

The Daily Bulletin: 2017-02-21

PUBLIC/HOUSE BILLS

H 6 (2017-2018) [ED. FINANCE REFORM TASK FORCE/PED REPORT](#). Filed Jan 25 2017, *AN ACT TO ESTABLISH THE JOINT LEGISLATIVE TASK FORCE ON EDUCATION FINANCE REFORM, AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE*.

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

Adds the expectation that the makeup of the Joint Legislative Task Force on Education Finance Reform (Task Force) reflect geographic and urban/rural diversity. Adds the requirement that at least one member of the House and at least one member of the Senate be from that chamber's minority party.

Expands upon the items that the Task Force must study by adding other funding models for elementary and public schools in addition to the weighted student funding formula.

Extends the deadline for the Task Force's final report from July 1, 2018, to October 1, 2018, and terminates the Task force upon the earlier of October 1, 2018 (was, July 1, 2018), or the filing of the final report.

Intro. by Horn, Lucas.

[STUDY](#)

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[Education, Elementary and Secondary Education](#)

H 19 (2017-2018) [ORGANIZATIONAL MEETING/LOCAL ELECTED BOARDS \(NEW\)](#). Filed Jan 25 2017, *AN ACT AMENDING THE LAWS REGARDING WHEN LOCAL ELECTED BOARDS SELECT A CHAIR AND OTHER OFFICERS OF THE BOARD WHEN THERE IS A DELAY IN THE DETERMINATION OF ELECTION RESULTS*.

House committee substitute to the 1st edition deletes the contents of the previous edition and replaces with the following.

Amends GS 115C-41, concerning the organization of local boards of education, to provide that following an election, if one or more members of the board cannot be sworn in due to an election protest under GS 163-182.9, the chair chosen the previous year must continue to hold that position until the election protest is resolved and all board members take the oath of office. Provides that if the chair chosen the previous year is no longer a member of the board, the board members may choose a temporary chair to serve until the election protest is resolved and all board members take the oath of office. Directs that the board is to choose a chair for the remainder of the year at the first regular meeting of the local board of education following the qualification of the newly board member(s). Makes clarifying changes and makes language gender neutral.

Amends GS 130A-56, concerning the election of officers to a sanitary district board, to provide that the chairperson of the board is to preside at the meetings of the board, with the board appointing one of its members temporary chair in the absence or sickness of the chairperson. Similar to the provisions added to GS 115C-41, provides that following an election, if one or more members of the board cannot be sworn in due to an election protest under GS 163-182.9, the chairperson and secretary chosen the previous year must continue to hold their positions until the election protest is resolved and all board members take the oath of office. Provides that if the chairperson or secretary chosen the previous year is no longer a member of the board, the board members may choose a temporary chairperson or secretary to serve until the election protest is resolved and all board members take the oath of office. Directs that the board is to choose a chair and secretary for the remainder of the year at the first regular meeting of the board following the qualification of the newly board member(s). Makes language gender neutral.

Amends GS 153A-39, concerning the organization of county board of commissioners, to provide that following an election, if one or more members of the board cannot be sworn in due to an election protest under GS 163-182.9, the chair and vice-chair chosen the previous year must continue to hold their positions until the election protest is resolved and all board members take the

oath of office (similar to the provisions added to GS 115C-41 and GS 130A-56). Provides that if the chair or vice-chair chosen the previous year is no longer a member of the board, the board members may choose a temporary chair to serve until the election protest is resolved and all board members take the oath of office. Directs that the board is to choose a chair and vice-chair for the remainder of the year at the first regular meeting of the board following the qualification of the newly board member(s). Makes language gender neutral.

Amends GS 160A-70, concerning the selection and duties of a mayor pro tempore by a city council, to provide that following an election, if one or more members of the council cannot be sworn in due to an election protest under GS 163-182.9, the mayor pro tempore chosen the previous year must continue to hold that position until the election protest is resolved and all council members take the oath of office (similar to the provisions added to GS 115C-41, GS 130A-56, and GS 153A-39). Provides that if the mayor pro tempore chosen the previous year is no longer a member of the board, the council members may choose a temporary mayor pro tempore to serve until the election protest is resolved and all council members take the oath of office. Directs that the council is to choose a mayor pro tempore for the remainder of the year at the first regular meeting of the council following the qualification of the newly board member(s). Makes language gender neutral.

Changes the act's titles.

Intro. by Davis.

[GS 115C, GS 130A, GS 153A, GS 160A](#)

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[Government, Local Government](#)

H 27 (2017-2018) [CLARIFY EXPIRATION OF VEHICLE REGISTRATION](#). Filed Jan 31 2017, *AN ACT TO CLARIFY WHEN THE REGISTRATION OF A VEHICLE RENEWED BY MEANS OF A NEW REGISTRATION PLATE EXPIRES*.

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

Amends proposed changes to GS 20-66(g1), which sets out the expiration of a vehicle's registration by means other than the expiration of the registration renewal sticker, to clarify that the registration of a vehicle renewed by a new registration plate expires at midnight on the last day of the year in which the registration plate was issued (was, valid through midnight February 15 of each year). Adds provision establishing that it is unlawful to operate the vehicle on a highway through midnight February 15 of the following year.

Intro. by Clampitt, Grange, Strickland, White.

[GS 20](#)

[View summary](#)

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

H 28 (2017-2018) [DOT/ACCESS OF MOTORCYCLISTS](#). Filed Jan 31 2017, *AN ACT TO PROHIBIT THE DEPARTMENT OF TRANSPORTATION FROM TAKING CERTAIN ACTIONS WITH THE PURPOSE OF RESTRICTING THE ACCESS OF MOTORCYCLISTS TO HIGHWAYS, BRIDGES, TUNNELS, AND OTHER TRANSPORTATION FACILITIES*.

House committee substitute to the 1st edition makes the following change. Provides that the new statute does not require structural or technological modifications in parking structures constructed or substantially completed on or before July 1, 2017 (was, on or before July 1, 2016).

Intro. by Torbett.

[GS 136](#)

[View summary](#)

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

H 114 (2017-2018) [2017 HOUSE PERMANENT RULES](#). Filed Feb 15 2017, *A HOUSE RESOLUTION ADOPTING THE PERMANENT RULES OF THE HOUSE OF REPRESENTATIVES FOR THE 2017 REGULAR SESSION*.

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

Amends Rule 35.1 by deleting the requirement that every bill or resolution proposing the establishment of an occupational or professional licensing board or a study for the need to establish such a board include an attachment to the jacket of the original bill or resolution at the time of its consideration on second and third readings by the House or by any standing committee of the House an assessment report from the Joint Legislative Commission on Governmental Operations. Make conforming changes.

Amends Rule 36.2 to require a bill that proposes a change to the law relative to any State, municipal, or other retirement system funded in whole or in part out of public funds to be referred to the Committee on Pensions and Retirement (was, to the Committee on State Personnel).

Makes a technical change to Rule 43.

Intro. by Lewis.

[HOUSE RES](#)

[View summary](#)

[Government, General Assembly](#)

H 114 (2017-2018) [2017 HOUSE PERMANENT RULES](#). Filed Feb 15 2017, *A HOUSE RESOLUTION ADOPTING THE PERMANENT RULES OF THE HOUSE OF REPRESENTATIVES FOR THE 2017 REGULAR SESSION*.

House amendment makes the following changes to the 2nd edition. Amends Rule 24.1B, concerning the division of amendments and questions, as follows. Adds the requirement that a motion for an amendment to be divided be made in writing and submitted to the Principal Clerk at the time the motion is made, with a clear statement as to how the question is to be divided. Adds that upon a majority vote of the members present and voting, the motion must be adopted and the body must debate and vote each amendment separately. Amends the provisions concerning division of a bill, to clarify that any member may call for a bill to be divided into two or more propositions to be voted on separately if the bill is subject to division into separate parts so that each part states a separate and distinct proposition capable of standing alone. Clarifies that if the question is divided, the body must debate and vote each proposition separately; if any proposition fails, the bill must be removed from the calendar and re-referred to the committee from which the bill was reported.

Intro. by Lewis.

[HOUSE RES](#)

[View summary](#)

[Government, General Assembly](#)

H 139 (2017-2018) [MENTAL HEALTH WORKERS' BILL OF RIGHTS](#). Filed Feb 21 2017, *AN ACT TO ENACT THE MENTAL HEALTH WORKERS' BILL OF RIGHTS*.

Enacts new Article 8, the Mental Health Workers' Bill of Rights, to GS Chapter 122C to provide basic rights and standards to mental health workers. Enumerates eight elements for inclusion in the bill of rights for mental health workers, including the right to a safe workplace, the right to family-supporting wages, and the right to a grievance procedure.

Intro. by L. Bell.

[GS 122C](#)

[View summary](#)

[Health and Human Services, Health, Health Care Facilities and Providers, Mental Health](#)

H 140 (2017-2018) [DENTAL PLANS PROVIDER CONTRACTS/TRANSPARENCY](#). Filed Feb 21 2017, *AN ACT TO APPLY DISCLOSURE AND NOTIFICATION REQUIREMENTS RELATED TO INSURER FEE SCHEDULES, CLAIMS SUBMISSION, AND*

REIMBURSEMENT POLICIES TO STAND ALONE DENTAL INSURANCE.

Amends GS 58-3-227, which sets out disclosure and notification requirements relating to insurers' health plan fee schedules, to amend the definition of *insurer* to include an entity that writes stand alone dental insurance (previously, stand alone dental insurers were excluded). Makes conforming changes to include ICD-10-CM billing codes to the definition of *schedule of fees*.

Effective July 1, 2017.

Intro. by Bert Jones.

GS 58

[View summary](#)

Health and Human Services, Health, Health Insurance

H 141 (2017-2018) **MAINTENANCE BOND FOR SUBDIVISION ROADS.** Filed Feb 21 2017, *AN ACT TO ESTABLISH A MAINTENANCE BOND PROCESS FOR SUBDIVISION ROADS DEDICATED FOR PUBLIC USE TO PREVENT DEGRADATION OF TRANSPORTATION IMPROVEMENTS PRIOR TO ADDITION TO THE STATE HIGHWAY SYSTEM.*

Identical to [S 92](#), filed 2/15/17.

Amends GS 153A-331(e), concerning the contents and requirements of a county subdivision control ordinance, to allow a county to adopt a subdivision control ordinance for transportation improvements intended to be designated as public under GS 136-102.6 to additionally provide for maintenance guarantees to prevent degradation of transportation improvements until the improvements are added to the State highway system for maintenance pursuant to GS 136-102.6(d). Provides that for any specific development, the developer is to elect the type of performance or maintenance guarantee (was, election to be made from a range specified by the county). Makes conforming changes to subsection (g) to require maintenance guarantees to comply with GS 160A-372(g).

Amends GS 160A-372, concerning the contents and requirements of a city subdivision control ordinance, to make identical changes as those made to GS 153A-331(e) above relating to subdivision control ordinances providing for maintenance guarantees. Provides that for any specific development, the developer is to elect the type of performance or maintenance guarantee. Defines *maintenance guarantee* to mean any of the forms of guarantee also used to define performance guarantee under subdivision (g)(1). Adds a requirement that prior to the return or release of a performance guarantee, the engineer of record for the design of transportation improvements intended to be designated as public must provide a sealed certification to the city or county and the Division of Highways confirming that the improvements have been completed according to the plans that received approval pursuant to GS 136-102.6(d). Requires the developer to provide a maintenance guarantee for the transportation improvements intended to be designated public within 20 business days following the filing of the certificate of completion by the engineer of record. Provides for the return or release of the maintenance guarantee when (1) the transportation improvements are added to the State highway system for maintenance pursuant to GS 136-102.6(d) or (2) there is a rerecording of a subdivision plat designating the transportation improvements as private, or both. Finally, establishes that the amount of the maintenance guarantee cannot exceed 15% of the reasonably estimated total cost of construction of the transportation improvements at the time the guarantee is issued.

