

The Daily Bulletin: 2016-05-12

PUBLIC/HOUSE BILLS

H 1021 (2015-2016) [AMEND INNOCENCE COMMISSION STATUTES](#). Filed May 3 2016, *AN ACT TO MAKE VARIOUS AMENDMENTS TO THE LAWS REGARDING THE INNOCENCE INQUIRY COMMISSION, AS RECOMMENDED BY THE JOINT LEGISLATIVE OVERSIGHT COMMITTEE ON JUSTICE AND PUBLIC SAFETY.*

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

Adds any Class A through E felony to a claim of factual innocence that may be made directly by a claimant under GS 15A-1467.

Intro. by Daughtry.

[GS 15A](#)

[View summary](#)

[Courts/Judiciary, Court System, Criminal Justice, Corrections \(Sentencing/Probation\)](#)

H 1078 (2015-2016) [THE EQUALITY FOR ALL ACT](#). Filed May 10 2016, *AN ACT TO PROTECT ALL NORTH CAROLINIANS AGAINST DISCRIMINATION IN ALL WALKS OF LIFE.*

Part I names the act The Equality for All Act.

Part II provides for additional protection in housing.

Amends GS 41A-3 to add *protected status* to the terms defined in the State Fair Housing Act (Act), and defines the term to mean a person's race, color, national origin, religion, age, disability, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, or genetic information.

Amends GS 41A-4 to prohibit discriminatory housing practices in transactions, as specified in the statute, because of the protected status of another person, as defined in GS 41A-3 as amended, changing the existing language, which only extends protection under the statute to discrimination based on race, color, religion, sex, national origin, handicapping condition, or familial status. Changes language throughout the statute referencing discrimination based on those listed categories by instead referring to a person's protected status.

Amends GS 41A-5, providing for what constitutes a violation of the Act, by changing the language throughout the statute referencing discriminatory acts based on a person's race, color, religion, sex, national origin, handicapping condition, or familial status with the term "protected status."

Current GS 41A-6(a) establishes seven exemptions from the unlawful discriminating housing practices found in GS 41A-4, except for subsection (a)(6). Amends GS 41A-6(a)(2) to exempt the rental of four or fewer rooms in a private house (currently, the rental of a room or rooms in a private house), not a boarding house, if the lessor or a member of the lessor's family resides in the house. Amends GS 41A-6(a)(3) to exempt religious institutions or organizations or charitable or educational organizations operated, supervised, or controlled by religious institutions or organizations which give preference to members of the same religion in a real estate transaction as long as membership in such religion is not restricted by a protected status, other than religion (currently, as long as membership in such religion is not restricted by race, color, sex, national origin, handicapping condition, or familial status).

Part III provides for additional protection in employment.

Amends GS 143-422.2(a), as amended by SL 2016-3, Section 3.1, to change the policy statement establishing the policy of the State to protect and safeguard the right and opportunity of all persons to seek, obtain, and hold employment without discrimination or abridgment on account of race, religion, color, national origin, age, or handicap; to include protection from employment discrimination based on disability, marital status, familial status, sex, sexual orientation, gender identity, military or veteran status, and genetic information; and to remove protection for biological sex. Also amends the statute to apply to employers which regularly employ more than one employee (was, employers which regularly employ 15 or more employees).

Further amends the statute to eliminate the legislative declarations of subsection (c) that declare that the regulation of discriminatory practices in employment is properly an issue of general, statewide public concern and the declaration that Article 49A (Equal Employment Practices) supersedes and preempts any conflicting action by local government or political subdivision of the State.

Amends GS 143-422.3, as amended by SL 2016-3, Section 3.2, by placing existing language into new subsection (a) and eliminating the declaration that Article 49A does not create, and should not be construed to create or support, a statutory or common law private right of action, and that no person may bring a civil action based upon the public policy expressed in the Article. Also enacts new subsection (b) to establish that if the Human Relations Commission (Commission) of the Department of Administration, authorized to receive, investigate, and conciliate charges of discrimination under subsection (a), is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in GS 41A-7 (concerning complaints of unlawful discriminatory housing and enforcement by the Commission).

Amends GS 126-16 by adding sexual orientation, gender identity, marital status, familial status, and military or veteran status under the equal opportunity for employment and compensation requirements that all State agencies, departments, and institutions and all local political subdivisions of the State must follow.

Amends GS 126-34.02(b), specifying the issues that may be heard as contested cases after completion of the employee's agency grievance procedure and the Office of State Human Resources review, by adding sexual orientation, gender identity, marital status, familial status, and military or veteran status to existing (b1) and (b2) to discrimination or harassment and retaliation claims that may be brought by current or former State employees or applicants.

Amends GS 153A-449(a) (authorizing counties to contract with private entities), as amended by SL 2016-3, Section 2.2, by establishing that a county may require a private contractor (currently, may not require) under the statute to abide by regulations or controls on the contractor's employment practices or mandate (removes or prohibit language) the provisions of goods, services, or accommodations to any member of the public as a condition of bidding on a contract or a qualification-based selection, except as otherwise required or allowed by State law. Amends GS 160A-20.1(a) (authorizing cities and towns to contract with private entities), as amended by SL 2016-3, Section 2.3, by making identical changes as in GS 153A-449.(a), described above.

Part IV provides for additional protection in places of public accommodation.

Amends Article 49B (Equal Access to Public Accommodation) of GS Chapter 143, as enacted by SL 2016-3, Section 3.3. Amends the legislative declaration in GS 143-422.11 by establishing that it is the policy of the State to protect and safeguard the right and opportunity of all individuals within the State to enjoy fully and equally the goods, services, facilities, privileges, advantages, and accommodations of places of public accommodation free of discrimination because of race, religion, color, national origin, sex, sexual orientation, gender identity, disability, marital status, familial status, military or veteran status, or genetic information. Eliminates biological sex from the list of specified classes that are to be free from discrimination in the statute and the provision deeming the designation of multiple or single occupancy bathrooms or changing facilities according to biological sex as defined in GS 143-760(a)(1), (3), and (5) to not constitute discrimination under the statute. Establishes that it is not to be deemed discrimination on the basis of sexual orientation or gender identity for a public accommodation to provide separate bathrooms or changing facilities based on gender. Requires a place of public accommodation to provide access to those facilities based on a person's gender

identity. Eliminates subsection (b) that declared that the regulation of discriminatory practices in public accommodations is properly an issue of general, statewide public concern and the declaration that Article 49A (Equal Employment Practices) supersedes and preempts any conflicting action by local government or political subdivision of the State.

Amends GS 143-422.13, similarly to GS 143-422.3 as amended by the act, by placing existing language into new subsection (a) and eliminating the declaration that Article 49B does not create, and should not be construed to create or support, a statutory or common law private right of action, and that no person may bring a civil action based upon the public policy expressed in the Article. Also enacts new subsection (b) to establish that if the Human Relations Commission (Commission) of the Department of Administration, authorized to receive, investigate, and conciliate charges of discrimination under subsection (a), is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in GS 41A-7 (concerning complaints of unlawful discriminatory housing and enforcement by the Commission).

Part V provides for additional protections in the extension of credit.

Enacts GS 75-43 to establish that no person engaged in any form of lending money in the State, or to residents of the State, can discriminate in the extension of credit on the basis of race, color, national origin, religion, age, disability, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, or genetic information.

Allows a person who claims to have been injured by a violation of the statute or who reasonably believes he or she will be irrevocably injured by a violation of the statute to file a complaint with the Human Relations Commission (Commission). Requires the Commission to work with the relevant parties to develop an amicable resolution of the charges of discrimination, and if the Commission cannot, then allows the complainant and the Commission to proceed with an enforcement action pursuant to GS 41A-7. Provides that filing a complaint under subsection (b) does not preclude the filing of an action under subsection (c), which provides that a violation of the statute constitutes a violation of the Unfair and Deceptive Trade Practice provisions of GS 75-1.1.

Part VI provides for additional protections in insurance.

Amends GS 58-3-25, establishing that no insurer can refuse to insure or refuse to continue to insure an individual or limit the amount, extent, or kind of coverage because of the race, color, or national or ethnic origin of that individual, by adding religion, sex, marital status, familial status, sexual orientation, gender identity, disability, military or veteran status, or genetic information of an individual.

Part VII provides for additional protections in education.

Enacts GS 115C-47, concerning the powers and duties granted to local boards of education, by adding new subsection (64) to direct local boards of education to adopt a policy to establish that the local board of education and school personnel employed by the local board cannot discriminate on the basis of race, color, national origin, religion, age, disability, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, or genetic information. Requires the policy to include that any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the Human Relations Commission (Commission). Directs the Commission, upon receipt of a complaint, to work with the relevant parties to develop an amicable resolution to the charge of discrimination, and that if the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in GS 41A-7.

Repeals GS 115C-47(63) (as enacted by SL 2016-3, Section 1.1) that required local boards of education to establish single-sex multiple occupancy bathroom and changing facilities as provided in GS 115C-521.2 (as enacted by SL 2016-3, Section 1.2).

Amends GS 115C-218.45(e), concerning admission requirements of charter schools, which says that a charter school cannot limit admission to students on the basis of race, color (currently, creed), national origin, or religion, by adding the

classes of age, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, or genetic information, and removes the class of ancestry. Establishes that a charter school that serves only certain grade levels may limit admission based on age.

Amends GS 115C-218.55, which establishes that a charter school cannot discriminate on the basis of national origin, disability, (removes ethnicity and gender), by adding race, color, religion, age, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, and genetic information. Provides that any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the Human Relations Commission (Commission). Directs the Commission, upon receipt of a complaint, to work with the relevant parties to develop an amicable resolution to the charge of discrimination, and if the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in GS 41A-7.

Repeals GS 115C-521.2 (as enacted by SL 2016-3, Section 1.2), which directed local boards of education to require every multiple occupancy bathroom or changing facility that is designated for student use to be designated for and used only by students based on their biological sex.

Amends GS 115C-562.5(c1) to prohibit a nonpublic school from discriminating on the basis of race, color, national origin, religion, age, disability, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, or genetic information (currently, with respect to the categories listed in 42 USC 2000d). Provides that any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the Human Relations Commission (Commission). Directs the Commission, upon receipt of a complaint, to work with the relevant parties to develop an amicable resolution to the charge of discrimination, and if the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in GS 41A-7.

Amends GS 115D-77 to establish that it is the policy of the State Board of Community Colleges (Board) and the local board of trustees of the State not to discriminate on the basis of race, national origin, religion, age, or disability, and adds the classes of color, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, and genetic information, and removes the class of gender. Establishes that the Board and each board of trustees must give equal opportunity for employment and compensation of personnel at community colleges without regard to race, religion, color, creed, national origin, sex, age, or disability, except where specific age, sex, or physical or mental requirements constitute bona fide occupational qualifications, and adds the classes of marital status, familial status, sexual orientation, gender identity, military or veteran status, and genetic information. Provides that any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the Human Relations Commission (Commission). Directs the Commission, upon receipt of a complaint, to work with the relevant parties to develop an amicable resolution to the charge of discrimination, and if the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in GS 41A-7.

Enacts GS 116-11(2a) to direct the Board of Governors to adopt a policy to provide that the University of North Carolina (UNC) and its affiliates and personnel employed by UNC and its affiliates cannot discriminate on the basis of race, color, national origin, religion, age, disability, sex, marital status, familial status, sexual orientation, gender identity, military or veteran status, or genetic information. Requires the policy to include that any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the Human Relations Commission (Commission). Directs the Commission, upon receipt of a complaint, to work with the relevant parties to develop an amicable resolution to the charge of discrimination, and if the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures

provided in GS 41A-7.

Part VIII provides additional duties to the Human Relations Commission.

Amends GS 143B-391 to add to the duties of the North Carolina Human Relations Commission the administration of GS 143-422.3, GS 143-422.13, GS 75-43, GS 115C-47(64), GS 115C-218.55, GS 115C-562.5, GS 115D-77, and GS 116-11.

Part IX provides for appropriations.

Appropriates \$788,076 from the General Fund to the Commission in recurring funds for the 2016-17 fiscal year, with \$545,407 to be used for operating expenses and \$242,669 to be used to fund the new positions of Program Assistant IV, Human Relations Specialist I, Human Relations Specialist I, and Administrative Assistant. Effective July 1, 2016.

Provides that to the extent any of the provisions of the act are in conflict with any provisions of SL 2016-3, the provisions of the act supersede and replace the provisions of SL 2016-3.

Parts I-VIII apply to causes of action arising on or after the effective date of the act.

Intro. by Sgro, Harrison, Fisher, Alexander.

