANTIQUE SPIRITUOUS LIQUOR.**

*House: Passed 1st Reading*  
*House: Ref to the Com on Alcoholic Beverage Control, if favorable, Finance*

**H 910: ALLOW OVERNIGHT RESPITE/ADULT DAY FACILITIES.**

*House: Passed 1st Reading*  
*House: Ref to the Com on Finance, if favorable, Appropriations*

**H 911: VARIOUS CHANGES TO THE REVENUE LAWS.**

*House: Passed 1st Reading*

*House: RefTo Com On Finance*

**H 912: EXCLUSIVE TAXING AUTHORITY OF CHEROKEE.**

*House: Passed 1st Reading*

*House: RefTo Com On Finance*

**H 913: NATUROPATHIC DOCTORS LICENSING ACT.**

*House: Passed 1st Reading*

*House: Ref to the Com on Health, if favorable, Finance*

**H 914: FARMLAND PRESERVATION FUNDING.**

*House: Passed 1st Reading*

*House: RefTo Com On Finance*

**H 915: VETERANS PLATES/VEHICLE WEIGHT RESTRICTION.**

*House: Passed 1st Reading*

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

**H 916: PERSONAL EDUCATION SAVINGS/DISABLED STUDENTS.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 917: LOAN REPAYMENT ASSIST./CERTAIN TEACHERS.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 918: TEACHER EDUCATION PREPARATION REDESIGN PILOT.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 919: FUNDING FOR DRIVER EDUCATION.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 920: OMNIBUS ECONOMIC DEVELOPMENT IMPROVEMENTS.**

*House: Passed 1st Reading*

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

**H 921: EDUCATIONAL OPP. FOR PEOPLE W/DISABILITIES.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 922: VIDEO SWEEPSTAKES REGULATION AND TAXATION.**

*House: Passed 1st Reading*

*House: RefTo Com On Finance*

**H 923: BEHAVIORAL HEALTH PARTNERSHIP PILOT PROGRAM.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 924: HIGHWAY SAFETY/SALARY CHANGES.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 925: REQUIRE HOSPITALS TO OFFER INFLUENZA VACCINE.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 926: PROMOTING ACCELERATED STUDENT SUCCESS.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 927: REESTABLISH NC AS THE "GOOD ROADS STATE".**

*House: Passed 1st Reading*

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

**H 928: TWO-THIRDS VOTE TO LEVY TAXES.**

*House: Passed 1st Reading*

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

**H 929: TAXPAYERS' BILL OF RIGHTS.**

*House: Passed 1st Reading*

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

**H 930: BUY BACK RENEWABLE ENERGY PROPERTY CREDIT.**

*House: Passed 1st Reading*

*House: RefTo Com On Finance*

**H 931: CONST. AMENDMENT/HOA FORECL. & DEBT SETOFF.**

*House: Passed 1st Reading*

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

**H 932: FUNDS TO MAINTAIN TROSA SA SVCS. STATEWIDE.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 933: SUCCESSFUL TRANSITION/FOSTER CARE YOUTH.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 934: TAX RELIEF ACT OF 2015.**

*House: Passed 1st Reading*

*House: RefTo Com On Finance*

**H 935: CRIMINAL PROCEDURE CHANGES/DRUG COURT FUNDS.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 936: STEM SCHOLARSHIP PROGRAM.**

*House: Passed 1st Reading*

*House: RefTo Com On Appropriations*

**H 937: MODIFY CERTAIN CEMETERY REQUIREMENTS.**

*House: Passed 1st Reading*

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

**H 938: COMPREHENSIVE GAMING REFORM.**

*House: Passed 1st Reading*

*House: Ref To Com On Finance*

**H 939: RESTORE FUNDING FOR TOBACCO USE PREVENTION.**

*House: Passed 1st Reading*

*House: Ref To Com On Appropriations*

**H 940: 2015 GOVERNOR'S BUDGET.**

*House: Passed 1st Reading*

*House: Ref To Com On Appropriations*

**H 941: PROTECT SENIORS' HEALTHCARE CHOICE.**

*House: Passed 1st Reading*

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

**S 7: ALLOW SEATING FOR FOOD STAND CUSTOMERS.**

*Senate: Regular Message Sent To House*

*House: Regular Message Received From Senate*

**S 25: ZONING/DESIGN & AESTHETIC CONTROLS.**

*Senate: Withdrawn From Com*

*Senate: Re-ref Com On Commerce*

**S 95: PERFORMANCE-BASED RIF/SCHOOL POLICY.**

*Senate: Withdrawn From Com*

*Senate: Re-ref Com On Education/Higher Education*

**S 136: CHARTER SCHOOL IN STATE HEALTH PLAN.**

*Senate: Withdrawn From Com*

*Senate: Re-ref Com On Insurance*

**S 174: RAIL CORRIDOR LEASE/CITY OF WILMINGTON.**

*Senate: Regular Message Sent To House*

*House: Regular Message Received From Senate*

**S 238: STALKING BY GPS/CRIMINAL OFFENSE.**

*Senate: Regular Message Sent To House*

*House: Regular Message Received From Senate*

**S 313: LICENSE PLATE/RETIRED REGISTER OF DEEDS.**

*Senate: Regular Message Sent To House*

*House: Regular Message Received From Senate*

**S 349: RESTORE DRIVING PRIVILEGES/COMPETENCY.**

*Senate: Passed 2nd Reading*

*Senate: Passed 3rd Reading*

**S 366: AMEND CERTAIN REQS/PERMANENCY INNOVATION COMM.**



*House: Passed 1st Reading*  
*House: Ref To Com On Health*

**S 411: ADDITIONAL EXPUNCTION/DISMISS OR NOT GUILTY.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref Com On Judiciary I*