Intro. by Farmer-Butterfield, Murphy, S. Martin.

GS 153A, GS 160A

[View summary](#)

Government, Local Government, Transportation

H 142 (2017-2018) **INCREASE OVERSIGHT OF OLBS.** Filed Feb 21 2017, *AN ACT TO INCREASE OVERSIGHT OF OCCUPATIONAL LICENSING BOARDS, AS RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE.*

Amends GS 93B-2 by adding the requirement that each occupational licensing board give the Joint Legislative Administration Procedure Oversight Committee (Committee) the name and contact information of the individual responsible for filing the required reports. Requires that the Committee be notified of any changes to that information within 30 days.

Amends GS 93B-5(g) to require occupational licensing board members to receive training on federal antitrust law and State action immunity, in addition to existing training requirements, within six months of a board member's initial appointment to the board and at least once within every two calendar years thereafter.

Enacts six new sections in GS Chapter 93B (Occupational Licensing Boards).

Enacts GS 93B-17 to require occupational licensing boards to adopt rules for the receipt and resolution of complaints, for taking disciplinary or enforcement actions against its licensees, and for taking enforcement actions against unlicensed persons. Further, requires occupational licensing boards to adopt as a rule any interpretation, clarification, or other delineation of the scope of practice of an occupational licensing board.

Enacts GS 93B-18 to grant authority to an occupational licensing board to investigate unlicensed activity and to notify unlicensed persons and entities of the possible violation of the law and administrative rules, and any civil action or criminal penalty that may be imposed by a court. Provides language that must be included in a notice of possible violation to unlicensed persons and entities.

Enacts GS 93B-19 to establish that the venue for court enforcement is the superior court of the county where the defendant resides or in the county where the occupational licensing board has its principal place of business.

Enacts GS 93B-20 to provide for injunctive relief.

Enacts GS 93B-21 to provide that jurisdictional disputes among occupational licensing boards should be resolved through informal procedures, and if disputes cannot be resolved through informal procedures, the affected board may file a petition with the Office of Administrative Hearings (OAH), and the dispute will become a contested case conducted by OAH under Articles 3 and 4 of GS Chapter 150B.

Enacts GS 93B-22 to require each occupational licensing board to develop and implement a complaint process that provides (1) a description of the complaint process on the board's web site, including the types of violations that are under the board's jurisdictional authority; (2) an electronic complaint submission via the board's web site, including a prominently displayed link to the form; and (3) the ability to provide complainants with a written description of the final disposition of each complaint.

Directs the Joint Legislative Administrative Procedure Oversight Committee to continue to monitor and study issues related to the scope of practice jurisdiction of occupational licensing boards.

Intro. by Stevens, Jordan.

GS 93B

[View summary](#)

Business and Commerce, Occupational Licensing

H 144 (2017-2018) **CREDIT UNION/TRUST INSTITUTION CHANGES**. Filed Feb 21 2017, *AN ACT TO MAKE VARIOUS CHANGES TO THE GENERAL STATUTES TO INCLUDE CREDIT UNIONS BY REFERENCING FEDERALLY INSURED DEPOSITORY INSTITUTIONS AND TO INCLUDE TRUST INSTITUTIONS, TO DECREASE THE FREQUENCY OF EXAMINATIONS BY THE ADMINISTRATOR OF CREDIT UNIONS, AND TO CORRECT A CITATION.*

Section 1

Amends GS 1A-A (Rule 22 Interpleader) to provide that the deposits made under these provisions must be made to a federally insured depository institution or a trust institution authorized to do business in this State (previously, to a bank, savings and loan, or trust company licensed to do business in this State). Makes conforming changes.

Amends GS 20-63.01 (Bonds Required for Commission Contractors) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank that is doing business in North Carolina and whose accounts are insured by a federal depository corporation).

Amends GS 42A-17 (Accounting and reimbursement relating to vacation rentals) to provide that the vacation rental agreement must identify the name and address of the federally insured depository institution (previously, bank or savings and loan association) in which the tenant's security deposit and other advance payments are held in a trust account.

Amends GS 85B-7.1 (Handling client funds by auctioneers) to provide that the licensee must deposit funds that are not disbursed at auction day with a federally insured depository institution (was, an insured bank or savings and loan association) located in North Carolina. Makes conforming changes to GS 85B-8, concerning the assessment of a civil penalty for failure to deposit funds or property of a client in a trust or escrow account in a federally insured depository institution as specified.

Amends GS 86A-22 (Licensing and regulating barber schools and colleges) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank that is doing business in North Carolina and whose accounts are insured by a federal depository corporation).

Amends GS 88B-17 (Bond required for private cosmetic art schools) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank doing business in this State and whose accounts are insured by a federal depository corporation).

Amends GS 90-171.55 (Nurses Aides Registry) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank that is doing business in North Carolina and whose accounts are insured by a federal depository corporation).

Amends GS 90-210.86 (Deposit or investment of funds of mutual burial associations) to provide that deposits made under this provision are to be made in any federally insured depository institution or any trust institution authorized to do business in this State (previously, in any bank or trust company in this State).

Amends GS 93A-3 (North Carolina Real Estate Commission) to provide the Commission can deposit moneys in accounts, certificates of deposit, or time deposits as the Commission may approve in any federally insured depository institution or any trust institution authorized to do business in this State (previously, in any bank, savings and loan association, or trust company).

Amends GS 93A-42 (Time shares deemed real estate) to provide that the independent escrow agent must deposit and maintain the purchaser of a time share's payments in an insured trust or escrow account in a federally insured depository institution lawfully doing business in this State (previously, in a bank or savings and loan association located in this State). Makes conforming changes to GS 93A-45 to provide that any payments received by a time share developer or salesperson in connection with the sale of a time share must be deposited in a trust or escrow account in a federally insured depository institution lawfully doing business in this State and must remain in that account for 10 days or cancellation by the purchaser, whichever occurs first.

Section 2

Makes a technical correction to GS 36C-8-816, concerning the powers of a trustee of a trust, to provide that a trustee may distribute the assets of an inoperative trust consistent with the authority granted under GS 28A-22-10 (was, GS 28A-22-110).

Section 3

Amends GS 20-63.01, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution.

Amends GS 42-50 (Deposits from a tenant) to provide that security deposits from the tenant in residential dwelling units must be deposited in a trust account with a licensed and federally insured depository institution or trust institution authorized to do business in this State (previously, did not include a trust institution). Makes language gender neutral.

Amends GS 42A-15 (Trust account uses by a landlord or real estate broker) to provide that a landlord or real estate broker is required to deposit advance payments from a tenant in a trust account in a federally insured depository institution or a trust institution authorized to do business in this State (previously, did not include a trust institution).

Amends GS 42A-17, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution.

Amends GS 47C-4-110 (Escrow of deposits) to provide that any deposit made in connection with the purchase or reservation of a condominium unit from a person required to deliver a public offering statement must be deposited in a federally insured depository institution or a trust institution authorized to do business in this State (previously, did not include trust institution).

Amends GS 85B-7.1, as amended by this act, to provide that the licensee may deposit funds not disbursed at auction day with a trust institution authorized to do business in this State. Makes conforming changes to GS 85B-8, as amended by this act.

Amends GS 86A-22, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution authorized to do business in this State.

Amends GS 88B-17, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution authorized to do business in this State.

Amends GS 90-171.55, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution authorized to do business in this State.

Amends GS 93A-42, as amended by this act, to provide that the independent escrow agent can deposit and maintain the purchaser of a time share's payments in an insured trust or escrow account in a trust institution authorized to do business in this State. Makes conforming changes to GS 93A-45, as amended by this act.

Section 4

Amends GS 54-109.11, concerning the duties of the Administrator of Credit Unions, to require the Administrator to examine the credit unions formed under Article 14A of GS Chapter 54 at least one every 18 months (was, once a year) or more often if the Administrator deems necessary upon examination. Makes technical changes and makes language gender neutral.

Amends GS 54-109.16 to direct the Administrator of Credit Unions to cause every credit union (was, corporation) formed under Article 14A of GS Chapter 54 to be examined once every 18 months (was, once a year) and whenever the Administrator deems it necessary. Makes conforming and technical changes and makes language gender neutral.

Intro. by Szoka, J. Bell, Howard, Henson.

[GS 1A](#), [GS 20](#), [GS 36C](#), [GS 42](#), [GS 42A](#), [GS 47C](#), [GS 54](#), [GS 85B](#), [GS 86A](#), [GS 88B](#), [GS 90](#), [GS 93A](#)

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[Banking and Finance](#), [Business and Commerce](#), [Courts/Judiciary](#), [Civil](#), [Civil Law](#), [Civil Procedure](#), [Motor Vehicle](#), [Development](#), [Land Use and Housing](#), [Property and Housing](#), [Health and Human Services](#), [Health](#), [Health Care Facilities and Providers](#)

H 145 (2017-2018) [REPEAL CONST. REG. OF CONCEALED WEAPONS](#). Filed Feb 21 2017, *AN ACT TO REPEAL THE CONSTITUTIONAL PROVISION ALLOWING THE REGULATION OF CARRYING A CONCEALED WEAPON*.

Subject to approval by voters at the statewide election in November of 2018, amends Section 30 of Article I of the North Carolina Constitution by deleting the statement that nothing in Section 30 justifies the practice of carrying concealed weapons or prevents the General Assembly from enacting penal statutes against carrying concealed weapons. If approved, effective upon certification.

Intro. by Speciale.

[CONST](#)

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

H 146 (2017-2018) [CITIZEN'S ALLEGIANCE TO U.S. CONSTITUTION](#). Filed Feb 21 2017, *AN ACT TO MODIFY THE NORTH CAROLINA CONSTITUTION TO CLARIFY A CITIZEN'S ALLEGIANCE IS TO THE UNITED STATES CONSTITUTION*.

Subject to approval by voters at the statewide election in November of 2018, amends Section 5 of Article I of the North Carolina Constitution so that it now states that every citizen of the State owes paramount allegiance to the Constitution (was, and government) of the United States. If approved, effective upon certification.

Intro. by Speciale.

CONST

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Constitution

H 147 (2017-2018) [AMEND NC CONSTITUTION - REMOVE SECESSION](#). Filed Feb 21 2017, *AN ACT TO REPEAL SECTION 4 OF ARTICLE I OF THE NORTH CAROLINA CONSTITUTION*.

Subject to approval by voters at the statewide election in November of 2018, repeals Section 4 of Article I of the North Carolina Constitution, which prohibits secession. If approved, effective upon certification.

Intro. by Speciale.

CONST

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Constitution

H 148 (2017-2018) [AMEND NC CONSTITUTION - LITERACY REQUIREMENT](#). Filed Feb 21 2017, *AN ACT TO REPEAL SECTION 4 OF ARTICLE VI OF THE NORTH CAROLINA CONSTITUTION*.

Subject to approval by voters at the statewide election in November 2018, repeals Section 4 of Article VI of the North Carolina Constitution, which required every person registering to vote to be able to read and write any section of the Constitution in the English language. If approved, effective upon certification.

Intro. by Speciale.