[APPROP, GS 41A, GS 58, GS 75, GS 115C, GS 115D, GS 116, GS 126, GS 143, GS 143B, GS 153A, GS 160A](#)

[Banking and Finance, Business and Commerce, Insurance, Development, Land Use and Housing, Property and Housing, Education, Employment and Retirement, Government, Budget/Appropriations, State Agencies, Community Colleges System Office, UNC System, Department of Administration, Local Government](#)

[View summary](#)

H 1079 (2015-2016) [UP PAY/STATE EMPLOYEES/TEACHERS/RETIREEES](#). Filed May 10 2016, *AN ACT TO AWARD A FOUR PERCENT SALARY INCREASE TO STATE EMPLOYEES AND PUBLIC SCHOOL PERSONNEL AND A TWO AND ONE-HALF PERCENT COST OF LIVING ADJUSTMENT FOR STATE RETIREEES AND APPROPRIATE FUNDS FOR THOSE PURPOSES.*

Part I.

Amends SL 2015-241 (2015 Appropriations Act) to keep the Governor's salary unchanged for 2015-16. Also provides that effective July 1, 2016, the Governor's salary is increased from \$142,265 to \$147,956. Effective July 1, 2016, increases the salaries for members of the Council of State by 4%. Makes conforming changes.

Amends SL 2015-241 to increase the salaries for specified executive branch official by 4% for the 2015-17 fiscal biennium. Makes conforming changes.

Amends SL 2015-241 to, effective July 1, 2016, increase the salaries of the specified judicial branch officials for the 2016-17 fiscal year, to the specified amounts. Provides that the salaries of permanent full-time employees of the judicial Department whose salaries are not itemized in the act must not be legislative increased for the 2015-16 fiscal year (was, 2015-17 fiscal biennium). Requires the district attorney or public defender of a judicial district, with the approval from the Administrative Officer of the Courts or the Commission on Indigent Defense Services, to set the salaries of assistant district attorneys or assistant public defenders, respectively, in that district such that the average salaries of assistant district attorneys or assistant public defenders in that district do not exceed \$75,709 and the minimum salary of any assistant district attorney or assistant public defender is at least \$40,173 effective July 1, 2016.

Amends GS 7A-101, effective July 1, 2016, to increase the salaries of clerks of superior court.

Amends GS 7A-102, effective July 2016, to increase the minimum and maximum salaries for assistant and deputy clerks of court.

Amends GS 7A-171.7, effective July 1, 2016, to increase the salaries of full time magistrates. Also increases the minimum and maximum salary amounts to be paid magistrates who on June 30, 1994, were paid at a salary level of less than five years under the salary table in effect that date.

Amends SL 2015-241 to increase the salaries of the Legislative Services Officer and nonelected General Assembly employees in effect on June 30, 2016, by 4%. Makes conforming changes.

Amends GS 120-37, effective July 1, 2016, to require that sergeant at arms and the reading clerk in each house be paid \$420 per week plus subsistence and mileage.

Amends GS 120-37, effective July 1, 2016, to require the principal clerks be paid a salary for \$110,586.

Amends SL 2015-241 to increase the minimum salaries for nine-month, full-time curriculum community college faculty for the 2016-17, with amounts dependent on education level. Prohibits a full-time faculty member from earning less than the minimum for the education level. Requires the pro-rata hourly rate of the minimum salary for each education level to be used to determine the minimum salary for part-time faculty members. Also adds that the State Board of Community Colleges must report on the use of funds for compensation to the 2017 General Assembly by March 1, 2017.

Amends SL 2015-241 to increase the compensation for all full-time UNC SHRA and EHRA employees by 4% for 2016-17. Makes conforming changes.

Amends SL 2015-241 to specify that employees of schools operated by the Department of Health and Human Services, Department of Public Safety, and the State Board of Education who are paid on the teacher salary schedule are to receive the increases given to teachers in this act.

Amends SL 2015-241 to increase the salaries of employees subject to or exempt from the North Carolina Human Resources Act by 4% for the 2016-17 fiscal year. Makes conforming changes. Also specifies that for 2016-17, the salaries increases provided do not apply to person separated from State service due to resignation, dismissal, reduction in force, death, or retirement, or whose last workday is before July 1, 2016. Provides that for 2016-17, payroll checks issued to employees after July 1, 2016, that represent payment of services provided before that date are not eligible for salary increases. Applies to all employees paid from State funds, whether or not subject to or exempt from the North Carolina Human Resources Act, including employees of public schools, community colleges, and UNC.

Amends SL 2015-241 to increase the salaries in effect June 30, 2016, for the following employees by 4% for the 2016-17 fiscal year: (1) permanent full-time State officials and persons whose salaries are set in accordance with the State Human Resources Act; (2) permanent full-time State officials and persons in positions exempt from the State Human Resources Act; (3) permanent part-time State employees; and (4) temporary and permanent hourly State employees.

Part II.

Establishes a monthly teacher salary schedule based on years of experience for licensed personnel of public schools who are classified as teachers for the 2016-17 fiscal year. Provides that the monthly salary schedule begins at 0-4 years of experience and goes up to over 25 years of experience, with class "A" teachers' monthly salary schedule ranging from \$3,640 up to \$5,200.

Establishes that salary supplements for teachers paid on this schedule, as specified, are available to the following classifications: licensed teachers who have NBPTS certification, licensed teachers who are classified as "M" teachers, licensed teachers with licensure based on academic preparation at the six-year degree level, licensed teachers with licensure based on academic preparation at the doctoral degree level, and certified nurses.

Provides that the first step of the salary schedule for school psychologists, school speech pathologists who are licensed

as speech pathologists at the master's degree level or higher, and school audiologists who are licensed as audiologists at the master's degree level or higher, are equivalent to Step 5 of the "A" salary schedule and are to receive a salary supplement each month of 10% of their monthly salary and are eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level.

Provides that the twenty-sixth step of the salary schedule for school psychologists, school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and school audiologists who are licensed as audiologists at the master's degree level or higher is 7.5% higher than the salary received by these same employees on the twenty-fifth step of the salary schedule.

Directs that instead of providing annual longevity payments to teachers paid on the teacher salary schedule, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule, beginning with the 2014-15 fiscal year.

Provides that a teacher compensated in accordance with the salary schedule for the 2016-17 school year will receive an amount equal to the greater of the following: (1) the applicable amount on the salary schedule; (2) for teachers who were eligible for longevity for the 2013-14 school year, the sum of the teacher's salary provided in Section 35.11 of SL 2013-360; the longevity that the teacher would have received under the longevity system in effect for the 2013-14 school year provided in Section 35.11 of SL 2013-360, based on the teacher's current years of service; and the annual bonus provided in Section 9.1(e) of SL 2014-100; or (3) for teachers who were not eligible for longevity for the 2013-14 school year, the sum of the teacher's salary and annual bonus provided in Section 9.1 of SL 2014-100.

Establishes that the term "teacher" is to include instructional support personnel.

Establishes a monthly salary schedule for school based administrators based on years of experience. The monthly schedule is for the 2016-17 fiscal year commencing July 1, 2016 and only applies to principals and assistant principals. Provides that the monthly salary schedule begins at 0-9 years of experience and goes up to over 46 years of experience, with assistant principals' monthly salary schedule ranging from \$4,133 up to \$6,145 and principals' monthly salary schedule ranging from \$4,496 up to \$8,776 based on classification ranging from Principal I to Principal VIII.

Establishes that the appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools and in cooperative innovative high schools, is determined based on the number of teachers supervised, as specified, with a range from Principal I supervising fewer than 11 teachers up to Principal VIII supervising more than 100 teachers. Provides that the number of teachers supervised includes teachers and assistant principals paid from State funds only and does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants. Provides that the beginning classification for principals in alternative schools and in cooperative innovative high school programs is the Principal III level, and that principals in alternative schools who supervise or more teachers are to be classified according to the number of teachers supervised.

Establishes that a principal is to be placed on the step on the salary schedule that reflects the total number of years of experience as a certified employee of the public schools and an additional step for every three years of experience serving as a principal on or before June 30, 2009. Establishes that a principal or assistant principal must also continue to receive any additional State-funded percentage increases earned for the 1997-98, 1998-99, and 1999-00 school years for improvement in student performance or maintaining a safe and orderly school.

Establishes that principals and assistant principals with certification based on academic preparation at the six-year degree level will be paid a salary supplement of one hundred \$126 per month and at the doctoral degree level will be paid a salary supplement of \$253 per month.

Requires longevity pay for principals and assistant principals to be as provided for State employees under the North Carolina Human Resources Act.

Provides that if a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal is to be placed on

the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification. Provides that if a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal is to be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the lower job classification. Establishes that this provision applies to all transfers on or after the effective date of the statute, except transfers in school systems that have been created, or will be created, by merging two or more school systems are exempt from the preceding provisions for one calendar year following the date of the merger.

Establishes that participants in an approved full-time master's in-school administration program is to receive up to a 10-month stipend at the beginning salary of an assistant principal during the internship period of the master's program, not to exceed the difference between the beginning salary of an assistant principal plus the cost of tuition, fees, and books and any fellowship funds received by the intern as a full-time student, including awards of the Principal Fellows Program. Requires the Principal Fellows Program or the school of education where the intern participates in a full-time master's in-school administration program to supply the Department of Public Instruction with certification of eligible full-time interns.

Establishes that during the 2016-17 fiscal year, the placement on the salary schedule of an administrator with a one-year provisional assistant principal's certificate is to be at the entry-level salary for an assistant principal or the appropriate step on the teacher salary schedule, whichever is higher.

Establishes a monthly salary schedule for assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 2016-17 fiscal year, beginning July 1, 2016. Provides that the monthly salary schedule for school administrators, as specified, ranging from \$3,527 up to \$8,817 based on classification from School Administrator I to School Administrator VII. Directs the local board of education to determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the salary ranges and within funds appropriated by the General Assembly for central office administrators and superintendents. Provides that the category in which an employee is placed is to be included in the contract of any employee.

Establishes a monthly salary schedule for public school superintendents for the 2016-17 fiscal year, beginning July 1, 2016. Provides the monthly salary schedule for public school superintendents, as specified, ranging from \$5,012 up to \$11,827 based on classification from Superintendent I to Superintendent V. Directs the local board of education to determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

Establishes longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers must be as provided for State employees under the State Personnel Act.

Establishes that superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level will receive a salary supplement of \$126 per month in addition to the compensation provided pursuant to the statute. Establishes that superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the doctoral degree level will receive a salary supplement of \$253 per month in addition to the compensation provided for under the statute.

Provides that the State Board of Education cannot permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

Establishes that, effective July 1, 2016, the annual salary for permanent full-time and part-time noncertified public school employees whose salaries are supported from the State's General Fund will be increased by 4%.

Part III.

Amends GS 135-5, concerning retirement benefits for teachers and state employees, adding new subsection (uuu), providing for cost-of-living increases of 2.5% depending on the retirement date of the individual, as specified.

Amends GS 135-65, concerning retirement benefits for individuals in the consolidated judicial retirement system, adding new subsection (ff), providing for cost-of-living increases of 2.5% depending on the retirement date of the individual, as specified.

Amends GS 120-4.22A, concerning retirement benefits for members of the legislative retirement system, adding new subsection (z), providing for cost-of-living increases of 2.5% depending on the retirement date of the individual, as specified.

Part IV.

Appropriates \$545,511,209 from the General Fund to the Reserve for Compensation Increases for the 2016-17 fiscal year to implement the cost-of-living adjustment authorized in this act.

Appropriates \$14,883,326 from the Highway Fund to the Reserve for Compensation Increases for the 2016-17 fiscal year to implement the cost-of-living adjustment authorized in this act.

Appropriates \$105 million from the General Fund to the Reserve for Retiree Cost-of-Living Adjustments for the 2016-17 fiscal year to implement the cost-of-living adjustment authorized in this act.

Appropriates \$3.2 million from the Highway Fund to the Reserve for Retiree Cost-of-Living Adjustments for the 2016-17 fiscal year to implement the cost-of-living adjustment authorized in this act.

Part V.

Effective July 1, 2016.

Intro. by Pendleton, Jordan, Malone, Blackwell.

[View summary](#)

H 1090 (2015-2016) **PROSPERITY & ECON. OPPORTUNITY FOR ALL NC ACT**. Filed May 10 2016, *AN ACT TO ENACT THE PROSPERITY AND ECONOMIC OPPORTUNITY FOR ALL OF NORTH CAROLINA ACT OF 2016*.

Identical to [S 826](#), filed 5/10/16.

Part I.

Enacts new GS 78A-17.1 to create the "Invest NC exemption." Provides that except as otherwise provided in GS Chapter 78A, an offer or a sale of security by an issuer is exempt from the provisions of GS 78A-24 (registration requirements for securities) and GS 78A-49(d) (rules, forms, orders and hearings, governing registration requirements for securities) if it is conducted according to the specified requirements.