**S 438: PERMANENT PLATES/CHARTER SCHOOLS.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref to Transportation. If fav, re-ref to Finance*

**S 445: BURT'S LAW.**

*Senate: Amend Adopted AI*  
*Senate: Passed 2nd Reading*  
*Senate: Passed 3rd Reading*  
*Engrossed*

**S 453: REGULATORY REFORM ACT OF 2015.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref to Agriculture/Environment/Natural Resources. If fav, re-ref to Finance*

**S 462: PUBLIC AUTHORITIES/NONPROFIT CORPORATIONS.**

*House: Passed 1st Reading*  
*House: Ref To Com On Judiciary IV*

**S 487: HEALTH CHOICE TECHNICAL REVISIONS.-AB**

*House: Passed 1st Reading*  
*House: Ref To Com On Health*

**S 554: SCHOOL BUILDING LEASING REFORM.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref to Education/Higher Education. If fav, re-ref to Finance*

**S 617: LOCAL GOVERNMENT REG REFORM.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref to Agriculture/Environment/Natural Resources. If fav, re-ref to Finance*

**S 649: ACCESS TO SPORTS/EXTRACURR. FOR ALL STUDENTS.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref Com On Education/Higher Education*

**S 661: PRIVATE LABS MUST COMPLY WITH CODIS.**

*Senate: Withdrawn From Cal*  
*Senate: Placed On Cal For 04/21/2015*

**S 676: AUTISM HEALTH INSURANCE COVERAGE.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref to Health Care. If fav, re-ref to Insurance*

**S 679: NC CONSUMER FINANCE ACT AMENDMENTS.**

*Senate: Amend Adopted AI*

*Senate: Amend Adopted A2*  
*Senate: Amend Adopted A3*  
*Senate: Passed 2nd Reading*  
*Senate: Passed 3rd Reading*  
*Engrossed*

**S 682: MODIFY SUNSET RE: CONTINGENT AUDITS.**

*House: Passed 1st Reading*  
*House: Ref to the Com on Local Government, if favorable, Finance*

**S 684: WAIVE JURY TRIAL/PROCEDURES.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref Com On Judiciary I*

**S 685: IDS EFFICIENCY ACT.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref to Judiciary II. If fav, re-ref to Appropriations/Base Budget*

**S 686: LIMITED DRIVING PRIVILEGE CHANGES.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref Com On Judiciary I*

**S 687: STUDY/TRANSFER GLOBAL TRANSPARK TO COMMERCE.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref Com On Transportation*

**S 694: EMPLOYEE MISCLASSIFICATION REFORM.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref Com On Commerce*

**S 698: STATE IT/UTILITY-BASED CLOUD COMPUTING.**

*Senate: Withdrawn From Com*  
*Senate: Re-ref Com On Information Technology*

**S 712: CONFIRM DIRECTOR OF SBI.**

*Senate: Regular Message Sent To House*  
*House: Regular Message Received From Senate*

**S 713: 2015 GOVERNOR'S BUDGET.**

*Senate: Filed*  
*Senate: Passed 1st Reading*  
*Senate: Ref To Com On Appropriations/Base Budget*

**LOCAL BILLS**

**H 311: ABC STORE ELECTION/TOWN OF LELAND.**

*Senate: Regular Message Received From House*  
*Senate: Passed 1st Reading*  
*Senate: Ref To Com On Rules and Operations of the Senate*

**H 390: BEAUFORT CO. CC/WASHINGTON CO.**

*House: Passed 3rd Reading*

**H 421: FILL VACANCY ON BD OF COMM BY PARTY/CHATHAM.**

*Senate: Regular Message Received From House*

*Senate: Passed 1st Reading*

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

**S 93: YANCEYVILLE ANNEXATION.**

*Senate: Withdrawn From Com*

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

**S 122: TOWN OF GLEN ALPINE/VOLUNTARY ANNEXATION.**

*Senate: Withdrawn From Com*

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

**S 214: VILLAGE OF WESLEY CHAPEL/DEANNEXATION.**

*Senate: Sequential Referral To Finance Added*

**S 216: CASWELL BEACH/QUICK TAKE EMINENT DOMAIN.**

*Senate: Withdrawn From Com*

*Senate: Re-ref Com On State and Local Government*

**S 249: ZONING/RECREATIONAL LAND REQ.-MORRISVILLE.**

*Senate: Passed 2nd Reading*

*Senate: Passed 3rd Reading*

**S 255: DURHAM VOLUNTARY ANNEXATION PETITIONS.**

*Senate: Withdrawn From Com*

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

**S 256: DURHAM VOLUNTARY ANNEXATIONS/ADJACENT STREETS.**

*Senate: Withdrawn From Com*

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

**S 264: CLAYTON ANNEXATION.**

*Senate: Withdrawn From Com*

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

**S 265: CLAYTON DEANNEXATION/ANNEXATION.**

*Senate: Withdrawn From Com*

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