CONST

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Constitution, Government, Elections

H 149 (2017-2018) [STUDENTS W/DYSLEXIA AND DYSCALCULIA](#). Filed Feb 21 2017, *AN ACT TO REQUIRE THE STATE BOARD OF EDUCATION AND LOCAL BOARDS OF EDUCATION TO IMPLEMENT A SCREENING PROGRAM TO IDENTIFY STUDENTS WITH DYSLXIA AND DYSCALCULIA*.

Adds new GS Article 9D, Students with Dyslexia and Dyscalculia, to GS Chapter 115C.

Requires the State Board of Education (State Board) and local boards of education (local boards) to implement a screening process, assessment, and intervention strategies for students with learning disabilities.

Requires the State Board to provide local boards with materials and screening instruments to identify students exhibiting potential indicators of dyslexia and dyscalculia. Requires each local board to (1) annually give parents informational materials related to dyslexia and dyscalculia and (2) ensure implementation of age-appropriate screening instruments for the early identification of students with dyslexia and dyscalculia. Requires screening of every kindergarten for dyslexia and dyscalculia and requires screening of any student enrolled in first through sixth grade who has not already been screened. Requires administering an assessment to students exhibiting potential indicators of dyslexia, dyscalculia, or other specific learning disabilities. Requires that a student identified as having dyslexia, dyscalculia, or other specific learning disabilities be given appropriate intervention strategies through the student's individualized education program.

Makes conforming changes to GS 115C-12.

Applies beginning with the 2017-18 school year.

Intro. by Conrad, Jackson, Elmore, Gill.

GS 115C

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Education, Elementary and Secondary Education

H 150 (2017-2018) [STANDARDS FOR CHIROPRACTIC PEER REVIEW](#). Filed Feb 21 2017, *AN ACT REQUIRING CHIROPRACTIC PEER REVIEW OF MOTOR VEHICLE LIABILITY AND MEDICAL PAYMENT CLAIMS TO BE PERFORMED BY INDIVIDUALS LICENSED TO PRACTICE CHIROPRACTIC IN THIS STATE*.

Enacts new GS 90-153.1 to require that when a payor seeks peer review of chiropractic treatment in order to determine whether the services were clinically necessary and supported by adequate documentation, the person conducting the review must hold a current North Carolina license to practice chiropractic and satisfy certain other criteria. Defines *chiropractic peer review* and establishes that the term does not include automated screening programs or reviews performed by individuals hired for the purpose of providing expert testimony in or preparing litigation of personal injury claims.

Clarifies that these provisions apply only to motor vehicle liability claims for personal injury and to motor vehicle medical payments claims. States that these provisions do not apply to workers' compensation claims, general accident and health insurance claims, or claims submitted by, or on behalf of, enrollees to health benefit plans. Requires that the standard of care applied by the reviewer be state-specific. A chiropractor licensed by the state may be subject to disciplinary action for failing to comply. An unlicensed person who performs such a review may be subject to criminal and civil enforcement actions.

Effective October 1, 2017, and applies to reviews conducted on or after that date.

Intro. by Conrad, Lambeth, Setzer.

GS 90

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

H 152 (2017-2018) [HATE CRIME/INCREASE SCOPE & PENALTY](#). Filed Feb 21 2017, *AN ACT TO CREATE THE CRIMINAL OFFENSE OF FELONIOUS ASSAULT AS A HATE CRIME, TO EXPAND THE POPULATION PROTECTED BY CURRENT MISDEMEANOR HATE CRIMES, AND TO AMEND THE AGGRAVATING FACTOR REGARDING HATE CRIMES TO INCLUDE PERSONS TARGETED DUE TO GENDER, SEXUAL ORIENTATION, GENDER IDENTITY, OR DISABILITY*.

Enacts GS 14-34.11 to establish that it is a Class F felony for anyone who, because of the actual or perceived race, color, religion, nationality, country of origin, gender, sexual orientation, gender identity, or disability of another person, assaults that person and inflicts serious bodily injury to the person or attempts to assault that person and inflicts serious bodily injury to the person. Defines *gender identity* as actual or perceived gender-related characteristics. Defines *serious bodily injury*. Provides that an offense committed under this statute is a Class E felony if either (1) death results from the offense, or (2) the offense includes a violation or attempted violation of the specified statutes for the offenses of kidnapping, first degree forcible rape, second degree forcible rape, first degree forcible sexual offense, or second degree forcible sexual offense. Establishes that evidence of expressions or associations of the accused cannot be introduced as substantive evidence at trial unless the evidence specifically relates to the crime charged under this statute. Clarifies that nothing in this statute affects the rules of evidence governing the impeachment of a witness.

Amends GS 14-3 to provide that if any Class 2 or Class 3 misdemeanor is committed because of the victim's actual or perceived (previously, did not clarify can be either actual or perceived) race, color, religion, nationality, country of origin, gender, sexual orientation, gender identity, or disability (previously, did not include gender, sexual orientation, gender identity or disability classifications), the offender is guilty of a Class 1 misdemeanor. Makes the same clarifications and expansions to provisions enhancing a Class A1 or Class 1 misdemeanor offense committed because of those same specified classifications to a Class H felony.

Amends GS 14-401.14 to provide that it is a Class 1 misdemeanor if a person assaults another person or damages or defaces the property of another person, or threaten to do any such act because of actual or perceived (previously, did not clarify can be either actual or perceived) race, color, religion, nationality, country of origin, gender, sexual orientation, gender identity, or disability (previously, did not include gender, sexual orientation, gender identity, or disability classifications).

Amends GS 15A-1340.16(d)(17) to provide that it is an aggravating factor if the offense for which the defendant stands convicted was committed against a victim because of the victim's actual or perceived (previously, did not clarify can be either

actual or perceived) race, color, religion, nationality, country of origin, gender, sexual orientation, gender identity, or disability (previously, did not include gender, sexual orientation, gender identity, or disability classifications).

Effective December 1, 2017, and applies to offenses committed on or after that date.

Intro. by R. Moore, Gill, Harrison, Meyer.

GS 14, GS 15A

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Courts/Judiciary, Evidence, Criminal Justice, Criminal Law and Procedure

H 155 (2017-2018) **MODIFY EDUCATOR LICENSURE REQUIREMENTS**. Filed Feb 21 2017, *AN ACT TO EXPAND ACTIVITIES QUALIFYING FOR CONTINUING LICENSURE OF RETIRED TEACHERS, EXEMPT MEMBERS OF THE GENERAL ASSEMBLY FOR CONTINUING EDUCATION REQUIREMENTS FOR TEACHERS, AND ALLOW SCHOOL BOARDS TO HIRE RETIRED EDUCATORS TO SERVE AS INTERIM PRINCIPALS*.

Amends GS 115C-296(b)(1) to require the State Board of Education's licensure program to provide for continuing licensure of a teacher as defined in GS 115C-325(6) who has 30 or more years of teaching experience in North Carolina upon the date of the teacher's retirement and who has been employed by a local school administrative unit after retirement. Qualifies that employment by a local school administrative unit after retirement must be either employment as (1) a substitute teacher (was, a substitute teacher at least once every three years since retirement) or (2) a part-time position providing any of the seven specified services, including writing curricula or working in after-school programs (previously, did not include employment in a part-time position at a local school administrative unit). Makes conforming changes. Applies to applications for continuing licensure on or after the date this act becomes law.

Amends GS 115C-296(b)(1) to exempt a member of the General Assembly from the continuing education credit requirements for teachers during any five-year licensure renewal cycle in which the member serves a term or some portion thereof in the General Assembly. Requires the member to notify the Department of Public Instruction of the exemption during that five-year licensure renewal cycle.

Amends GS 115C-284 to allow a local board of education to select a retired principal, retired assistant principal, or retired teacher to serve as an interim principal for the remainder of any school year regardless of the school administrator certification status of the retired principal, retired assistant principal, or retired teacher. Applies beginning with the 2017-18 school year.

Intro. by K. Hall, Conrad, L. Bell, Floyd.

GS 115C

[View summary](#)

Business and Commerce, Occupational Licensing, Education, Elementary and Secondary Education

H 156 (2017-2018) **EYEGLASSES EXEMPTION FROM MEDICAID CAPITATION**. Filed Feb 21 2017, *AN ACT TO EXEMPT THE FABRICATION OF EYEGLASSES FROM CAPITATED PREPAID HEALTH PLAN CONTRACTS UNDER MEDICAID TRANSFORMATION*.

As title indicates.

Intro. by McNeill, Lambeth, Dobson, Brisson.

UNCODIFIED

[View summary](#)

Health and Human Services, Health, Health Insurance, Social Services, Public Assistance

H 157 (2017-2018) [CERTIFYING QUESTION MECHANISM](#). Filed Feb 21 2017, *AN ACT TO PROVIDE A CERTIFYING QUESTION MECHANISM TO ALLOW FEDERAL COURTS TO HAVE THE NORTH CAROLINA SUPREME COURT DETERMINE FEDERAL CASES INVOLVING THE INTERPRETATION OF STATE LAW.*

Enacts new GS 7A-27A to allow a federal court, on the motion of a party to a pending cause or its own motion, to certify a question of law to the North Carolina Supreme Court if the: (1) pending cause involves a question to be decided under North Carolina State law, (2) answer to the question may be determinative of an issue in the pending cause, and (3) question is one for which no answer is provided by either a controlling statute or appellate decision of the State courts. Allows the North Carolina Supreme Court to answer a question of law certified to it by a federal court if the answer may be determinative of an issue in a pending cause in the certifying court and if there are no controlling statutes or appellate decisions of this State. Sets out the items that must be contained in a certification order. Requires the federal court certifying a question to issue the certification order and forward it to the North Carolina Supreme Court. Allows the North Carolina Supreme Court to require the federal court certifying the question to deliver its record, or any portion of the record. Requires the North Carolina Supreme Court to notify the federal court certifying the question of its acceptance or rejection of the question within 30 days, and if accepted, requires the question to be resolved within 60 additional days.

Intro. by Faircloth, Stevens, Jordan, Davis.

[GS 7A](#)

[View summary](#)

[Courts/Judiciary, Court System](#)

H 158 (2017-2018) [SPECIAL ASSESSMENTS/CRITICAL INFRASTRUCTURE](#). Filed Feb 21 2017, *AN ACT AUTHORIZING CITIES AND COUNTIES TO PROVIDE FOR THE PAYMENT OF ALL OR A PORTION OF THE COST OF CRITICAL INFRASTRUCTURE PROJECTS BY USING FUNDS FROM PRIVATE PARTIES AND REPAYING THE FUNDS BY MAKING SPECIAL ASSESSMENTS ON BENEFITED PROPERTY.*

Amends Article 9A of GS Chapter 153A, concerning special assessments for critical infrastructure needs of counties. Authorizes counties to impose special assessments (was, issue revenue bonds payable from special assessments) as provided in the Article on benefited property and to use the resulting revenues as provided in the Article. Provides that the Article expires July 1, 2020 for projects that have not been approved under a final assessment resolution, but this expiration does not effect the validity of assessments imposed or to be imposed or bonds issued or authorized under the provisions of this Article if a final assessment resolution has been adopted prior to the effective date of the expiration.

Amends GS 153A-210.2 to allow the board of county commissioners of a county to make special assessments against benefited property within a county for the purpose of assisting in arranging for payment of (was, purpose of financing) capital costs of specified projects. Requires the board of commissioners to determine a project's estimated cost and the amount of costs to be paid from assessments (was only estimated cost). Adds that costs can include expenses for the administration of assessments. Clarifies that the board is to establish an assessment method that will, in the board's judgement, accurately assess (was, method that will most accurately assess) each lot or parcel of land subject to the assessments according to the conferred benefit from the project for which the assessment is made. Makes conforming changes.