Adds a new subdivision (20) to GS 78A-17 to provide that any offer or sale of a security by an issuer, conducted in accordance with GS 78A-17.1, is exempt from the provisions of GS 78A-24 and GS 78A-49(d).

Specifies the 13 criteria to be met to make an offer or sale of a security by an issuer qualified for the exemption under new GS 78A-17.1. Includes setting a cap on the cash and other consideration received for all sales of securities under GS 78A-17.1. Delineates rules and procedures governing an offer of sale of a security made through an Internet website. Sets out indexing, reporting, and fee requirements. Sets out when the exemption does not apply.

Makes conforming changes to GS 78A-49(d).

Directs the Secretary of State to adopt rules to implement the provisions of this act within 12 months of the effective date of this act. Specifies the procedure to which the Secretary is to adhere in adopting those rules. Provides that an adopted rule under this section becomes effective on the first day of the month following the month that the Secretary adopts and submits the rule to the Codifier of Rules to enter into the North Carolina Administrative Code. Effective when this act becomes law and expires 12 months after that date.

Provides that any rule adopted more than 12 months after the effective date of this act shall comply with the requirements of Article 2A of GS Chapter 150B. Becomes effective 12 months after the effective date of this act.

The remainder of this Part is effective when the Part becomes law.

Part II.

Enacts new Article 3L, North Carolina New Markets Jobs Act, in GS Chapter 105, which provides as follows.

Provides that an entity that makes a qualified equity investment is vested with an earned credit against tax liability that may be used as follows: (1) on each credit allowance date of such qualified equity investment, the entity or subsequent holder of the qualified equity investment is entitled to use a portion of the credit during the taxable year, including the credit allowance date and (2) the credit reduction amount is equal to the applicable percentage (12.5% for the first and second credit allowance dates and 0% for all other credit allowance dates) for the credit allowance date multiplied by the purchase price paid. The Article defines a qualified equity investment as any equity investment in a qualified community development entity that: (1) is acquired after the effective date of this act at its original issuance solely in exchange for cash or, if not so acquired, was a qualified equity investment in the hands of a prior holder; (2) has the full 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 credit allowance date; and (3) is designated by the qualified community development entity as a qualified equity investment under this subdivision and as a federal qualified equity investment with the Community Development Financial Institutions Fund. Limits the amount of the credit to the amount of the entity's state tax liability for the tax year for which the credit is claimed and allows any amount that is prohibited from being claimed to be carried forward for five years.

Restricts transfer of the tax credit, except to an affiliate.

Requires a qualified community development entity that seeks to have an equity investment designated as a qualified equity investment and eligible for tax credits under the Article to apply to the Department of Revenue (Department) on a form that must include specified items. The Article defines a qualified community development entity as it is defined in Section 45D of the Code; provided that such entity has entered into, for the current year or any prior year, an allocation agreement with the Community Development Financial Institutions Fund of the United States Treasury Department with respect to credits authorized by Section 45D of the Code, which includes the State of North Carolina within the service area set forth in the allocation agreement. The term includes qualified community development entities that are controlled by or are under common control with the qualified community development entity. Sets out the steps that must be taken when the Department grants or denies the application for designation as a qualified equity investment. Requires that \$100 million in qualified equity investment authority be available for certification and allocation each fiscal year. Applications are to be accepted beginning on November 1, 2016, and each November 15 thereafter. Requires, within 30 days of receiving certification of qualified equity investment authority, the qualified community development entity to issue the qualified equity investment, receive cash in the amount of the certified amount, and designate an amount equal to the certified amount as a federal qualified equity investment with the Community Development Financial Institutions Fund. Requires the qualified community development entity to give the Department evidence of the receipt of the cash investment and designation of the qualified equity investment as a federal qualified equity investment within five business days after receipt. Provides that if the qualified community development entity does not receive the cash investment or designate the equity investment as a federal qualified equity investment within 30 days following receipt of the certification notice, the certification lapses and the entity may not issue the qualified equity investment without reapplying to the Department for certification.

Sets out three conditions under which the Department must recapture and revoke the tax credit, including that the

qualified community development entity fails to make qualified low-income community investments in an amount equal to the purchase price in North Carolina non-real estate qualified active low-income community businesses within 12 months of the issuance of the qualified equity investment with at least 75% of its qualified equity investment authority initially invested in qualified active low-income community businesses whose principal business operations are located in rural areas. Sets out when a sold or repaid investment may be considered held by a qualified community development entity. Provides that a qualified community development entity is not required to reinvest capital returned from qualified low-income community investments after the sixth anniversary of the issuance of the qualified equity investment, and the qualified low-income community investment is considered held by the qualified community development entity through the seventh anniversary of the qualified equity investment.

Enforcement of the recapture provisions of GS 105-129.105 of this Article is subject to a six-month cure period. No recapture can occur until the qualified community development entity has been given notice of noncompliance by the Department of Insurance and afforded six months from the date of such notice to cure the noncompliance.

Provides that an entity claiming a credit under this Article is not required to pay any additional retaliatory tax as a result of claiming the credit and states the General Assembly's intent that an entity claiming a reduction under this Article is not required to pay any additional tax that may arise as a result of claiming that reduction.

Requires qualified community development entities that issue qualified equity investments to submit a report to the Department within the first five business days after the first anniversary of the initial credit allowance date that provides documentation of the investment of the full amount of the purchase price in qualified low-income community investments in qualified active low-income community businesses located in North Carolina; specifies items that must be included in the report. Also requires the qualified community development entity to submit an annual report to the Department within 45 days of the beginning of the calendar year during the compliance period; specifies items that must be included in the report.

Allows the Department to promulgate rules and issue advisory letters under the Article.

Prohibits a qualified active low-income community business that receives a qualified low-income community investment from a qualified community development entity that issues qualified equity investments under this Article, or any affiliates of such a qualified active low-income community business, from directly or indirectly (1) owning or have the right to acquire an ownership interest in a qualified community development entity or member or affiliate of a qualified community development entity or (2) loan to or invest in a qualified community development entity or member or affiliate of a qualified community development entity where the proceeds of such loan or investment are directly or indirectly used to fund or refinance the purchase of a qualified equity investment hereunder.

Requires, before making a qualified low-income community investment, that a qualified community development entity provide a revenue impact assessment that projects state and local tax revenue to be generated by a project that receives qualified low-income community investment will result in a positive economic impact over a 10-year period that exceeds 110% of the cumulative amount of tax credits the qualified low-income community investment will generate. Gives the Department 15 days to review the assessment and provide notice of approval; any assessment not approved or denied within 15 days shall be deemed approved.

Effective July 1, 2016, and applies to qualified equity investments made on or after that date.

Part III.

Amends GS 147-69.2(b), concerning the State Treasurer's duty to invest the cash of the 20 funds listed in the statute (including the Escheat Fund) that are in excess of the amount required to meet current needs and demands on the funds. The statute is amended to add GS 147-69.2(b)(12)d to allow up to \$100 million, in addition to those investments otherwise authorized in (b), of Escheat Fund assets to be invested as authorized under the statute.

Amends GS 147-69.2A, concerning administration of the Fund, by adding that for assets of the Fund made available for investment under new GS 147-69.2(b)(12)d, following a public procurement process the specified designees must

jointly and unanimously select a third-party professional investment management firm to administer the Fund and select investment opportunities appropriate for allocation from the Fund on the basis of limitations already specified in the statute as well as new statutory limitations, discussed below. Specifies that for assets of the Fund made available for investment under new GS 147-69.2(b)(12)d, all documents of the Governor, Secretary of Commerce, or State Treasurer concerning the Fund are public records. Requires the State Treasurer, Secretary of Commerce, and the Governor to jointly develop and adopt an investment policy statement for assets of the Fund made available for investment under new GS 147-69.2(b)(12)d. Adds that assets of the Fund made available for investment under new GS 147-69.2(b)(12)d only, the following additional limitations apply: (1) the assets must be allocated to small business ventures (a) with a North Carolina nexus (as defined in the statute); (b) of various sizes, growth potential, and industry classifications to maximize opportunities for reasonable return on investment, accounting for risks associated with similar types of investment, and to provide capital and growth opportunities for small business enterprises typically underserved by ordinary venture capital and investment funds; and (c) that diversify investment risk and maximize the number of business ventures that may benefit from the Fund. A small business is a business whose annual receipts, combined with the annual receipts of all related persons, for the applicable period of measurement did not exceed \$5 million; (2) no more than 33% of those assets may be allocated to business ventures located in urban regions in the state; (3) the maximum amount for total annual investments, excluding rollover investments, made in any single calendar year is \$20 million; prohibits an investment from being made that, when considered together with other investments made during a single calendar year, excluding rollover investments, could cause the state's total annual investments during a single calendar year to exceed \$20 million; (4) at least 20% of such assets must be invested in business ventures started and owned, in at least majority part, by a veteran of any branch of the US Armed Forces whose character of service at separation was honorable or under honorable conditions and who has not been convicted of a felony offense or who has been convicted of one or more felonies but each conviction has been expunged.

Makes conforming, clarifying, and technical changes.

Effective July 1, 2016.

Part IV.

Enacts new GS 143B-437.56A, providing that if a project will be located in more than one development tier area, the location with the highest area designation determines the standards applicable under the Job Development Investment Grant Program to the project. Specifies that for the purposes of GS 143B-437.56(d), concerning the calculation of how much of an annual grant is to be payable to the business and how much is payable to the Utility Account, if a project will be located in more than one development tier area, the location with the lowest area designation determines the percentage of the annual grant that is payable to the Utility Account if (1) the project will have at least one location in a development tier three area, (2) the project will have at least one location in a development tier one or two area, and (3) at least 66% of the number of eligible positions created or the total benefits of the project to the State, or both, are located in the lowest area designation.

Makes conforming changes to GS 143B-437.53.

Effective January 1, 2017, and applies to awards made on or after that date.

Part V.

Repeals GS Chapter 105, Article 5F (concerning the taxation of certain machinery and equipment). Taxes were imposed under Article 5F on mill machinery, certain recyclers, research and development companies, industrial machinery refurbishing companies, companies located at ports facilities, and machinery at a large manufacturing and distribution facility. Makes a conforming repeal of GS 105-164.136(5a), which exempted products that are subject to tax under Article 5F from the sales and use tax. Makes conforming changes to GS 105-164.4I.

Effective July 1, 2016, and applies to sales made on or after that date.

Part VI.

Requires the Department of Transportation (DOT), for each type of permit issued by the Highway Divisions under GS Chapter 136, to make uniform all processes and procedures followed by the Highway Divisions when issuing that type of permit. Requires DOT to report no later than February 1, 2017, to the Joint Legislative Transportation Oversight Committee on implementation, and specifies items that must be included in the report. Effective July 1, 2016.

Enacts new GS 136-93.01 to allow an application submitted for a permit issued by DOT or its agents under GS Chapter 136 (Transportation) to be submitted electronically.

Amends GS 136-19.5 to now require DOT to also reimburse the utility owner for the cost of moving cable service when DOT requires the relocation of the cable and it is located in a right-of-way for which the utility owner contributed to the cost of acquisition.

Allows DOT to adopt temporary rules to implement the provisions of this section.

Part VII.

Provides that the Rallying Investors and Skilled Entrepreneurs of North Carolina (RISE NC) initiative creates a statewide network that develops and leverages existing North Carolina entrepreneurial management talent and recruits world-class investors, skilled entrepreneurs, and managers to North Carolina. Requires the Office of Science, Technology, and Innovation (Office) in the Department of Commerce to establish a competitive award process to provide funding to one or more North Carolina nonprofit corporations to: (1) develop a statewide entrepreneurial network to connect serial entrepreneurs to university start-ups and (2) develop an entrepreneurship fellowship program. Requires grant funds to be matched on the basis of \$1 in grant funds for every \$2 of nongrant funds. Requires the Office and the selected nonprofit to provide an annual report to the Office of State Budget and Management and the Fiscal Research Division by January 1 of each fiscal year. Specifies what must be included in the report. Requires the Department of Commerce, in consultation with the Office of State Budget and Management, to provide monitoring and oversight of the performance of a contract entered into with a nonprofit.

Appropriates \$2.5 million from the General Fund to the Office of State Budget and Management in nonrecurring funds for 2016-17 to be allocated to a reserve to be used for the purposes set forth in this section. Funds appropriated in this section do not revert at the end of the fiscal year and remain available until expended. Allows the Department of Commerce to use up to 5% of the reserve funds to administer the initiative.

Effective July 1, 2016.