Amends GS 153A-210.3 by adding a new subsection (a1) to require the board of commissioners to adopt a preliminary assessment resolution upon the receipt of a petition for a special assessment as provided for under existing subsection (a). Sets out the required contents of a preliminary assessment resolution to be: a statement of intent, a general description of the project, a statement of the proposed terms of payment of the assessment, and an order setting a time and place for a public hearing on all matters covered by the preliminary assessment resolution. Requires the public hearing to be no earlier than three weeks and no later than 10 weeks from the day on which the preliminary resolution was adopted. Adds new subsection (a2) to require that the board of commissioners hear all interested persons who appear with respect to any matter covered by the preliminary assessment resolution at the public hearing. Authorizes the board to adopt a final assessment resolution no earlier than 10 days after the public hearing that directs the project or portions of the project to be undertaken. Requires the final assessment resolution to include the same parameters required in the preliminary assessment resolution in subsection (a1), except for the public hearing information.

Amends GS 153A-210.4 to authorize a board of commissioner to provide for the payment of all or a portion of the cost of a project for which an assessment has been imposed from funding from private parties in addition to funding from other specified

sources. Clarifies that the assessment resolution must include the estimated cost of the project to be funded from assessments and the amount of the cost estimated to be derived from each respective funding source. Adds new subsection (c) to allow the board to agree to impose one or more assessments in order to reimburse a private party for costs incurred by the private party if a board contract with the private party to construct a project on behalf of the county as provided in GS 153A-210.7. Allows for an inflationary factor applicable during any period of abeyance provided under GS 153A-210.5. Clarifies that a board of commissioners cannot be obligated to reimburse a private party any amount in excess of assessment revenues actually collected less the county's related administrative costs.

Amends GS 153A-210.5 to clarify that the annual installments of an assessment are due on the date that real property taxes are due. Further allows the board of commissioners to provide for the abeyance of assessments as authorized in Article 9 of GS Chapter 153A. Sets forth that the abeyance can apply to any assessed property. Requires annual installments to be deferred until the period of abeyance ends. Provides that the assessment is to be payable on the first annual installment payment date after the period of abeyance ends.

Amends GS 153A-210.7 to provide that initial funding for the project may be provided by the public or private agencies. Provides that if no more than 25% of the estimated cost of a project is to be funded from the proceeds of general obligation bonds or general revenue bonds, excluding assessments imposed under Article 9A of GS Chapter 153A (previously, did not exclude special assessments), a private agency entering into a contract for the implementation of all or part of the county project is subject to Article 8 of GS Chapter 143 to the extent specified in that contract.

Makes conforming and technical changes throughout Article 9A of GS Chapter 153A.

Amends Article 10A of GS Chapter 160A, concerning special assessments for critical infrastructure needs of cities and towns. Makes changes to GS 160A-239.1, GS 160A-239.2, GS 160A-239.3, GS 160A-239.4, GS 160A-239.5, and GS 160A-239.7 relating to special assessments by a city council, that are identical to those changes made to Article 9A of GS Chapter 153A by this act.

Effective June 30, 2017, and applies to assessments made on or after that date.

Intro. by Saine, Williams, Strickland, Reives.

[GS 153A, GS 160A](#)

[View summary](#)

[Government, Local Government](#)

H 159 (2017-2018) [CHARTER SCHOOL TSERS ELECTION](#). Filed Feb 21 2017, *AN ACT TO EXTEND THE AMOUNT OF TIME A CHARTER SCHOOL HAS TO ELECT TO BECOME A PARTICIPATING EMPLOYER IN THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM.*

Amends GS 135-5.3(b3) to allow a charter school seeking to become a participating employer in the Retirement System for Teachers and State Employees prior to the end of the second year of operation (was, initial year of operation) to be granted provisional entry into the Retirement System for one year. Amends subsection (b4) to provide that a charter school seeking to become a participating employer in the Retirement System after the end of the initial year of operation but before the end of the second year of operation can undergo an actuarial and financial review as required by the Board of Trustees of the Retirement System prior to entry into the Retirement System (previously, was not permissive). Adds new provision to mandate that a charter school seeking to become a participating employer in the Retirement System after the end of the second year of operation undergo an actuarial and financial review as required by the Board of Trustees prior to entry into the Retirement System.

Effective August 1, 2017.

Intro. by R. Turner, Williams.

[GS 135](#)

[View summary](#)

[Education, Elementary and Secondary Education](#)

H 160 (2017-2018) [FORFEITURE OF RETIREMENT BENEFITS/JUDGES](#). Filed Feb 21 2017, *AN ACT PROHIBITING THE RECEIPT OF BENEFITS FROM THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM FOR JUDGES WHO HAVE BEEN IMPEACHED OR REMOVED FROM OFFICE*.

Identical to [S 117](#), filed 2/21/17.

Enacts new GS 135-75.1B to prohibit the payment of any retirement benefits or allowances, except for a return of member contributions plus interest, to any judge who is impeached for reasons other than a physical or mental incapacity interfering with the performance of the judge's duties. Also prohibits paying retirement benefits or allowances, except for a return of member contributions plus interest, to any judge removed from office under GS 7A-376(b), which allows the Supreme Court to remove any judge for willful misconduct in office, willful and persistent failure to perform the judge's duties, habitual intemperance, conviction of a crime involving moral turpitude, or conduct prejudicial to the administration of justice that brings the judicial office into disrepute.

Intro. by Burr, Lewis, Bumgardner, Bert Jones.

[GS 135](#)

[View summary](#)

[Courts/Judiciary, Court System, Employment and Retirement](#)

H 161 (2017-2018) [DIVESTMENT FROM COMPANIES THAT BOYCOTT ISRAEL](#). Filed Feb 21 2017, *AN ACT REQUIRING STATE DIVESTMENT FROM, AND PROHIBITING STATE AGENCIES FROM CONTRACTING WITH, COMPANIES THAT BOYCOTT ISRAEL*.

Enacts new Article 6G, Divestment from Companies Boycotting Israel, in GS Chapter 147, providing as follows. Requires the State Treasurer, no more than 30 days after October 1, 2017, to adopt a policy prohibiting the North Carolina Retirement Systems or the Department of State Treasurer from directly investing in any company engaged in a boycott of Israel. Defines *boycott Israel or boycott of Israel* as engaging in refusals to deal, terminating business activities, or taking actions that are intended to penalize, inflict economic harm, or otherwise limit commercial relations specifically with Israel, or persons or entities doing business in Israel or in Israeli-controlled territories; the term excludes decisions made for ordinary business purposes. Sets out the following minimum requirements for the policy: (1) requires the State Treasurer, within 120 days of adoption of the policy, to develop and make publicly available a list of companies determined to be engaged in a boycott of Israel; (2) requires the State Treasurer to identify any restricted companies in which the North Carolina Retirement Systems own direct holdings and indirect holdings; (3) requires the State Treasurer to annually review the list of restricted companies; (4) prohibits the North Carolina Retirement Systems and the State Treasurer from making direct investments in a restricted company; (5) requires the North Carolina Retirement Systems and the State Treasurer to sell, redeem, divest, or withdraw all direct holdings of restricted companies and instruct all investment advisors to sell, redeem, divest, or withdraw all direct holdings of restricted companies within 90 days after a company is placed on the State Treasurer's list of restricted companies; and (6) provides that the prohibitions under subdivision (3) do not apply to the North Carolina Retirement Systems' or the State Treasurer's indirect holdings or private market funds. Exempts the North Carolina Retirement Systems and the State Treasurer from any conflicting statutory or common law obligations.

Makes a restricted company ineligible to contract with the State or any political subdivision of the State. Voids any contract entered into with a restricted company and specifies that existing contracts with restricted companies are allowed to expire in accordance with the terms of the contract. These restrictions do not apply to contracts valued at \$1,000 or less. These restrictions also do not apply when a company fails to meet the certification requirements discussed below but offers to provide the good or service to be contracted for at a cost at least 20% less than the lowest certifying business.

Requires a State agency to certify that a company that attempts to contract with the State or a political subdivision of the State is not a restricted company at the time the bid is submitted or the contract is entered into, renewed, or assigned. Requires a State agency to include certification information in the procurement record. Provides that if a State agency and the same company enter into multiple contracts or multiple contract renewals or assumptions within 180 days after a certification is made, a new certification is not needed. Prohibits a company that contracts with the State or a political subdivision of the State from using, on the contract, any subcontractor that is a restricted company. Specifies actions to be taken if a company fails to demonstrate that it should not have been identified as a restricted company within 90 days after the determination of a violation.

Requires the State Treasurer to annually report to the Joint Legislative Commission on Governmental Operations by March 1 on information regarding investments sold, redeemed, divested, or withdrawn in compliance with the Article.

Effective October 1, 2017.

Effective when the act becomes law, authorizes the State Treasurer to retain the services of consultants, professional individuals, analysts, data collection firms, or other persons possessing specialized skills or knowledge necessary for the proper implementation and administration of the requirements of this act.

Intro. by Ross, Szoka, Hardister, B. Richardson.

GS 147

[View summary](#)

**Employment and Retirement, Government, State Agencies,
Department of State Treasurer, State Government, State
Property**

H 162 (2017-2018) **AMEND ADMINISTRATIVE PROCEDURE LAWS**. Filed Feb 21 2017, *AN ACT TO AUTHORIZE AGENCIES TO MAKE RULE TECHNICAL CORRECTIONS WITHOUT REVIEW BY THE RULES REVIEW COMMISSION AND TO AUTHORIZE THE CODIFIER OF RULES TO MAKE RULE TECHNICAL CORRECTIONS, TO CLARIFY THAT A PARTY MAY COMMENCE A CONTESTED CASE IN A DISPUTE WITH AN AGENCY WITHOUT PETITIONING THE AGENCY FOR RULE MAKING OR OBTAINING A DECLARATORY RULING, AND TO REVISE THE PROCESS FOR THE REVIEW AND READOPTION OF EXISTING RULES, AS RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE.*

Identical to [S 16](#), filed on 1/26/17.

Section 1.1 and 1.2

Changes the title of GS 150B-21.5 of the Administrative Procedure Act (APA) to Circumstances when notice and rule-making hearing not required; circumstances when submission to the Commission not required.

Amends subsection (a) to provide that an agency is not required to publish a notice of text in the North Carolina Register, hold a public hearing, or submit the amended rule to the Rules Review Commission (Commission) for review (previously, did not except submission of the amended rule to the Commission for review) when the agency proposes to amend a rule to do one of the specified purposes in subsection (a). Provides changes to a few of the specified purposes for which notice, a public hearing, and submission to the Commission for review are not required, which include (1) when the rule is amended to change information that is readily available to the public, such as an address, telephone number, or a web site (previously, did not include a web site) and (2) when the rule is amended to correct a typographical error (previously, correct a typographical error in the North Carolina Administrative Code). Further, moves the sixth purpose excepted in subsection (a) to new subsection (a1) to provide that an agency is not required to publish a notice of text in the Register or hold a public hearing when it proposes to change the rule in response to a request or an objection by the Commission, unless the Commission determines that the changes is substantial (note, not excepted from rule submission to the Commission in this circumstance).

Creates new subsection (e) to require any agency that adopts or amends a rule under subsection (a) or (c) of GS 150B-21.5 to notify the Codifier of Rules of its actions. Directs the Codifier of Rules to make the appropriate changes to the North Carolina Administrative Code when notified of such agency action.