Establishes the University Innovation Commercialization Grant Program to increase the number of high-tech start-up companies and enhance job creation resulting from research conducted by North Carolina's universities and research-focused nonprofit corporations. Requires the Office to establish a competitive award process to provide funding to develop and implement processes for technology proof of concept, validation, Internet protocol protection, early- and mid-stage product development and production, commercialization, and translation for technologies developed by North Carolina universities. Allows the Department of Commerce to use up to 10% of grant funds appropriated in this act to contract with one or more nonprofit corporations to assist with the following: (1) select university technologies for development based on commercial potential, (2) create a development plan of key activities to make the technologies more attractive to investors, (3) guide implementation of these activities to assure efficient deployment of funds and commercial-quality results. Specifies that the Department of Commerce may make grant awards only to the following: (1) a constituent institution of The University of North Carolina or (2) a private college or university located in North Carolina. Requires the Office and the selected nonprofit to provide an annual report to the Office of State Budget and Management and the Fiscal Research Division by January 1 of each fiscal year. Specifies what must be included in the report. Requires the Department of Commerce, in consultation with the Office of State Budget and Management, to provide monitoring and oversight of the performance of any contract entered into pursuant to this section with a North Carolina nonprofit corporation and of the funds granted to institutes of higher education.

Appropriates \$2.5 million from the General Fund to the Office of State Budget and Management in nonrecurring funds for 2016-17 to be allocated to a reserve to be used for the purposes set forth above. Specifies that funds appropriated in

this section do not revert at the end of the fiscal year and remain available until expended. Allows the Department of Commerce to use up to 5% of the reserve funds to administer the initiative.

Effective July 1, 2016.

Part VIII.

Appropriates \$230,000 in recurring funds for 2016-17 from the General Fund to the Department of Agriculture and Consumer Services to be allocated to the North Carolina Food Manufacturing Task Force established pursuant to Executive Order 73 issued by the Governor on April 9, 2015, to be used for the creation of a new Science, Technology, and Policy Director position. Sets out the Director's minimum responsibilities.

Requires the Department of Agriculture and Consumer Services to create a marketing and communication program and sets out minimum program elements, including coordination of existing branding and the highlighting and expansion of the marketing of North Carolina food manufacturing to new markets.

Appropriates \$1 million in nonrecurring funds for 2016-17 from the General Fund to the Department of Agriculture and Consumer Services to be used for the purposes set forth in this section. Funds appropriated in this section do not revert at the end of the fiscal year and remain available until expended pursuant to this section.

Effective July 1, 2016.

Part IX.

Appropriates \$12 million from the General Fund to the Department of Commerce (Department) in nonrecurring funds for 2016-17, to be used to promote tourism and expansion of foreign investment and interest in the state by investing domestically and internationally in promotion of sports events, film tourism, retirement destination advertising, and other activities designed to increase the effective geographic reach of activities, positioning the state as a preferred destination for travelers.

Directs that the funds are to be used primarily for media purchases for marketing and advertising campaigns on television, online video, and print; expansion of direct-to-consumer promotion in established markets; and international marketing. Provides that other permissible uses of the funds include contracting with research firms to assess image and awareness and identify the anticipated return on investment for advertising campaigns, ongoing analytics activities to track efficiency of owned and paid digital media investment in generating arrivals in the state, identification and prioritization of geographic areas and audience segmentation by interest showing greatest growth potential for tourism in the state, efforts directed toward retirement, sports events recruitment, film tourism, and additional development and deployment of online tourism efforts of the state, including social media strategy. Directs the Department, of the funds appropriated in the section, to ensure the funds are allocated as specified for domestic marketing and advertising, international marketing and advertising, sports events marketing and advertising, retiree attraction marketing and advertising, and film tourism marketing and advertising.

Requires the Department to report on the use of all funds appropriated in the section to the Joint Legislative Economic Development and Global Engagement Oversight Committee and the Fiscal Research Division by October 1, 2017. Specifies what is to be included in the report.

Effective July 1, 2016.

Part X.

Amends GS 105-129.51 to extend the applicability of the research and development tax credit until January 1, 2020 (was, January 1, 2016). Effective for taxable years beginning on or after January 1, 2016.

Part XI.

Appropriates \$600,000 in nonrecurring funds for 2016-17 from the General Fund to the Department of Administration

(Department) to be used in determining which existing, currently underutilized state properties will be best suited for sale or lease by enabling the Department to conduct qualitative analysis on the cost and best use of such properties, including appraisals, surveys, environmental studies, and Phase I and II studies and to hire third-party consultants to conduct comprehensive space and design planning for prospective office space so as to ensure efficient use of existing office square footage in light of future office needs.

Amends GS 66-58(b) to allow for the lease of parking spaces in accordance with the procedure for leases under GS Chapter 146 for any period of time the Department determines the spaces to be in excess of need, and to allow a ground lease of state-owned land in accordance with the procedures for leases in GS Chapter 146.

Part XII.

Appropriates \$1 million in nonrecurring funds for 2016-17 from the General Fund to the Department of Commerce to be allocated to the Main Street Solutions Fund and used for the purposes of GS Chapter 143B, Article 10, Part 15 (Main Street Solutions). Effective July 1, 2016.

Part XIII.

Amends Section 4.1 of SL 2014-18, as amended, to require the Department of Commerce to additionally have at least one employee from the Rural Economic Development Division Main Street and Rural Planning Center physically located in each office in each of the Collaboration Prosperity Zones. Makes it the responsibility of those employees to assist communities in the Prosperity Zone with adding value to their economic and community development projects by assisting communities with solutions and technical support.

Appropriates \$336,000 in recurring funds for 2016-17 from the General Fund to the Department of Commerce to fund the positions.

Effective July 1, 2016.

Part XIV.

Authorizes the Department of Commerce to contract with a North Carolina nonprofit foundation to create a public-private partnership to administer a program, in conjunction with North Carolina State University, to devise and implement a three-year plan to assist the most distressed rural counties in North Carolina by leveraging private economic development expertise and existing state economic development entities. States the General Assembly's intent to provide the support established in this section to at least 24 communities in the state over the next three years. Requires the nonprofit to identify no more than eight communities per year, provided that no more than one community comes from a single Collaboration for Prosperity Zone and that the nonprofit foundation selects recipient communities that are among the most distressed in each zone. Requires that the nonprofit deliver, at least the following to each selected community: (1) establishing a current economic reality, including conducting competitiveness assessments; (2) developing realistic goals for future economic development, including identifying anticipated future economic opportunities, and implementing local strategic action agendas that move the community from its current position to a more economically competitive position; (3) creating a local leadership structure for plan implementation, including coordinating relevant economic development leaders and expertise, and providing professional and technical support to local leadership; and (4) providing other aid to ensure necessary specific actions that will improve local economic prosperity are identified and undertaken. Specifies what must be included in the contract with the nonprofit, including compensation limits and reporting requirements.

Appropriates \$384,000 in nonrecurring funds for 2016-17 from the General Fund to the Department of Commerce to be used for the contracting functions under this section.

Effective July 1, 2016.

Part XV.

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

Intro. by S. Martin, J. Bell, Fraley.

APPROP, GS 66, GS 78A, GS 105, GS 136, GS 143B, GS 147

[View summary](#)

Business and Commerce, Development, Land Use and Housing, Community and Economic Development, Government, Budget/Appropriations, State Agencies, Department of Agriculture and Consumer Services, Department of Commerce, Tax

PUBLIC/SENATE BILLS

S 754 (2015-2016) [PREVENT SQUATTING IN FORECLOSED REAL PROPERTY](#). Filed Apr 26 2016, *AN ACT TO ENHANCE CRIMINAL PENALTIES FOR PERSONS WHO FRAUDULENTLY RECORD LIENS AND FOR PERSONS WHO COMMIT A TRESPASS TO REAL PROPERTY BY REENTERING AFTER REMOVAL PURSUANT TO A VALID ORDER OR BY KNOWINGLY CREATING OR PRESENTING A FALSE DOCUMENT OF TITLE OR POSSESSION.*

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

Removes "having reason to know" from the knowledge requirement for the felony of filing a false lien or encumbrance under GS 14-118.6(a).

Amends GS 14-118.6(b) to direct the clerk of court to not file, index, or docket the document the clerk reasonably suspects to be a false lien or encumbrance against the property of a public officer or public employee until a judge of the judicial district having subject matter jurisdiction approves the filing of the document (currently, until that document is approved for filing by the clerk of superior court and a judge having subject matter jurisdiction).

Amends GS 14-159.12(b) to add subsection (f) to provisions that may provide another classification for first degree trespass other than a Class 2 misdemeanor.

Changes GS 14-159.12(f)(1), providing that a violation of the statute (for first degree trespass) is a Class 1 felony and includes a fine of no less than \$1,000 for each violation if the offense occurs on real property where the person has reentered after having previously been removed pursuant to the execution of a valid order or writ for possession (was, pursuant to a valid order for possession).

Changes the long title.

Intro. by Bingham.

APPROP

[View summary](#)

Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Development, Land Use and Housing, Property and Housing, Government, Budget/Appropriations, State Agencies, Department of Public Safety

S 826 (2015-2016) [PROSPERITY & ECON. OPPORTUNITY FOR ALL NC ACT](#). Filed May 10 2016, *AN ACT TO ENACT THE PROSPERITY AND ECONOMIC OPPORTUNITY FOR ALL OF NORTH CAROLINA ACT OF 2016.*

Part I.

Enacts new GS 78A-17.1 to create the "Invest NC exemption." Provides that except as otherwise provided in GS Chapter 78A, an offer or a sale of security by an issuer is exempt from the provisions of GS 78A-24 (registration requirements for securities) and GS 78A-49(d) (rules, forms, orders and hearings, governing registration requirements for securities) if it is conducted according to the specified requirements.

Adds a new subdivision (20) to GS 78A-17 to provide that any offer or sale of a security by an issuer, conducted in accordance with GS 78A-17.1, is exempt from the provisions of GS 78A-24 and GS 78A-49(d).

Specifies the 13 criteria to be met to make an offer or sale of a security by an issuer qualified for the exemption under new GS 78A-17.1. Includes setting a cap on the cash and other consideration received for all sales of securities under GS 78A-17.1. Delineates rules and procedures governing an offer of sale of a security made through an Internet website. Sets out indexing, reporting, and fee requirements. Sets out when the exemption does not apply.

Makes conforming changes to GS 78A-49(d).

Directs the Secretary of State to adopt rules to implement the provisions of this act within 12 months of the effective date of this act. Specifies the procedure to which the Secretary is to adhere in adopting those rules. Provides that an adopted rule under this section becomes effective on the first day of the month following the month that the Secretary adopts and submits the rule to the Codifier of Rules to enter into the North Carolina Administrative Code. Effective when this act becomes law and expires 12 months after that date.

Provides that any rule adopted more than 12 months after the effective date of this act shall comply with the requirements of Article 2A of GS Chapter 150B. Becomes effective 12 months after the effective date of this act.

The remainder of this Part is effective when the Part becomes law.

Part II.

Enacts new Article 3L, North Carolina New Markets Jobs Act, in GS Chapter 105, which provides as follows.

Provides that an entity that makes a qualified equity investment is vested with an earned credit against tax liability that may be used as follows: (1) on each credit allowance date of such qualified equity investment, the entity or subsequent holder of the qualified equity investment is entitled to use a portion of the credit during the taxable year, including the credit allowance date and (2) the credit reduction amount is equal to the applicable percentage (12.5% for the first and second credit allowance dates and 0% for all other credit allowance dates) for the credit allowance date multiplied by the purchase price paid. The Article defines a *qualified equity investment* as any equity investment in a qualified community development entity that: (1) is acquired after the effective date of this act at its original issuance solely in exchange for cash or, if not so acquired, was a qualified equity investment in the hands of a prior holder; (2) has the full 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 credit allowance date; and (3) is designated by the qualified community development entity as a qualified equity investment under this subdivision and as a federal qualified equity investment with the Community Development Financial Institutions Fund. Limits the amount of the credit to the amount of the entity's state tax liability for the tax year for which the credit is claimed and allows any amount that is prohibited from being claimed to be carried forward for five years.

Restricts transfer of the tax credit, except to an affiliate.

Requires a qualified community development entity that seeks to have an equity investment designated as a qualified equity investment and eligible for tax credits under the Article to apply to the Department of Revenue (Department) on a form that must include specified items. The Article defines a qualified community development entity as it is defined in Section 45D of the Code; provided that such entity has entered into, for the current year or any prior year, an allocation agreement with the Community Development Financial Institutions Fund of the United States Treasury Department with respect to credits authorized by Section 45D of the Code, which includes the State of North Carolina within the service area set forth in the allocation agreement. The term includes qualified community development entities that are controlled by or are under common control with the qualified community development entity. Sets out the steps that must be taken

when the Department grants or denies the application for designation as a qualified equity investment. Requires that \$100 million in qualified equity investment authority be available for certification and allocation each fiscal year. Applications are to be accepted beginning on November 1, 2016, and each November 15 thereafter. Requires, within 30 days of receiving certification of qualified equity investment authority, the qualified community development entity to issue the qualified equity investment, receive cash in the amount of the certified amount, and designate an amount equal to the certified amount as a federal qualified equity investment with the Community Development Financial Institutions Fund. Requires the qualified community development entity to give the Department evidence of the receipt of the cash investment and designation of the qualified equity investment as a federal qualified equity investment within five business days after receipt. Provides that if the qualified community development entity does not receive the cash investment or designate the equity investment as a federal qualified equity investment within 30 days following receipt of the certification notice, the certification lapses and the entity may not issue the qualified equity investment without reapplying to the Department for certification.