Changes the title of GS 150B-21.20 of the APA to Codifier's authority to revise rules.

Amends the Codifier of Rules' authority to allow the Codifier, after consulting with the agency that adopted the rule, to revise a rule (previously, revise the form of a rule submitted for inclusion in the North Carolina Administrative Code) to do one or more of the specified objectives. Adds four objectives for which the Codifier may revise a rule: (1) to substitute one name for another when an organization or position is renamed; (2) to correct a citation in the rule to another rule or law when the citation has become inaccurate since the rule was adopted because of the repeal or renumbering of the cited rule or law; (3) to change information that is readily available to the public, such as an address, a telephone number, or a web site; or (4) to correct a typographical error.

Section 2.1 and 2.2

Divides existing GS 150B-22 (Settlement; contested case) into two subsections. Additionally, clarifies that a party or person aggrieved cannot be required to petition an agency for rule making or to seek or obtain a declaratory ruling before commencing a contested case under GS 150B-23 (provisions for commencement of a contested case). Makes conforming change to GS 150B-43 (Right to judicial review).

Section 3

Makes the following changes to the Administrative Procedure Act concerning the periodic review and expiration of existing rules. Eliminates the distinction between rules that are necessary with substantive public interest or necessary without substantive public interest under the provisions of GS 150B-21.3A. Eliminates those defined terms in subsection (a), and instead defines *necessary rule* to mean any rule other than an unnecessary rule. Makes conforming changes throughout GS 150B-21.3A to remove any language distinguishing necessary rules with or without substantive public interest.

Amends subsection (c) of GS 150B-21.3A, which sets out the review process an agency must conduct of its existing rules at least once every 10 years. Step 1 now requires the agency to evaluate all of its existing rules and submit a report to the Rules Review Commission that includes the agency's initial determination of whether an existing rule is necessary or unnecessary, all public comments the agency received during the comment period to the agency's initial determination, and the agency's response to the public comment. Step 2 of the rule review process requires the Rule Review Commission (Commission) to review the agency reports that are required in Step 1. In its review, the Commission must determine whether a public comment to a rule that the agency determined to be unnecessary in Step 1 has merit, and if the Commission determines that the public comment has merit, then the Commission must designate the rule as necessary. Currently, a public comment only has merit if it addresses the specific substance of a rule and relates to any of the standards for review of a rule by the Commission under GS 150B-21.9(a) (the four standards for review are whether the rule is within the agency's authority, whether the rule is clear and unambiguous, whether the rule is reasonably necessary, and whether the rule was adopted in accordance with Part 2 of Article 2A of GS Chapter 150B, Adoption of Rules). This act removes the requirement that the public comment has to relate to any of the standards for review by the Commission under GS 150B-21.9(a) to have merit for purposes of Step 2 of the rule review process under GS 150B-21.3A(c)(2). Makes conforming changes.

Section 3 applies to agency rule reports submitted to the Officer of Administrative Hearings pursuant to GS 150B-21.3A(c)(1) (Step 1 of the rule review process) on or after May 1, 2017.

Intro. by Jordan, Stevens, Hardister, Floyd.

GS 150B

[View summary](#)

Government, APA/Rule Making, State Agencies

H 163 (2017-2018) **ENACT RIGHT TO LIFE AT CONCEPTION ACT**. Filed Feb 21 2017, *AN ACT ESTABLISHING A RIGHT TO LIFE AT CONCEPTION*.

Enacts new Article 1K in GS Chapter 90 entitled the Right to Life at Conception Act. Declares, pursuant to the authority of the General Assembly under the North Carolina Constitution, that the right to life is vested in each human being. Defines *human person or being* to include each member of the human species at all stages of life, including the moment of fertilization or cloning, or any other moment at which an individual member of the human species comes into being. Clarifies that nothing in this statute: (1) requires the prosecution of any woman for the death of an unborn child; (2) prohibits in vitro fertilization; or (3) prohibits the use of birth control or other means of preventing human fertilization. Effective October 1, 2017.

Intro. by Boswell.

GS 90

[View summary](#)

Health and Human Services, Health

S 16 (2017-2018) [AMEND ADMINISTRATIVE PROCEDURE LAWS](#). Filed Jan 26 2017, *AN ACT TO AUTHORIZE AGENCIES TO MAKE RULE TECHNICAL CORRECTIONS WITHOUT REVIEW BY THE RULES REVIEW COMMISSION AND TO AUTHORIZE THE CODIFIER OF RULES TO MAKE RULE TECHNICAL CORRECTIONS, TO CLARIFY THAT A PARTY MAY COMMENCE A CONTESTED CASE IN A DISPUTE WITH AN AGENCY WITHOUT PETITIONING THE AGENCY FOR RULE MAKING OR OBTAINING A DECLARATORY RULING, AND TO REVISE THE PROCESS FOR THE REVIEW AND READOPTION OF EXISTING RULES, AS RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE.*

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

Amends GS 150B-21.3A, concerning the periodic review and expiration of existing rules, to make conforming changes to the definition of *public comment* to include written comments objecting to an agency's determination of the rule as necessary or unnecessary.

Makes organizational and technical changes to GS 150B-21.3A to combine subsections (e) and (e1), concerning exclusions from the statute's provisions.

Makes technical change to Section 4 of the act to refer to the Office (was, Officer) of Administrative Hearings.

Intro. by Wells, Barringer, Daniel.

[GS 150B](#)

[View summary](#)

[Government, APA/Rule Making, State Agencies](#)

S 113 (2017-2018) [CREDIT UNION/TRUST INSTITUTION CHANGES](#). Filed Feb 21 2017, *AN ACT TO MAKE VARIOUS CHANGES TO THE GENERAL STATUTES TO INCLUDE CREDIT UNIONS BY REFERENCING FEDERALLY INSURED DEPOSITORY INSTITUTIONS AND TO INCLUDE TRUST INSTITUTIONS, TO DECREASE THE FREQUENCY OF EXAMINATIONS BY THE ADMINISTRATOR OF CREDIT UNIONS, AND TO CORRECT A CITATION.*

Identical to [H 144](#), filed 2/21/17.

Section 1

Amends GS 1A-A (Rule 22 Interpleader) to provide that the deposits made under these provisions must be made to a federally insured depository institution or a trust institution authorized to do business in this State (previously, to a bank, savings and loan, or trust company licensed to do business in this State). Makes conforming changes.

Amends GS 20-63.01 (Bonds Required for Commission Contractors) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank that is doing business in North Carolina and whose accounts are insured by a federal depository corporation).

Amends GS 42A-17 (Accounting and reimbursement relating to vacation rentals) to provide that the vacation rental agreement must identify the name and address of the federally insured depository institution (previously, bank or savings and loan association) in which the tenant's security deposit and other advance payments are held in a trust account.

Amends GS 85B-7.1 (Handling client funds by auctioneers) to provide that the licensee must deposit funds that are not disbursed at auction day with a federally insured depository institution (was, an insured bank or savings and loan association) located in North Carolina. Makes conforming changes to GS 85B-8, concerning the assessment of a civil penalty for failure to deposit funds or property of a client in a trust or escrow account in a federally insured depository institution as specified.

Amends GS 86A-22 (Licensing and regulating barber schools and colleges) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank that is doing business in North Carolina and whose accounts are insured by a federal depository corporation).

Amends GS 88B-17 (Bond required for private cosmetic art schools) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured

depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank doing business in this State and whose accounts are insured by a federal depository corporation).

Amends GS 90-171.55 (Nurses Aides Registry) to provide that an assignment of a savings account or certificate of deposit made under these provisions, in lieu of the required bond, must be executed by a federally insured depository institution lawfully doing business in this State (previously, by a state or federal savings and loan association, bank, or national bank that is doing business in North Carolina and whose accounts are insured by a federal depository corporation).

Amends GS 90-210.86 (Deposit or investment of funds of mutual burial associations) to provide that deposits made under this provision are to be made in any federally insured depository institution or any trust institution authorized to do business in this State (previously, in any bank or trust company in this State).

Amends GS 93A-3 (North Carolina Real Estate Commission) to provide the Commission can deposit moneys in accounts, certificates of deposit, or time deposits as the Commission may approve in any federally insured depository institution or any trust institution authorized to do business in this State (previously, in any bank, savings and loan association, or trust company).

Amends GS 93A-42 (Time shares deemed real estate) to provide that the independent escrow agent must deposit and maintain the purchaser of a time share's payments in an insured trust or escrow account in a federally insured depository institution lawfully doing business in this State (previously, in a bank or savings and loan association located in this State). Makes conforming changes to GS 93A-45 to provide that any payments received by a time share developer or salesperson in connection with the sale of a time share must be deposited in a trust or escrow account in a federally insured depository institution lawfully doing business in this State and must remain in that account for 10 days or cancellation by the purchaser, whichever occurs first.

Section 2

Makes a technical correction to GS 36C-8-816, concerning the powers of a trustee of a trust, to provide that a trustee may distribute the assets of an inoperative trust consistent with the authority granted under GS 28A-22-10 (was, GS 28A-22-110).

Section 3

Amends GS 20-63.01, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution.

Amends GS 42-50 (Deposits from a tenant) to provide that security deposits from the tenant in residential dwelling units must be deposited in a trust account with a licensed and federally insured depository institution or trust institution authorized to do business in this State (previously, did not include a trust institution). Makes language gender neutral.

Amends GS 42A-15 (Trust account uses by a landlord or real estate broker) to provide that a landlord or real estate broker is required to deposit advance payments from a tenant in a trust account in a federally insured depository institution or a trust institution authorized to do business in this State (previously, did not include a trust institution).

Amends GS 42A-17, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution.

Amends GS 47C-4-110 (Escrow of deposits) to provide that any deposit made in connection with the purchase or reservation of a condominium unit from a person required to deliver a public offering statement must be deposited in a federally insured depository institution or a trust institution authorized to do business in this State (previously, did not include trust institution).

Amends GS 85B-7.1, as amended by this act, to provide that the licensee may deposit funds not disbursed at auction day with a trust institution authorized to do business in this State. Makes conforming changes to GS 85B-8, as amended by this act.

Amends GS 86A-22, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution authorized to do business in this State.

Amends GS 88B-17, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution authorized to do business in this State.

Amends GS 90-171.55, as amended by this act, to provide that an assignment of a savings account or certificate of deposit made under these provisions may be executed by a trust institution authorized to do business in this State.

Amends GS 93A-42, as amended by this act, to provide that the independent escrow agent can deposit and maintain the purchaser of a time share's payments in an insured trust or escrow account in a trust institution authorized to do business in this State. Makes conforming changes to GS 93A-45, as amended by this act.

Section 4

Amends GS 54-109.11, concerning the duties of the Administrator of Credit Unions, to require the Administrator to examine the credit unions formed under Article 14A of GS Chapter 54 at least one every 18 months (was, once a year) or more often if the Administrator deems necessary upon examination. Makes technical changes and makes language gender neutral.

Amends GS 54-109.16 to direct the Administrator of Credit Unions to cause every credit union (was, corporation) formed under Article 14A of GS Chapter 54 to be examined once every 18 months (was, once a year) and whenever the Administrator deems it necessary. Makes conforming and technical changes and makes language gender neutral.

Intro. by Gunn, Horner, Dunn.