Sets out three conditions under which the Department must recapture and revoke the tax credit, including that the qualified community development entity fails to make qualified low-income community investments in an amount equal to the purchase price in North Carolina non-real estate qualified active low-income community businesses within 12 months of the issuance of the qualified equity investment with at least 75% of its qualified equity investment authority initially invested in qualified active low-income community businesses whose principal business operations are located in rural areas. Sets out when a sold or repaid investment may be considered held by a qualified community development entity. Provides that a qualified community development entity is not required to reinvest capital returned from qualified low-income community investments after the sixth anniversary of the issuance of the qualified equity investment, and the qualified low-income community investment is considered held by the qualified community development entity through the seventh anniversary of the qualified equity investment.

Enforcement of the recapture provisions of GS 105-129.105 of this Article is subject to a six-month cure period. No recapture can occur until the qualified community development entity has been given notice of noncompliance by the Department of Insurance and afforded six months from the date of such notice to cure the noncompliance.

Provides that an entity claiming a credit under this Article is not required to pay any additional retaliatory tax as a result of claiming the credit and states the General Assembly's intent that an entity claiming a reduction under this Article is not required to pay any additional tax that may arise as a result of claiming that reduction.

Requires qualified community development entities that issue qualified equity investments to submit a report to the Department within the first five business days after the first anniversary of the initial credit allowance date that provides documentation of the investment of the full amount of the purchase price in qualified low-income community investments in qualified active low-income community businesses located in North Carolina; specifies items that must be included in the report. Also requires the qualified community development entity to submit an annual report to the Department within 45 days of the beginning of the calendar year during the compliance period; specifies items that must be included in the report.

Allows the Department to promulgate rules and issue advisory letters under the Article.

Prohibits a qualified active low-income community business that receives a qualified low-income community investment from a qualified community development entity that issues qualified equity investments under this Article, or any affiliates of such a qualified active low-income community business, from directly or indirectly (1) owning or have the right to acquire an ownership interest in a qualified community development entity or member or affiliate of a qualified community development entity or (2) loan to or invest in a qualified community development entity or member or affiliate of a qualified community development entity where the proceeds of such loan or investment are directly or indirectly used to fund or refinance the purchase of a qualified equity investment hereunder.

Requires, before making a qualified low-income community investment, that a qualified community development entity provide a revenue impact assessment that projects state and local tax revenue to be generated by a project that receives qualified low-income community investment will result in a positive economic impact over a 10-year period that exceeds

110% of the cumulative amount of tax credits the qualified low-income community investment will generate. Gives the Department 15 days to review the assessment and provide notice of approval; any assessment not approved or denied within 15 days shall be deemed approved.

Effective July 1, 2016, and applies to qualified equity investments made on or after that date.

Part III.

Amends GS 147-69.2(b), concerning the State Treasurer's duty to invest the cash of the 20 funds listed in the statute (including the Escheat Fund) that are in excess of the amount required to meet current needs and demands on the funds. The statute is amended to add GS 147-69.2(b)(12)d to allow up to \$100 million, in addition to those investments otherwise authorized in (b), of Escheat Fund assets to be invested as authorized under the statute.

Amends GS 147-69.2A, concerning administration of the Fund, by adding that for assets of the Fund made available for investment under new GS 147-69.2(b)(12)d, following a public procurement process the specified designees must jointly and unanimously select a third-party professional investment management firm to administer the Fund and select investment opportunities appropriate for allocation from the Fund on the basis of limitations already specified in the statute as well as new statutory limitations, discussed below. Specifies that for assets of the Fund made available for investment under new GS 147-69.2(b)(12)d, all documents of the Governor, Secretary of Commerce, or State Treasurer concerning the Fund are public records. Requires the State Treasurer, Secretary of Commerce, and the Governor to jointly develop and adopt an investment policy statement for assets of the Fund made available for investment under new GS 147-69.2(b)(12)d. Adds that assets of the Fund made available for investment under new GS 147-69.2(b)(12)d only, the following additional limitations apply: (1) the assets must be allocated to small business ventures (a) with a North Carolina nexus (as defined in the statute); (b) of various sizes, growth potential, and industry classifications to maximize opportunities for reasonable return on investment, accounting for risks associated with similar types of investment, and to provide capital and growth opportunities for small business enterprises typically underserved by ordinary venture capital and investment funds; and (c) that diversify investment risk and maximize the number of business ventures that may benefit from the Fund. A small business is a business whose annual receipts, combined with the annual receipts of all related persons, for the applicable period of measurement did not exceed \$5 million; (2) no more than 33% of those assets may be allocated to business ventures located in urban regions in the state; (3) the maximum amount for total annual investments, excluding rollover investments, made in any single calendar year is \$20 million; prohibits an investment from being made that, when considered together with other investments made during a single calendar year, excluding rollover investments, could cause the state's total annual investments during a single calendar year to exceed \$20 million; (4) at least 20% of such assets must be invested in business ventures started and owned, in at least majority part, by a veteran of any branch of the US Armed Forces whose character of service at separation was honorable or under honorable conditions and who has not been convicted of a felony offense or who has been convicted of one or more felonies but each conviction has been expunged.

Makes conforming, clarifying, and technical changes.

Effective July 1, 2016.

Part IV.

Enacts new GS 143B-437.56A, providing that if a project will be located in more than one development tier area, the location with the highest area designation determines the standards applicable under the Job Development Investment Grant Program to the project. Specifies that for the purposes of GS 143B-437.56(d), concerning the calculation of how much of an annual grant is to be payable to the business and how much is payable to the Utility Account, if a project will be located in more than one development tier area, the location with the lowest area designation determines the percentage of the annual grant that is payable to the Utility Account if (1) the project will have at least one location in a development tier three area, (2) the project will have at least one location in a development tier one or two area, and (3) at least 66% of the number of eligible positions created or the total benefits of the project to the State, or both, are located in the lowest area designation.

Makes conforming changes to GS 143B-437.53.

Effective January 1, 2017, and applies to awards made on or after that date.

Part V.

Repeals GS Chapter 105, Article 5F (concerning the taxation of certain machinery and equipment). Taxes were imposed under Article 5F on mill machinery, certain recyclers, research and development companies, industrial machinery refurbishing companies, companies located at ports facilities, and machinery at a large manufacturing and distribution facility. Makes a conforming repeal of GS 105-164.136(5a), which exempted products that are subject to tax under Article 5F from the sales and use tax. Makes conforming changes to GS 105-164.4I.

Effective July 1, 2016, and applies to sales made on or after that date.

Part VI.

Requires the Department of Transportation (DOT), for each type of permit issued by the Highway Divisions under GS Chapter 136, to make uniform all processes and procedures followed by the Highway Divisions when issuing that type of permit. Requires DOT to report no later than February 1, 2017, to the Joint Legislative Transportation Oversight Committee on implementation, and specifies items that must be included in the report. Effective July 1, 2016.

Enacts new GS 136-93.01 to allow an application submitted for a permit issued by DOT or its agents under GS Chapter 136 (Transportation) to be submitted electronically.

Amends GS 136-19.5 to now require DOT to also reimburse the utility owner for the cost of moving cable service when DOT requires the relocation of the cable and it is located in a right-of-way for which the utility owner contributed to the cost of acquisition.

Allows DOT to adopt temporary rules to implement the provisions of this section.

Part VII.

Provides that the Rallying Investors and Skilled Entrepreneurs of North Carolina (RISE NC) initiative creates a statewide network that develops and leverages existing North Carolina entrepreneurial management talent and recruits world-class investors, skilled entrepreneurs, and managers to North Carolina. Requires the Office of Science, Technology, and Innovation (Office) in the Department of Commerce to establish a competitive award process to provide funding to one or more North Carolina nonprofit corporations to: (1) develop a statewide entrepreneurial network to connect serial entrepreneurs to university start-ups and (2) develop an entrepreneurship fellowship program. Requires grant funds to be matched on the basis of \$1 in grant funds for every \$2 of nongrant funds. Requires the Office and the selected nonprofit to provide an annual report to the Office of State Budget and Management and the Fiscal Research Division by January 1 of each fiscal year. Specifies what must be included in the report. Requires the Department of Commerce, in consultation with the Office of State Budget and Management, to provide monitoring and oversight of the performance of a contract entered into with a nonprofit.

Appropriates \$2.5 million from the General Fund to the Office of State Budget and Management in nonrecurring funds for 2016-17 to be allocated to a reserve to be used for the purposes set forth in this section. Funds appropriated in this section do not revert at the end of the fiscal year and remain available until expended. Allows the Department of Commerce to use up to 5% of the reserve funds to administer the initiative.

Effective July 1, 2016.

Establishes the University Innovation Commercialization Grant Program to increase the number of high-tech start-up companies and enhance job creation resulting from research conducted by North Carolina's universities and research-focused nonprofit corporations. Requires the Office to establish a competitive award process to provide funding to develop and implement processes for technology proof of concept, validation, Internet protocol protection, early- and mid-stage product development and production, commercialization, and translation for technologies developed by North

Carolina universities. Allows the Department of Commerce to use up to 10% of grant funds appropriated in this act to contract with one or more nonprofit corporations to assist with the following: (1) select university technologies for development based on commercial potential, (2) create a development plan of key activities to make the technologies more attractive to investors, (3) guide implementation of these activities to assure efficient deployment of funds and commercial-quality results. Specifies that the Department of Commerce may make grant awards only to the following: (1) a constituent institution of The University of North Carolina or (2) a private college or university located in North Carolina. Requires the Office and the selected nonprofit to provide an annual report to the Office of State Budget and Management and the Fiscal Research Division by January 1 of each fiscal year. Specifies what must be included in the report. Requires the Department of Commerce, in consultation with the Office of State Budget and Management, to provide monitoring and oversight of the performance of any contract entered into pursuant to this section with a North Carolina nonprofit corporation and of the funds granted to institutes of higher education.

Appropriates \$2.5 million from the General Fund to the Office of State Budget and Management in nonrecurring funds for 2016-17 to be allocated to a reserve to be used for the purposes set forth above. Specifies that funds appropriated in this section do not revert at the end of the fiscal year and remain available until expended. Allows the Department of Commerce to use up to 5% of the reserve funds to administer the initiative.

Effective July 1, 2016.

Part VIII.

Appropriates \$230,000 in recurring funds for 2016-17 from the General Fund to the Department of Agriculture and Consumer Services to be allocated to the North Carolina Food Manufacturing Task Force established pursuant to Executive Order 73 issued by the Governor on April 9, 2015, to be used for the creation of a new Science, Technology, and Policy Director position. Sets out the Director's minimum responsibilities.

Requires the Department of Agriculture and Consumer Services to create a marketing and communication program and sets out minimum program elements, including coordination of existing branding and the highlighting and expansion of the marketing of North Carolina food manufacturing to new markets.

Appropriates \$1 million in nonrecurring funds for 2016-17 from the General Fund to the Department of Agriculture and Consumer Services to be used for the purposes set forth in this section. Funds appropriated in this section do not revert at the end of the fiscal year and remain available until expended pursuant to this section.

Effective July 1, 2016.

Part IX.

Appropriates \$12 million from the General Fund to the Department of Commerce (Department) in nonrecurring funds for 2016-17, to be used to promote tourism and expansion of foreign investment and interest in the state by investing domestically and internationally in promotion of sports events, film tourism, retirement destination advertising, and other activities designed to increase the effective geographic reach of activities, positioning the state as a preferred destination for travelers.

Directs that the funds are to be used primarily for media purchases for marketing and advertising campaigns on television, online video, and print; expansion of direct-to-consumer promotion in established markets; and international marketing. Provides that other permissible uses of the funds include contracting with research firms to assess image and awareness and identify the anticipated return on investment for advertising campaigns, ongoing analytics activities to track efficiency of owned and paid digital media investment in generating arrivals in the state, identification and prioritization of geographic areas and audience segmentation by interest showing greatest growth potential for tourism in the state, efforts directed toward retirement, sports events recruitment, film tourism, and additional development and deployment of online tourism efforts of the state, including social media strategy. Directs the Department, of the funds appropriated in the section, to ensure the funds are allocated as specified for domestic marketing and advertising, international marketing and advertising, sports events marketing and advertising, retiree attraction marketing and

advertising, and film tourism marketing and advertising.

Requires the Department to report on the use of all funds appropriated in the section to the Joint Legislative Economic Development and Global Engagement Oversight Committee and the Fiscal Research Division by October 1, 2017. Specifies what is to be included in the report.

Effective July 1, 2016.

Part X.

Amends GS 105-129.51 to extend the applicability of the research and development tax credit until January 1, 2020 (was, January 1, 2016). Effective for taxable years beginning on or after January 1, 2016.

Part XI.

Appropriates \$600,000 in nonrecurring funds for 2016-17 from the General Fund to the Department of Administration (Department) to be used in determining which existing, currently underutilized state properties will be best suited for sale or lease by enabling the Department to conduct qualitative analysis on the cost and best use of such properties, including appraisals, surveys, environmental studies, and Phase I and II studies and to hire third-party consultants to conduct comprehensive space and design planning for prospective office space so as to ensure efficient use of existing office square footage in light of future office needs.

Amends GS 66-58(b) to allow for the lease of parking spaces in accordance with the procedure for leases under GS Chapter 146 for any period of time the Department determines the spaces to be in excess of need, and to allow a ground lease of state-owned land in accordance with the procedures for leases in GS Chapter 146.

Part XII.

Appropriates \$1 million in nonrecurring funds for 2016-17 from the General Fund to the Department of Commerce to be allocated to the Main Street Solutions Fund and used for the purposes of GS Chapter 143B, Article 10, Part 15 (Main Street Solutions). Effective July 1, 2016.

Part XIII.

Amends Section 4.1 of SL 2014-18, as amended, to require the Department of Commerce to additionally have at least one employee from the Rural Economic Development Division Main Street and Rural Planning Center physically located in each office in each of the Collaboration Prosperity Zones. Makes it the responsibility of those employees to assist communities in the Prosperity Zone with adding value to their economic and community development projects by assisting communities with solutions and technical support.

Appropriates \$336,000 in recurring funds for 2016-17 from the General Fund to the Department of Commerce to fund the positions.

Effective July 1, 2016.

Part XIV.

Authorizes the Department of Commerce to contract with a North Carolina nonprofit foundation to create a public-private partnership to administer a program, in conjunction with North Carolina State University, to devise and implement a three-year plan to assist the most distressed rural counties in North Carolina by leveraging private economic development expertise and existing state economic development entities. States the General Assembly's intent to provide the support established in this section to at least 24 communities in the state over the next three years. Requires the nonprofit to identify no more than eight communities per year, provided that no more than one community comes from a single Collaboration for Prosperity Zone and that the nonprofit foundation selects recipient communities that are among the most distressed in each zone. Requires that the nonprofit deliver, at least the following to each selected community: (1) establishing a current economic reality, including conducting competitiveness assessments; (2) developing realistic

goals for future economic development, including identifying anticipated future economic opportunities, and implementing local strategic action agendas that move the community from its current position to a more economically competitive position; (3) creating a local leadership structure for plan implementation, including coordinating relevant economic development leaders and expertise, and providing professional and technical support to local leadership; and (4) providing other aid to ensure necessary specific actions that will improve local economic prosperity are identified and undertaken. Specifies what must be included in the contract with the nonprofit, including compensation limits and reporting requirements.

Appropriates \$384,000 in nonrecurring funds for 2016-17 from the General Fund to the Department of Commerce to be used for the contracting functions under this section.

Effective July 1, 2016.

Part XV.

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

Intro. by Gunn, Brown, Hise.

[APPROP, GS 66, GS 78A, GS 105, GS 136, GS 143B, GS 147](#)

[View summary](#)

[Business and Commerce, Development, Land Use and Housing, Community and Economic Development, Government, Budget/Appropriations, State Agencies, Department of Agriculture and Consumer Services, Department of Commerce, Tax](#)

S 843 (2015-2016) [RENEWABLE ENERGY PROPERTY PROTECTION](#). Filed May 10 2016, *AN ACT TO PREVENT INTERFERENCE WITH PROPERTY RIGHTS, ENVIRONMENTAL DAMAGE, AND HARMS TO PUBLIC HEALTH RESULTING FROM THE SITING AND OPERATION OF RENEWABLE ENERGY FACILITIES*.

Changes title of Article 21C of GS Chapter 143 to Permitting and Control of Wind and Renewable Energy Facilities from Permitting of Wind Energy Facilities.

Enacts new subsection (1a) to GS 143-215.115 to define the term *renewable energy facility* to mean a facility, other than a wind energy facility, as defined in GS 62-133.8, and specifies that it does not include solar collectors that gather solar radiation as a substitute for traditional energy for water heating, active space heating and cooling, passive heating, or generating electricity for a detached single-family residence, or biomass resources. Amends GS 143-215.115(3), defining *wind energy expansion*, to change the term to mean any activity that adds or modifies (was, substantially modifies) turbines or transmission facilities, including increasing the height of such equipment, over that which was initially permitted, or increases the footprint of the wind energy facility over that which was initially permitted.

Changes the title of GS 143-215.116 to Permit to site wind or renewable energy facilities (was, Permit to site wind energy facilities). Amends the statute to require existing permitting provisions to also apply to renewable energy facilities.

Enacts GS 143-215.117A to require a preapplication site evaluation meeting to be held between the applicant and the Department of Environmental Quality (Department) no less than 180 days prior to filing an application for a permit to construct, operate, or expand a renewable energy facility. Requires the preapplication site evaluation meeting to be held no less than 120 days prior to filing an application for a permit, and may be used by the participants to (1) conduct a preliminary evaluation of the site(s) for the proposed renewable energy facility or renewable energy facility expansion to

determine if the site(s) pose serious risk to civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations, or pose serious risk to natural resources and uses, including to species of concern or their habitats, (2) identify areas where proposed construction or expansion activities pose minimal risk of interference with civil air navigation or military air navigation routes, air traffic control areas, military training routes, special-use air space, radar, or other potentially affected military operations, and (3) identify areas where proposed construction or expansion activities pose minimal risk to natural resources and uses, including avian, bat, and endangered and threatened species.

Require that no less than 45 days prior to the date of the permit preapplication site evaluation meeting, the applicant for a renewable energy facility or renewable energy facility expansion to submit a preapplication package to the Department that must include information as specified in GS 143-215.115(b)(1) through (b)(5). Establishes that, to the extent that any documents contain trade secrets or confidential business information, those portions of the documents are not subject to disclosure under the North Carolina Public Records Act.

Requires the Department to provide written notice, no less than 21 days prior to the date of the permit preapplication site evaluation meeting, of the meeting to the United States Army Corps of Engineers, the United States Fish and Wildlife Service, the North Carolina Wildlife Resources Commission, the commanding military officer or the commanding military officer's designee of any potentially affected major military installation, and any other party that the Department deems relevant. Requires the notice to include an invitation to participate in the permit preapplication site evaluation meeting.

Amends GS 143-215.118, concerning permit applications scoping meeting and notice requirements, to make the existing provisions also applicable to renewable energy facilities and proposed renewable energy facility expansions.

Amends GS 143-215.119, to require proposed renewable energy facilities and renewable energy facility expansions to follow the 14 existing permit application requirements for proposed wind energy facilities and wind energy facility expansions. Amends the second permit application requirement to include a map showing the location of the proposed facility or proposed facility expansion that identifies the specific location of each turbine or other renewable energy equipment. Amends the sixth requirement to include documentation that addresses any potential adverse impact on military operations and readiness as identified by the Department of Defense Clearinghouse pursuant to Part 211 of Title 32 Code of Federal Regulations (July 1, 2012) edition, or the most updated regulation at the time of application (currently does not provide for option of most updated regulation at the time of application), and any mitigation actions agreed to by the applicant. Amends the eight, ninth and tenth requirements to provide that the studies to be included are to be conducted by an independent entity, selected from a list of Department-approved providers and are to be paid for by the applicant.

Makes conforming changes to subsections (a), (c), (d), and (f) of GS 143-215.119 to make the permit requirement provisions applicable to both proposed wind and renewable energy facilities or expansions. Makes technical changes to GS 143-215.119.

Amends GS 143-215.120, concerning approval of permit applications by the Department for proposed wind energy facilities and proposed wind energy facility expansions, to also apply the provisions to proposed renewable energy facilities and renewable energy facility expansions. Enacts new subsections (a)(10) and (a)(11) to require the Department to not approve an application for a permit if the Department finds operation of the proposed facility would create an ambient noise measurement exceeding 35 decibels, as measured from the property line of any adjacent parcel, or the applicant has failed to establish adequate financial assurance for decommissioning in accordance with GS 143-215.128, as enacted.

Amends GS 143-215.120(b) to provide that the Department is required to make a final decision on a permit application within 90 days following receipt of a completed application, except that, for wind energy facility applications, the Department is not required to make a final decision until the Department has received a written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012 edition), or the most updated regulation at the time of application

(currently, does not provide for option of the most updated regulation at the time of application).

Amends GS 143-215.120(c) to establish that the Department must include (was, may include) as a condition of a permit for a proposed wind or renewable energy facility or proposed wind or renewable energy facility expansion a requirement that the permit holder mitigate any adverse impacts and impacts. Requires the Department to include as a condition of a permit for a proposed wind energy facility or proposed wind energy facility expansion a requirement that the permit holder obtain a written "Determination of No Hazard to Air Navigation" issued by the Federal Aviation Administration pursuant to Subpart D of Part 77 of Title 14 of the Code of Federal Regulations (January 1, 2012 edition), or the most updated regulation at the time of application), for the facility (currently, does not provide for option of the most updated regulation at the time of application). Establishes that if a specific location of a turbine authorized to be constructed pursuant to a "Determination of No Hazard to Air Navigation" or the configuration of the wind energy facility varies from the information submitted by the applicant upon which the Department has made its permit decision, the Department must reevaluate (was, may reevaluate) the permit application and require the applicant to submit any additional information the Department deems necessary to approve or deny a permit for the facility as reconfigured.

Makes conforming changes throughout the statute to make the permit approval provisions applicable to both proposed wind and renewable energy facilities or expansions. Makes technical changes to GS 143-215.120.

Makes conforming changes to GS 143-215.121 to make financial assurance requirements applicable for both proposed wind and renewable energy facilities or expansions.

Amends GS 143-215.122 to require the permit applicant to annually submit copies to the Department of any post-construction monitoring, such as reports on ambient noise levels (currently, not included), groundwater testing (currently, not included), the impacts on wildlife in the location of and in the area proximate to the wind or renewable energy facility or wind or renewable energy facility expansion, and any impacts on military operations that are required by the United States Fish and Wildlife Service, the North Carolina Wildlife Resources Commission, the North Carolina Utilities Commission, or any other government agency. Makes technical changes.

Amends GS 143-215.126 to establish that the Secretary of Environmental Quality must impose (was, may impose) an administrative penalty, not to exceed \$10,000 per day, on a person who constructs a wind or renewable energy facility or wind or renewable energy facility expansion without obtaining a permit or who constructs or operates a wind or renewable energy facility in violation of its permit terms and conditions. Amends subsection (b) to allow the Secretary to institute an injunction against a person who constructs or operates a renewable energy facility or expansion without a permit or in violation of its permits terms.

Enacts GS 143-215.127 to establish setback and landscape buffer requirements, as specified, for wind or renewable energy facilities. Also includes landscape buffer requirements for solar farms, and defines *solar farm*.

Enacts GS 143-215.128 to require the applicant for a permit or a permit holder for a wind or renewable energy facility be responsible for proper decommissioning of the facility and all equipment upon cessation of activities, and reclamation of the property to its condition prior to commencement of activities on the site, no later than one year following completion of the operations. Provides that decommissioning includes the complete removal, including any subterranean portions, of all buildings, foundations, cabling, electrical components, turbines, and any other associated facilities or structures. Establishes that upon decommissioning, the applicant for a permit or a permit holder for a wind or renewable energy facility is responsible for properly recycling each piece of equipment used in the facility. Also requires the applicant for a permit or a permit holder to establish financial assurance that will ensure sufficient funds are available for decommissioning of the facility and reclamation of the property to its condition prior to commencement of the activities on the site, even if the applicant or permit holder becomes insolvent or ceases to reside, be incorporated, do business, or maintain assets in the State. Sets out that in order to establish sufficient availability of funds under the statute, the applicant for a permit or a permit holder must provide to the Department a bond, secured with sufficient surety as approved by the Department, in an amount no less than 15% of the assessed value of the real property and installed wind or renewable energy property located thereon.

Establishes that to hold a permit the holder must maintain financial responsibility, provide information as the Department

requests, and notify the Department of any significant change, as defined and within 30 days of the significant change, in the identity of any person or structure of the business entity that holds the permit for the facility, identity of any person or structure of the business entity that owns or operates the facility, or assets of the permit holder, owner, or operator of the facility. Authorizes the Department, after a review of the changes, to require the permit holder to reestablish financial responsibility and modify or revoke a permit, or require issuance of a new permit.