[GS 1A, GS 20, GS 36C, GS 42, GS 42A, GS 47A, GS 47C, GS 54, GS 85B, GS 86A, GS 88B, GS 90, GS 93A](#)

[View summary](#)

[Banking and Finance, Business and Commerce, Courts/Judiciary, Civil, Civil Law, Civil Procedure, Motor Vehicle, Development, Land Use and Housing, Health and Human Services, Health, Health Care Facilities and Providers](#)

S 114 (2017-2018) [ANNUAL REPORT MODERNIZATION](#). Filed Feb 21 2017, *AN ACT REVISING THE LAWS GOVERNING THE SUBMISSION OF ANNUAL REPORTS BY VARIOUS BUSINESS ENTITIES TO THE SECRETARY OF STATE.*

Sections 1-5

Amends GS 55-16-22 to provide that the annual reports required to be submitted by each corporation, both domestic and foreign, authorized to do business in this State are to be submitted to the Secretary of State (was, to the Secretary of Revenue, or in the alternative, directly to the Secretary of State). Removes the requirement that each insurance company subject to GS Chapter 58 deliver an annual report to the Secretary of State. Requires the annual report to be in an electronic form prescribed by the Secretary of State. Amends the information that must be included in the annual report to also include (1) the e-mail address of the corporation's registered agent and a valid e-mail address for the corporation if different from that of the registered agent and (2) the physical business addresses of the principal officers and that address and related information on any other person who has actual authority to bind the corporation. Removes the provision allowing for a certification to be made instead of setting forth the required information if the information contained in the most recently filed annual report has not changed. Provides that an annual report is due by the 15th day of the fourth month following the close of the domestic or foreign corporation's fiscal year.

Authorizes the Secretary of State to assess a penalty of \$250 if an annual report does not completely and accurately contain the information required under subdivisions (2) and (4) of subsection (a3), relating to the corporation's registered office and principal officers. Further provides that, in addition, any person who willfully fails to completely and accurately provide that information will be punished under GS 55D-18. Deems a report to be timely filed if the report is corrected to contain the required information and submitted with payment of any penalty assessed to the Secretary of State within 30 days after the effective date of notice.

Establishes that if the Secretary of State does not receive an annual report within 60 days (was, 120 days) of the date the report is due, the Secretary may presume the annual report is delinquent. Provides that the presumption may be rebutted by evidence satisfactory to the Secretary of State of submission presented by the filing corporation.

Allows the Secretary of State to provide by e-mail any notice or form required under this statute if the submitting domestic or foreign corporation to be notified has consented to receiving notices and forms via e-mail and has provided the Secretary of State an e-mail address for receiving the notices or forms. Provides that any e-mail address provided by a submitting corporation in accordance with this statute is confidential and not subject to public records laws.

Makes conforming and technical changes, and adds descriptors to the statute's subsections.

Amends GS 55-14-22 to require all penalties, fees, or other payments due by a corporation under GS Chapter 55 have been paid before the Secretary of State can cancel a certificate of dissolution of a corporation and prepare a certificate of reinstatement of the corporation.

Amends GS 55-1-22 to establish a nonrefundable fee of \$125 for the filing of an annual report by a domestic or foreign corporation with the Secretary of State (previously, a \$25 fee for paper filing and an \$18 fee for electronic filing of an annual report). Directs the State Treasurer to remit \$2 of each fee collected for filing of annual reports to the Secretary of State to be used pursuant to GS 66-58.12(c). Prohibits the Secretary of State from charging an additional amount for the use of electronic filing, electronic payment, or electronic filing and payment. Makes conforming changes.

Amends GS 57D-2-24 to provide that the annual reports required to be submitted by each LLC, both domestic and foreign, authorized to do business in this State are to be submitted to the Secretary of State in electronic form as prescribed by the Secretary and as otherwise provided in the statute (was, on a form as prescribed by and in a manner required by the Secretary). Removes the provision allowing for a certification to be made instead of setting forth the required information if the information contained in the most recently filed annual report has not changed. Amends the information that must be included in the annual report to also include (1) the e-mail address of the LLC's registered agent and a valid e-mail address for the LLC if different from that of the registered agent, and (2) the physical business addresses of the principal managers and that address and related information on any other person who has actual authority to bind the LLC.

Authorizes the Secretary of State to assess a penalty of \$250 if an annual report does not completely and accurately contain the information required under subdivisions (3) and (5) of subsection (a1), relating to the LLCs registered office and principal managers. Further provides that, in addition, any person who willfully fails to completely and accurately provide that information will be punished under GS 55D-18. Deems a report to be timely filed if the report is corrected to contain the required information and submitted with payment of any penalty assessed to the Secretary of State within 30 days after the effective date of notice.

Allows the Secretary of State to provide by e-mail any notice or form required under this statute if the submitting LLC to be notified has consented to receiving notices and forms via e-mail and has provided the Secretary of State an e-mail address for receiving the notices or forms. Provides that any e-mail address provided by a submitting LLC in accordance with this statute is confidential and not subject to public records laws.

Makes conforming and technical changes, and adds descriptors to the statute's subsections.

Amends GS 57D-1-22 to establish a fee of \$125 (was, \$200) for the filing of an annual report by an LLC with the Secretary of State. Prohibits the Secretary of State from charging an additional amount for the use of electronic filing, electronic payment, or electronic filing and payment. Directs the State Treasurer to remit \$2 of each fee collected for filing of annual reports to the Secretary of State to be used pursuant to GS 66-58.12(c).

Effective January 1, 2018, and applies to annual reports due on or after that date.

Sections 6-9

Enacts GS 55A-16-22.1 to require each nonprofit domestic corporation and each foreign corporation authorized to conduct affairs in this State to submit an annual report to the Secretary of State in electronic form as prescribed by the Secretary of State. Sets forth information that must be included in the annual report. Requires the information in the annual report to be current as of the date the report is executed. Sets the due date of the first annual report of the corporation to be May 15 of the year following formation, and May 15 every subsequent year.

Authorizes the Secretary of State to assess a penalty of \$250 if an annual report does not completely and accurately contain the information required under subdivisions (2) and (4) of subsection (a), relating to the corporation's registered office and officers. Further provides that, in addition, any person who willfully fails to completely and accurately provide that information will be punished under GS 55D-18. Deems a report to be timely filed if the report is corrected to contain the required information and submitted to the Secretary of State within 30 days after the effective date of notice. Provides for amendments to any previously filed annual report to be filed at any time for the purpose of correcting, updating, or augmenting the information contained in the annual report.

Establishes that if the Secretary of State does not receive an annual report within 60 days of the date the report is due, the Secretary may presume the annual report is delinquent. Provides that the presumption may be rebutted by evidence presented by the filing corporation.

Allows the Secretary of State to provide by e-mail any notice or form required under this statute if the submitting domestic or foreign corporation to be notified has consented to receiving notices and forms via e-mail and has provided the Secretary of State an e-mail address for receiving the notices or forms. Provides that any e-mail address provided by a submitting corporation in accordance with this statute is confidential and not subject to public records laws.

Amends GS 55A-14-20, concerning grounds for administrative dissolution of a nonprofit corporation, to add that the Secretary of State may commence a proceeding under GS 55A-14-21 to dissolve administratively a corporation if the corporation is delinquent in submitting its annual report. Makes technical changes.

Amends GS 55A-14-22 to require all penalties, fees, or other payments due by a nonprofit corporation under GS Chapter 55A have been paid before the Secretary of State can cancel a certificate of dissolution of a corporation and prepare a certificate of reinstatement of the corporation.

Amends GS 55A-1-22 to establish that there is no filing fee for an annual report filed by a nonprofit corporation with the Secretary of State. Prohibits the Secretary of State from charging an additional amount for the use of electronic filing, electronic payment, or electronic filing and payment.

Effective January 1, 2019.

Sections 10-12

Repeals GS 105-256.1, requiring corporate annual report fees be credited to the General Fund as tax revenue. Makes conforming change to repeal GS 105-228.90(a)(2), which includes annual report filing requirements of GS 55-16-22 under the scope of Article 9 of GS Chapter 105.

Amends GS 59-84.4 to require each registered LLP and each foreign LLP authorized to transact business in this State to submit to the Secretary of State for filing an annual report, in an electronic form prescribed by the Secretary of State (previously, in a form prescribed by the Secretary). Amends the information that must be included in the annual report to include the e-mail address of the LLP's registered agent and a valid e-mail address for the LLP if different from that of the registered agent. Removes the provision allowing for a certification to be made instead of setting forth the required information if the information contained in the most recently filed annual report has not changed.

Authorizes the Secretary of State to assess a penalty of \$250 if an annual report does not completely and accurately contain the information required under subdivisions (2) of subsection (a), relating to the LLP's registered office and agent. Further provides that, in addition, any person who willfully fails to completely and accurately provide that information will be punished under GS 55D-18. Deems a report to be timely filed if the report is corrected to contain the required information and submitted with payment of any penalty assessed to the Secretary of State within 30 days after the effective date of notice. Amends the second situation where the Secretary of State may revoke the registration of an LLP to be when the LLP does not submit its annual report to the Secretary of State on or before the sixtieth day after it is due (was, on or before the date it is due).

Allows the Secretary of State to provide by e-mail any notice or form required under this statute if the submitting LLP to be notified has consented to receiving notices and forms via e-mail and has provided the Secretary of State an e-mail address for receiving the notices or forms. Provides that any e-mail address provided by a submitting LLP in accordance with this statute is confidential and not subject to public records laws.

Make conforming and technical changes, and adds descriptors to the statute's subsections.

Amends GS 59-35.2 to establish a \$125 (was, \$200) filing fee for annual reports filed with the Secretary of State by LLPs. Prohibits the Secretary of State from charging an additional amount for the use of electronic filing, electronic payment, or electronic filing and payment. Directs the State Treasurer to remit \$2 of each fee collected for filing of annual reports to the Secretary of State to be used pursuant to GS 66-58.12(c).

Effective January 1, 2018, and applies to annual reports due on or after that date.

Section 13

Amends GS 105-164.14 by adding a new subsection (d3) to prohibit a business entity who has not submitted the required applicable annual report under GS Chapters 55, 57D, or 59 from getting a refund of sales and use taxes paid under GS Article 5 of Chapter 105. Makes new subsection (d3) applicable to a foreign or domestic corporation, an LLC, and an LLP, as those terms

are defined by the new subsection. Adds new subsection (d4) to allow an entity subject to subsection (d3) to get a refund of sales and use taxes paid under Article 5 of GS Chapter 105 upon providing evidence satisfactory to the Secretary that the required annual report has been filed. Clarifies that subsection (d4) does not exempt the entity from existing subsection (d) or any other applicable requirements governing the application for a refund under this statute.

Effective January 1, 2018.

Section 14

Amends GS 105-164.14(d3), as enacted by this act, to add nonprofit corporations who have not submitted the required annual report under GS Chapter 55A to those entities not allowed a refund of sales and use taxes paid under Article 5 of GS Chapter 105.

Effective January 1, 2019.

Section 15

Directs the Secretary of State and Department of Revenue to develop a process for verifying whether an applicant for a refund under GS 105-164.14 has submitted all required annual reports, and requires the sharing of relevant information for that purpose, upon request and to the extent permitted by federal law. Requires this process to be operational prior to January 1, 2018.

Section 16

Amends GS 105-232 to increase the fee for the cost of reinstatement by a suspended corporation or LLC to the Secretary of State from \$25 to \$50. Directs the Secretary of Revenue to remit \$25 from each fee collected under this statute to the Secretary of State to be used to cover its share of the cost of reinstatement. Provides that any funds in excess of the amount needed to cover the Secretary of State's share of the cost of reinstatement is to revert to the General Fund. Applies to fees collected on or after the date this act becomes law.