Enacts GS 143-215.129 to establish that any person who owns, operates, or controls a wind or renewable energy facility is strictly liable, without regard to fault, for damages to persons or property, public or private, caused by the construction, maintenance, operation, decommissioning, disassembly, or demolition of that facility.

Allows any action brought under the statute to be brought against any one or more of the persons having control over the wind or renewable energy facility or the activity that caused or contributed to the damages, and that all of those persons are jointly and severally liable, but ultimate liability as between the parties may be determined by common-law principles.

Bars liability for a person otherwise liable who can establish by a preponderance of the evidence that the damage was caused by an act of God, an act of war or sabotage, an act or omission by the United States government or the State or its political subdivisions, an act or omission by or at the direction of a law enforcement officer or fireman, or an act or omission by a third party who is not an agent, employee, contractor, or subcontractor of the person who is liable under the statute. Provides that nothing in the statute deprives a claimant from electing to pursue any other cause of action for damages or injunctive relief under statutory or common law.

Effective December 1, 2016, and applies to applications for permits submitted on or after that date.

Appropriates \$50,000 from the General Fund to the Department for the 2016-17 fiscal year for implementation of the permitting requirements for renewable energy facilities. Effective July 1, 2017.

Intro. by Cook, Brock.

APPROP, GS 143

[View summary](#)

Development, Land Use and Housing, Property and Housing, Environment, Energy, Environment/Natural Resources, Government, Budget/Appropriations, State Agencies, Department of Environmental Quality (formerly DENR)

S 868 (2015-2016) **LOCAL GOVERNMENT IMMIGRATION COMPLIANCE**. Filed May 10 2016, *AN ACT TO RECODIFY THE STATUTE THAT PROHIBITS THE USE OF CERTAIN FORMS OF IDENTIFICATION BY STATE AND LOCAL OFFICIALS; TO REPEAL A STATUTORY EXCEPTION TO THAT STATUTE; AND TO CREATE ADDITIONAL INCENTIVES FOR LOCAL GOVERNMENTS TO COMPLY WITH STATE LAWS RELATED TO IMMIGRATION.*

Recodifies GS 15A-311 (Consulate documents not acceptable as identification) as GS 64-6.

Amends GS 64-6, as recodified above, deleting language in subsection (c) which previously allowed law enforcement officers to use identity documents issued or created by individuals, organizations, or local governments for the purpose of assisting in determining the identity of a person when no other such documents are available. Makes a technical change to the sections catchline.

Enacts new GS Chapter 64, Article 3, Local Government Noncompliance with State Laws Related to Immigration, setting out specific findings of the General Assembly including that the policy objectives of the General Assembly are frustrated when cities, counties, and law enforcement agencies do not uniformly comply with State law and that supreme power and complete discretion over State funds appropriations can be used to create additional incentives for compliance. Sets out three definitions in use for the Article, including affected local government, law enforcement

agency, and state law related to immigration - defined as GS 64-6(b)(prohibition on adopting policy or ordinance to accept excluded documents as valid id), GS 153A-145.5(prohibition on adoption of sanctuary ordinances), or GS 160A-499.4 [intends to reference *GS 160A-205.2* (prohibition on adoption of sanctuary ordinances)].

Directs the Attorney General (AG) to create a form upon which individuals can allege that a city, county, or law enforcement agency is currently not in compliance with a State law related to immigration. Form is to be made available on the AG's website and once completed the form should be sent to the AG. No social security number or notarization is required on the form. Anonymous statements submitted on a non prescribed form are not prohibited from consideration, but all complaints or allegations must be made having a good faith belief.

Requires the AG to begin an investigation into the allegations of noncompliance with 45 days of receipt of filed statement, with a final determination and conclusion of the investigation within 60 days of the investigations commencement. The AG is authorized to ask for assistance from the State Bureau of Investigation in conducting the investigation. Further directs local governments to produce records or documents related to the investigation within 10 business day of request by the AG. Provides that statements, records, reports and other investigative documents are confidential and not public records until the investigation is complete or 60 days have elapsed since the investigation was commenced. Authorizes local governments to request that confidential documents be made public.

Sets out consequences of a determination that a local government or law enforcement agency is not in compliance with State law related to immigration. Consequences include ineligibility for specified state distributions for a fiscal year, and that the AG will notify the affected local governments, the chairs of the Appropriations Committees of the Senate and House of Representatives, the chairs of the Joint Legislative Commission on Governmental Operations, and the Office of State Budget and Management. Also includes provisions detailing consequences of the AG receiving notification of noncompliance with E-verify, which include all of the above consequences. Sets out specific entities that receive the consequences of noncompliance with E-Verify regulations. Adds language providing that the General Assembly can create exceptions regarding its discretion and withholding of State funds.

Sets out procedures and administrative guidelines for the AG, including reporting requirements. Requires the AG to maintain a database of those entities ineligible for funds and to report to the Joint Legislative Commission on Governmental Operations on a quarterly basis concerning the numbers of statements, investigations, consequences rendered, and the names of those entities found not to be in compliance. Further states that the AG's determination is final with no repeal, that the AG can designate an official to carry out the duties of this regulation, and that the AG must promulgate rules needed to implement this Article.

Provides for a private enforcement action against entities that are not in compliance with State law concerning immigration, in the Superior Court of Wake County, an individual can seek relief in the form of declaratory and injunctive relief. Allows prevailing parties to receive attorney's fees and court costs.

Amends GS 64-33.1, concerning noncompliance with E-Verify requirements, adding a new subsection (b) that requires the Commissioner of Labor to immediately notify the AG if a political subdivision of the State has violated the E-Verify requirements. The Commissioner of Labor must also notify the AG within 60 days of the violation, if the political subdivision has not yet demonstrated compliance with E-Verify.

Directs the AG's office, with the help of the Departments of Transportation and Public Instruction, to notify local governments of the provisions of this act so steps to be in compliance can be taken.

Amends GS 115C-546.2 (public school capital building fund for counties) and GS 136-41.1 (State distributed funds for roads of cities/towns) adding language that prohibits counties or cities/towns from receiving their respective funds if they are ineligible due to noncompliance with state laws related to immigration.

Amends 7A-305, costs in civil actions, providing that if the case is brought under GS 64-40 (appears to mean new GS 64-60), concerning noncompliance by local governments or law enforcement of State laws related to immigration, then the party filing the designation must pay an additional \$75 for support of the General Court of Justice.

Appropriates \$20,000 from the General Fund to the Department of Justice for 2016-17 fiscal year to pay for the development costs of the form required in GS 64-51, for reporting noncompliance of state laws related to immigration.

Effective August 1, 2016.

Intro. by Sanderson, Newton.

[APPROP, GS 7A, GS 15A, GS 64, GS 115C, GS 136](#)

[View summary](#)

[Courts/Judiciary, Government, Budget/Appropriations, State Agencies, Department of Justice, Local Government, Immigration](#)

S 870 (2015-2016) [REFINE SALES & USE TAX ON RMI](#). Filed May 10 2016, *AN ACT TO PROVIDE A GRACE PERIOD FOR UNDERCOLLECTION OF SALES AND USE TAX ON REPAIR, MAINTENANCE, AND INSTALLATION SERVICES AND TO REFINE THE APPLICATION OF SALES AND USE TAX ON REPAIR, MAINTENANCE, AND INSTALLATION SERVICES.*

Provides that retailers are not liable for an undercollection of sales or use tax if good-faith efforts were made to comply with the law to collect the proper amount of tax on repair, maintenance, and installation services under the new changes pursuant to Section 32.18 of SL 2015-241. This exemption for liability applies between March 1, 2016, and ends December 31, 2016.

Amends GS 105-237.1(a) concerning the compromising of tax liability by the Secretary of Revenue, adding a new subdivision (7) allowing the compromise of tax liability when the taxpayer is a retailer or person under GS Chapter 105, Article 5 (Sales and Use Tax), and the tax assessment is for sales or use tax that was failed to be collected or properly calculated from repair, maintenance, and installation services but the retailer made a good faith effort to comply with the sales and use tax laws. Provides that this only applies to assessments issued from March 1, 2016, through January 1, 2023.

Amends GS 105-164.4H(c), which provides that the amount of tax separately stated on an invoice by a real property contractor is an erroneous collection and must be remitted to the secretary, deleting language which stated that in such cases the provisions of GS 105-164.11(a)(2), concerning offsetting of tax liability by using overcollected taxes, don't apply. Effective January 1, 2015.

Amends GS 105-164.3, definitions for GS Chapter 105, Article 5, Sales and Use Tax, adding and defining several new terms for the Article, including *alteration service, house cleaning and janitorial services, installation service, landscaping service, maintenance service, motor vehicle service contract, and repair service*. Makes some organizational changes and deletes the terms *repair, maintenance, and installation service* (term is now separated out to three new terms) and *retail trade*. Deletes language from the definition for retailer that defined a retailer as a person engaged in the business of delivering, erecting, installing, or applying tangible personal property that does not become part of real property, with certain exceptions (also deleted). Adds further clarifying language to the definition of *sale or selling*. Amends the definition for *sales price*, adding a new subdivision which excludes "a fee for an inspection required by law" from being included under the term "sales price." Makes additional changes to the definition for *service contract*, clarifying that a service contract can be for a period of time or some other defined measure (previously, only stated for a period of time). Also, adds language that the term does not include a motor vehicle service contract or a contract for a single repair transaction. Amends the term "real property contractor" to no longer exclude a person in retail trade. Effective January 1, 2017.

Amends GS 105-164.4(a), Tax imposed on retailers, adding new subdivisions that provide that the general rate of tax applies to the sales price of gross receipts from repair and maintenance services and these services are taxed in accordance with GS 105-164.4J, which provides some limited exemptions for taxes on repair and maintenance services. Also adds that the general rate of tax applies to the sales price or gross receipts of installation services, but they too are taxed according to GS 105-16.4K, which provides some limited exemptions for taxes on installation services. Provides

that the general rate of tax applies to the sales price of or the gross receipts derived from alteration services. Effective January 1, 2017.

Enacts GS 105-164.4J, Repair and Maintenance services, providing that the general rate of tax applies to repair or maintenance services to tangible personal property and to repair or maintenance services to real property, unless one of the following exemptions apply to the activities: (1) painting or repainting new or existing buildings, structures, or parts, or (2) removing items like debris, construction materials, snow, asbestos, or excavation activities. Also enacts GS 105-164.4K, Installation services, providing that the general rate of tax applies to the sales price of or the gross receipts derived from the installation of tangible personal property, unless one of the following exemptions apply to the activities: (1) the installation is part of new construction, (2) the installation is part of a nontaxable real property contract and the sales price of otherwise taxable installation service does not exceed 10% of the total contract, and (3) the installation is a capital improvement as defined and specified in the bill (for example, the complete remodel of a kitchen or bathroom). Adds clarifying language in subsection (d) concerning the taxation of third-party installations. Effective January 1, 2017.

Amends GS 105-164.4H, Real property contractors, making some clarifying changes, providing that subsection (b) (retailer-contractor) applies to retailer-contractors concerning the installation of tangible personal property that becomes part of real property and that a retailer-contractor is acting as a real property contractor when performing installation service for a consumer that is exempt under GS 105-164.4K, as specified above. Clarifies that retailer-contractors acting as real property contractors can purchase tangible personal property to be installed or affixed to real property exempt from tax as specified if the retailer-contractor also purchases inventory items from the seller for resale. Further adds language that a retailer-contractor is acting as a retailer when performing installation services that are incidental to the retail sale of tangible personal property subject to tax as specified in GS 105-164.4K above. Makes organizational and conforming changes. Effective January 1, 2017.

Amends GS 105-164I, concerning tax exempt status of certain service contracts, adding a new (b)(6) providing that the tax imposed by this statute does not apply to real property, including tangible personal property that has become real property, unless repair or maintenance is taxable under GS 105-164.4J(a)(2), which then would make the service contract on it taxable. Effective January 1, 2017.

Amends GS 105-164.13, concerning tangible personal property, digital property, and services exempt from the retail sales and use tax imposed, adding language that exempts towing service. Amends the exemption for repair, maintenance, and installation services, now providing that tangible personal property, digital property, and services purchased for resale under a tax exemption certificate or a direct pay certificate are also exempt. Makes conforming changes. Effective January 1, 2017.

Amends GS 105-187.5(a), concerning alternate tax for those who rent or lease motor vehicles, requiring any charges for service contracts to be separately stated on documentation given to the renter or leasee. Requires the seller of the lease to provide the purchaser of the lease or rental with a contract documenting that the sales taxes were separate from the service contract at the time of the rental or lease. Deletes language that provided that if the amounts were not separate, than that same amount is deemed part of the gross receipts of the lease or rental. Effective January 1, 2017.