Section 17

Directs the Joint Legislative Program Evaluation Oversight Committee to amend the 2018-19 Program Evaluation Division work plan to direct the Program Evaluation Division (PED) to study the effect implementation of this act will have on the staffing levels and customer service demands of the Secretary of State and Department of Revenue. Directs the PED to report the results of the study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Oversight Committee on General Government on or before August 1, 2019.

Intro. by Wells, Tarte.

STUDY, GS 55, GS 55A, GS 57D, GS 59, GS 105

[View summary](#)

Business and Commerce, Corporation and Partnerships, Government, General Assembly, Tax, Nonprofits

S 116 (2017-2018) **AUTO INSURANCE/PROTECT LIENHOLDERS**. Filed Feb 21 2017, *AN ACT TO ENSURE THE RIGHTS AND INTERESTS OF LIENHOLDERS ARE ADEQUATELY PROTECTED UNDER CURRENT STATE LAW GOVERNING THE ISSUANCE OF MOTOR VEHICLE LIABILITY POLICIES AND PAYMENTS OF CLAIMS*.

Identical to [H 104](#), filed on 2/14/17.

Enacts GS 58-41-32 to require an insurer, prior to making payment on a nonfleet private passenger motor vehicle insurance policy claim, to verify with any lienholders of record or loss payee whether the lienholder or loss payee holds a perfected security interest in the motor vehicle covered by the policy. Mandates that, if the insurer determines a lienholder or loss payee does hold perfected security interest in the motor vehicle covered by the policy, the lienholder or loss payee be named as a co-payee on the insurer's payment of the claim, and directs the insurer to mail the payment of the claim to the lienholder or loss payee. Effective October 1, 2017, and applies to claims filed on or after that date.

Amends GS 58-39-75 to allow an insurer to disclose personal or privileged information about an individual collected or received in connection with an insurance transaction to a lienholder of record with a perfected security interest in a motor vehicle covered

by a nonfleet passenger motor vehicle insurance policy, provided that three requirements are met. Sets forth those three requirements to be (1) the lienholder submits the request in writing or electronically, (2) the personal or privileged information disclosed is limited as specified, and (3) the lienholder agrees not to disclose the information unless permitted or required to do so by State or federal law.

Directs the Department of Insurance (Department), in consultation with the Division of Motor Vehicles, to study ways to better ensure the rights and interests of any lienholder of record of a motor vehicle are protected when an insurer issues a motor vehicle liability policy or makes a claim of payment. Requires the study to include examining necessary rule or legislative changes to better protect a lienholder of record from losses incurred due to a denial of claim based on the covered vehicle being driven at the time of the accident by a person not covered by the liability policy or the insured making fraudulent or false representations in the claim. Directs the Department to report its findings and recommendations to the Joint Legislative Oversight Committee on General Government and the Joint Legislative Transportation Oversight Committee no later than December 1, 2017.

Authorizes the Department to adopt temporary rules to implement the provisions of the act. Provides that these temporary rules will remain in effect until permanent rules replacing them become effective.

Intro. by Britt, Brown.

[View summary](#)

[Business and Commerce, Insurance, Courts/Judiciary, Motor Vehicle, Government, State Agencies, Department of Insurance, Department of Transportation, Transportation](#)

S 117 (2017-2018) **[FORFEITURE OF RETIREMENT BENEFITS/JUDGES](#)**. Filed Feb 21 2017, *AN ACT PROHIBITING THE RECEIPT OF BENEFITS FROM THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM FOR JUDGES WHO HAVE BEEN IMPEACHED OR REMOVED FROM OFFICE.*

Enacts new GS 135-75.1B to prohibit the payment of any retirement benefits or allowances, except for a return of member contributions plus interest, to any judge who is impeached for reasons other than a physical or mental incapacity interfering with the performance of the judge's duties. Also prohibits paying retirement benefits or allowances, except for a return of member contributions plus interest, to any judge removed from office under GS 7A-376(b), which allows the Supreme Court to remove any judge for willful misconduct in office, willful and persistent failure to perform the judge's duties, habitual intemperance, conviction of a crime involving moral turpitude, or conduct prejudicial to the administration of justice that brings the judicial office into disrepute.

Intro. by Pate, Tucker.

[GS 135](#)

[View summary](#)

[Courts/Judiciary, Court System, Employment and Retirement](#)

S 118 (2017-2018) **[SPECIAL ASSESSMENTS/CRITICAL INFRASTRUCTURE](#)**. Filed Feb 21 2017, *AN ACT AUTHORIZING CITIES AND COUNTIES TO PROVIDE FOR THE PAYMENT OF ALL OR A PORTION OF THE COST OF CRITICAL INFRASTRUCTURE PROJECTS BY USING FUNDS FROM PRIVATE PARTIES AND REPAYING THE FUNDS BY MAKING SPECIAL ASSESSMENTS ON BENEFITED PROPERTY.*

Identical to [H 158](#), filed 2/21/17.

Amends Article 9A of GS Chapter 153A, concerning special assessments for critical infrastructure needs of counties. Authorizes counties to impose special assessments (was, issue revenue bonds payable from special assessments) as provided in the Article on benefited property and to use the resulting revenues as provided in the Article. Provides that the Article expires July 1, 2020 for projects that have not been approved under a final assessment resolution, but this expiration does not effect the validity of assessments imposed or to be imposed or bonds issued or authorized under the provisions of this Article if a final assessment resolution has been adopted prior to the effective date of the expiration.

Amends GS 153A-210.2 to allow the board of county commissioners of a county to make special assessments against benefited property within a county for the purpose of assisting in arranging for payment of (was, purpose of financing) capital costs of specified projects. Requires the board of commissioners to determine a project's estimated cost and the amount of costs to be paid from assessments (was only estimated cost). Adds that costs can include expenses for the administration of assessments. Clarifies that the board is to establish an assessment method that will, in the board's judgement, accurately assess (was, method that will most accurately assess) each lot or parcel of land subject to the assessments according to the conferred benefit from the project for which the assessment is made. Makes conforming changes.

Amends GS 153A-210.3 by adding a new subsection (a1) to require the board of commissioners to adopt a preliminary assessment resolution upon the receipt of a petition for a special assessment as provided for under existing subsection (a). Sets out the required contents of a preliminary assessment resolution to be: a statement of intent, a general description of the project, a statement of the proposed terms of payment of the assessment, and an order setting a time and place for a public hearing on all matters covered by the preliminary assessment resolution. Requires the public hearing to be no earlier than three weeks and no later than 10 weeks from the day on which the preliminary resolution was adopted. Adds new subsection (a2) to require that the board of commissioners hear all interested persons who appear with respect to any matter covered by the preliminary assessment resolution at the public hearing. Authorizes the board to adopt a final assessment resolution no earlier than 10 days after the public hearing that directs the project or portions of the project to be undertaken. Requires the final assessment resolution to include the same parameters required in the preliminary assessment resolution in subsection (a1), except for the public hearing information.

Amends GS 153A-210.4 to authorize a board of commissioner to provide for the payment of all or a portion of the cost of a project for which an assessment has been imposed from funding from private parties in addition to funding from other specified sources. Clarifies that the assessment resolution must include the estimated cost of the project to be funded from assessments and the amount of the cost estimated to be derived from each respective funding source. Adds new subsection (c) to allow the board to agree to impose one or more assessments in order to reimburse a private party for costs incurred by the private party if a board contract with the private party to construct a project on behalf of the county as provided in GS 153A-210.7. Allows for an inflationary factor applicable during any period of abeyance provided under GS 153A-210.5. Clarifies that a board of commissioners cannot be obligated to reimburse a private party any amount in excess of assessment revenues actually collected less the county's related administrative costs.

Amends GS 153A-210.5 to clarify that the annual installments of an assessment are due on the date that real property taxes are due. Further allows the board of commissioners to provide for the abeyance of assessments as authorized in Article 9 of GS Chapter 153A. Sets forth that the abeyance can apply to any assessed property. Requires annual installments to be deferred until the period of abeyance ends. Provides that the assessment is to be payable on the first annual installment payment date after the period of abeyance ends.

Amends GS 153A-210.7 to provide that initial funding for the project may be provided by the public or private agencies. Provides that if no more than 25% of the estimated cost of a project is to be funded from the proceeds of general obligation bonds or general revenue bonds, excluding assessments imposed under Article 9A of GS Chapter 153A (previously, did not exclude special assessments), a private agency entering into a contract for the implementation of all or party of the county project is subject to Article 8 of GS Chapter 143 to the extent specified in that contract.

Makes conforming and technical changes throughout Article 9A of GS Chapter 153A.

Amends Article 10A of GS Chapter 160A, concerning special assessments for critical infrastructure needs of cities and towns. Makes changes to GS 160A-239.1, GS 160A-239.2, GS 160A-239.3, GS 160A-239.4, GS 160A-239.5, and GS 160A-239.7 relating to special assessments by a city council, that are identical to those changes made to Article 9A of GS Chapter 153A by this act.

Effective June 30, 2017, and applies to assessments made on or after that date.

Intro. by Lee, Rabon, Tucker.

GS 153A, GS 160A

[View summary](#)

Government, Local Government

S 119 (2017-2018) [PISGAH CONSERVANCY SPECIAL REGISTRATION PLATE](#). Filed Feb 21 2017, *AN ACT TO AUTHORIZE THE DIVISION OF MOTOR VEHICLES TO PRODUCE A PISGAH CONSERVANCY SPECIAL REGISTRATION PLATE*.

Amends GS 20-79.4(b) as title indicates. Amends GS 20-63(b1) to add the Pisgah Conservancy plate to those special registration plates that do not have to be a "First in Flight" or "First in Freedom" plate; requires the plate receive at least 200 applications, in addition to the 500 required for development under GS 20-79.3A. Establishes a special plate fee of \$30 and requires that \$20 of that amount be transferred quarterly to the Pisgah Conservancy, to support the Conservancy's mission and goals. Effective July 1, 2017.

Intro. by Edwards.

GS 20

[View summary](#)

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

S 120 (2017-2018) [SEC. MILITARY/VETERANS AFFAIRS CONFIRMATION](#). Filed Feb 21 2017, *A SENATE RESOLUTION RELATING TO THE APPOINTMENT, NOMINATION, AND CONFIRMATION OF LARRY HALL AS SECRETARY OF THE DEPARTMENT OF MILITARY AND VETERANS AFFAIRS*.

Includes whereas clauses. Requires the Senate to consider whether to confirm Larry Hall as Secretary of the Department of Military and Veterans Affairs.

Intro. by Rabon.

SENATE RES

[View summary](#)

[Government](#), [General Assembly](#), [State Agencies](#), [Department of Military & Veterans Affairs](#)

S 121 (2017-2018) [SUPREME COURT BICENTENNIAL CELEBRATION](#). Filed Feb 21 2017, *AN ACT TO AMEND THE LAW GOVERNING SESSIONS OF THE SUPREME COURT TO AUTHORIZE SESSIONS TO BE HELD IN ANY LOCATION DURING THE COURT'S 2018-2020 BICENTENNIAL CELEBRATION*.

As title indicates.

Intro. by Daniel, Barringer, Randleman.

UNCODIFIED

[View summary](#)

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

LOCAL/HOUSE BILLS

H 143 (2017-2018) [SANFORD OCCUPANCY TAX](#). Filed Feb 21 2017, *AN ACT TO AUTHORIZE THE CITY OF SANFORD TO LEVY AN OCCUPANCY TAX*.