S 873 (2015-2016) [ACCESS TO AFFORDABLE COLLEGE ED. ACT](#). Filed May 10 2016, *AN ACT TO IMPLEMENT VARIOUS POLICY CHANGES DESIGNED TO MAKE PUBLIC HIGHER EDUCATION MORE AFFORDABLE IN ACCORDANCE WITH THE STATE CONSTITUTIONAL MANDATE THAT THE BENEFITS OF PUBLIC HIGHER EDUCATION, AS FAR AS PRACTICABLE, BE EXTENDED TO THE PEOPLE OF THE STATE FREE OF EXPENSE.*

Includes whereas clauses concerning higher education.

Enacts new GS 116-143.9 establishing a fixed tuition and fees payment program available to freshmen or transfer undergraduate students admitted to any constituent institution of The University of North Carolina deemed to be a state resident for tuition purposes. Requires that the program guarantee that the cost of tuition and the cost of fees will remain constant or decrease during the tuition period. Sets the tuition period depending on the level of degree sought or transfer status. Requires the student to remain enrolled continuously at the constituent institution during the entire tuition period. Specifies that at the end of the tuition period, the cost of tuition for any additional academic semesters reverts to the amount of the current tuition for that constituent institution and a tuition surcharge imposed under GS 116-143.7, if applicable. Allows the fixed tuition and fee payment program to be tolled if the student is able to demonstrate a substantial disruption or interruption in the student's pursuit of a degree as provided in GS 116-143.7(c). Requires the UNC Board of Governors to adopt the policies needed to implement this statute and determine what the fixed tuition and fee payment rates and the tuition periods shall be. Effective when the act becomes law and applies to freshmen and transfer students who enroll at a constituent institution beginning with the 2016 fall academic semester.

Requires the UNC Board of Governors and the Board of Trustees at each constituent institution to reduce student fees by specified amounts beginning with the 2018 fall academic semester. Specifies that after making the initial fee reduction, a constituent institution may increase student fees by no more than 3% per academic year.

Requires the UNC Board of Governors to set tuition rates for Elizabeth City State University, Fayetteville State University, University of North Carolina at Pembroke, Winston-Salem State University, and Western Carolina University at \$500 per semester for resident students and \$2,500 per semester for nonresident students beginning with the 2018 fall academic semester. Makes conforming changes to GS 116-144.

Requires the UNC Board to Governors to consider what effect the elimination or increase in the 18% admission cap on nonresident students may have on student applications to Elizabeth City State University, Fayetteville State University, University of North Carolina at Pembroke, Winston-Salem State University, and Western Carolina University.

Requires the UNC General Administration to evaluate what effect the current name of each constituent institution has had on that institution with regard to the number, academic strength, and diversity of student applications and how any prior name changes may or may not have affected the institution. UNC General Administration is required to report its findings to the UNC Board of Governors by January 15, 2017. Requires if, after considering the report from the UNC General Administration, the UNC Board of Governors finds that there has been significant improvement at any of the constituent institutions regarding the number, academic strength, and diversity of student applications since the name change, then the UNC Board of Governors must recommend appropriate name changes for any of the constituent institutions that the Board deems may benefit by changing the name of the institution to become effective beginning with the 2018-19 academic year unless the General Assembly takes legislative action during the 2018 Regular Session to disapprove the name.

The above provisions do not apply to high schools governed by the UNC General Administration.

Enacts new Article 35, Cheatham-White Scholarships, in GS Chapter 116. Unless otherwise indicated, the provisions below are effective beginning with the 2017 fall academic semester. Establishes the Cheatham-White Scholarships as a merit scholarship program at North Carolina Agricultural and Technical State University and at North Carolina Central University. Each scholarship is a fully funded four-year scholarship that covers the cost of full tuition, student fees, housing, meals, textbooks, a laptop, supplies, travel, and personal expenses. Each scholarship also provides four

summers of fully funded enrichment and networking opportunities. Allows up to 50 scholarships, 40 for resident students and 10 for nonresident students, to be awarded each academic year to students admitted to North Carolina Agricultural and Technical State University, and allows up to 50 scholarships, 40 for resident students and 10 for nonresident students, to be awarded each academic year to students admitted to North Carolina Central University. Effective July 1, 2016, establishes the Cheatham-White Scholarship Fund to fund scholarships awarded pursuant to this Article and allows both private and public funds to be solicited in the creation of the fund. Requires the funds appropriated each fiscal year to the Cheatham-White Scholarship Fund to be matched by non-State funds and disbursed under GS 143C-4-5. Requires the UNC General Administration to administer the Cheatham-White Scholarship Fund and the Cheatham-White Scholarships program. Sets out eligibility requirements for scholarship candidates and requires that candidates be selected on the basis of academic merit, honorable character, outstanding leadership potential, and a demonstrable commitment to service and specifies that financial need shall not be a consideration. Sets out the process for high schools to nominate candidates for a Cheatham-White Scholarship. Sets out the allowable number of nominees from each school, based on the size of the senior class. Requires UNC to administer the Cheatham-White Scholarships for both North Carolina Agricultural and Technical State University and North Carolina Central University according to policies adopted by the UNC Board of Governors. Sets out the UNC General Administration's administrative responsibilities, including designing and implementing an application and school nomination process as well as a direct nomination process, establishing a mentoring and networking system for scholarship recipients, and establishing a Cheatham-White Scholarships alumni association and network.

Effective July 1, 2016, appropriates \$3,207,358 for 2016-17 from the General Fund to the UNC Board of Governors to be allocated to the Cheatham-White Scholarship Fund used to award Cheatham-White Scholarships. Requires the funds to be matched by non-state funds and disbursed pursuant to new GS 116-291.

Except as otherwise provided, the act is effective when it becomes law and applies to the 2017 fall academic semester and each subsequent academic semester.

Intro. by Apodaca.

[APPROP, GS 116](#)

[View summary](#)

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

LOCAL/HOUSE BILLS

H 956 (2015-2016) [HENDERSON COUNTY/COMMUNITY COLLEGE PROJECTS](#). Filed Apr 25 2016, *AN ACT PROVIDING THAT HENDERSON COUNTY IS AUTHORIZED TO CONSTRUCT COMMUNITY COLLEGE BUILDINGS ON THE CAMPUS OF BLUE RIDGE COMMUNITY COLLEGE.*

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

Authorizes Henderson County (County) to construct or *renovate* (was, construct only) community college buildings, as defined in GS 143-336 to mean all buildings, utilities, and other property developments located at a community college as defined under GS 115D-2(2), on the campus of Blue Ridge Community College (College) located in Henderson County.

Deletes language which previously cited statutes and regulations that the County did not have to comply with. Makes organizational changes, listing out the compliance requirements in a six item list, which also includes that the County must fund all projects entirely with County funds (previously not included).

Sets a deadline of within 30 days of the effective date of the act for the Board of Trustees of the College (Board) to transfer title to the described property to the County for the life of the debt incurred by the County for the construction or renovation of the community college buildings.

Provides that the County must transfer title back to the Board if no debt has been incurred by the property for the construction or renovation of community college buildings on or before December 31, 2020. Also requires the County to transfer the title back to the Board upon satisfaction of any incurred debt against the property.

Allows the county and Board to enter into a lease agreement (was, a memorandum of understanding for building construction).

Makes technical and clarifying changes.

Amends the effective date clauses now providing that the provisions in Section 1 and 2 are effective when they become law and apply only to construction projects and renovations funded entirely with County funds and coordinated by the County for College uses and purposes between January 1, 2014, and December 31, 2020, with the remainder of the act effective when the bill becomes law without any specified application requirements.

Intro. by McGrady, Whitmire.

[Henderson](#)

[View summary](#)

[Education, Higher Education](#)

H 957 (2015-2016) [HENDERSONVILLE CHARTER AMENDMENT](#). Filed Apr 25 2016, *AN ACT AMENDING THE CHARTER OF THE CITY OF HENDERSONVILLE TO ALLOW THE MAYOR AND COUNCIL MEMBERS TO RECEIVE COMPENSATION FOR THEIR SERVICES AS PROVIDED BY GENERAL LAW.*

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

Adds a requirement that the terms "councilman" and "councilmen" be changed to "council member" and "council members" throughout the Charter of the City of Hendersonville.

Intro. by McGrady, Whitmire.

[Henderson](#)

[View summary](#)

H 1037 (2015-2016) [LINCOLNTON AIRPORT AUTHORITY/CONTRACT LENGTH](#). Filed May 3 2016, *AN ACT TO AUTHORIZE THE LINCOLNTON-LINCOLN COUNTY AIRPORT AUTHORITY TO ENTER INTO CERTAIN CONTRACTS FOR A PERIOD GREATER THAN TWENTY-FIVE YEARS AND TO MAKE TECHNICAL CORRECTIONS TO THE SESSION LAWS RELATED TO THE AIRPORT AUTHORITY.*

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

Repeals SL 1977-286, which creates the City of Lincolnton-County of Lincoln Airport Authority and provides the Authority's Charter.

Changes the long title.

Intro. by Saine.

[Lincoln](#)

[View summary](#)

[Transportation](#)

S 50 (2015-2016) [Wilson County Occupancy Tax Modification](#). Filed Feb 9 2015, *AN ACT TO INCREASE THE AUTHORIZATION FOR WILSON COUNTY TO LEVY AN OCCUPANCY TAX.*

The new conference report makes the following changes to the 4th edition:

Updates and corrects references to the past session laws that have amended Section 1 of Chapter 484 of the 1987 Session Laws, being the initial authorization for the Wilson County occupancy tax.

Amends subsection (a) of Section 1 of Chapter 484 of the 1987 Session Laws, deleting language which provided that the occupancy tax did not apply to accommodations offered by the specified nonprofits in furtherance of their nonprofit purpose. Also amends subsection (e) concerning the distribution and use of the tax revenue, providing that 1/3 of the funds remitted must be used for tourism-related expenditures mutually agreed upon by the Wilson County Tourism Development Authority and the Wilson City Council (previously, there was not an agreement requirement for the expenditure of the remaining 1/3 of the occupancy tax funds).

Intro. by Bryant.

[Wilson](#)

[View summary](#)

[Government, Tax](#)

ACTIONS ON BILLS

PUBLIC BILLS

H 474: EXCLUDE YR. ROUND TRACK-OUT PROGRAM/CHILD CARE.

Senate: Withdrawn From Cal

Senate: Placed On Cal For 05/17/2016

H 958: FELONY DEATH IMP. BOATING/SHEYENNE'S LAW.

House: Passed 2nd Reading

House: Passed 3rd Reading

H 984: TRANSFER OF DAVIE COUNTY CORRECTIONAL CENTER.

House: Reptd Fav

House: Re-ref Com On Appropriations

H 1020: INDIGENT DEFENSE SERVICES AMENDMENTS.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

H 1021: AMEND INNOCENCE COMMISSION STATUTES.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 05/16/2016

H 1122: LIMIT MARINE NET FISHING.

House: Serial Referral To Appropriations Stricken

House: Withdrawn From Com

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

S 734: STATEWIDE STANDING ORDER/OPIOID ANTAGONIST.

Senate: Reptd Fav

Senate: Placed On Cal For 05/17/2016

S 754: PREVENT SQUATTING IN FORECLOSED REAL PROPERTY.

Senate: Reptd Fav Com Substitute

Senate: Com Substitute Adopted

Senate: Placed On Cal For 05/17/2016

S 778: DOT TO STUDY SEPA REFORM IMPACTS.

Senate: Passed 2nd Reading

Senate: Passed 3rd Reading

S 807: CONFORM FULL-PAYMENT CHECK LAW TO UCC.

Senate: Reptd Fav

Senate: Placed On Cal For 05/17/2016

LOCAL BILLS

H 956: HENDERSON COUNTY/COMMUNITY COLLEGE PROJECTS.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 05/16/2016

H 957: HENDERSONVILLE CHARTER AMENDMENT.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 05/16/2016

H 1009: WAKE CTY TOWNS DONATE RETIRED SERVICE ANIMALS.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Withdrawn From Cal

House: Placed On Cal For 05/16/2016

H 1022: TOWN OF MAXTON DEANNEXATION.

House: Reptd Fav

House: Re-ref Com On Finance

H 1037: LINCOLN TON AIRPORT AUTHORITY/CONTRACT LENGTH.

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 05/16/2016

S 50: Wilson County Occupancy Tax Modification.

House: Conf Com Reported

House: Placed On Cal For 05/16/2016

S 874: SANFORD/HARNETT OT.

Senate: Passed 1st Reading

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

S 875: TOWN OF SUNSET BEACH/DEANNEXATION.

Senate: Passed 1st Reading

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

S 876: TOWN OF FAIRMONT/UTILITY BILL COLLECTIONS.

Senate: Passed 1st Reading

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

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