Authorizes the Sanford City Council to levy a room occupancy tax of up to 3% of the gross receipts derived from the rental of an accommodation within the city subject to sales tax under GS 105-164.4(a)(3). Provides that the tax must be levied, administered, collected, and repealed as provided in GS 160A-215 (uniform provisions for room occupancy taxes). Requires the Sanford Tourism Development Authority (TDA) to use the occupancy tax proceeds to promote travel and tourism in the city. Provides for the appointment, membership, and duties of the TDA. Mandates that at least one-third of the members of the TDA must be affiliated with businesses that collect the tax in the city and at least one-half must be currently active in the city's travel and tourism promotion. Requires the TDA to make reports quarterly and at the close of the fiscal year to the Sanford City Council on its receipts and expenditures for the preceding quarter and for the year. Makes conforming changes.

Makes conforming changes to GS 160A-215(g).

Intro. by Sauls.

[Lee](#)

[View summary](#)

Government, Tax

H 151 (2017-2018) [STANLY CTY/ECONOMIC DEVELOPMENT COMMISSION](#). Filed Feb 21 2017, *AN ACT CHANGING THE COMPOSITION OF THE STANLY COUNTY ECONOMIC DEVELOPMENT COMMISSION AND MAKING TECHNICAL CHANGES TO THE ACT THAT CREATED THE COMMISSION.*

Amends SL 1961-141, as amended, concerning the Economic Development Commission (Commission) of Stanly County. Provides that the Commission is composed of 13 members (was, 12) to be appointed by the Board of County Commissioners (Board) as newly specified. Removes requirements for a designee of the Stanly County Chamber of Commerce and the President of the Stanly County Community Development Corporation to serve as voting ex officio members of the Commission. Adds that the Commission members can appoint additional persons to serve in a nonvoting ex officio capacity if deemed advisable in order to help guide or assist the Commission in fulfilling its obligations as provided in this act. Provides that the terms of office of the Commission members is two years, except that in order to stagger terms, one-half of the members appointed in 2017 are to serve a one-year term and the remaining members appointed in 2017 are to serve a two-year term. Clarifies that the one- and two-year term limits provided do not apply to members of the Board or the President of Stanly County Community College. Provides that the term of office is to commence on April 1 and end on March 31.

Removes requirements for member appointments based on voting precincts and instead requires: (1) two members representing business or industry from each of the county's five filing/voting districts, (2) two county commissioners currently serving, and (3) the President of Stanly County Community College or the President's designee. Removes provision requiring the chairman of the Commission to serve on the Stanly County Board of Commissioners. Directs the Commission to select a chair, vice-chair, and secretary, subject to approval of the Board, at the time of the holding of their first meeting following the appointment of members in 2017 (previously, Board designated a county commissioner to serve as chair).

Excepts the executive officer from personnel the Commission has the authority to employ, and provides that the County Manager has the authority to appoint the executive officer of the Commission, upon consultation with the Commission and with approval of the Board. Authorizes the Commission to enter into contracts with the Stanly County Chamber of Commerce or another entity, with Board approval, to implement the purposes for which the Commission was created. Provides that any contract awarded by the Commission without Board approval is void. Establishes that the Board has the authority to supervise the Commission and its activities at all times. Prohibits the Commission from entering into contracts or agreements that interfere with, restrict, or otherwise limit the Board's ability to exercise its authority to supervise the Commission.

Makes conforming and technical changes.

Provides that the terms of all members serving on the Commission, including members of the Board, expire March 31, 2017. Directs the Board to appoint 13 members to serve on the Commission, as provided by this act, for terms of one and two years beginning on April 1, 2017.

Intro. by Burr.

[Stanly](#)

[View summary](#)

H 153 (2017-2018) [FILLING VACANCY/ONSLow COUNTY BOARD OF COMM](#). Filed Feb 21 2017, *AN ACT TO PROVIDE THAT VACANCIES ON THE ONSLOW COUNTY BOARD OF COMMISSIONERS ARE FILLED IN ACCORDANCE WITH G.S.153A-27.1.*

Amends GS 153A-27.1, as the title indicates. Applies to vacancies filled on or after the date that the act becomes law.

Intro. by Cleveland, Shepard, Millis.

[Onslow](#)

[View summary](#)

H 154 (2017-2018) [GASTONIA CHARTER REVISIONS](#). Filed Feb 21 2017, *AN ACT TO REVISE AND CONSOLIDATE THE CHARTER OF THE CITY OF GASTONIA*.

As title indicates, revises the City of Gastonia's charter and consolidates certain local acts related to city property, affairs, and government. Makes conforming repeals of specified session laws. Provides that the act does not affect any rights or interests that arose under any provisions repealed by this act. Continues in effect all existing ordinances, resolutions, and other provisions of the City that are not inconsistent with the provisions of this act, until they are repealed or amended. Provides that no action or proceeding pending on the effective date of this act by or against the City or any of its departments or agencies is abated or otherwise affected by this act. Sets out a severability clause.

Intro. by Bumgardner.

[Gaston](#)

[View summary](#)

LOCAL/SENATE BILLS

S 112 (2017-2018) [24TH SENATORIAL DISTRICT LOCAL ACT-1](#). Filed Feb 21 2017, *AN ACT RELATING TO THE 24TH SENATORIAL DISTRICT*.

Blank bill.

Intro. by Gunn.

[Alamance, Randolph](#)

[View summary](#)

S 115 (2017-2018) [PROCTORVILLE/SEWER FEE COLLECTIONS](#). Filed Feb 21 2017, *AN ACT AUTHORIZING THE TOWN OF PROCTORVILLE TO BILL AND COLLECT FEES FOR SEWER SERVICES AS PROPERTY TAXES*.

As title indicates.

Intro. by Britt.

[Robeson](#)

[View summary](#)

[Public Enterprises and Utilities](#)

ACTIONS ON BILLS

PUBLIC BILLS

H 6: [ED. FINANCE REFORM TASK FORCE/PED REPORT](#).

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Placed On Cal For 02/22/2017

H 19: [ORGANIZATIONAL MEETING/LOCAL ELECTED BOARDS \(NEW\)](#).

House: Reptd Fav Com Substitute
House: Cal Pursuant Rule 36(b)
House: Placed On Cal For 02/22/2017

H 27: CLARIFY EXPIRATION OF VEHICLE REGISTRATION.

House: Reptd Fav Com Substitute
House: Cal Pursuant Rule 36(b)
House: Placed On Cal For 02/22/2017

H 28: DOT/ACCESS OF MOTORCYCLISTS.

House: Reptd Fav Com Substitute
House: Re-ref Com On Regulatory Reform

H 31: MATERIAL FACT DISCLOSURE CLARIFICATIONS.

House: Serial Referral To Transportation Stricken

H 39: AMEND APPOINTMENTS/UNC BD OF GOVERNORS.

Ratified

H 59: REVENUE LAWS TECHNICAL CHANGES.

House: Passed 2nd Reading

H 100: RESTORE PARTISAN ELECTIONS/SUP. & DIST. COURT.

House: Reptd Fav
House: Cal Pursuant Rule 36(b)
House: Placed On Cal For 02/22/2017

H 114: 2017 HOUSE PERMANENT RULES.

House: Reptd Fav Com Substitute
House: Cal Pursuant Rule 36(b)
House: Added to Calendar
House: Amend Failed A1
House: Amend Failed A2
House: Amend Adopted A3
House: Amend Failed A4
House: Amend Failed A5
House: Amendment Withdrawn A6
House: Adopted
House: Ordered Engrossed

H 119: CLARIFY VACANCY ELECTIONS - COUNTY COMMISSION.

House: Reptd Fav
House: Cal Pursuant Rule 36(b)
House: Placed On Cal For 02/22/2017

H 136: LOWER COMPULSORY ATTENDANCE AGE FROM 7 TO 6.

House: Passed 1st Reading
House: Ref to the Com on Education - K-12, if favorable, Appropriations

H 137: STUDY HRC FAIR EMP. PRACTICE AGENCY STATUS.

House: Passed 1st Reading
House: Ref To Com On Rules, Calendar, and Operations of the House

H 138: REVISE GANG LAWS.

House: Passed 1st Reading

House: Ref To Com On Judiciary II

H 139: MENTAL HEALTH WORKERS' BILL OF RIGHTS.

House: Filed

H 140: DENTAL PLANS PROVIDER CONTRACTS/TRANSPARENCY.

House: Filed

H 141: MAINTENANCE BOND FOR SUBDIVISION ROADS.

House: Filed

H 142: INCREASE OVERSIGHT OF OLBS.

House: Filed

H 144: CREDIT UNION/TRUST INSTITUTION CHANGES.

House: Filed

H 145: REPEAL CONST. REG. OF CONCEALED WEAPONS.

House: Filed

H 146: CITIZEN'S ALLEGIANCE TO U.S. CONSTITUTION.

House: Filed

H 147: AMEND NC CONSTITUTION - REMOVE SECESSION.

House: Filed

H 148: AMEND NC CONSTITUTION - LITERACY REQUIREMENT.

House: Filed

H 149: STUDENTS W/DYSLEXIA AND DYSCALCULIA.

House: Filed

H 150: STANDARDS FOR CHIROPRACTIC PEER REVIEW.

House: Filed

H 152: HATE CRIME/INCREASE SCOPE & PENALTY.

House: Filed

H 155: MODIFY EDUCATOR LICENSURE REQUIREMENTS.

House: Filed

H 156: EYEGLASSES EXEMPTION FROM MEDICAID CAPITATION.

House: Filed

H 157: CERTIFYING QUESTION MECHANISM.

House: Filed

H 158: SPECIAL ASSESSMENTS/CRITICAL INFRASTRUCTURE.

House: Filed

H 159: CHARTER SCHOOL TSERS ELECTION.

House: Filed

H 160: FORFEITURE OF RETIREMENT BENEFITS/JUDGES.

House: Filed

H 161: DIVESTMENT FROM COMPANIES THAT BOYCOTT ISRAEL.

House: Filed

H 162: AMEND ADMINISTRATIVE PROCEDURE LAWS.

House: Filed

H 163: ENACT RIGHT TO LIFE AT CONCEPTION ACT.

House: Filed

S 16: AMEND ADMINISTRATIVE PROCEDURE LAWS.

Senate: Reptd Fav Com Substitute

Senate: Com Substitute Adopted

Senate: Re-ref Com On Rules and Operations of the Senate

S 113: CREDIT UNION/TRUST INSTITUTION CHANGES.

Senate: Filed

S 114: ANNUAL REPORT MODERNIZATION.

Senate: Filed

S 116: AUTO INSURANCE/PROTECT LIENHOLDERS.

Senate: Filed

S 117: FORFEITURE OF RETIREMENT BENEFITS/JUDGES.

Senate: Filed

S 118: SPECIAL ASSESSMENTS/CRITICAL INFRASTRUCTURE.

Senate: Filed

S 119: PISGAH CONSERVANCY SPECIAL REGISTRATION PLATE.

Senate: Filed

S 120: SEC. MILITARY/VETERANS AFFAIRS CONFIRMATION.

Senate: Filed

S 121: SUPREME COURT BICENTENNIAL CELEBRATION.

Senate: Filed

LOCAL BILLS

H 143: SANFORD OCCUPANCY TAX.

House: Filed

H 151: STANLY CTY/ECONOMIC DEVELOPMENT COMMISSION.

House: Filed

H 153: FILLING VACANCY/ONSLow COUNTY BOARD OF COMM.

House: Filed

H 154: GASTONIA CHARTER REVISIONS.

House: Filed

S 112: 24TH SENATORIAL DISTRICT LOCAL ACT-1.

Senate: Filed

S 115: PROCTORVILLE/SEWER FEE COLLECTIONS.

Senate: Filed

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